



A2Z Maintenance & Engineering Services Limited

(The Company was incorporated in the NCT of Delhi & Haryana as "A2Z Maintenance Services Private Limited" on January 7, 2002 under the Companies Act, 1956, as amended. Pursuant to a special resolution of the shareholders at an extraordinary general meeting held on May 2, 2005, the name of the Company was changed to "A2Z Maintenance & Engineering Services Private Limited". The fresh certificate of incorporation was issued by the Registrar of Companies, NCT of Delhi & Haryana, located at New Delhi (the "RoC") on June 13, 2005. Subsequently, pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on March 12, 2010, the Company became a public limited company and the word "private" was deleted from its name. The fresh certificate of incorporation to reflect the new name was issued by the RoC on March 26, 2010. For details of changes in the name and the registered office of the Company, please see the section "History and Certain Corporate Matters" beginning on page 116 of this Prospectus.)

Registered Office: O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase-I, Gurgaon 122 002, Haryana, India

Telephone: +91 124 4581 700; **Facsimile:** +91 124 4581 706

Corporate Office: Plot No. 44, Sector 32, Institutional Area, Gurgaon, 122 001 Haryana, India; **Telephone:** +91 124 4777 800; **Facsimile:** +91 124 4380 014

Contact Person and Compliance Officer: Mr. Atul Kumar Agarwal; **Email:** complianceofficer@az2email.com; **Website:** www.az2group.co.in

PUBLIC ISSUE OF 19,407,750 EQUITY SHARES OF FACE VALUE RS. 10 EACH ("EQUITY SHARES") OF A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED ("A2Z" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 400 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. 7,762.47 MILLION, COMPRISING A FRESH ISSUE OF 16,876,569 EQUITY SHARES OF RS. 10 EACH AT THE ISSUE PRICE, AGGREGATING RS. 6,750.00 MILLION BY THE COMPANY (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF 2,531,181 EQUITY SHARES OF RS. 10 EACH AT THE ISSUE PRICE, AGGREGATING RS. 1,012.47 MILLION, BY THE SELLING SHAREHOLDERS (AS DEFINED IN THE SECTION "DEFINITIONS AND ABBREVIATIONS"). THE FRESH ISSUE AND THE OFFER FOR SALE ARE TOGETHER REFERRED TO HEREIN AS THE "ISSUE".

UP TO 100,000 EQUITY SHARES OF RS. 10 EACH WILL BE RESERVED IN THE ISSUE FOR SUBSCRIPTION BY EMPLOYEES (AS DEFINED IN THE SECTION "DEFINITIONS AND ABBREVIATIONS") (THE "EMPLOYEE RESERVATION PORTION"). A DISCOUNT OF 5% TO THE ISSUE PRICE SHALL BE OFFERED TO THE EMPLOYEES AT THE TIME OF ALLOTMENT (THE "EMPLOYEE DISCOUNT"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE APPROXIMATELY 26.16% AND 26.03%, RESPECTIVELY, OF THE POST-ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

** As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.*

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE ISSUE PRICE IS RS. 400 AND IS 40 TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PROMOTER OF THE COMPANY IS MR. AMIT MITTAL.

In case of revision in the Price Band, the Bidding Period shall be extended for at least three additional working days, subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Bombay Stock Exchange Limited (the "BSE") and the National Stock Exchange of India Limited (the "NSE"), by issuing a press release and also by indicating the change on the website of the Book Running Lead Managers ("BRLMs"), the Co-Book Running Lead Manager ("CBRLM") and the terminals of the other members of the Syndicate.

The Issue is being made through a Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that the Company may allocate up to 30% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("ICDR Regulations"). Further, 5% of the QIB Portion (excluding the Anchor Investor Portion (as defined in the section "Definitions and Abbreviations")) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, up to 100,000 Equity Shares shall be available for allocation on a proportionate basis to Employees, subject to valid Bids being received at or above the Issue Price, provided that the value of allotment to a single Employee does not exceed Rs. 200,000. Any Bidder (other than an Anchor Investor) may participate in this Issue through the ASBA (as defined in the section "Definitions and Abbreviations") process by providing details of the relevant bank accounts in which the corresponding Bid Amount will be blocked by the SCSBs. For details, please see the section "Issue Procedure" beginning on page 395 of this Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. The face value of the Equity Shares is Rs. 10 per Equity Share and the Issue Price is 40 times the face value. The Issue Price (as determined and justified by the BRLMs, the CBRLM, the Company and the Selling Shareholders, as stated in the section "Basis for Issue Price" beginning on page 55 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 the Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does the SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the statements in the section "Risk Factors" beginning on page xii of this Red Herring Prospectus.

COMPANY'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Company and the Issue that is material in the context of the Issue, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Each Selling Shareholder assumes responsibility only for the statements in relation to such Selling Shareholder included in this Prospectus.

IPO GRADING

The Issue has been graded by Credit Analysis & Research Limited and assigned the "CARE IPO Grade 4" indicating above average fundamentals, through its letters dated October 6, 2010 and November 19, 2010 and the IPO grading report dated October 19, 2010. The IPO grading is assigned on a scale of 1 to 5, with "IPO Grade 5" indicating strong fundamentals and "IPO Grade 1" indicating poor fundamentals. The Issue has not been graded by any other rating agency. For details regarding the grading of the Issue, please see the section "General Information" beginning on page 10 of this Prospectus.

LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the BSE and the NSE. The Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated October 7, 2010 and October 8, 2010, respectively. For the purposes of the Issue, the BSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS					CO-BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
IDFC	BofA Merrill Lynch	ENAM	ICICI Securities	SBI Capital Markets Limited	YES BANK	LINK INTIME
IDFC Capital Limited 2nd Floor, Naman Chambers C - 32, G Block Bandra Kurla Complex, Bandra (E), Mumbai 400 051 Maharashtra, India Tel: +91 22 6622 2600 Fax: +91 22 6622 2501 Email: a2z ipo@idfc.com Investor Grievance Email: complaints@idfc.com Contact Person: Mr. Cyril Paul Website: www.idfccapital.com SEBI Registration Number: INM000011336	DSP Merrill Lynch Limited Mafatlal Centre, 8th Floor Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 22 6632 8000 Fax: +91 22 2204 8518 Email: a2z ipo@baml.com Investor Grievance Email: india_merchantbanking@ml.com Contact Person: Ms. Theresa Pimenta Website: www.dspml.com SEBI Registration Number: INM000011625	Enam Securities Private Limited 801, Dalamal Towers Nariman Point Mumbai 400 021 Maharashtra, India Tel: +91 22 6638 1800 Fax: +91 22 6638 1999 Email: a2z ipo@enam.com Investor Grievance Email: complaints@enam.com Contact Person: Mr. Harish Lodha Website: www.enam.com SEBI Registration Number: INM000006856	ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: a2z ipo@icicisecurities.com Investor Grievance Email: customercare@icicisecurities.com Contact Person: Mr. Vishal Kanjani Website: www.icicisecurities.com SEBI Registration Number: INM000011179	SBI Capital Markets Limited 202, Maker Tower 'E', Cuffe Parade Mumbai 400 005 Maharashtra, India Tel: +91 22 2217 8300 Fax: +91 22 2218 8332 Email: a2z ipo@sbicaps.com Investor Grievance Email: investor.relations@sbicaps.com Contact Person: Mr. Ritwik Mohapatra/Mr. Harsh Soni Website: www.sbicaps.com SEBI Registration Number: INM000003531	YES Bank Limited Nehru Centre, 12th Floor, Discovery of India, Dr. A. B. Road, Worli, Mumbai 400 018 Maharashtra, India Tel: +91 22 6669 9000 Fax: +91 22 2497 4158 Email: dlia2zipo@yesbank.in Investor Grievance Email: merchantbanking@yesbank.in Contact Person: Mr. Gautam Badalia Website: www.yesbank.in SEBI Registration Number: MB/INM000010874	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai 400 078 Maharashtra, India Tel: +91 22 2596 0320 Fax: +91 22 2596 0329 Investor Grievance Email: a2z ipo@linkintime.co.in Contact Person: Mr. Chetan Shinde Website: www.linkintime.co.in SEBI Registration Number: INR000004058
BID/ISSUE PROGRAM ⁽ⁱ⁾						
BID/ISSUE OPENS ON		DECEMBER 8, 2010		BID/ISSUE CLOSED ON		DECEMBER 10, 2010

⁽ⁱ⁾ The Company has allocated 3,137,940 Equity Shares to Anchor Investors in accordance with applicable ICDR Regulations on the Anchor Investor Bid/Issue Date, i.e., one day prior to the Bid/Issue Opening Date.

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms in this Prospectus have the meanings given below.

Company Related Terms

Term	Description
The “Company” or the “Issuer”	A2Z Maintenance & Engineering Services Limited, a public limited company incorporated under the Companies Act.
“we” or “us” or “our” or “Group”	Where the context requires, the Company and the subsidiaries on a consolidated basis.
Articles or Articles of Association	The Articles of Association of the Company, as amended.
Auditors	S.R. Batliboi & Associates, Chartered Accountants, the statutory auditors of the Company.
A2Z Aligarh	A2Z Waste Management (Aligarh) Private Limited.
A2Z ESOP	The employee stock option plan adopted by the Company pursuant to a shareholders’ resolution dated March 30, 2010.
A2Z Badaun	A2Z Waste Management (Badaun) Private Limited.
A2Z Balia	A2Z Waste Management (Balia) Private Limited.
A2Z Basti	A2Z Waste Management (Basti) Private Limited.
A2Z Fatehpur	A2Z Waste Management (Fatehpur) Private Limited.
A2Z Infraservices	A2Z Infraservices Limited.
A2Z Infrastructure	A2Z Infrastructure Limited.
A2Z Jaunpur	A2Z Waste Management (Jaunpur) Private Limited.
A2Z Loni	A2Z Waste Management (Loni) Private Limited.
A2Z Merrut	A2Z Waste Management (Merrut) Private Limited.
A2Z Mirzapur	A2Z Waste Management (Mirzapur) Private Limited.
A2Z Moradabad	A2Z Waste Management (Moradabad) Private Limited.
A2Z Powercom	A2Z Powercom Limited.
A2Z Powertech	A2Z Powertech Limited.
A2Z Sambhal	A2Z Waste Management (Sambhal) Private Limited
A2Z Varanasi	A2Z Waste Management (Varanasi) Private Limited.
A2Z Uganda	A2Z Maintenance & Engineering Services (Uganda) Private Limited.
Beacon	Beacon India Investors Limited.
Board of Directors or Board	The board of directors of the Company or a committee constituted thereof.
CNCS	CNCS Facility Solutions Private Limited.
Director(s)	The director(s) of the Company.
Equity Shares	Equity shares of the Company of face value Rs. 10 each.
Group Companies of our Promoter or Group Companies	Includes companies, firms and ventures promoted by the Promoter of the Company irrespective of whether such entities are covered under Section 370(IB) of the Companies Act. For details, please see the section “Our Promoter and Group Companies of our Promoter” beginning on page 168 of this Prospectus.
Imatek	Imatek Solutions Private Limited.
IPMSL	IL&FS Property Management & Services Limited.
Lexington	Lexington Equity Holdings Limited.
Madhya Bijlee	Madhya Bijlee Private Limited.
Mansi Bijlee	Mansi Bijlee & Rice Mills Private Limited.
Memorandum or Memorandum of Association	The memorandum of association of the Company, as amended.
Mirage Bijlee	Mirage Bijlee Private Limited.
Preference Shares	75,000,000 0.001% Cumulative Mandatorily Convertible Preference Shares of the Company of face value Rs. 10 each, which have all been converted into Equity Shares.
Promoter	Mr. Amit Mittal (formerly known as Mr. Amit Kumar).

Term	Description
Promoter Group	The individuals, companies and other entities specified in the section “Capital Structure” beginning on page 23 of this Prospectus.
Registered Office	The registered office of the Company, located at O-116, 1 st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase-I, Gurgaon, Haryana, 122 002, India.
Selligence	Selligence Technologies Services Private Limited.
Subsidiaries or subsidiaries	The subsidiaries of the Company specified in the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

Issue Related Terms

Term	Description
Allot, Allotment, Allotted, allot, allotment, allotted	The issue and allotment of Equity Shares pursuant to the Fresh Issue and the transfer of Equity Shares pursuant to the Offer for Sale.
Allotment Advice	The advice or intimation of Allotment of the Equity Shares sent to the Bidders who are to be Allotted the Equity Shares after discovery of the Issue Price in accordance with the Book Building Process, including any revision thereof.
Allottee	A successful Bidder to whom Equity Shares are Allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor category, who has Bid for the Equity Shares for an amount of at least Rs. 100 million.
Anchor Investor Bid/Issue Date	The date one day prior to the Bid/Issue Opening Date on which Bidding by Anchor Investors was opened and was also completed on such date.
Anchor Investor Issue Price	The price at which the Equity Shares are allotted to the Anchor Investors under the Anchor Investor Portion in terms of the Red Herring Prospectus and the Prospectus, which is Rs. 400 per Equity Share.
Anchor Investor Portion	The portion of the Net Issue being up to 30% of the QIB Portion to be allocated to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations. The Company has allocated 3,137,940 Equity Shares to the Anchor Investors in accordance with the ICDR Regulations on the Anchor Investor Bid/Issue Date.
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by an ASBA Bidder to make a Bid authorizing an SCSB to block the Bid Amount in a specified bank account maintained with such SCSB.
ASBA Bid-cum-Application Form	The form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus.
ASBA Bidder	Any Bidder (other than an Anchor Investor) who applied in the Issue through the ASBA through blocking of funds in a bank account with an SCSB.
ASBA Revision Form	The form used by the ASBA Bidders to modify the quantity of Equity Shares or the Bid Amount in any of their ASBA Bid-cum-Application Forms or any previous ASBA Revision Form(s).
Banker(s) to the Issue	The bank(s) that is a clearing member and registered with the SEBI as a banker to the issue, in this case the Escrow Collections Banks.
Bid	An indication to make an offer during the Bidding Period by a prospective investor (and on the Anchor Investor Bid/Issue Date by an Anchor Investor) to subscribe for or purchase the Company’s Equity Shares at a price within the Price Band, including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid-cum-Application Form and in case of ASBA Bidders, the amount mentioned in the ASBA Bid-cum-Application Form, and payable by the Bidder upon submission of the Bid.
Bid-cum-Application Form	The form in terms of which the Bidder (other than the ASBA Bidder) shall make an offer to subscribe for or purchase the Equity Shares and which will be considered as the application for Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus, the Prospectus and the Bid-cum-Application Form or the ASBA Bid-cum-Application Form (in case of an ASBA Bidder).
Bidding Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing

Term	Description
	Date (inclusive of both days) and during which prospective Bidders (other than Anchor Investors) can submit their Bids.
Bid/Issue Closing Date	December 10, 2010, i.e., the date after which the members of the Syndicate or SCSBs (in case of ASBA Bidders) did not accept any Bids for the Issue, which was notified in all editions of The Financial Express, a widely circulated English national newspaper and all editions of Jansatta, a widely circulated Hindi national newspaper.
Bid/Issue Opening Date	December 8, 2010, i.e., the date on which the members of the Syndicate or SCSBs (in case of ASBA Bidders) started accepting Bids for the Issue, which was notified in all editions of The Financial Express, a widely circulated English national newspaper and all editions of Jansatta, a widely circulated Hindi national newspaper.
BofAML	DSP Merrill Lynch Limited.
Book Building Process	The book building process as described in Schedule XI to the ICDR Regulations, in terms of which the Issue is being made.
BRLMs or Book Running Lead Managers	The book running lead managers to the Issue, comprising IDFC Capital Limited, DSP Merrill Lynch Limited, Enam Securities Private Limited, ICICI Securities Limited and SBI Capital Markets Limited.
BSE	The Bombay Stock Exchange Limited.
CAN or Confirmation of Allocation Note	In relation to Anchor Investors, the note or advice or intimation of allocation of the Equity Shares sent to the successful Anchor Investors who have been allocated Equity Shares on the Anchor Investor Bid/Issue Date at the Anchor Investor Issue Price, including any revisions thereof.
Cap Price	The higher end of the Price Band, in this case being Rs. 410 per Equity Share, above which the Issue Price was not finalized and above which no Bids were accepted, including any revision thereto.
CARE	Credit Analysis & Research Limited.
CBRLM or Co-Book Running Lead Manager	YES Bank Limited.
CDSL	Central Depository Services (India) Limited.
Controlling Branches	Such branches of the SCSBs which coordinate with the BRLMs and the CBRLM, the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in/pmd/scsb.html .
Cut-off Price	Any price within the Price Band finalized by the Company and the Selling Shareholders in consultation with the BRLMs and the CBRLM. A Bid submitted at Cut-off Price by a Retail Individual Bidder is a valid Bid. Only Retail Individual Bidders and Eligible Employees are entitled to Bid at the Cut-off Price for a Bid Amount not exceeding Rs. 200,000. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended.
Depository Participant or DP	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid-cum-Application Forms used by ASBA Bidders and a list of which is available at http://www.sebi.gov.in/pmd/scsb.html .
Designated Date	The date on which the Escrow Collection Banks transfer the funds from the Escrow Account to the Public Issue Account or the amount blocked by the SCSBs is transferred from the bank account specified by the ASBA Bidders to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board approves the Allotment of the Equity Shares constituting the Fresh Issue and the Offer for Sale.
Designated Stock Exchange	The BSE.
DRHP or Draft Red Herring Prospectus	The draft red herring prospectus dated July 28, 2010 issued in accordance with Section 60B of the Companies Act and the ICDR Regulations, which did not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue.

Term	Description
Eligible NRI	NRIs from such jurisdictions 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 constitutes an invitation to subscribe for or purchase the Equity Shares offered thereby.
Employee Discount	Discount of 5% to the Issue Price determined pursuant to the completion of the Book Building Process offered to the Eligible Employees.
Employee, Employees or Eligible Employees (in the Employee Reservation Portion)	A permanent and full-time employee, working in India or abroad, of the Company, the subsidiaries or a director of the Company, whether whole time or part time, as on the date of filing of the Red Herring Prospectus with the RoC, and does not include the Promoter and an immediate relative of the Promoter (i.e., any spouse of that person, or any parent, brother, sister or child of that person or of the spouse) and who continues to be in the employment of the Company and the subsidiaries until the submission of the Bid-cum-Application Form. It does not include employees of the Promoter and the Promoter Group.
Employee Reservation Portion	The portion of the Issue, being a maximum of 100,000 Equity Shares, available for allocation to the Employees.
Enam	Enam Securities Private Limited.
Escrow Account	An account opened with an Escrow Collection Bank(s) and in whose favor the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount.
Escrow Agreement	The agreement dated December 6, 2010 among the Company, the Selling Shareholders, the Registrar, the Escrow Collection Bank(s), the BRLMs, the CBRLM and the Syndicate Members for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof.
Escrow Collection Bank(s)	The banks that are clearing members and registered with SEBI as bankers to the issue with whom the Escrow Accounts will be opened, comprising Axis Bank Limited, DBS Bank Limited, HDFC Bank Limited, ICICI Bank Limited, IDBI Bank Limited, Standard Chartered Bank, The Hongkong and Shanghai Banking Corporation Limited and Yes Bank Limited.
FII	Foreign Institutional Investors (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI.
First Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form or the ASBA Bid-cum-Application Form or ASBA Revision Form.
Floor Price	The lower end of the Price Band, in this case being Rs. 400 per Equity Share, below which the Issue Price was not finalized and below which no Bids were accepted, subject to any revision thereto.
Fresh Issue	Fresh issue of 16,876,569 Equity Shares by the Company aggregating Rs. 6,750.00 million.
FVCIs	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with SEBI.
GIR Number	General Index Registry Number.
I-Sec	ICICI Securities Limited.
ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
IDFC Capital	IDFC Capital Limited.
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO Grading Agency	Credit Analysis & Research Limited, a credit rating agency registered with the SEBI, appointed by the Company and the Selling Shareholders for grading this Issue.
Issue	The public issue of an aggregate of 19,407,750 Equity Shares at the Issue Price, aggregating Rs. 7,762.47 million, comprising a Fresh Issue of 16,876,569 Equity Shares at the Issue Price aggregating Rs. 6,750.00 million, and an Offer for Sale by the Selling Shareholders of 2,531,181 Equity Shares [#]

Term	Description
	at the Issue Price aggregating Rs. 1,012.47 million. Up to 100,000 Equity Shares will be reserved in the Issue for subscription by Eligible Employees who shall be allotted Equity Shares at the Employee Discount. <i># As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.</i>
Issue Agreement	The agreement dated July 28, 2010, among the Company, the Selling Shareholders, the BRLMs and the CBRLM in relation to the Issue.
Issue Price	The final price, in this case being Rs. 400 per Equity Shares, at which Equity Shares will be Allotted in the Issue, as determined by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, on the Pricing Date, provided however, for purposes of the Anchor Investors, this price shall be the Anchor Investor Issue Price. Eligible Employees shall be allotted Equity Shares at the Employee Discount.
MICR	Magnetic Ink Character Recognition.
Monitoring Agency	IDBI Bank Limited.
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), equal to a minimum of 325,797 Equity Shares, available for allocation to Mutual Funds.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
NECS	National Electronic Clearing System.
Net Issue	The Issue other than the Equity Shares included in the Employee Reservation Portion, aggregating 19,307,750 Equity Shares subject to any addition of Equity Shares pursuant to any under-subscription in the Employee Reservation Portion.
Net Proceeds of the Fresh Issue	Proceeds of the Fresh Issue less Issue related expenses.
Non-Institutional Bidders	All Bidders that are not Qualified Institutional Buyers or Retail Individual Bidders or Eligible Employees bidding under the Employee Reservation Portion and who have Bid for an amount more than Rs. 200,000.
Non-Institutional Portion	The portion of the Issue being not less than 15% of the Net Issue consisting of 2,896,163 Equity Shares, available for allocation to Non-Institutional Bidders on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Non-Residents	All eligible Bidders that are persons resident outside India, as defined under FEMA, including Eligible NRIs and FIIs.
NRI or 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, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
Offer for Sale	The offer for sale by the Selling Shareholders of an aggregate of 2,531,181 Equity Shares. As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.
Pay-in Period	The period commencing on the Bid/Issue Opening Date and extending until

Term	Description
	the Bid/Issue Closing Date; provided however, for Anchor Investors, the Pay-in Period shall mean the Anchor Investor Bid/Issue Date.
Price Band	The price band with a minimum price (Floor Price) of Rs. 400 per Equity Share and the maximum price (Cap Price) of Rs. 410 per Equity Share as decided by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, and advertised in all editions of The Financial Express, a widely circulated English national newspaper and all editions of Jansatta, a widely circulated Hindi national newspaper, at least two (2) working days prior to the Bid/Issue Opening Date, including any revisions thereof as permitted under the ICDR Regulations.
Pricing Date	The date on which the Issue Price is finalized by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, being December 16, 2010.
Prospectus	This prospectus dated December 16, 2010 filed with the RoC in accordance with Section 60 of the Companies Act containing, <i>inter alia</i> , the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	The account opened with the Banker(s) to the Issue pursuant to Section 73 of the Companies Act to receive money from the Escrow Account on the Designated Date.
QIBs or Qualified Institutional Buyers	As defined under the ICDR Regulations and includes public financial institutions (defined under Section 4A of the Companies Act), 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, multilateral and bilateral development financial institutions, VCFs, FVCIs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of Rs. 250 million, pension funds with a minimum corpus of Rs. 250 million, the National Investment Fund set up by resolution number F.No.2/3/2005-DDII dated November 23, 2005 of the Government of India, insurance funds set up and managed by the army, navy and/or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
QIB Portion	The portion of the Issue being not more than 50% of the Net Issue consisting of 9,653,874 Equity Shares, to be allocated to QIBs on a proportionate basis; provided that the Company may allocate up to 30% of the QIB Portion consisting of up to 3,137,940 Equity Shares to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations.
Refund Account	An account opened with the Refund Banks, from which refunds (excluding refunds to the ASBA Bidders) of the whole or part of the Bid Amount, if any, shall be made.
Refund Bank(s)	HDFC Bank Limited and Axis Bank Limited.
Registrar or Registrar to the Issue	Link Intime India Private Limited.
Restated Consolidated Summary Statements or restated consolidated summary statements	Restated consolidated summary statements of assets and liabilities of our Group as at March 31, 2007, 2008, 2009 and 2010 and as at July 31, 2010 and profits and losses and cash flows of our Group for each of the years ended March 31, 2007, 2008, 2009 and 2010 and the four month period ended July 31, 2010, as well as certain other consolidated financial information as more fully described in the Auditors' report for such years and period included in this Prospectus.
Restated Summary Statements or restated summary statements	Collectively, the Restated Consolidated Summary Statements and Restated Unconsolidated Summary Statements.
Restated Unconsolidated Summary Statements or restated unconsolidated summary statements	Restated unconsolidated summary statements of assets and liabilities of the Company as at March 31, 2006, 2007, 2008, 2009 and 2010 and as at July 31, 2010 and profits and losses and cash flows of the Company for the years ended March 31, 2006, 2007, 2008, 2009 and 2010 and the four month period ended July 31, 2010, as well as certain other unconsolidated financial

Term	Description
	information as more fully described in the Auditors' report for such years and period included in this Prospectus.
Retail Individual Bidders	Bidders (including HUFs and Eligible Employees) who have Bid for Equity Shares of an amount less than or equal to Rs. 200,000.
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue consisting of 6,757,713 Equity Shares, available for allocation to Retail Individual Bidder(s) on a proportionate basis, subject to valid Bids being received at or above the Issue Price.
Revision Form	The form used by the Bidders (excluding ASBA Bidders) to modify the quantity of Equity Shares or the Bid Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s).
RHP or Red Herring Prospectus	The red herring prospectus dated December 3, 2010 issued in accordance with Section 60B of the Companies Act, which did not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue.
RoC	The Registrar of Companies, NCT of Delhi & Haryana, located at New Delhi.
RTGS	Real Time Gross Settlement.
SBI Cap	SBI Capital Markets Limited.
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended.
SCSBs or Self Certified Syndicate Banks	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer services of ASBA, including blocking of funds in bank accounts, are recognized as such by the SEBI and a list of which is available at http://www.sebi.gov.in/pmd/scsb.html .
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI ESOP Guidelines	The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended.
Selling Shareholders	Shareholders of the Company, namely, Mr. Amit Mittal, Mrs. Babita Shivswaroop Gupta, Mr. Rakesh Radheyshyam Jhunjhunwala, Beacon and Mrs. Nipa Sheth offering 1,250,000, 100,000, 500,000, 2,606,193 and 100,000 Equity Shares, respectively, in the Offer for Sale, in an aggregate of 4,556,193 Equity Shares. As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced to 2,531,181 Equity Shares.
Stock Exchanges	The BSE and the NSE.
Syndicate Agreement	The agreement dated December 6, 2010 among the Company, the Selling Shareholders, the Syndicate and the Registrar, in relation to the collection of Bids in the Issue (excluding Bids from the ASBA Bidders).
Syndicate Members	Sharekhan Limited and SBICAP Securities Limited.
Syndicate or members of the Syndicate	The BRLMs, the CBRLM and the Syndicate Members.
TRS or Transaction Registration Slip	The slip or document issued by any of the members of the Syndicate or an SCSB (only on demand) to a Bidder as proof of registration of the Bid.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
Underwriters	The BRLMs, the CBRLM and the Syndicate Members.
Underwriting Agreement	The agreement dated December 16, 2010 among the Underwriters, the Company, the Selling Shareholders and the Registrar.
VCFs	Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended) registered with SEBI.
YES Bank	YES Bank Limited.

Industry Related Terms

Term	Description
AMRs	Automated meter readings.
AT&C loss	Aggregate Technical & Commercial loss
BOOT	Build, own, operate and transfer.
BOT	Build, operate and transfer.
C&T	Collection and transportation.
CDM	Clean Development Mechanism.
CEA	Central Electricity Authority.
CERC	Central Electricity Regulatory Commission.
CERC Regulations	Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2009, as amended.
CERs	Certified Emission Reductions.
CFBC	Circulating Fluid Based Combustion.
cKm	Circuit kilometers.
CMR	Custom milled rice, which involves a process where the paddy procured by the government or its designated agencies is milled.
CTS scheme	Clean Train Station scheme.
EHV	Extra high voltage.
Electricity Act	The Electricity Act, 2003, as amended.
EPC	Engineering, procurement and construction.
ERP	Enterprise resource planning.
ESCO	Energy saving service company.
FMS	Facilities management services.
HVAC	Heating, ventilating and air conditioning.
HVDS	High voltage distribution system.
HT	High tension.
IRC scheme	Intensive rake cleaning scheme.
IRRF	Integrated Resource Recovery Facility.
JNNSM	Jawaharlal Nehru National Solar Mission.
JNNURM	Jawaharlal Nehru National Urban Renewal Mission.
KV	Kilo Volts.
LVDS	Low voltage distribution system.
LT	Low tension.
MNRE	Ministry of New and Renewable Energy.
MSW	Municipal Solid Waste.
MSW Rules	Municipal Solid Wastes (Management and Handling) Rules, 1999, as amended.
MT	Metric tons.
MW	Megawatts.
NCT	National capital territory.
OBHS scheme	On-board housekeeping services scheme.
P&D	Processing and disposal.
PPA	Power purchase agreement.
Punjab Grains	Punjab State Grains Procurement Corporation Limited.
PURA	Provision of Urban Amenities in Rural Areas.
R-APDRP	Re-structured Accelerated Power Development and Reforms Program
RDF	Refuse derived fuel.
REC Regulations	Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010, as amended.
RGVY	Rajiv Gandhi Grameen Vidyutikaran Yojana.
SCADA	Supervisory control and data acquisition.
SEB	State Electricity Boards.
SERC	State Electricity Regulatory Commission.
STG	Steam Turbine Generator.
TPD	Tons per day.

Term	Description
TPH	Tons per hour.
T&D	Transmission and distribution.
ULBs	Urban local bodies.
UIDSSMT	Urban Infrastructure Development Scheme for Small and Medium Towns.
UNFCC	United Nations Framework Convention on Climate Change.
VEI	Village Electrification Infrastructure.

General Terms/Abbreviations

Term	Description
A/c	Account.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
CAGR	Compounded annual growth rate.
Companies Act	The Companies Act, 1956, as amended.
Customs Act	The Customs Act, 1962, as amended.
DIN	Director Identification Number
DIPP	The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India.
EBITDA	Earnings before interest, taxation, depreciation and amortization.
EGM	Extraordinary general meeting.
EPS	Earnings per share.
FCNR Account	Foreign Currency Non-Resident Account.
FDI	Foreign Direct Investment, as understood under applicable Indian laws, regulations and policies.
FEMA	The Foreign Exchange Management Act, 1999, as amended, and the regulations framed there under.
FIPB	The Foreign Investment Promotion Board of the Government of India.
Fiscal or Financial Year or FY	Unless otherwise stated, a period of twelve months ended March 31 of that particular year.
FYP	Five year plans issued by the Planning Commission of India.
GDP	Gross Domestic Product.
GoI or Government	Government of India.
HUF	Hindu Undivided Family.
Industrial Policy	The policy and guidelines relating to industrial activity in India issued by the Ministry of Commerce and Industry, Government of India, as updated, modified or amended from time to time.
IPO	Initial Public Offering.
IT	Information Technology.
I.T. Act	The Income Tax Act, 1961, as amended.
I.T. Rules	The Income Tax Rules, 1962, as amended.
NAV	Net asset value.
NHPC	NHPC Limited.
NTPC	NTPC Limited.
NRE Account	Non-Resident External Account.
NRO Account	Non-Resident Ordinary Account.
p.a.	Per annum.
PAN	Permanent Account Number.
P/E Ratio	Price/Earnings Ratio.
PFC	Power Finance Corporation Limited.
PGCIL	Power Grid Corporation of India Limited.
PLR	Prime Lending Rate.
PPP	Public-private partnership.
PSEB	Punjab State Electricity Board.
RBI	The Reserve Bank of India.
REC	Rural Electrification Corporation Limited.
RoNW	Return on Net Worth.
Rs.	Indian Rupees.

Term	Description
SICA	The Sick Industries Companies (Special Provisions) Act, 1985, as amended.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended.
Working capital	Current assets less current liabilities and provisions.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless indicated otherwise, the financial data in this Prospectus has been derived from the Company's audited unconsolidated financial statements, as of and for the fiscal years ended March 31, 2006, 2007, 2008, 2009 and 2010 and as of and for the four month period ended July 31, 2010 and the Group's audited consolidated financial statements, as of and for the fiscal years ended March 31, 2007, 2008, 2009 and 2010 and as of and for the four month period ended July 31, 2010, prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the ICDR Regulations.

The Company's fiscal year commences on April 1 and ends on March 31, and unless otherwise specified or the context otherwise requires, all references to a particular fiscal year are to the twelve-month period ended March 31 of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

There are significant differences between Indian GAAP, International Financial Reporting Standards ("IFRS") and U.S. GAAP. The Company has not attempted to quantify those differences or their impact on the financial data included herein, and you should consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the restated summary statements (consolidated or unconsolidated) included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, the Companies Act and the ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the ICDR Regulations on the financial disclosures presented in this Prospectus should accordingly be limited.

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

Currency of Presentation

All references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S.\$", "U.S. Dollar(s)" or "US Dollar(s)" are to United States Dollars.

Any currency translation should not be construed as a representation that such Indian Rupee or US Dollar or other currencies could have been, or could be, converted into Indian Rupees, as the case may be, at any particular rate or at all.

Industry and Market Data

Unless stated otherwise, industry data used in this Prospectus has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Company believes that the industry data used in this Prospectus is reliable, it has not been verified by any independent source. In this Prospectus, we have used market and industry data prepared by consultants and government organizations, some of whom we have also retained or may retain and compensate for various engagements in the ordinary course of business.

Further, the extent to which the market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain “forward-looking statements”. These forward-looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “contemplate”, “estimate”, “expect”, “future”, “goal”, “intend”, “objective”, “plan”, “project”, “seek to”, “should”, “will”, “will continue”, “will likely result”, “will pursue” and similar expressions or variations of such expressions. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

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

- Any change in government policies resulting in a decrease in the expenditure on infrastructure projects, a decrease in private sector participation in infrastructure projects, the restructuring of existing projects or delays in payment to us;
- Our ability to obtain the necessary funds to allow us to make required payments on our debt or fund working capital requirements;
- Our ability to successfully implement our strategy, including with respect to our acquisition and integration plans;
- Our lack of prior experience in power generation, processing municipal solid waste or rice milling operations;
- Our reliance on third party contractors and suppliers;
- Changes in the availability and price of materials and bought-out items;
- Fuel availability for our biomass-based power projects;
- Changes in the interest rates and the exchange rates;
- Changes in laws and regulations that apply to the industries in which we operate;
- Increasing competition in and the domestic and international conditions of the industries in which we operate;
- Increase in labor costs;
- Labor unrest or other difficulties; and
- General economic and business conditions in India and other countries.

For a further discussion of factors that could cause our actual results to differ, please see the sections “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages xii, 83 and 285, respectively, of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Forward-looking statements speak only as of the date of this Prospectus. Neither the Company nor its Directors and officers, the Selling Shareholders, the Selling Shareholders’ directors and officers, any Underwriter, nor any of their respective affiliates or associates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. The Company, the BRLMs and the CBRLM will ensure that investors in India are informed of material developments until the Allotment of Equity Shares in the Issue.

SECTION II: RISK FACTORS

RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all of the information in this Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in the other countries. If any or some combination of the following risks occur, our business, prospects, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

We have described the risks and uncertainties that our management believes are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties, including those we are not aware of or deem immaterial, may also result in decreased revenues, increased expenses or other events that could result in a decline in the value of the Equity Shares. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. The risk factors have been numbered for convenience purposes.

Internal Risk Factors

1. There are outstanding criminal proceedings involving the Company, certain of our Directors and our Promoter.

Certain criminal proceedings have been filed against or by the Company, certain of our Directors and our Promoter. These proceedings are pending at different levels of adjudication before various courts. These matters include one complaint filed against a former employee of the Company by the Special Environment Court alleging non-compliance with the Indian Forest Act, 1927, as amended, and one case filed by a former employee against Mr. Amit Mittal (our Promoter and Managing Director), in his capacity as the chairman of one of our subsidiaries, A2Z Infraservices Limited ("A2Z Infraservices"), seeking a direction to the police for investigation of criminal breach of trust, cheating and dishonestly inducing delivery of property. In addition, the Company has filed four cases against certain subcontractors under the provisions of the Negotiable Instruments Act, 1881, as amended and the Indian Penal Code, 1860, as amended and has also filed a criminal complaint against a former employee. The Company has also filed 145 first information reports against unknown persons for theft of material from various project sites and criminal breach of trust. For further details, please see the section "Outstanding Litigation and Material Developments" beginning on page 332 of this Prospectus. An adverse outcome in any of these proceedings could adversely affect our reputation and the reputation of our Directors and our Promoter, and may have an adverse effect on our business, prospects and the trading price of the Equity Shares.

2. A significant part of our business contracts are with government and public sector undertakings which may subject us to several risks.

Our business and revenues are substantially dependent on projects awarded by government authorities, including central, state and local authorities and agencies and public sector undertakings (Government-owned companies). In fiscal 2008, 2009 and 2010 and the four month period ended July 31, 2010, the total income from contracts with government authorities and public sector undertakings was Rs. 4,620.29 million, Rs. 6,815.30 million, Rs. 11,501.27 million and Rs. 3,804.21 million, comprising 96.46%, 95.22%, 94.33% and 90.95%, respectively, of the total income, as per our restated consolidated summary statements, for such years. We expect that contracts awarded by government authorities and public sector undertakings will continue to account for a high proportion of our business. Although the Government of India has encouraged greater private sector participation in the power and infrastructure sectors, and in the past has increased budgetary allocation in such sectors, there can be no assurance that this will continue. The government projects may be subject to extensive internal processes, policy changes, delays, changes due to local, national and internal politics, insufficiency of funds or changes in budgetary allocations. For example, although our MSW project at Firozabad in the State of Uttar Pradesh was awarded to us in June 2008, the land for the project is yet to be transferred to us by the local authority. In our EPC business, we have faced delays due to the government authority's delay in procuring rights of way for certain projects. We also face the risk of non-payment or delay in the collection of payments from government-owned or controlled entities. Our operations involve significant working capital requirements and any non-

payment or delayed collection of our receivables could materially and adversely affect our liquidity, financial condition and results of operations. Any adverse changes in government policies may lead to our agreements being restructured or renegotiated and could materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing projects as well as our ability to participate in competitive bidding or negotiations for our future projects.

Since contracts with government entities usually contain standard terms, we have limited ability to negotiate such contracts and hence, many terms tend to favor the government entities. For example, there are generally no caps on our liability as a contractor. The contracts generally also contain unilateral termination provisions in favour of the government entity. The provisions generally state that the government entity has the right to terminate the contract for convenience at any time after providing us with reasonable notice. Since a substantial portion of our projects are contracts with government entities, we are vulnerable to such termination or invocation of indemnity provisions which may materially and adversely affect our business, results of operations and financial condition.

3. *We have recently entered new businesses. We do not have any track record or prior experience in power generation projects, processing municipal solid waste or rice milling operations.*

We do not have any prior experience in developing, constructing, commissioning and operating and managing power generation projects or in competing in the power generation business. We also do not have any prior experience in processing, treating and disposing municipal solid waste. Further, we have no prior experience in constructing, commissioning and operating rice mills for processing paddy or storing rice. A portion of the proceeds of the Fresh Issue are proposed to be used for investment in the biomass-based power cogeneration and generation projects in the States of Punjab and Rajasthan and the city of Kanpur, investment in certain subsidiaries that are implementing new MSW projects and one integrated resource recovery facility ("IRRF") in the State of Punjab consisting of rice-husk based power generation projects and associated rice mills. We have not yet generated any income from our Renewable Energy Generation business and the income from our MSW business was less than 10% of our total income as per our restated consolidated summary statements in fiscal 2008, 2009 and 2010 and in the four month period ended July 31, 2010. We may face managerial, technical and logistical challenges while implementing such projects, and in the absence of prior experience, we may not be able to handle such challenges. Any failure on our part to meet the challenges could cause disruptions to our business, be detrimental to our long-term business outlook and may have a material adverse effect on our business, prospects, results of operations and financial condition.

4. *We have high working capital requirements. Our inability to meet our working capital requirements may have a material adverse effect on our business, financial condition and results of operations.*

Our business requires a significant amount of working capital, which varies depending upon the nature of the project. For instance, as at March 31, 2008, 2009 and 2010, our working capital was Rs. 2,751.24 million, Rs. 4,414.85 million and Rs. 6,508.12 million, constituting 57.16%, 65.50% and 57.67% of our restated unconsolidated total income for the respective years. Our EPC contracts provide for progressive payments from clients with reference to the volume of work completed upon reaching certain milestones. Generally, in our EPC business, significant amounts of our working capital are often required to finance the purchase of materials and the performance of engineering, construction and other work on projects before payment is received from clients. In addition, a portion of the contract value, which may range up to 40%, is withheld by the client as retention money and released upon the testing of the product or the supply date or the commissioning of the project (which payment release may be delayed by more than a year after completion). We provide performance guarantees to our clients for the duration of the warranty or defect liability period, which generally ranges from 12 months to 24 months, after the testing of the product or the supply date or the commissioning of the project. Some of the performance guarantees are secured by guarantees from banks. Our working capital requirements will increase as we seek to expand our businesses. Our working capital requirements may also increase if, in certain contracts, payment terms include reduced advance payments or payment schedules that specify payment towards the end of a project or are less favorable to us. Delays in progressive payments or release of retention money or bank guarantees from our clients may increase our working capital needs. We may also experience significant cash outflows to satisfy any indemnity and liability claims. Due to any liquidity issues, we might be unable to arrange for the appropriate earnest money deposit which might affect our ability to bid for new projects. There can be no assurance that we will be able to efficiently manage the level of bad debt arising from any receivable. We may need to incur additional indebtedness and capital expenditures in the future to satisfy our working capital needs. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

We typically provide bank guarantees in favor of clients to secure performance and other obligations under contracts. To secure our bank guarantees, banks require us to hold certain amounts in the form of fixed deposits as margin money and also pay certain bank charges up front. This also increases our working capital requirements and if we are unable to furnish bank guarantees in amounts required by the clients on time or at all, our business and growth may be materially and adversely affected.

- 5. *Certain sections of the media have reported that a complaint containing certain allegations against our Promoter, Mr. Amit Mittal, has been forwarded by the Central Vigilance Commission (“CVC”) to the Chief Vigilance Officer (“CVO”), Ministry of Youth Affairs and Sports for a fact-finding report in connection with the facilities management contract that was awarded to us for the commonwealth games.***

It has been reported in certain sections of the media that the CVC has forwarded a complaint to the CVO, Ministry of Youth Affairs and Sports for a fact-finding report. The news reports state that the complaint alleges that Mr. Amit Mittal, our Promoter, had paid money to a certain government official in India in connection with the facilities management contract that was awarded to us for the commonwealth games held earlier this year in Delhi.

We deny the allegations contained in the media reports and believe they are without merit. The contract for the games event was awarded through an open competitive bidding process involving the submission of technical qualifications and financial bids by various companies. Based on technical qualifications, we, together with certain other companies, were shortlisted for the tenders. We were subsequently awarded the contract for eight tenders based on our having submitted the lowest financial bid. The total value of the contract awarded to us pursuant to the letter of award dated July 16, 2010 was Rs.193.04 million.

The outcome of a fact-finding report, if any, is unknown. We have not received any complaint or notice from any regulatory authority in connection with the matters referred to in such news reports. There can be no assurance that we will not receive any complaint or notice from any regulatory authority in future. In the event any proceeding involving the Company or our Promoter is commenced by any regulatory authority in relation to such matters, or there continues to be adverse publicity involving our Company by the media in this regard, our reputation, business prospects and the trading price of the Equity Shares could be adversely affected.

- 6. *Our revenues depend upon the award of new contracts. Consequently, our failure to win new contracts will adversely affect our results of operations and our cash flows may fluctuate materially from period to period.***

Our revenues are derived primarily from contracts awarded to us on a project-by-project basis. Generally, it is very difficult to predict whether and when we will be awarded a new contract since many potential contracts involve a lengthy and complex bidding and selection process that may be affected by a number of factors, including changes in existing or assumed market conditions, financing arrangements, technical and financial qualifications, governmental approvals and environmental matters. The following table reflects the number of contracts bid for and the number of contracts awarded in fiscal 2008, 2009 and 2010 in our EPC business:

	Fiscal 2008	Fiscal 2009	Fiscal 2010
Number of EPC contracts bid for	92	57	146
Number of EPC contracts awarded	48	42	24

Because our revenues are derived primarily from these contracts, our results of operations and cash flows may be adversely affected or fluctuate materially from period to period depending on our ability to win new contracts.

The uncertainty associated with the award of new contracts may increase our cost of doing business. For example, we may decide to maintain and bear the cost of a workforce in excess of our current contract needs in anticipation of future contract awards. If an expected contract award is delayed or not received, we could incur costs in maintaining an idle workforce that may have a material adverse effect on our results of operations. Alternatively, we may decide that our long term interests are best served by reducing our workforce and we may incur increased costs associated with severance and termination benefits which also could have a material adverse effect on our results of operations for the period when such cost is incurred. Reducing our workforce

could also impact our results of operations if we are unable to adequately staff projects that are awarded subsequent to a workforce reduction.

7. *The examination report of our Auditors relating to our restated summary statements included in this Prospectus refers to several Companies Audit Report Order (“CARO”) qualifications.*

The examination report of our Auditors on our restated summary statements included in this Prospectus refers to several CARO qualifications. As a result of these qualifications, these summary statements may be less reliable than they would be had we previously addressed the concerns raised by independent accountants in a satisfactory manner. In addition, as we have made several improvements to our internal controls and accounting procedures during fiscal 2007, 2008, 2009 and 2010 to address these qualifications, our restated summary statements included in this Prospectus may not be strictly comparable from period to period.

The examination report of our Auditors included in this Prospectus state that to the extent that adjustments to our restated summary statements could be made to address the qualifications, they have been made. The examination report of our Auditors included in this Prospectus sets forth various CARO qualifications for which no corrective adjustment has been made in the financial information, either because (a) the financial effect is not ascertainable, or (b) the qualifications do not require any corrective adjustments. Set forth below are the qualifications referred to in the examination report for fiscal 2010.

- There has been a continuing failure to correct a weakness in the company's internal control system relating to the sale of goods and services as the Company does not formally monitor and analyze its costs incurred on projects as against the total estimated project costs on a periodic basis. The report states that this issue continued for a portion of the year ended March 31, 2010, but had been rectified as at the balance sheet date of March 31, 2010.
- The Company has delayed slightly the deposit with appropriate authorities certain undisputed statutory dues, which may have included Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to the company.
- Theft of materials amounting to Rs.4,950,837 has been reported during the year ended March 31, 2010. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, the Auditors have reported that no other fraud on or by the Company has been noticed or reported during the course of their audit.

In addition to the various CARO qualifications for fiscal 2010 described above, the auditor's reports relating to the consolidated and unconsolidated financial statements of the Company in prior years refer to various other audit qualifications. For further details on these qualifications, please refer the examination report and the restated summary statements, and the notes thereto, beginning on page 175 of this Prospectus. Investors should consider carefully these Auditor's qualifications in evaluating our financial position and results of operations.

8. *The examination report of our Auditors relating to our restated summary statements included in this Prospectus is qualified.*

The Auditors have delivered a true and fair audit opinion on the Group's consolidated financial statements as of and for the year ended March 31, 2010 subject to the following qualification: the consolidated financial statements do not consider the effect of any adjustments that may be required for events occurring between the date of approval by the Board of Directors of the unconsolidated financial statements of the Company and its subsidiaries, and July 1, 2010, the date of adoption of the consolidated financial statements for the year ended March 31, 2010. Accordingly, the Auditors were unable to comment on the effect, if any, on the consolidated financial statements had subsequent events been accounted for, and to that extent qualified the audit reports for each of the years ended March 31, 2007, 2008 and 2009, and for comparative figures for the year ended March 31, 2010.

For further details on this qualification, please refer the examination report and the consolidated and unconsolidated restated summary statements, and the notes thereto, beginning on page 175 of this Prospectus. Investors should consider carefully auditor's qualifications in evaluating our financial position and results of operations.

9. There are outstanding legal proceedings involving the Company, our subsidiaries, our Directors and our Promoter.

There are outstanding legal proceedings involving the Company, our subsidiaries, our Directors and our Promoter. These proceedings are currently being adjudicated before various courts, tribunals and other authorities. The following table sets out brief details of such outstanding proceedings:

Nature of cases	Number of cases	Approximate total amount involved (Rs. in Million)
Proceedings against the Company		
Criminal	1	0.02
Civil	10	6.54
Labor	20	15.63
Proceedings by the Company		
Criminal	4	13.68
Civil	28	14.10
Tax	Nil	
Labor	1	0.39
Proceedings involving our subsidiaries		
Criminal	Nil	
Civil	10	3.67
Tax	Nil	
Proceedings involving our Directors		
Criminal	1	-
Civil	Nil	
Tax	Nil	
Proceedings involving our Promoter		
Criminal	1	-
Civil	Nil	
Tax	Nil	

Note: (i) The amounts indicated in the column above are approximate amounts, wherever quantifiable

There can be no assurance that any of these matters will be settled in our favour or in favour of our subsidiaries, our Directors or our Promoter or that no additional liability will arise out of these proceedings. An adverse outcome in any of these proceedings could have a material adverse effect on the Company, our subsidiaries, our Directors and/or our Promoter, as well as on our business, prospects, financial condition and results of operations and that of the Group Companies of our Promoter.

In addition, the SEBI had in the past issued notices to and instituted proceedings against Mr. Rakesh Radheyshyam Jhunjhunwala and Geojit BNP Paribas Financial Services Limited, a company in which Mr. Jhunjhunwala is a director. None of these proceedings are currently pending.

For further details, please see the section “Outstanding Litigation and Material Developments” beginning on page 332 of this Prospectus.

10. In connection with the grant of approval for the Offer for Sale, the Reserve Bank of India (“RBI”) has directed us to seek the approval of our shareholders to amend one of the main objects of the Company’s Memorandum of Association within 90 days of the commencement of listing and trading of the Equity Shares in the Issue.

The RBI has granted its approval for the Offer for Sale vide letters no. FE.CO.FID.No./11090/10.21.209/2010-11 dated November 3, 2010 and FE.CO.FID.No./11849/10.21.209/2010-11 dated November 11, 2010, subject to the condition that we seek shareholder approval to amend clause 6 of the main objects of the Company’s Memorandum of Association and delete references to the words “atomic power” appearing therein. We have been directed by the RBI to have this clause amended by seeking shareholder approval within a period of 90 days from the date of commencement of listing and trading of the Equity Shares on the Stock Exchanges in the Issue. We have confirmed to the RBI that the Company does not undertake any activity in the atomic power sector and nor have we announced any plans to do so and our Board of Directors of the Company, vide Board resolution

dated November 8, 2010, have also stated that we shall not undertake any activity in the atomic power sector otherwise than in complete compliance with all applicable laws and regulations, including obtaining the necessary approvals from all regulatory authorities, including the Government of India, as may be required. Accordingly, within a period of 90 days of the commencement of listing and trading of our Equity Shares in the Issue, we shall seek the approval of our shareholders pursuant to a special resolution to amend Clause 6 of the main objects clause in the Company's Memorandum of Association and delete the reference therein to "atomic power", subject to applicable laws and regulations.

11. Some of the Equity Shares issued to our Promoter and members of the Promoter Group have been pledged in favor of lenders, who may exercise their rights under the respective pledge agreements in events of default.

Mr. Amit Mittal and Mrs. Dipali Mittal have pledged 10,290,226 and 1,170,000 Equity Shares owned by them, respectively, representing an aggregate of 20% of the pre-Issue equity share capital of the Company, to secure certain loans taken by the Company.

Under the pledge agreements with the lenders, in the event of a failure to pay the loan amounts, the lenders have the right to sell, assign or otherwise dispose off all or a part of the pledged shares. In addition, under certain pledge agreements, the pledged shares must cover a certain proportion of the credit limit and such margins are required to be maintained during the tenor of the loan. If the lenders in their discretion conclude that the margins have become inadequate, including as a result of a decline in the market value of the shares, the pledgor is under an obligation to pledge such additional shares as may be acceptable to the lenders. In the event of a failure to pledge additional shares, the lenders have a right to enforce the pledge. The pledge agreements also provide that any accretions to the pledged shares, including through issue of bonus shares or rights entitlements or any other benefits, shall be automatically pledged in favor of the lenders and such accretions shall form part of the pledged shares. For further details, please see the sections "Capital Structure" and "Financial Indebtedness" beginning on pages 23 and 310, respectively, of this Prospectus. If we, the Promoter or the members of the Promoter Group default on the obligations under the relevant financing documents, the lenders may exercise their rights under the share pledges, including the sale of the shares or transferring the shares and taking significant control over us. Any such event, or the perception that such event may occur, may adversely affect the trading price of the Equity Shares and our business and prospects.

12. We are exposed to significant cost variations on fixed-price and fixed-rate contracts.

Under the terms and conditions of our fixed-rate contracts, we generally agree to a fixed rate for providing EPC services for the part of the project contracted to us or, in the case of turnkey contracts, completed facilities which are delivered in a ready to operate condition. These contracts may be subject to limited variations in the quantity and the ex-works component of the contract. The contracts in our MSW business are executed on a fixed price basis, other than the collection and transportation ("C&T") operations at Patna and Indore which provide for limited escalation of price after a specified period of time. The actual expense incurred by us while executing a fixed-price or fixed-rate contract may vary substantially from our bid for various reasons, including:

- unanticipated changes in the engineering design of the project;
- unanticipated increases in the cost of equipment, materials or manpower;
- changes in taxes and duties;
- delays due to non-receipt of client approvals or payments at specific project milestones;
- delays associated with the delivery of equipment and materials to the project site;
- unforeseen construction conditions, including inability to obtain requisite environmental and other approvals, resulting in delays and increased costs;
- delays caused due to an inability to obtain land or rights of way to commence construction;
- delays caused by local weather conditions;
- suppliers' or subcontractors' failure to perform; and
- delays caused by us.

Unanticipated costs or delays in performing part of a contract can also have compounding effects by increasing costs of performing other parts of the contract. In addition, we may be required to pay liquidated damages to the client for any delay. These variations and the risks are generally inherent to the businesses in which we operate and may result in our revenues or profits being different from those originally estimated resulting in our experiencing reduced profitability or losses on projects. Depending on the size of a project, these variations from estimated contract performance could have a significant adverse effect on our results of operations.

13. Projects included in our order book may be changed, delayed, cancelled or not fully paid for by our clients, which could materially harm our cash flow position, revenues or profits.

You should not rely on our order book as a means to gauge our future performance. The order book is unaudited and future earnings related to the performance of the work in our order book may not be realized. Although projects in our order book represent business that we may consider firm on the date of such order book, cancellations, delays or scope adjustments may occur. Due to changes that may occur in project scope and schedule, we cannot predict with certainty when or if the projects in our order book will be completed. In addition, even where a project proceeds as scheduled, it is possible that contracting parties may default and fail to pay amounts owed or dispute the amounts owed to us. Any delay, cancellation or payment default could materially harm our cash flow position, revenues and profits, and adversely affect the trading price of the Equity Shares.

14. Our business is substantially dependent on certain key clients from whom we derive a significant portion of our revenues. The loss of any significant clients may have a material and adverse effect on our business and results of operations.

We derive a high proportion of our revenues from a small number of customers, although our significant customers have varied on a year to year basis. The top ten clients contributed 98.61%, 94.52%, 84.73%, 88.43% and 83.29% of our total income in fiscal 2007, 2008, 2009 and 2010 and the four month period ended July 31, 2010, respectively. Our EPC contracts relate to power transmission and distribution and primarily involve electrification projects and distribution improvement schemes such as the Rajiv Gandhi Grameen Vikas Yojana ("RGGVY"). These projects and schemes are undertaken by public sector undertakings such as the Power Grid Corporation of India Limited ("PGCIL"), NTPC Limited ("NTPC") and NHPC Limited ("NHPC") on behalf of the distribution utilities managed by the state government or directly by state distribution utilities themselves. Our MSW business is dependent upon projects undertaken for urban local authorities. Our FMS business is dependent upon projects undertaken by the Indian Railways and certain private sector companies, including in the banking, finance and insurance sector. Government projects are typically awarded through a bidding process where the tender documents specify certain pre-qualification criteria which may vary from client to client and from project to project. Our business therefore requires that we satisfy the pre-qualified status with key clients. Our major clients vary from period to period depending on the demand and completion schedule of projects. The loss of a significant client or a number of significant clients or projects from such clients for any reason, including as a result of disqualification or dispute, may have a material and adverse effect on our business and results of operations.

15. We operate in highly competitive businesses and increased competitive pressure may adversely affect our results of operations.

We operate in highly competitive businesses. Most of our contracts are entered into primarily through a competitive bidding process. Certain contracts in the FMS business are entered into on the basis of negotiations with the client. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. We compete against various multinational and national companies as well as regional organized and unorganized entities. For example, in our EPC business, our main competitors include KEC International Limited and Kalpataru Power Transmission Limited, in our Renewable Energy Generation Business, our principal competitors include Orient Green Power Company Limited and the Greenko Group, in our MSW business our main competitors include Ramky Enviro Engineers Limited and Veolia Environmental Services Asia Private Limited and in our FMS business, our main competitors include national companies such as Updater Services Private Limited and BVG India Limited and international companies such as Sodexo, ISS, Group 4 Securities and Cushman & Wakefield. For details of our competitors, please see the section "Our Business – Competition" beginning on page 106 of this Prospectus. In selecting contractors for projects, clients generally limit the tender to contractors they have pre-qualified based on technical and financial criteria, such as experience, technical ability, past performance, reputation for quality, safety record, financial strength and the size of previous contracts executed in similar projects with them or otherwise. Our ability to meet the qualification criteria in our various business areas is critical to being considered for any project. Additionally, while these are important considerations, price is a major factor in most tender awards and in negotiated contracts and our business is subject to intense price competition. Our competitors may be larger and may have better access to financial resources. Some of our competitors may be better known in regional markets in which we compete. Our inability to compete successfully in the businesses in which we operate could materially and adversely affect our business prospects and results of operations.

16. Our indebtedness, including various conditions and restrictions imposed on us under our financing agreements, could adversely affect our ability to grow our business or react to changes in our business environment.

Our total secured and unsecured loans as per our restated consolidated summary statements was Rs. 5,715.88 million as of July 31, 2010 and our indebtedness as a proportion of net worth was 133.66% as of such date. As of March 31, 2010, the total secured and unsecured loans as per our restated consolidated summary statements was Rs. 4,051.91 million and our indebtedness as a proportion of net worth was 97.80% as of such date. For further details, please see the Capitalization Statement in Annexure VII of the restated unconsolidated summary statements and Annexure XXV of our restated consolidated summary statements in the section “Financial Statements” beginning on page 175 of this Prospectus. Our indebtedness could:

- require us to dedicate a substantial portion of our cash flow from operations to payments in respect of our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate expenditures;
- increase our vulnerability to adverse general economic or industry conditions;
- limit our flexibility in planning for, or reacting to, competition and/or changes in our business or our industry;
- limit our ability to borrow additional funds;
- restrict us from making strategic acquisitions, introducing new services or exploiting business opportunities; and
- place us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

There can be no assurance that we will be able to generate enough cash flow from operations or that we will be able to obtain enough capital to service our debt or fund our planned capital expenditures. In addition, we may need to refinance some or all of our indebtedness on or before maturity. There can be no assurance that we will be able to refinance our indebtedness on commercially reasonable terms or at all. Adverse changes in the business conditions affecting us could also cause the amount of refinancing proceeds to be insufficient to meet our interest payments or fully repay any existing debt upon maturity and we may be unable to fund the payment of such shortfalls. If we cannot obtain alternative sources of financing or our costs of borrowings become significantly more expensive, our financial condition and results of operations will be materially and adversely affected. There may also be certain unsecured loans taken by the Company, the Promoter, the Group Companies of our Promoter or associates which can be recalled by the lenders at any time.

The agreements governing certain of our debt obligations include terms that restrict our ability to make capital expenditures and investments, declare dividends, merge with other entities, incur further indebtedness and incur liens on, or dispose of, our assets, undertake new projects, change our management and board of directors, materially amend or terminate any material contract or document and modify our capital structure. Certain credit facilities extended by the banks are repayable on demand. Further, under the terms of certain loan documentation, we are required to assign all the material project contracts, land documents, insurance policies, permits and approvals and all our other rights and interests related to certain projects in favor of the lenders. In addition, certain loans require the cash inflows from projects to be deposited in escrow accounts opened with our lenders and the proceeds to be utilized in a manner as agreed between such lender and us. For example, the Company is required to deposit into escrow accounts all receivables in respect of the three bagasse-based power cogeneration projects in the State of Punjab, the five biomass-based power generation projects in the State of Rajasthan, the 15 MW biomass-based power project at Kanpur and the EPC projects awarded by NHPC Limited in the State of Bihar and by Uttar Haryana Bijli Vitran Nigam and PGCIL. Certain of our subsidiaries engaged in the MSW business, such as A2Z Infrastructure Limited (“A2Z Infrastructure”), are required to secure certain loans granted to them through an escrow arrangement over the receivables from the state authorities and in respect of certain MSW projects, the project receivables and all future revenues are required to be routed through the escrow account.

A failure on our part to comply with the terms of our loan agreements may result in an event of default under such agreements. In such a case, the lenders may, at their discretion, accelerate payment and declare the entire outstanding amounts under these loans due and payable, and in certain instances, enforce their security which has been constituted over our various assets and take possession of those assets, any of which could materially and adversely affect our liquidity, financial condition and business operations. In addition, to the extent that we cannot make payments on accelerated amounts, such non-payment could result in the cross-default and/or cross-acceleration of some or all of our other outstanding indebtedness, and payment of penalty interest, which could also materially and adversely affect our liquidity, financial condition and business operations.

17. We depend on the adequate and timely supply of materials and bought-out items at commercially acceptable prices. Any disruptions, delay or increase in prices of such material and bought-out items could have a material adverse effect on our business.

Our business is significantly affected by the availability, cost and quality of materials and bought-out items that we require to construct, develop and complete our projects and services. The price and supply of materials, equipment and bought-out items depend on factors not under our control, including domestic and international economic conditions, competition, availability of quality suppliers, production levels, transportation costs and import, value added and government duties and taxes. Although we hedge the commodity prices of steel and aluminum, we may experience commodity price fluctuation resulting in loss or gain in respect of such transactions on the commodity exchange which may be neutralized either fully or partially by lower or higher price paid in respect of equipment purchased by us.

Under the terms of some of the EPC contracts, a breach under the contract for the supply of materials and equipment results in a breach under other contracts related to the civil works, installation and/or commissioning of the project. Although we may enter into back-to-back contracts with the supplier or provide for price contingencies in our contracts to limit our exposure, if, for any reason, our primary suppliers of materials, equipment and bought-out items curtail or discontinue their delivery of materials to us in the quantities we need or provide us with materials that do not meet our specifications, or at prices that are not competitive or not anticipated by us, our construction schedules could be disrupted, our losses in fixed-price contracts may increase, our ability to meet our material requirements for our projects could be impaired and we may be in breach of certain EPC contracts. Any of such events could have a material adverse effect on our business and results of operations.

18. We are exposed to risks related to fuel availability for our projects in the Renewable Energy Generation business, which risks could adversely affect our business and results of operations.

For our Renewable Energy Generation business, there can be no assurance that we will have sufficient biomass fuel to operate our power plants, or that we will be adequately compensated for any delay or failure in the supply of biomass by the fuel supplier. Although we have an assured supply of bagasse during the crushing season from the three sugar mills for our bagasse-based power cogeneration projects in the State of Punjab and have also entered into a long-term fuel supply agreement with another party that will seek to obtain such fuel for us from third party sources, the availability of bagasse and biomass is dependent on factors that may not be within our control. For example, the availability of bagasse is dependent on the amount of sugarcane crushed each year. Any constraint in the availability of sugarcane or a lower volume of sugarcane crushed will result in lower quantities of bagasse produced, which could have an adverse effect on our power co-generation projects. Our rice-husk based power generation projects in the State of Punjab will be dependent, in part, on the generation of sufficient rice husk from our milling operations, which in turn will depend on the supply of the minimum quantity of paddy by the relevant State authority and the quality of the paddy so supplied. We will also rely on the RDF processed by our MSW business as fuel for our biomass plants. However, insufficient RDF may be produced by the MSW business. For our biomass-based projects in the State of Rajasthan, we propose to utilize crop residues such as mustard stems and groundnut, agro-industrial residue, firewood, juliflora cultivated locally and other biomass to be procured under the biomass policy of the State of Rajasthan. We are yet to enter into any arrangement with any third party for the supply of such biomass for our Rajasthan projects. Further, even if we enter into arrangements with farmers or other intermediaries for the supply of biomass, such supply may be affected due to factors that affect cultivation of crops, including adverse weather conditions and mutually acceptable price, quantity and other terms. If a biomass supplier fails or is unable to deliver biomass to us as scheduled or if the biomass supply to one or more of our power plants is delayed or otherwise disrupted, we may not be able to make alternative arrangements, either in a timely manner or at all, and such alternative arrangements may be more costly to us. If our biomass fuel supplies are delayed or disrupted, we may not be able

to produce power in sufficient quantities to cover our costs or at all. Any of the events could have a material adverse effect on our business and results of operations.

19. Timely and successful completion of our projects is dependent upon the performance of third parties such as our sub-contractors. Any failure or delay in the performance of our sub-contractors could adversely affect the timely execution of our projects and reputation.

We rely on third parties for the implementation of projects in the EPC, FMS, MSW and Renewable Energy Generation businesses and have entered into arrangements with third parties for the supply of labor, equipment and raw material. In some of our power generation projects, one of our subsidiaries, A2Z Powercom, will be the EPC contractor, which in turn has placed orders with various vendors and sub-contractors. Accordingly, the timing and quality of execution of our projects depend on the availability and skill of such parties. Some of our contracts are subject to specific completion schedule requirements with liquidated damages chargeable in the event that a project falls behind schedule. In certain BOOT contracts in our MSW business, our inability to commence work within a specified period of time is an event of default which may result in a rescission or termination of the contract. Delay or failure on the part of such third parties to complete its project work on time, for any reason, including due to visa issues, could result in additional costs to us, including the payment of contractually agreed liquidated damages. The amount of such additional costs could adversely affect our profit margins on the project. While we may seek to recover these amounts as claims from the sub-contractor responsible for the delay or for providing non-conforming products or services, we cannot assure you that we will recover all or any part of these costs in all circumstances or that there will not be considerable delay in such recovery proceedings. Performance problems for existing and future projects could cause our actual results of operations to differ materially from those anticipated by us and could damage our reputation within the industry and our customer base.

20. We face implementation risks with our longer term projects and our inability to successfully manage such risks may have an adverse impact on our business.

Some of our contracts in the EPC business require us to complete the project within specified time periods which may be up to 24 months. Our MSW contracts on a BOOT basis range from periods of seven to 30 years. The longer-term agreements have inherent risks that may not be within our control and expose us to implementation and other risks, including construction delays, material shortages, unanticipated cost increases, cost overruns and an inability to negotiate satisfactory arrangements with consortium partners. In addition, business circumstances may materially change over the life of one or more of our agreements and we may not have the ability to modify our agreements to reflect these changes. Further, our commitments under these agreements may reduce our flexibility to implement changes to our business plans and expose us to increased risk of unforeseen industry changes.

21. Our revenues from the MSW business may fluctuate and we may not recover our investment cost.

Revenue from our MSW business is expected to include, *inter alia*, tipping fees from our operations, the proceeds of sale of compost, recyclables and other downstream products, all of which are subject to significant market price fluctuations and customer acceptance. The fluctuations in the market prices or demand for these commodities can affect our operating profits and cash flows. There can be also no assurance that we will be able to recover commercially viable recovered products for sale and that sufficient revenue will be generated from such projects to cover the investment costs incurred by us, which could adversely affect our business and results of operations.

22. Failure to enter into off-take arrangements in respect of the projects in our Renewable Energy Generation business in a timely manner and on terms that are commercially acceptable to us could adversely affect our business, prospects, financial condition and results of operations.

We have achieved financial closure for projects in our Renewable Energy Generation business that are expected to generate capacity of 135 MW and have also received or applied for awards or letters of registration, pre-registration or in-principle sanctions to generate an additional capacity of 272 MW. Under the terms of the loans granted in respect of the bagasse-based cogeneration projects in the State of Punjab and the biomass-based power generation projects in the city of Kanpur and the State of Rajasthan, we are required to execute firm power purchase agreements (“PPAs”) for at least 75% of the power available for sale from the projects with State power utilities, power traders or any other persons. As of now, we have entered into PPAs with a private party in respect of the power to be generated at the bagasse-based cogeneration projects in the State of Punjab and with

Dakashinanchal Vidyut Vitran Nigam Limited, a state government entity, in respect of the biomass-based power generation project in the city of Kanpur and we intend to enter into additional agreements with the relevant state government entities and supply power to the grid in the state in India where we produce power. Currently, the Central Electricity Regulatory Commission (“CERC”) has recommended preferential tariff guidelines for electricity generated from renewable sources wherein the specified tariff is higher as compared to the tariff on electricity generated from conventional sources. We cannot assure you that we will be able to obtain final approvals for certain power generation projects or enter into off-take arrangements in relation to the power on terms that are favorable to us, or at all or that the preferential tariff guidelines recommended by the CERC will continue. Further, increased competition may have an adverse effect on the sale of power under short-term PPAs and on a spot-basis. Failure to enter into off-take arrangements in a timely manner and on terms that are commercially acceptable to us could constitute an event of default under the relevant project specific loan agreement resulting in a cross default or cross acceleration of some or all of our other outstanding indebtedness and materially and adversely affect our business, prospects, financial condition and results of operations.

23. *We may be unable to sustain growth at historical levels. Our inability to manage growth may have an adverse effect on our business and results of operations.*

We have experienced high growth in recent years. For example, our total income, as per our restated consolidated summary statements, has grown from Rs. 1,812.87 million in fiscal 2007 to Rs. 12,252.96 million in fiscal 2010, at a compounded annual growth rate (“CAGR”) of 89.07% and our net profit, as per our restated consolidated summary statements, has increased from Rs. 112.55 million in fiscal 2007 to Rs. 978.73 million in fiscal 2010, at a CAGR of 105.64%. While no assurance can be given that the past increases in our revenue and profits will continue, if this growth continues, it will place significant demands on us and require us to continuously evolve and improve our operational, financial and internal controls across the organization. In particular, continued expansion increases the challenges involved in:

- (i) maintaining high levels of client satisfaction;
- (ii) recruiting, training and retaining sufficient skilled management, technical and marketing personnel;
- (iii) adhering to health, safety and environment and quality and process execution standards that meet client expectations;
- (iv) preserving a uniform culture, values and work environment in our operations; and
- (v) developing and improving our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.

Any inability to manage our growth may have an adverse effect on our business and results of operations.

24. *We depend on two suppliers based in China for the technologically advanced boilers to be used in our power generation projects. If our suppliers default, or the technology fails or if there are changes in technology, our business could be adversely affected.*

We intend to use efficient technologies in our biomass-based power generation projects, such as the use of circulating fluidized bed combustion boilers in our projects with an installed capacity of 10 to 15 MW. This gives us multi-fuel capability and the ability to generate power from fuels with low calorific value, an important element of our strategy in our power generation projects. Currently, we have placed orders for such boilers from a single supplier from China for our bagasse-based power cogeneration projects in the State of Punjab and biomass-based power generation project in the city of Kanpur. We have also placed orders for boilers using reciprocating grate technology from another supplier on China for certain of our 2 MW power projects in the States of Rajasthan and Uttar Pradesh. As a result, we are exposed to the risks of receiving advanced technology from a few suppliers in China. The supplier may become insolvent or bankrupt or default on its obligations under the contract and it may not be possible to initiate proceedings or recover costs or damages or indemnification claims against such supplier.

We have yet to place orders for the supply of equipment for our other renewable energy power generation projects. In the event we are unable to successfully utilize or identify suppliers of new technologies in our current projects, we will be required to implement new technologies. Further, the technologies that we use in any of our businesses may become obsolete. The cost of implementing or upgrading new technologies, upgrading our existing equipment or expanding capacity could be significant and could adversely affect the timelines and our results of operations. Since we are relatively new in the renewable energy generation industry and the technology is not tested by us, a failure to respond to current and future technological changes in an effective and timely manner may have a material adverse effect on our business, financial condition or results of operations.

25. *We may be liable for the non-performance of our consortium or joint venture partners.*

We selectively enter into consortium arrangements and joint ventures in our EPC business and MSW business, including to meet pre-qualification criteria for certain projects. Under the contracts we enter into with our clients, we are generally jointly and severally liable with our joint venture or consortium partners for, among other things, any breach or non-performance of the contract. A breach or inability of our partner to continue with a project, due to financial, legal or other difficulties, could result in us being required to bear increased and, at times, sole responsibility for the completion of the project and a greater share of the financial risk of the project. In the event that a claim, arbitration award or judgment is awarded against the joint-venture or the consortium, we may be responsible to the client for the entire claim, irrespective of whether or not we are indemnified by our consortium partner. Since our consortium partners also include foreign parties, including entities based in China, there is a risk that we may not be able to obtain compensation or indemnification from such partners in a reasonable period of time or at all.

26. *Our operations are subject to hazards and other risks and could expose us to material liabilities, loss in revenues and increased expenses and negatively impact employee morale.*

Our operations are subject to hazards inherent in providing our services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. We may be unable to mitigate these risks through contractual limitations of liability, indemnities and insurance. Losses may arise from risks not addressed in our agreements or insurance policies, or we may be unable to obtain adequate insurance against some risks on commercially reasonable terms. Failure to finish any project in time may require us to pay penalties according to the provisions of the terms of our contracts. We may be unable to acquire land and right of way for our projects in the future, including due to local protests or resistance and delay in obtaining permits and approvals for land acquisition and development. Failure to effectively cover ourselves against such industry risks for any of these reasons could expose us to substantial costs and potentially lead to material losses. Workplace accidents and high accident rates may expose us (or our sub-contractors) to litigation, limit potential revenue streams from our clients, take up our management's time and resources and materially increase our future insurance and other operating costs. Additionally, the occurrence of any of these risks may also adversely affect public perception about our operations, the perception of our suppliers and clients and the morale and attrition rate of our employee. These liabilities and costs could have a material adverse effect on our business, results of operations and financial condition.

27. *We are exposed to claims from delays and defects that may affect our projects and which may have an adverse effect on our business.*

We may be subject to claims resulting from delays and defects arising from procurement and/or construction services provided by us within the defect liability periods extended by us, which may range from 12 months to 24 months after the testing of the product or the supply date or the commissioning of the project. We have faced delays in our EPC projects in the power distribution sector, including due to the internal government processes involving periodical approval of project milestones, resulting in delay in project execution, which adversely impacts us, especially if the contract is on a fixed-rate basis. Actual or claimed defects in equipment procured and/or construction quality could give rise to claims, liabilities, costs and expenses, relating to loss of life, personal injury, damage to property, damage to equipment and facilities, pollution, inefficient operating processes, loss of production or suspension of operations. Although in certain cases manufacturers are required to compensate us for certain equipment failures and defects, such arrangements may not fully compensate us for the damage that we suffer as a result of equipment failures and defects or the penalties under our agreements with our clients, and do not generally cover indirect losses such as loss of profits or business interruption. Any significant operational problems or the loss of our machines and equipment for an extended period of time could result in delays or incomplete projects or services and adversely affect our results of operations.

28. *Our insurance coverage may not adequately protect us against certain risks and claims and we may be subject to losses that might not be covered in whole or in part by our existing insurance coverage.*

We maintain insurance coverage of the type and in amounts that we believe are commensurate with our operations, including "erection-all-risk" insurance, fire and burglary insurance and workers' compensation insurance. As of October 31, 2010, the Company had erection-all-risk policies of an aggregate value of Rs.

32,166.39 million, fire and burglary policies of Rs. 841.12 million and workers' compensation policies of Rs. 185.80 million. Under many of our contracts with clients, we are required to obtain insurance for the projects undertaken by us, and we may also purchase specific business operations insurance policies for individual projects. However, in some cases, we may have not obtained the required insurance or our insurance policies may have lapsed prior to the completion of a delayed project. Further, we may not have obtained insurance cover for some of our projects that do not require us to maintain insurance. There are various other types of risks and losses for which we are not insured, such as loss of business, environmental liabilities and natural disasters, because they are either uninsurable or not insurable on commercially acceptable terms. Should an uninsured loss or a loss in excess of insured limits occur, we could incur liabilities, lose capital invested in that property or lose the anticipated future income derived from that business or property, while remaining obligated for any operational or financial obligation. Any such loss could result in a material adverse effect on our financial condition and results of operations.

29. We employ a large number of personnel in some of our businesses and such number may increase significantly in future. We may face labor disruptions that would interfere with our operations.

As of September 30, 2010, we had an aggregate of 19,020 employees. Some of our businesses are labor intensive. In particular, our FMS business requires a large pool of employees for its operations and we expect to continue to hire significantly in this business. For example, to fulfill our obligations under the contract to provide cleaning services in respect of the games held in New Delhi, we hired a substantial number of employees in the second and third fiscal quarter of fiscal 2011. We carry the risk of non-utilization of such employees hired for a specific project once such project is completed. There can be no assurance that we will be able to procure and train, on time or at all, sufficient employees for any project or that we will be able to successfully redeploy such employees in our organization upon the completion of a project. Although we have not experienced any labor disruption in the past and our workforce is not currently unionized, if our employees unionize, it may be difficult for us to maintain flexible labor policies, and we may face the threat of labor unrest, work stoppages and diversion of management's attention due to union intervention. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Also, our third-party suppliers of raw materials or equipment may experience strikes or other industrial action. Any such event could disrupt our operations, possibly for a significant period of time, result in increased wages and other costs and otherwise have a material adverse effect on our business, results of operations or financial condition. Further, if our workforce unionizes, we may be subject to industrial unrest, slow downs, work stoppages and increased wage costs.

30. We are dependent on our directors and senior management and our inability to retain them and attract new key personnel may have an adverse impact on the functioning of our business.

Our success is substantially dependent on the expertise and services of our Managing Director, Mr. Amit Mittal, and other members of our senior management. We cannot assure you that we will be able to retain any or all of the key members of our management. In the event we lose the services of any of the key members of our management, our business may be materially and adversely affected. For further details of our directors and management, please see the section "Our Management" beginning on page 152 of this Prospectus.

31. We have experienced negative net cash flows generated from operating activities in prior periods. Any negative cash flows in the future would adversely affect our cash flow requirements.

We have in the past, and may in the future, experience negative cash flows. For example, as per our restated consolidated summary statements, our net cash used in operating activities, after working capital adjustments, in fiscal 2008, 2009 and 2010 and in the four month period ended July 31, 2010 was Rs. 979.34 million, Rs. 555.03 million, Rs. 651.43 million and Rs. 1,018.03 million, respectively. This is because our profit margins during a period are typically lesser than the amount of retention money kept by our clients and the margin for working capital that banks require from us as a condition to sanctioning our credit limit for our working capital. See also the section "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 285 of this Prospectus. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our construction and growth plans. As a result, our cash flows, business, financial condition and results of operations could be materially and adversely affected. For further details, please see the sections "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 175 and 285, respectively, of this Prospectus.

32. We have undertaken and may continue to undertake strategic acquisitions or investments, which may prove to be difficult to integrate and manage or may not be successful.

We have undertaken various acquisitions in the past and may continue to do so in the future. For example, in fiscal 2008, we acquired the business of Sri Eswara Sai Constructions (an EPC service provider), in fiscal 2010, we acquired a majority interest in CNCS Facility Solutions Private Limited (an FMS company) and in the first quarter of fiscal 2011, we have acquired the businesses of Surendar Chowdhury & Brothers (a partnership firm engaged in the business of construction of electrical sub-stations and railway electrification work), Mohd. Rashid Contractors (a partnership firm engaged in the business of telecom cable laying, civil works and other EPC services) and En-Tech Engineers and Contractors (a partnership firm engaged in the business of telecom cable laying, civil works and other EPC services). In the second quarter of fiscal 2011, we have acquired a 1% profit sharing ratio in Star Transformers (a partnership firm manufacturing transformers) and also acquired the entire equity share capital of IL&FS Property Management & Services Limited (an FMS company). We have not undertaken any independent valuation in respect of these acquisitions (other than in respect of IL&FS Property Management & Services Limited) or for the demerger of the FMS business to our subsidiary, A2Z Infraservices. For details, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus. There is a risk that the information relied upon or assumed by us to acquire a business was inaccurate or incomplete and we may be subject to unforeseen liabilities and obligations relating to our past acquisitions. In addition, there are inherent risks in the integration of such business and we may not realize the intended benefit of any acquisition. In the future, we may consider making strategic acquisitions of other companies whose resources, capabilities and strategies are likely to enhance our business operations in the different geographical regions that we operate in. It is possible that we may not be able to identify suitable acquisition or investment opportunities, or that if we do identify suitable opportunities, we may not complete those transactions on terms commercially acceptable to us or at all. The inability to identify suitable acquisition targets or investments or the inability to complete such transactions may adversely affect our competitiveness and our growth prospects. In addition, the key personnel of the acquired company may decide not to work for us. If we acquire another company or business we could face difficulty in integrating the acquired operations. Any such investment or transaction outside India may require the prior approval of the Reserve Bank of India, which cannot be assured. We may also be exposed to foreign currency risks if we enter into such alliances, joint ventures or other transactions outside India. These difficulties could disrupt our ongoing business, distract our management and employees and increase our expenses. There can be no assurance that we will be able to achieve the strategic purpose of such acquisition or operational integration or a return on our investment.

33. We estimate placing orders for plant and machinery aggregating Rs. 2,274.76 million. Any delay or failure in the supply of equipment or change in our assumptions or market conditions may adversely affect our operations.

We are yet to place orders for plant and machinery worth approximately Rs. 1,126.41 million or 58.50% of the total estimated cost of plant and machinery for the three biomass (bagasse)-based power cogeneration projects in the State of Punjab. For our biomass-based power generation project in the city of Kanpur, we are yet to place orders for plant and machinery worth Rs. 461.78 million, which constitutes 68.14% of the total cost of plant and machinery for such project. We are yet to place orders for plant and machinery in respect of the six MSW projects included in the section “Objects of the Issue” for an aggregate value of Rs. 686.57 million, which constitutes approximately 51.88% of the total cost for plant and machinery for these projects. We are yet to place any orders in respect of our biomass-based power generation projects in the State of Rajasthan and the rice mill and associated power generation projects in the State of Punjab forming part of the object of the Issue. We have received quotations from various competent suppliers for all such equipment. We expect to place orders for the equipment as per our proposed implementation schedule disclosed in the section “Objects of the Issue” beginning on page 38 of this Prospectus. Any delay in the supply of this equipment may adversely affect our operations. Our requirement for such equipment is based on our growth plans and perceived business opportunities. Any deviation in our assumptions or market conditions could adversely affect our business and results of operations.

34. Our inability to attract and retain skilled personnel could adversely affect our business and results of operations.

As of March 31, 2008, March 31, 2009, March 31, 2010 and September 30, 2010, on a consolidated basis, our total employees were 5,822, 8,644, 16,170 and 19,020, respectively. Our ability to meet future business challenges depends on our ability to attract and recruit talented and skilled personnel. We face strong competition to recruit and retain skilled and professionally qualified staff in all the businesses that we operate.

We are not certain that we will be able to increase salaries at historical rates in future and maintain our profitability margins. Further, there can be no assurance that an increase in salary will result in lesser attrition. Our future performance will depend upon the continued services of these persons. An inability to manage the attrition levels in different employee categories may materially and adversely impact our business and results of operations. In addition, we cannot assure you that we will be successful in our efforts to retain or attract qualified personnel when needed. Therefore, when we anticipate or experience growing demand for our services, we may incur the cost of maintaining a professional staff in excess of our current contract needs in an effort to have sufficient qualified personnel available to address this anticipated demand.

35. Our inability to obtain, renew or maintain, or any delay in obtaining, renewing or maintaining, our statutory and regulatory permits and approvals required to operate our business may have a material adverse effect on our business.

We require certain statutory and regulatory permits and approvals for our business, including in respect of certain projects described in the section “Objects of the Issue”. For example, we are yet to receive or apply for certain approvals in connection with our Renewable Energy Generation projects in the States of Punjab and Rajasthan. In some states in which we operate, or may operate, construction activities may be subject to the grant of environmental licenses or permits. For example, we may not be able to commence construction of our MSW projects without receiving the consent of the relevant environmental authority. Further, we are required to renew certain of our existing approvals in respect of our current and planned projects. While we believe we will obtain approvals or renewals as may be required, there cannot be any assurance that the relevant authorities will issue any such approvals or renewals in the anticipated time frames or at all. Further, any failure by us to renew, maintain or obtain the required permits or approvals may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. In the event we are unable to obtain any of the approvals that are currently pending in relation to the projects described in the section “Objects of the Issue” and the non-receipt of such approval makes the project unviable, then the management will decide on the utilization of the Net Proceeds of the Fresh Issue for other objects of the Issue or other uses in accordance with the policies of the Board and in compliance with the provisions of the Companies Act, 1956, as amended, and other applicable laws. For further information, please see the sections “Government and Other Approvals” and “Objects of the Issue” beginning on pages 355 and 38, respectively, of this Prospectus.

36. Any increase in or occurrence of our contingent liabilities may adversely affect our financial condition.

As of July 31, 2010, our contingent liabilities as indicated in our restated consolidated summary statements were as follows:

<i>(Rs. in millions)</i>	
Contingent Liabilities	As of July 31, 2010
Performance and Financial Bank Guarantees	8,396.98
Outstanding amounts against counter guarantees / corporate guarantees amounting to Rs. 3,119.00 million given to Banks on account of facilities granted by said banks to subsidiaries	2,737.10
Liquidated damages deducted by customers not accepted by the Company and pending final settlement*	102.32
Open Letters of Credit	568.18
Litigation under the Workmen’s Compensation Act, 1923, as amended (the “Workmen’s Compensation Act”)	1.18
Litigation with contractors and others	3.63
Total	11,809.39

* Excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. Please see also, Note 9 in Annexure XXIIIC of our restated consolidated summary statements in the section “Financial Statements” beginning on page 175 of this Prospectus.

Any increase in our contingent liabilities or occurrence of these liabilities may materially and adversely affect our financial position, results of operations and cash flows.

37. We have entered into certain transactions with related parties. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

We have entered into certain transactions with related parties, including our joint venture partners, our Directors and our key managerial personnel and may continue to do so in future. The absolute value of all transactions entered into with our related party entities as per our restated consolidated summary statements for the year

ended March 31, 2010 and the four month period ended July 31, 2010, was Rs. 1,215.42 million and Rs. 605.94 million, respectively, of which Rs. 913.87 million and Rs. 581.76 million, respectively, constituted transactions with our joint venture partners. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. For details of related party transactions, please refer to the section “Financial Statements”, beginning on page 175 of this Prospectus.

38. *There may be potential conflicts of interest between us and our Directors.*

Some of our Directors are also directors on the boards of companies engaged in, or whose memorandum of association enable them to engage in, the same line of business as our Group. These overlapping directorships could create conflicts of interest between us and the other entities. For details of such other companies, please refer to the section “Our Management” beginning on page 152 of this Prospectus.

39. *Certain properties, including our Registered Office and our corporate office, are not owned by us. We have also entered into lease agreements with members of our Promoter Group.*

The Company has entered into an agreement dated August 31, 2008 with Mrs. Dipali Mittal, one of our current Directors and member of the Promoter Group, for a lease over the premises on which our Registered Office is situated. This lease is valid until September 1, 2011 and the rent currently payable by the Company to Mrs. Mittal is Rs. 54,450 per month. The Company has sub-leased such premises to A2Z Infrastructure, A2Z Powercom, A2Z Infraservices, A2Z Powertech and Selligence until March 31, 2011 for a monthly rent of Rs. 2,000 each. The Company’s corporate office is also located on leased premises. In addition, the Company and the subsidiaries have leased certain premises including from related parties, including members of our Promoter Group. For further details, please see the section “Our Business – Real Estate Property” beginning on page 108 of this Prospectus. Certain lease deeds have not been registered in the land records maintained by the relevant authorities and are insufficiently stamped. If any of the owners of these leased premises do not renew the agreements under which we occupy the premises on terms and conditions acceptable to us, or at all, or dispute the validity of the lease, we may suffer a disruption in our operations.

40. *We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.*

Changes in interest rates could significantly affect our financial condition and results of operations. The interest rates of certain of our borrowings are subject to floating rates of interest based on changes in the prime lending rate of the respective lenders, which are subject to renegotiation on a yearly basis. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

41. *We are subject to exchange rate risks, especially in respect of our planned capital expenditure projects in our Renewable Energy Generation Business, which could adversely affect our business, financial condition and results of operations.*

We have placed large orders for plant and machinery from foreign suppliers in connection with our planned capital expenditure, including projects in the Renewable Energy Generation business, and the consideration for such contracts is denominated in foreign currency. For instance, as of September 30, 2010, we had placed outstanding orders for plant and machinery from foreign suppliers for an aggregate value of approximately Rs. 947.25 million (converted at 1 USD = Rs. 45.00). As a result, we are exposed to risks relating to the fluctuation of exchange rates. Any adverse change in the exchange rate may adversely impact our results of operations, planned capital expenditures and cash flows.

42. *If we are unable to protect our trademarks and tradenames, it may have a material adverse effect on our business prospects, reputation and goodwill.*

We have not yet obtained trademark registrations for our name, logo or slogans. We have applied to register our name, logo and certain slogans and our applications are currently pending approval. We cannot assure you that we will be able to obtain such registrations in a timely manner or at all. As a result, we may be unable to prevent the use of these names or variations thereof by any other party or ensure that we will continue to have a right to use it. We further cannot assure you that third parties will not infringe upon our trademark, logo and/or trade name in a manner that may have a material adverse effect on our business prospects, reputation and goodwill.

43. Most of our funding requirements and deployment of the Net Proceeds of the Fresh Issue are based on management estimates and have not been independently appraised.

We intend to use the net proceeds of the Fresh Issue for purposes described in the section “Objects of the Issue” beginning on page 38 of this Prospectus, including an investment in our subsidiaries. The investment by the Company in its subsidiaries will be at par value, through an issue of equity or preference shares, or through a combination of both and we currently do not intend to undertake any independent valuation for such investment. Except as disclosed in the section “Objects of the Issue”, our funding requirements and the deployment of the Net Proceeds of the Fresh Issue are based on management estimates, current quotations from suppliers and our current business plans and such fund requirements and intended use of proceeds have not been appraised by any bank or financial institution. Because of the competitive and dynamic nature of the businesses that we operate, we may need to revise our expenditure and fund requirements due to changes in the cost structure, changes in estimates, changes in quotations, exchange rate fluctuations and external factors, which may not be within the control of our management. In the event of an increase in expenditure and fund requirements, we intend to try and meet these increased requirements through our internal accruals and additional debt or equity arrangements. This may entail rescheduling or revising the planned expenditure and fund requirements and increasing or decreasing the expenditure for a particular purpose at the discretion of our Board.

44. The information memoranda prepared by YES Bank Limited identifies possible risk factors that could adversely affect us and our prospects, business, results of operations and financial condition.

In connection with its appraisal, YES Bank Limited prepared information memoranda that, among other things, identified possible risks factors that could adversely affect us and our prospects, business, results of operations and financial condition. The possible risks identified by the YES Bank Limited information memoranda include risks relating to project funding and time and cost overruns and risks relating to the plant performance, operation and maintenance, the availability of fuel and off-take arrangements.

45. We will not receive any proceeds from the Offer for Sale. Our Promoter is one of the Selling Shareholders and will receive part of the proceeds from the Offer for Sale.

This Issue includes an offer for sale of Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders and we will not receive any such proceeds. Mr. Amit Mittal, our Promoter and Managing Director, is one of the Selling Shareholders and will receive a portion of the proceeds from the Offer for Sale.

46. Some of our subsidiaries and Group Companies of our Promoter have incurred losses in the last three fiscal years.

The following subsidiaries have incurred losses in the last three fiscal years as set forth below:

Name of entity	Fiscal year (In Rs. million)		
	2008	2009	2010
A2Z Infrastructure	(4.64)	(19.05)	(52.43)
A2Z Waste Management (Varanasi) Private Limited	-	-	(0.04)
A2Z Waste Management (Aligarh) Private Limited	-	-	(0.09)
A2Z Waste Management (Merrut) Private Limited	-	-	(0.08)
A2Z Waste Management (Moradabad) Private Limited	-	-	(0.10)
A2Z Powercom Limited	-	(0.06)	0.58
Imatek Solutions Private Limited*	(0.01)	(0.01)	-
CNCS Facility Solutions Private Limited*	(1.73)	(49.15)	1.24

* Imatek and CNCS became our subsidiaries during fiscal 2010.

For further information, please see the section “History and Certain Corporate Matters – Subsidiaries” beginning on page 124 of this Prospectus

The following Group Company of our Promoter has incurred losses in the last three fiscal years as set forth below:

Name of entity	Fiscal year (In Rs. million)		
	2008	2009	2010
JIT Logistics Private Limited	-	(0.02)	0.00

For further information, please see the section “Our Promoter and Group Companies of our Promoter” beginning on page 168 of this Prospectus.

47. In the 12 months prior to the date of filing the Draft Red Herring Prospectus, the Company had issued Equity Shares at a price which may be lower than the Issue Price.

In the 12 months prior to the date of filing of the Draft Red Herring Prospectus, the Company had issued Equity Shares at a price which may be lower than the Issue Price, as set forth below:

Subscriber	Date of allotment and date on which fully paid up	Number of Equity Shares	Issue price (Rs.)	Consideration	Reasons for Allotment
Beacon	October 12, 2009	152,803	785.32	Cash	Preferential allotment
Lexington	October 12, 2009	1,120,555	785.32	Cash	Preferential allotment

Further, on March 18, 2010, the Company allotted 34,380,675 Equity Shares as bonus shares to its existing shareholders. The effective issue price per Equity Share in respect of the above allotment to Beacon and Lexington after taking into consideration the bonus shares issue was Rs. 314.13.

For additional information, please see the section “Capital Structure” beginning on page 23 of this Prospectus.

48. Our Promoter and the members of our Promoter Group will continue to retain significant control in the Company after the Issue, which will enable them to influence the outcome of matters submitted to shareholders for approval. Our Promoter and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

As of July 31, 2010, our Promoter and the members of our Promoter Group held approximately 55.81% of the issued equity share capital of the Company. After completion of the Issue, our Promoter and the members of our Promoter Group will hold 42.10% of the equity shares capital of the Company and continue to retain a significant control of the Company. As a result, our Promoter and our Promoter Group will have the ability to control our business, including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election or termination of appointment of our officers and directors. This control could delay, defer or prevent a change in control of the Company, impede a merger, consolidation, takeover or other business combination involving the Company, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of the Company even if it is in the Company’s best interest. In addition, for so long as our Promoter and the members of our Promoter Group continue to exercise significant control over the Company they may influence the material policies of the Company in a manner that could conflict with the interests of our other shareholders. Our Promoter and the members of our Promoter Group may have interests that are adverse to the interests of our other shareholders and may take positions with which our other shareholders do not agree.

49. Certain of our private equity investors will continue to have the right to appoint a Director after the listing of the Equity Shares in the Issue.

Pursuant to agreements entered into among Mr. Rakesh Radheyshyam Jhunhunwala, Beacon, Lexington, the Company, the Promoter and certain other shareholders, Mr. Jhunhunwala, Beacon and Lexington have certain rights, including the right of first refusal, right of first offer, the right to veto certain matters, a put option, drag along rights and pre-emptive and anti-dilution rights in relation to further issue or purchase of Equity Shares. The parties to such agreements have consented to the Issue, agreed to waive their rights in respect of the Issue and agreed that this Issue shall be considered as a Qualified Initial Public Offering (as defined in the investor agreement) provided that the Issue is completed at a pre-money market capitalization as may be mutually

acceptable to Mr. Jhunjhunwala, Beacon, Lexington, Mr. Amit Mittal, Mrs. Dipali Mittal, Mrs. Babita Shivswaroop Gupta, Mr. Manoj Gupta and Shiv Swaroop Gupta HUF prior to the filing of the Red Herring Prospectus with the RoC. The rights of the investors will terminate upon commencement of trading of the Equity Shares on the Stock Exchanges, other than the right of each of Mr. Jhunjhunwala, Beacon and Lexington to nominate one Director each to the Board. The right of Mr. Jhunjhunwala, Beacon and Lexington to appoint one Director each shall terminate in the event such party's shareholding falls to less than 5% of the fully diluted share capital of the Company. Currently, Mr. Manish Gupta is the nominee Director of Mr. Jhunjhunwala, Mr. Brij Raj Singh is the nominee Director of Beacon and Mr. Gaurav Mathur is the nominee Director of Lexington on our Board. For further details, please see the section "History and Certain Corporate Matters" beginning on page 116 of this Prospectus. The interests of such nominee Directors may differ from the management and the nominee Directors may choose to exercise their rights in a manner different to what other Directors of the Company believe is in the best interests of the Company. Consequently, the decisions arrived at by the Directors may have an adverse effect on our business and results of operations.

50. The allocation of Equity Shares pursuant to the A2Z Stock Option Plan 2010 may result in a charge to our profit and loss statement and may adversely impact our net profit.

The Company has adopted the A2Z Stock Option Plan 2010 ("A2Z ESOP") under which eligible employees and Directors of the Company and its subsidiaries are able to participate up to an aggregate of 5% of the issued shares of the Company. An employee, who is a Promoter, belongs to the Promoter Group or director, who directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company, is not eligible to participate in the A2Z ESOP. For further details on the A2Z ESOP, please see the section "Capital Structure" beginning on page 23 of this Prospectus.

Under Indian GAAP, the grant of stock options may result in a charge to our profit and loss account based on the difference between the exercise price determined at the date of the grant of options and the fair market value of the options. This expense will be amortized over the vesting period of the options.

51. Any further issue of Equity Shares by the Company or sale of Equity Shares by any of its significant shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares by the Company, including pursuant to the exercise of stock options under the A2Z ESOP or any future employee stock option schemes, could dilute your shareholding. In addition, under the newly amended Securities Contracts (Regulation) Rules, 1957 ("SCRR"), the Company is required to maintain a public float of 25%. Any such future issuance of the Equity Shares or future sales of the Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares and impact our ability to raise capital through an offering of our securities. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. Upon completion of the Issue, 20% of our post-Issue paid-up capital held by our Promoter will be locked up for a period of three years and the Equity Shares held by our other shareholders will be locked-up for a period of one year from the date of allotment of Equity Shares in the Issue. For further information, please see the Notes to the Capital Structure in the section "Capital Structure" beginning on page 23 of this Prospectus.

52. The Company has not paid dividends on its Equity Shares in the past and cannot assure payment of dividend in future.

The Company has not previously paid dividends on its Equity Shares and we have no specified dividend policy. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures applicable Indian legal restrictions and other factors. There can be no assurance that we will pay dividends. Additionally, we may be restricted by the terms of our loan agreements from making any dividend payments unless otherwise agreed with the lenders.

External Risk Factors

53. Our businesses are subject to a variety of safety, health and environmental laws and various labor, workplace and related laws and regulations. Any failure on our part to comply with these applicable laws and regulations could have an adverse effect on our consolidated financial condition.

Our operations are subject to numerous safety, health and environmental protection laws and various labor, workplace and related laws and regulations, which are complex and stringent and may increase our compliance costs. In particular, our MSW business is subject to laws, rules and orders governing environmental protection, health, safety, land use, zoning, transportation and related matters. Such regulations may restrict our operations and adversely affect our financial condition, results of operations and cash flows by imposing conditions such as limitations on siting and constructing new waste disposal, transfer or processing facilities or expanding existing facilities, limitations, regulations or levies on collection and disposal prices, rates and volumes, limitations or bans on disposal or transportation of certain categories of waste.

Significant fines and penalties may be imposed for non-compliance with the safety, health and environmental laws and regulations, and some of these laws provide for joint and several strict liability for remediation of releases of hazardous substances, rendering a person liable for environmental damage without regard to negligence or fault on the part of such person. In addition to potential liabilities that may be incurred in satisfying these requirements, we may be subject to claims alleging personal injury or property damage as a result of alleged exposure to hazardous substances.

We are also subject to stringent labor laws. The Company has received notices from various regulatory authorities for non-compliance with various labor legislations, including the Contract Labour (Regulation and Abolition) Act, 1970, as amended and the Minimum Wages Act, 1948, as amended. We have also been subject to certain claims under the Employee's Compensation Act, 1923. For further details, please see the section "Outstanding Litigation and Material Developments" beginning on page 332 of this Prospectus.

Such laws and regulations may expose us to liability arising out of the conduct of operations or conditions caused by others, or for our own acts including those which were in compliance with all applicable laws at the time such acts were performed. For example, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be held responsible for any wage payments to be made to contract laborers hired by our sub-contractors in the event of default by such sub-contractors and we may also be required to absorb a portion of such contract laborers as permanent employees under certain circumstances. Penalties for failure to comply with these laws, rules and regulations, many of which may be applied retroactively, may include:

- administrative, civil and criminal penalties;
- revocation of permits;
- corrective action orders; and
- breach of certain existing contracts with clients.

The regulatory framework in India is evolving. Future government policies and changes in laws and regulations in India may adversely affect our business and operations, and restrict our ability to do business in our existing and target markets. The timing and content of any new law or regulation is not in our control and such new law or regulation could have an adverse effect on our business, results of operations and financial condition.

54. Seasonality and weather conditions may adversely affect our business.

Our business operations may be adversely affected by severe weather, which may require us to evacuate personnel or curtail services and may result in damage to a portion of our equipment or facilities, resulting in the suspension of operations. In addition, such weather may prevent us from delivering materials to our project sites in accordance with contract schedules or generally affect our schedule. The collection and transportation operations in the MSW business may be affected during adverse weather conditions resulting in disruption of operations. Our operations may also be adversely affected by difficult working conditions such as high altitudes or difficult terrains and extremely high temperatures during summer months and during monsoon. For example, our EPC business operations were affected due to the recent cloud burst and flash floods in Leh and while we have filed claims with the relevant insurance companies on behalf of the customer, we have recognized the cost of replacement material of Rs. 130.02 million, net of deferred tax credit of Rs. 43.19 million, in the profit and loss account as an "Extraordinary Item" expense in the four month period ended July 31, 2010, as per our restated summary statements. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced.

55. The profitability of our Renewable Energy Generation business depends in part on our ability to sell Certified Emissions Reductions ("CERs") or participate in renewable energy trading schemes.

We expect to derive income from the sale of CERs and other renewable energy trading schemes if and when implemented. Our ability to sell CERs depends on the CDM arrangements under the Kyoto Protocol. Pursuant to the Kyoto Protocol, public or private entities can purchase the CERs we generate from our CDM projects and use these CERs to comply with their domestic emission reduction targets or sell them in the open market. Our projects in the Renewable Energy Generation business are expected to be registered for CDM. If the Kyoto Protocol is not renewed before its expiry on December 31, 2012 or if the Indian government discontinues its support for these CDM arrangements, it could adversely affect our strategy and any income from the sale of CERs.

In addition, since the process to register projects eligible for renewable energy certificate schemes can be complicated and time-consuming, the timing and outcome of our registration applications are uncertain. There can be no assurance that there will be no delays in the recognition of revenue generated from renewable energy certificate schemes in the future, for instance in the event of a change in accounting standards. Further, we cannot assure you that the CDM Executive Board or other relevant governing bodies will approve all of our applications for registration in a timely manner, or at all. Should there be any material changes to the verification standards in the registration progress or other changes to the renewable energy certificate eligibility criteria, we may be unable to register our renewable energy generation projects under renewable energy certificate schemes in the future, which could have a material adverse effect on any income from the sales of CERs or other renewable energy certificates.

56. Taxes and other levies imposed by the central or state governments, as well as other financial policies and regulations, may have an adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the central or state governments in India that affect our business include customs duties, excise duties, service tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. The central and state tax scheme in India is extensive and subject to change from time to time. We may be eligible for certain tax benefits, such as deductions under Section 80-IA of the I.T. Act, relating to infrastructure development projects. We cannot assure you that such tax incentives will continue to be available in the future. Changes in or elimination of such tax incentives could adversely affect our competitive position, profitability, financial condition and results of operations.

57. A slowdown in economic growth in India or in the States in India in which we operate, could cause our business to suffer.

We currently derive all our revenue from our operations in India and consequently, our performance and the quality and growth of our businesses are dependent on the health of the overall Indian economy and the economy of the States in India in which we operate such as the States of Punjab, Uttar Pradesh, Rajasthan, Bihar and Madhya Pradesh. India's economy could be adversely affected by a general rise in interest rates, weather conditions adversely affecting agricultural produce, commodity and energy prices or various other factors. Any slowdown in the Indian economy or in the States in India in which we operate or future volatility in global commodity prices could adversely affect the policy of the various governments towards infrastructure, which may in turn adversely affect our financial performance.

58. Our performance is linked to the stability of policies and the political situation in India.

Since 1991, the Government of India has pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Any political instability could have a material adverse effect on the market for the Equity Shares. We cannot assure you that these liberalization policies will continue in future. Protests against privatization could slowdown the pace of liberalization and deregulation. The rate of economic liberalization could change, and specific laws and policies affecting companies in the infrastructure sector, foreign investment, currency exchange rates and other matters affecting investment in our securities could change as well. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India and our business in particular.

59. Acts of violence or war involving India, the United States or other countries could adversely affect the financial markets, result in loss of client confidence, and adversely affect our business, financial condition and results of operations.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as those in Indonesia, Madrid, London, New York and Washington, D.C. and other acts of violence may adversely affect the Indian stock markets where the Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability.

India, the United States or other countries may enter into armed conflict or war with other countries or extend pre-existing hostilities. South Asia has, from time to time, experienced instances of civil unrest and hostilities among neighboring countries. Also, we are currently executing, and may continue to execute, projects located in States of India that are at risk of attacks from rebel groups (such as Naxalites) or other disturbances. Such attacks, or the threat of such attacks, whether or not successful, may disrupt our operations and/or delivery of goods, result in increased costs for security and insurance and may adversely impact our business, results of operations and financial condition, as well as place our assets and personnel at risk. Further, military or rebel activity could adversely affect the Indian economy by, for example, disrupting communications and making travel more difficult. Such events could also create a perception that investments in Indian companies involve a higher degree of risk. This, in turn, could adversely affect client confidence in India, which could have an adverse impact on the economy of India and of other countries, on the markets for our services and on our business. Additionally, such events could have a material adverse effect on the trading price of securities of Indian companies, including the Equity Shares.

60. Outbreak of contagious diseases in India may have a negative impact on the businesses that we operate.

Recently, there have been threats of epidemics, including the H1N1 virus that causes "swine flu" and which the World Health Organization has declared a pandemic, in the Asia Pacific region, including India, and in other parts of the world. If any of our personnel are suspected of having contracted any of these infectious diseases, we may be required to quarantine such persons or the affected areas of our facilities and temporarily suspend a part or all of our operations. Further, the fear of contracting such contagious diseases could prevent our clients from traveling to India or within or from India and could restrict our personnel from traveling within or outside India, which would have a material adverse effect on our business, prospects, financial condition and results of operations and could cause the price of the Equity Shares to decline.

61. Natural calamities and force majeure events may have an adverse impact on the Indian economy.

Natural calamities could have a negative impact on the Indian economy and cause our business to suffer. India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy, adversely affecting our business and the price of the Equity Shares.

62. Any downgrade of our debt ratings or of India's sovereign debt rating could adversely affect our business.

Any downgrade in our credit ratings may increase interest rates on our outstanding debt, increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our ability to raise new capital on a competitive basis, which may adversely affect our profitability and future growth.

In addition, any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing and the interest rates and other commercial terms at which such financing is available. This could have an adverse effect on our business and future financial performance and our ability to fund our growth.

63. Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP and IFRS, which may be material to investors' assessments of our financial condition. Our failure to successfully adopt IFRS could have a material adverse effect on the trading price of the Equity Shares.

The restated consolidated summary statements provided in this Prospectus have been derived from the audited consolidated financial statements, which are in accordance with Indian GAAP and which differs in significant

respects from US GAAP and IFRS. Accordingly, the degree to which the summary statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

The Ministry of Corporate Affairs of the Government of India, through a press release dated January 22, 2010, has prescribed a roadmap for convergence of Indian Accounting Standards with IFRS. We have not determined with any degree of certainty the impact that such adoption will have on our financial reporting. There can be no assurance that our financial condition, results of operations, cash flows or changes in shareholders' equity will not appear materially worse under IFRS than under Indian GAAP. As we transition to IFRS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing our management information systems. Moreover, there is increasing competition for the small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. There can be no assurance that our adoption of IFRS will not adversely affect our reported results of operations or financial condition and any failure to successfully adopt IFRS could have a material adverse effect on the trading price of the Equity Shares.

64. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Issue. The price of the Equity Shares may be highly volatile.

The Issue Price of the Equity Shares will be determined by the Book Building Process. This price will be based on numerous factors and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. The price of the Equity Shares on the Indian Stock Exchanges may fluctuate after this Issue as a result of several factors including the following:

- (i) volatility in Indian and global securities markets;
- (ii) our results of operations and performance in the businesses we operate in;
- (iii) performance of our competitors and perception in the Indian market about investment in the sectors and businesses in which we operate;
- (iv) adverse media reports on our Group or the businesses we operate in;
- (v) changes in the estimates of our performance or recommendations by financial analysts;
- (vi) significant development in India's economics liberalization and de-regulation policies; and
- (vii) significant development in India's fiscal and environmental regulations.

There can be no assurance that the price at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequent to this Issue.

65. We may not receive final listing and trading approvals from the BSE and the NSE. An active market for the Equity Shares may not develop, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The Equity Shares currently have no trading market. The Company will apply to the BSE and NSE for final listing and trading approvals after the Allotment of the Equity Shares in the Issue. There can be no assurance that we will receive such approvals on time or at all. Also, no assurance can be given that an active trading market for the Equity Shares will develop or as to the liquidity or sustainability of any such market, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which shareholders will be able to sell their Equity Shares. If an active market for the Equity Shares fails to develop or be sustained, the trading price of the Equity Shares could fall. If an active trading market were to develop, the Equity Shares could trade at prices that may be lower than their Issue Price.

66. You will not be able to sell immediately on an Indian Stock Exchange any of the Equity Shares you are Allotted in the Issue.

Under the ICDR Regulations, we are permitted to list the Equity Shares within 12 working days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your demat account with Depository Participants until approximately 12 working days after the Bid/Issue Closing Date. You can start trading in the Equity Shares only after they have been credited to your demat account and final listing and trading approvals are received from the Stock Exchanges. There can be no assurance that final listing and

trading approvals will be obtained from the Stock Exchanges on time or at all. Further, there can be no assurance that the Equity Shares allocated to you will be credited to your demat account, or that trading in the Equity Shares will commence within the specified time periods.

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

We are subject to a daily circuit breaker imposed by the stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker effectively limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

Prominent Notes:

- Public Issue of 19,407,750 Equity Shares at the Issue Price for cash, aggregating Rs. 7,762.47 million, comprising a Fresh Issue by the Company of 16,876,569 Equity Shares at the Issue Price aggregating Rs. 6,750.00 million and an Offer for Sale by the Selling Shareholders of 2,531,181 Equity Shares[#] at the Issue Price aggregating Rs. 1,012.47 million. Up to 100,000 Equity Shares will be reserved in the Issue for subscription by Eligible Employees. The Issue and the Net Issue will constitute 26.16% and 26.03%, respectively, of the post-Issue Equity Share capital of the Company.

[#] *As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.*

- As of July 31, 2010, the net worth of the Company was Rs. 4,373.91 million and Rs. 4,276.28 million as per the restated unconsolidated summary statements and our restated consolidated summary statements, respectively. For more information, please see the section "Financial Statements" beginning on page 175 of this Prospectus.
- As of July 31, 2010, the net asset value per Equity Share was Rs. 76.33 and Rs. 74.63 as per the restated unconsolidated summary statements and our restated consolidated summary statements, respectively. For more information, please see the section "Financial Statements" beginning on page 175 of this Prospectus.
- The average cost of acquisition of the Equity Shares held by our Promoter, Mr. Amit Mittal, is Rs. 0.40 per Equity Share. This average cost of acquisition per Equity Share has been calculated by taking the total amount paid by the Promoter to acquire the Equity Shares, including bonus shares, divided by the total number of Equity Shares.
- For related party transactions, including details of transactions between the Company with its subsidiaries and the cumulative value of such transactions, please see the section "Financial Statements" beginning on page 175 of this Prospectus. The following table lists the absolute value of all transactions entered into with our related party entities as per our Restated Consolidated Summary Statements for the years ended March 31, 2009 and 2010 and for the four month period ended July 31, 2010:

<i>(Rs. in million)</i>							
Sr. No.	Particulars	Transaction Amount	Balance Outstanding	Transaction Amount	Balance Outstanding	Transaction Amount	Balance Outstanding
		For the year ended March 31, 2009		For the year ended March 31, 2010		For the four month period ended July 31, 2010	
1.	Joint Ventures	2,142.58	1,827.77	913.87	2,233.32	581.76	1,768.76
2.	Individual having Significant Influence	-	-	73.41	-	0.10	0.06
3.	KMP/Relative of KMP	17.56	3.30	223.93	25.83	24.08	23.35
4.	Enterprises in control of Individual having	421.71	-	-	-	-	-

	Significant control						
5.	Enterprises in control of KMP having Significant control	-	-	4.21	1.60	-	-
	Total	2,581.85	1,831.07	1,215.42	2,260.75	605.94	1,792.17

6. Other than as stated in the section “Capital Structure - Notes to Capital Structure” beginning on page 24 of this Prospectus, the Company has not issued any Equity Shares for consideration other than cash.
7. For details of transactions in the securities of the Company by our Promoter, our Promoter Group and our Directors in the last six months, please see the section “Capital Structure – Notes to the Capital Structure” beginning on page 24 of this Prospectus.
8. For information on changes in the Company’s name and changes in objects clause of the Memorandum of Association, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.
9. Except as disclosed in the sections “Our Promoter and Group Companies of our Promoter”, “Our Management” and “Our Business” beginning on pages 168, 152 and 83 of this Prospectus, respectively, none of our Promoter, our Directors nor our key management personnel have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner or trustee and to the extent of the benefits arising out of such shareholding.
10. The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion shall be available for allocation to Mutual Funds only and the remaining QIB Portion shall be available for allocation to the QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, up to 100,000 Equity Shares shall be available for allocation on a proportionate basis to Employees, subject to valid Bids being received at or above the Issue Price, provided that the value of allotment to a single Employee does not exceed Rs. 200,000. The QIB Portion includes the Anchor Investor Portion. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Qualified Institutional Portion, the Non-Institutional Portion or the Retail Portion, would be allowed to be met with spill-over from other category or a combination of categories, at the discretion of the Company, in consultation with the BRLMs, the CBRLM and the Designated Stock Exchange. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue. For further details, please see the section “Issue Structure” beginning on page 390 of this Prospectus.
11. For any clarification or information relating to the Issue, investors may contact the BRLMs, the CBRLM or the Company, who will be obliged to provide such clarification or information to the investors at large. No selective or additional information would be available for a section of investors in any manner whatsoever.
12. Investors may contact the BRLMs and the CBRLM for any complaints pertaining to the Issue.
13. Investors should refer to the section “Basis of Issue Price” beginning on page 38 of this Prospectus.
14. Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Bidders, Non-Institutional Bidders and Retail Bidders shall be on a proportionate basis. For more information, please see the section “Issue Procedure” beginning on page 395 of this Prospectus.
15. Trading in Equity Shares for all investors shall be in dematerialized form only.
16. Neither a member of our Promoter Group nor a Director nor any relative of any Director has financed the purchase by any other person of any securities of the Company during the six months immediately preceding the date of the Draft Red Herring Prospectus.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY AND BUSINESS

INDUSTRY OVERVIEW

The Indian Infrastructure Opportunity

The XIth Five Year Plan (“FYP”) aims at a sustainable GDP growth rate of 9%, but there is general consensus that infrastructure inadequacies would constitute a significant constraint in realizing this development potential. To overcome this constraint, an ambitious programme of infrastructure investment, involving both public and private sector, is being developed for the XIth FYP.

Indian Power Sector

Demand for engineering, procurement and construction services in the power transmission lines and power distribution businesses is largely dependent on development, demand and new investments in the power generation, transmission and distribution sectors. For FY 10, India faced an energy shortage of approximately 11.7% of total energy requirements and 13.3% of peak demand requirements. (Source: CEA, “Power Scenario at a Glance”, April 2010). Over FY 00 – FY 10, the peak deficit has grown from 6.2% (Source: Ministry of Power, Annual Report, FY 2002-03) to 13.3%. In order to accelerate and upgrade the Indian T&D infrastructure, the Government of India consolidated various distribution schemes during the Xth FYP including the Accelerated Power Development and Reforms Program (“APDRP”) and Rajiv Gandhi Grameen Vidyutikaran Yojana (“RGVY”) schemes.

Renewable Energy in India

Renewable energy-based power capacities have registered the highest pace of growth in the overall capacity additions in India compared to non-renewable sources, increasing their share of total power capacity from 2% in FY 2003 to around 10% in FY 2010. Nonetheless, contribution from renewable energy sources towards overall generation has been low at around 3% due to low plant load factors of renewable capacities. (Source: CEA) The aim for the XIth FYP, as stated by the working group of the Planning Commission in its Report of the Working Group on New and Renewable Energy for the XIth FYP (2007-2012) (published in December 2006), is a capacity addition of 14,000 MW from renewable energy (grid-interactive). In the report, the Planning Commission estimates that by the end of the XIth FYP, renewable energy power capacity in India could be around 23,000 MW out of total capacity of around 211,000 MW (or approximately 11% of total capacity). The CERC has also issued preferential tariff guidelines for power generated from renewable sources.

Global and Indian Scenario in Municipal Solid Waste Management

Rapid increase in volume and types of solid and hazardous waste as a result of continuous economic growth, urbanization and industrialization, is becoming a burgeoning problem for national and local governments to ensure effective and sustainable management of waste. It is estimated that in 2006 the total amount of MSW generated globally reached 2.02 billion ton, representing a 7% annual increase since 2003 (Source: Developing Integrated Solid Waste Management Plan, UNEP).

Urban waste generation is rapidly increasing in India with population expansion and economic development. MSW management is a part of public health and sanitation, and is entrusted to the municipal government for execution. The historical practices of uncontrolled dumping of waste on the outskirts of towns/cities have created serious environmental and public health problems. The Government has initiated various schemes to address concerns of MSW management. These schemes include the Jawaharlal Nehru National Urban Renewal Mission and the Urban Infrastructure Development Scheme for Small and Medium Towns.

Facility Management Services

Facility management is a profession that encompasses multiple disciplines to ensure functionality of the built environment by integrating people, place, process and technology. (Source: International Facility Management Association). In the broader framework of a growing economy, sectors such as financing, insurance, real estate and business services grew at 9.9% in 2009-10 (Source: <http://indiabudget.nic.in/es2009-10/chapt2010/chapter01.pdf>). Growth in these sectors has led to a demand for supporting infrastructure and management of the same is emerging as a business model. Such management solutions have a place for organizations spread geographically such as the Indian Railways (with 6,853 stations (Source: Ministry of Railways)) and also places such as offices, malls etc.

For further details, please see the section “Industry Overview” beginning on page 66 of this Prospectus.

BUSINESS OVERVIEW

Investors should note that this is only a summary of our business and does not contain all the information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this entire Prospectus, including the information in the sections “Risk Factors” and “Financial Information” beginning on pages xii and 175, respectively, of this Prospectus.

An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section “Risk Factors” beginning on page xii of this Prospectus.

Overview

We are an engineering, procurement and construction (“EPC”) company in India and have been providing services to the power transmission and distribution sector with a focus primarily on the distribution segment. We are diversifying this business to provide EPC services to power generation companies and companies in other sectors, including road and telecommunications (together, the “EPC business”, referred to as the Engineering Services Segment in our restated summary statements). In addition, we are significantly focused on and involved in other businesses that include the following: (i) generating power from renewable energy sources (the “Renewable Energy Generation business”); (ii) providing municipal solid waste management services (the “MSW business”); (iii) providing facility management services (the “FMS business”); and (iv) developing information technology (“IT”) solutions for power utilities (the “Power IT Solutions business”). Our business operations are geographically spread across India and conducted through the Company and its direct and indirect subsidiaries.

EPC. We have been operating our EPC business since fiscal 2006 and have historically focused primarily on the power distribution sector, where our EPC services include the installation of distribution line infrastructure with capacities of up to 33 KV, the construction of substations of up to 33 KV and participation in system strengthening projects and rural electrification projects. In the power transmission sector, where we have undertaken select projects, our EPC services portfolio includes the construction of extra high voltage (“EHV”) substations of up to 400 KV and EHV transmission lines of up to 765 KV. We are executing projects in the power transmission and distribution sector in India for various state power utilities and central public sector utilities such as PGCIL, NTPC and NHPC. In the power generation sector, we are currently executing EPC projects for an aggregate capacity of 60 MW for companies within the Group and intend to grow this business to provide such services to third parties. We have recently been awarded an EPC project in the road segment. The income from the EPC business, as per our restated consolidated summary statements, in fiscal 2008, 2009 and 2010 was Rs. 4,536.47 million, Rs. 6,644.22 million and Rs. 11,227.83 million, respectively, comprising 94.25%, 91.79% and 91.63% of our total income for such years as per our restated consolidated summary statements. In the four month period ended July 31, 2010, the income from the EPC business, as per our restated consolidated summary statements, was Rs. 3,659.40 million, comprising 87.52% of the total income for such period, as per our restated consolidated summary statements. As of July 31, 2010, our outstanding order book from the EPC business (T&D) was approximately Rs. 12,919.94 million.

Renewable Energy Generation. We have recently entered the power generation business choosing renewable energy sources of fuel such as biomass, RDF generated from our projects in the MSW business, bagasse, mustard stems, rice husk, juliflora and other agricultural and forest waste. We are constructing three 15 MW renewable energy cogeneration projects in sugar mills located in the State of Punjab on a BOOT basis and a 15 MW biomass-based power plant at Kanpur in the State of Uttar Pradesh where we intend to primarily use, among others, RDF generated from our MSW business as a source of fuel. We expect these four power plants to be commissioned in March 2011. In addition, we are also setting up five 15 MW biomass-based power generation projects in the State of Rajasthan that will primarily utilize crop residue as fuel and biomass-based power generation projects in the State of Punjab with an aggregate installed capacity of 100 MW that will utilize the rice husk generated from rice milling operations proposed to be undertaken by us. We expect the projects in the State of Rajasthan to be commissioned in October 2011 and an aggregate installed capacity of 10 MW of the biomass (rice husk)-based power generation projects in the State of Punjab will be commissioned in December 2011. We intend to develop additional biomass-based power projects with unique fuel linkages. Such projects

include the biomass generated from our MSW business which we believe complements our power generation business as we have an available source of fuel for power generation.

MSW. In the MSW business (referred to as collection & transportation of municipal solid waste and sale-compost in our restated consolidated summary statements), we provide collection, transportation, processing, disposal and treatment of municipal solid waste (“MSW”). In a short span of time since 2008, we have been awarded contracts for (a) setting up IRRFs on a BOOT basis with an aggregate MSW capacity of 3,800 tons per day (“TPD”) in six cities, (b) the collection and transportation (“C&T”) of MSW of an aggregate capacity of 910 TPD in two cities and (c) the processing and disposal (“P&D”) of MSW of an aggregate capacity of 855 TPD in 12 cities in India. Currently, the C&T activities in the cities of Kanpur (in 34 out of 110 wards), Indore, Biharsharif, Patna (in one out of four circles), Aligarh, Varanasi, Moradabad and Meerut and the P&D activities in the city of Kanpur are operational.

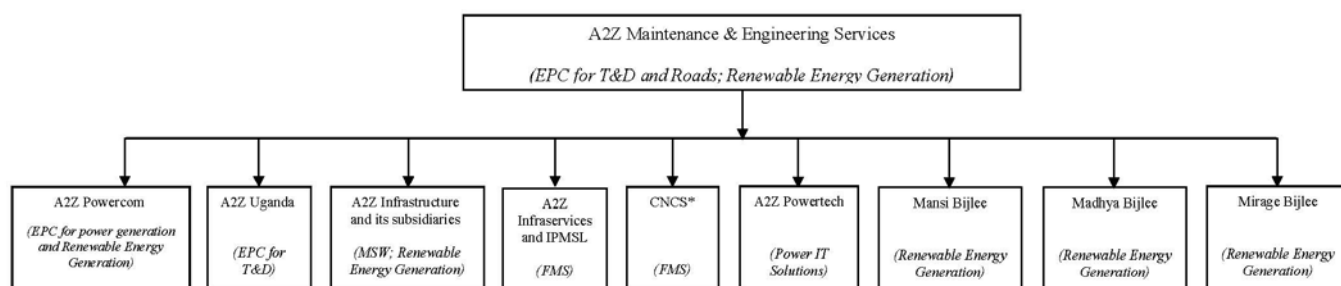
FMS. We have been engaged in the FMS business (referred to as the Facility Management Services in our restated consolidated summary statements) since the incorporation of the Company in 2002 and believe that we differentiate ourselves by leveraging our engineering skills and assisting clients in adopting preventive maintenance and energy saving solutions. Our services in the FMS business include engineering maintenance (mechanical, plumbing, electrical, HVAC, DG Set), energy saving solutions, janitorial services, parking management, property lease management, telecommunications tower maintenance and security services to public and private sector clients. We have established ourselves as a multi-location, multi-service FMS provider in the Indian market. We also provide specialized services to the Indian Railways under the Clean Train Station (“CTS”) scheme, the Intensive Rake Cleaning (“IRC”) scheme and the On-Board Housekeeping Services (“OBHS”) scheme in 11 out of 16 railway zones. As of September 30, 2010, we were providing our services in 27 States in India and the NCT of Delhi and Haryana and had, as of such date, 14,670 employees in this business.

Power IT Solutions. We have recently diversified into the Power IT Solutions business, where we are executing projects as a systems integrator by developing solutions for aggregate technical and commercial (“AT&C”) loss reduction in India. We also intend to provide advanced metering solutions to power utilities.

In fiscal 2008, 2009 and 2010, our consolidated total income, as restated, was Rs. 4,813.47 million, Rs. 7,238.80 million and Rs. 12,252.96 million, respectively and our consolidated net profit after tax, as restated, was Rs. 498.42 million, Rs. 590.49 million and Rs. 978.73 million, respectively. In the four month period ended July 31, 2010, our consolidated total income, as restated, was Rs. 4,180.99 million and our consolidated net profit after tax, as restated, was Rs. 261.13 million.

The A2Z Group

An organizational chart of our business is given below:



* We hold an equity interest of 51% in CNCS through Imatek, a wholly-owned subsidiary of the Company. Such equity interest can be increased to 100% by 2014 through the exercise of put or call options. For further details, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

For the detailed corporate organizational structure, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

Competitive Strengths

We believe that we have the following principal competitive strengths:

- Ability to identify new business opportunities and scale businesses in high growth sectors

- Proven project execution capabilities and demonstrated track record
- In-house engineering capabilities and strong quality management systems
- Qualified and experienced management and motivated employee base
- Diversified business and operations

Our Business Strategy

Our business strategy is focused on expanding our participation in the power, infrastructure and waste management sectors in a socially relevant manner. To this end, we intend to continue to provide high quality services to our clients and grow our business by leveraging our strengths and implementing the following strategies:

- Strengthen presence in the power sector
- Continue to diversify and grow our EPC, Renewable Energy Generation, MSW and FMS businesses
- Establish an international presence
- Pursue strategic alliances and investments

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information extracted from our Restated Consolidated Summary Statements as of and for fiscals 2007, 2008, 2009 and 2010 and as of and the period ending July 31, 2010. Financial information have been extracted out of audited consolidated financial statements for the respective years prepared in accordance with the Generally Accepted Accounting Principles in India (“Indian GAAP”) and the Companies Act, and restated in accordance with the ICDR Regulations.

The summary financial information presented below should be read in conjunction with the restated summary statements included in the section “Financial Statements” beginning on page 175 of this Prospectus. Please also see the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 285 of this Prospectus.

Restated Consolidated Financial Information of Assets and Liabilities

(Rs Million)

		As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
1)	Fixed assets					
	Gross block	1,017.80	623.76	253.97	139.16	45.56
	Less: accumulated depreciation / amortisation	104.56	75.85	35.96	16.91	3.59
	Net block	913.24	547.91	218.01	122.25	41.97
	Less: revaluation reserve	-	-	-	-	-
	Net block after adjustment for revaluation reserve	913.24	547.91	218.01	122.25	41.97
2)	Capital work in progress including capital advances	551.43	846.40	135.67	-	-
3)	Investments	0.26	0.26	-	-	-
4)	Deferred tax assets (net)	101.10	46.16	23.23	11.61	7.83
5)	Current assets, loans and advances					
	Inventories	155.79	9.88	22.15	-	0.32
	Sundry debtors	6,514.01	8,266.30	4,859.20	3,184.89	1,255.07
	Cash and bank balances	967.51	993.30	708.90	469.71	150.17
	Other current assets	3,264.09	1,793.66	1,198.65	628.57	109.79
	Loans and advances	1,448.81	1,027.51	789.23	449.05	165.84
	Total	12,350.21	12,090.65	7,578.13	4,732.22	1,681.19
6)	Liabilities and provisions:					
	Secured loans	5,699.13	4,047.82	2,442.82	1,247.27	340.47
	Unsecured loans	16.75	4.09	200.16	1.39	157.92
	Minority interest	26.05	22.45	2.04	-	-
	Current liabilities	3,650.73	4,962.77	2,775.28	1,772.20	757.37
	Provisions	247.30	351.28	302.47	203.44	86.42
	Total	9,639.96	9,388.41	5,722.77	3,224.30	1,342.18
7)	Net worth	4,276.28	4,142.97	2,232.27	1,641.78	388.81
8)	Net worth represented by					
	Share capital					
	- Equity shares	573.01	573.01	216.47	191.36	15.44
	- Preference shares	-	-	-	750.00	-
	Equity share warrants	-	-	-	-	20.00
	Reserves & surplus					
	- Securities premium account	1,395.38	1,422.14	778.68	53.79	195.71
	- Profit and loss account	2,477.46	2,215.85	1,237.12	646.63	157.66
	- Revaluation reserve	-	-	-	-	-
	Less: Miscellaneous expenditure (to the extent not written off or adjusted)	(169.57)	(68.03)	-	-	-
	Net worth	4,276.28	4,142.97	2,232.27	1,641.78	388.81

- Sundry debtors as shown in our above balance sheets includes, inter alia, retention money (usually ranging up to 40% of the total contract value) that our clients retain and release to us after completion of the relevant project. The increase in sundry debtors as at March 31, 2010 compared to March 31, 2009 was because of the increased volume of projects in terms of value as on March 31, 2010 compared to March 31, 2009. As of March 31, 2010, related parties constituted 15.44% of the total amount of sundry debtors, on a

consolidated basis. The decrease in sundry debtors as at July 31, 2010 compared to March 31, 2010 was because of payment of retention money in terms of value as on July 31, 2010 compared to March 31, 2010. As of July 31, 2010, related parties constituted 15.72% of the total amount of sundry debtors, on a consolidated basis.

Restated Consolidated Financial Information of Profits and Losses

(Rs Million)

	For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
Income					
Income from operations					
Revenue from engineering services	3,659.40	11,227.83	6,644.22	4,536.47	1,704.32
Revenue from facility management services	449.41	909.81	500.65	253.51	102.21
Revenue from collection & transportation of municipal solid waste	36.10	46.27	2.17	-	-
Sales - Compost	10.69	-	-	-	-
Consultancy fees	0.01	8.94	10.06	-	-
Total	4,155.61	12,192.85	7,157.10	4,789.98	1,806.53
Other income	25.38	60.11	81.70	23.49	6.34
Total income	4,180.99	12,252.96	7,238.80	4,813.47	1,812.87
Expenditure					
Cost of material and services	2,537.05	8,327.71	4,680.28	3,407.12	1,383.50
Purchase of traded goods	145.31	-	-	-	-
Net (Increase) / Decrease in inventories	(145.31)	-	-	-	-
Personnel expenses	545.47	1,089.10	655.48	286.55	105.66
Administrative & selling expenses	327.82	768.63	552.01	213.01	117.17
Interest	193.74	493.32	388.28	124.89	24.86
Depreciation/amortisation	28.24	35.77	19.66	13.31	3.06
Total expenditure	3,632.32	10,714.53	6,295.71	4,044.88	1,634.25
Net profit before tax	548.67	1,538.43	943.09	768.59	178.62
Current tax	212.54	578.90	356.11	269.61	73.38
Deferred tax charge/(credit)	(11.76)	(22.92)	(11.62)	(3.78)	(8.09)
Fringe benefit tax	-	-	8.07	4.34	0.78
Net profit before extraordinary items	347.89	982.45	590.53	498.42	112.55
Extra-ordinary items (Gross Rs 130.02 million, net of deferred tax credit of Rs. 43.19 million)	86.83	-	-	-	-
Net profit before minority interest	261.06	982.45	590.53	498.42	112.55
Less: Share of minority interest	(0.07)	3.72	0.04	-	-
Net profit as restated	261.13	978.73	590.49	498.42	112.55
Profit & loss at the beginning of the year, as restated	2,215.85	1,237.12	646.63	157.66	45.11
Balance available for appropriation as restated	2,476.98	2,215.85	1,237.12	656.08	157.66
Appropriations					
Dividend on preference share	-	-	0.00	0.01	-
Tax on dividend	-	-	0.00	0.00	-
Transfer to general reserve	-	-	-	9.54	-
Amount transferred in the scheme of amalgamation in the nature of merger	-	-	-	(0.10)	-
Total	-	-	0.00	9.45	-
Balance carried forward as restated	2,476.98	2,215.85	1,237.12	646.63	157.66

Restated Consolidated Financial Information of Cash Flows

(Rs Million)

		For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
A	CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES					
	Net profit before taxation (as restated)	548.67	1,538.43	943.09	768.59	178.62
	Adjustment for					
	Depreciation/amortisation	28.24	35.77	19.66	13.31	3.06
	Preliminary expenses written off	-	0.64	0.60	0.03	-
	Interest expense	193.74	493.32	388.28	124.89	24.86
	Amortisation of Miscellaneous expenditure (Loan processing fees)	9.93	0.93	-	-	-
	Loss/(profit) on sale of fixed assets	0.00	0.48	0.74	(0.04)	-
	Provision for bad and doubtful debts	11.11	75.69	23.61	11.33	26.23
	Provision for doubtful advances	-	0.17	1.90	-	0.39
	Advances/earnest money deposit written off/(written back)	0.01	1.29	22.11	6.12	12.51
	Unrealised foreign exchange fluctuation loss	4.23	-	0.54	-	-
	Interest income	(21.77)	(50.12)	(48.44)	(19.30)	(3.35)
	Operating profit before working capital changes	774.16	2,096.60	1,352.09	904.93	242.32
	Movements in working capital					
	Decrease / (increase) in inventory	(145.91)	14.21	(22.15)	0.31	2.19
	Decrease / (increase) in sundry debtors	1,741.29	(3,416.90)	(1,697.92)	(1,931.32)	(1,076.05)
	Decrease / (increase) in loan and advances and other current assets	(1,886.72)	(838.92)	(924.58)	(798.43)	(255.44)
	Increase / (decrease) in current liabilities and provisions	(1,050.52)	2,021.03	1,004.72	1,006.08	640.42
	Cash flow from / (used in) operations	(567.70)	(123.98)	(287.84)	(818.43)	(446.56)
	Direct taxes paid	(320.31)	(527.45)	(267.19)	(160.91)	(20.64)
	Net Cash flow before extraordinary items	(888.01)	(651.43)	(555.03)	(979.34)	(467.20)
	Extra-ordinary items (Gross of tax)	(130.02)	-	-	-	-
	Net cash generated from / (used in) operating activities	(1,018.03)	(651.43)	(555.03)	(979.34)	(467.20)
B	CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES					
	Purchase of fixed assets (including capital work in progress)	(343.71)	(921.47)	(251.93)	(87.82)	(37.24)
	Intercompany deposit given	-	-	(2.50)	-	-
	Intercompany deposit received back	-	2.50	-	-	-
	Proceeds from sale of fixed assets	0.02	1.29	0.67	0.38	-
	Purchase of investment in subsidiaries	(0.10)	(26.50)	-	(10.04)	-
	Purchase consideration for business purchase	(10.50)	-	-	-	-
	Fixed deposits placed	(66.34)	(356.29)	(377.90)	(334.94)	(179.87)
	Fixed deposits matured	84.40	138.45	209.60	25.65	66.29
	Interest received	16.63	57.95	40.56	9.62	2.02
	Net cash generated from / (used in) investing activities	(319.60)	(1,104.07)	(381.50)	(397.15)	(148.80)
C	CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES					
	Proceeds from issuance of equity share capital	-	12.73	2.00	0.35	4.30
	Proceeds from issuance of equity share warrants	-	-	-	-	20.00
	Proceeds from issuance of preference share capital	-	-	-	750.00	-
	Proceeds from securities premium	-	987.27	-	13.65	175.70
	Proceeds from Minority Share holders	4.15	-	-	-	-
	Dividend paid	-	-	(0.01)	-	-
	Proceeds from long term borrowings	501.53	1,200.62	30.37	43.35	155.06
	Repayment of long term borrowings	(82.08)	(66.50)	(24.84)	(156.48)	(22.03)
	Proceeds from short term borrowings (Net)	1,224.75	224.41	1,383.89	866.49	308.96
	Share issue expenses paid	(2.50)	-	-	-	-
	Preliminary expenses incurred	-	(0.64)	(0.60)	-	-
	Loan processing fees paid	(113.76)	(69.51)	-	-	-

(Rs Million)

		For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
	Interest paid	(202.29)	(470.92)	(383.39)	(131.65)	(22.69)
	Net cash generated from / (used in) financing activities	1,329.80	1,817.46	1,007.42	1,385.71	619.30
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(7.83)	61.96	70.89	9.22	3.30
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	150.60	86.67	15.78	5.53	2.23
	CASH AND CASH EQUIVALENTS ACQUIRED ON ACQUISITION OF SUBSIDIARY	0.09	1.97	-	-	-
	CASH AND CASH EQUIVALENTS ACQUIRED ON AMALGAMATION/ BUSINESS PURCHASE	0.01	-	-	1.03	-
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	142.87	150.60	86.67	15.78	5.53

	Components of cash and cash equivalents	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
	Cash on hand	2.11	3.41	2.40	1.48	0.04
	Cheques in hand	-	-	5.30	-	-
	Balances with scheduled banks					
	In cash credit accounts	62.06	27.16	-	-	-
	In current accounts	78.70	120.03	78.97	14.30	5.49
		142.87	150.60	86.67	15.78	5.53

THE ISSUE

Equity Shares offered:	
Fresh Issue by the Company	16,876,569 Equity Shares
Offer for Sale by the Selling Shareholders*	2,531,181 Equity Shares
Total Issue	19,407,750 Equity Shares
<i>Of which:</i>	
Employee Reservation Portion ⁽¹⁾	Up to 100,000 Equity Shares
Net Issue⁽²⁾	19,307,750 Equity Shares
<i>Of the Net Issue:</i>	
QIB Portion ^{(3) (4)}	Not more than 9,653,874 Equity Shares available for allocation on a proportionate basis
<i>Of which:</i>	
Mutual Fund Portion	325,797 Equity Shares
Balance for all QIBs including Mutual Funds	6,515,934 Equity Shares
Non-Institutional Portion ⁽⁴⁾	Not less than 2,896,163 Equity Shares available for allocation on a proportionate basis
Retail Portion ⁽⁴⁾	Not less than 6,757,713 Equity Shares available for allocation on a proportionate basis
Equity Shares outstanding prior to the Issue	57,301,125 Equity Shares**
Equity Shares outstanding after the Issue	74,177,694 Equity Shares
Objects of the Issue	For details of the Objects of the Issue, please see the section “Objects of the Issue” beginning on page 38 of this Prospectus. The Company will not receive any proceeds from the Offer for Sale.

*** The number of Equity Shares outstanding as of July 31, 2010 was 57,301,125 Equity Shares. There has been no further issue of Equity Shares since July 31, 2010.

⁽¹⁾ For the definition of Employees, please see the section “Definitions and Abbreviations – Employees” beginning on page i of this Prospectus. A discount of 5% to the Issue Price determined pursuant to the completion of the Book Building Process shall be offered to the Eligible Employees.

⁽²⁾ The Net Issue shall increase to reflect any under-subscription in the Employee Reservation Portion.

⁽³⁾ The Company has allocated 3,137,940 Equity Shares to Anchor Investors, at the Anchor Investor Issue Price, in accordance with applicable ICDR Regulations on the Anchor Investor Bid/Issue Date. Bidding in the Anchor Investor Portion shall open and close on the Anchor Investor Bid/Issue Date, i.e., one day prior to the Bid/Issue Opening Date. Up to 30% of the QIB Portion shall be available for allocation to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds. Allocation to QIBs (other than Anchor Investors) is proportionate as per the terms of the Red Herring Prospectus and the Prospectus. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. **Further attention of all QIBs is specifically drawn to the fact that QIBs are required to pay the entire Bid Amount at the time of the submission of the Bid-cum-Application Form and will not be allowed to withdraw their Bid-cum-Application Forms after the Bid/Issue Closing Date. Anchor Investors are required to pay the entire Bid Amount at the time of the submission of the Bid-cum-Application Form and cannot withdraw their Bids after the Anchor Investor Bid/Issue Closing Date.** For further details, please see the section “Issue Procedure – Anchor Investor Portion” beginning on page 430 of this Prospectus.

⁽⁴⁾ Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Qualified Institutional Portion, the Non-Institutional Portion or the Retail Portion, would be allowed to be met with spill-over from other category or a combination of categories, at the discretion of the Company, in consultation with the BRLMs, the CBRLM and the Designated Stock Exchange. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.

* The Selling Shareholders are offering 2,531,181 Equity Shares, in aggregate, which have been held for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI and, hence, are eligible for being offered for sale in the Issue. As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.

GENERAL INFORMATION

The Company was incorporated as A2Z Maintenance Services Private Limited on January 7, 2002 under the Companies Act. Pursuant to a special resolution of the shareholders at an extraordinary general meeting held on May 2, 2005, the name of the Company was changed from “A2Z Maintenance Services Private Limited” to “A2Z Maintenance & Engineering Services Private Limited”. The fresh certificate of incorporation was issued by the RoC on June 13, 2005. Subsequently, pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on March 12, 2010, the Company became a public limited company and the word “private” was deleted from its name. The fresh certificate of incorporation to reflect the new name was issued by the RoC on March 26, 2010.

Registered Office of the Company

O-116, 1st Floor, DLF Shopping Mall, Arjun Marg
DLF Phase-I, Gurgaon 122 002
Haryana, India
Tel: +91 124 4581 700
Fax: +91 124 4581 706

Website: www.a2zgroup.co.in

Corporate Identification Number: U74999HR2002PLC034805

The Company is registered with the Registrar of Companies, NCT of Delhi & Haryana, located at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi 110 019, India.

For details of change in the name and registered office of the Company, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

Board of Directors

The Company’s Board of Directors comprises the following:

Name, Designation, Occupation, Term and Director Identification Number (“DIN”)	Age	Address
Mr. Surender Kumar Tuteja Non-Executive Chairman <i>Independent and Non-Executive Director</i> Occupation: Retired IAS officer Term: Liable to retire by rotation DIN: 00594076	65	S-307, II nd Floor, Panchsheel Park New Delhi 110 017
Mr. Amit Mittal Managing Director <i>Non-Independent and Executive Director</i> Occupation: Business Term: For a period of five years DIN: 00058944	42	TG-2B/4, Garden Estate, Mehrauli Gurgaon Road Gurgaon 122 002, Haryana
Mrs. Dipali Mittal Whole-time Director <i>Non-Independent and Executive Director</i> Occupation: Business Term: For a period of five years DIN: 00872628	37	TG-2B/4, Garden Estate, Mehrauli Gurgaon Road Gurgaon 122 002, Haryana
Mr. Rakesh Radheyshyam Jhunjhunwala <i>Non-Independent and Non-Executive Director</i> Occupation: Business Term: Liable to retire by rotation DIN: 00777064	50	16C, 16 th Floor, IL Palazzo, CHS Little Gibbs Road, Malabar Hill Mumbai 400 006, Maharashtra
Mr. Manish Gupta <i>Non-Independent and Non-Executive Director</i> Occupation: Service Term: Not liable to retire by rotation DIN: 00604556	37	701, Ashtavinayak Union Park, Road Number 1 Dr. Ambedkar Road, Khar (West) Mumbai 400 052, Maharashtra
Mr. Brij Raj Singh <i>Non-Independent and Non-Executive Director</i> Occupation: Business	46	Villa No. 74, Street 14B, Jumeriah 2, Dubai

Name, Designation, Occupation, Term and Director Identification Number (“DIN”)	Age	Address
<i>Term: Not liable to retire by rotation DIN: 01446886</i>		
Mr. Gaurav Mathur <i>Non-Independent and Non-Executive Director Occupation: Business Term: Not liable to retire by rotation DIN: 00016492</i>	35	18 Marlow, 62B Pochkanwala Road, Worli Mumbai 400 018, Maharashtra
Mr. Vinod Sagar Wahi <i>Independent and Non-Executive Director Occupation: Advocate Term: Liable to retire by rotation DIN: 01899217</i>	65	E-003, Anand Lok Apartment Mayur Vihar Phase I, New Delhi 110 091
Mr. Rajeev Thakore <i>Independent and Non-Executive Director Occupation: Service Term: Liable to retire by rotation DIN: 00001732</i>	54	D-63, Defence Colony, New Delhi 110 024

Mr. Anshuman Goenka and Mr. Supratim Banerjee are currently alternate directors to Mr. Brij Raj Singh and Mr. Gaurav Mathur, respectively.

For further details regarding the Board of Directors, please see the section “Our Management” beginning on page 152 of this Prospectus.

Company Secretary and Compliance Officer

Mr. Atul Kumar Agarwal

O-116, 1st Floor, DLF Shopping Mall, Arjun Marg
DLF Phase-I, Gurgaon 122 002
Haryana, India
Tel: +91 124 4581 700
Fax: +91 124 4581 706
Email: complianceofficer@a2zemail.com
Website: www.a2zgroup.co.in

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

All grievances relating to ASBA may be addressed to the Registrar to the Issue, with a copy to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked, ASBA Account number and the Designated Branch where the ASBA Bid-cum-Application Form was submitted.

For all Issue related queries and for redressal of complaints, Bidders may also write to the BRLMs and the CBRLM. All complaints, queries or comments received by SEBI shall be forwarded to the BRLMs and the CBRLM, who shall respond to such complaints.

Book Running Lead Managers

IDFC Capital Limited

2nd Floor, Naman Chambers
C – 32, G Block
Bandra Kurla Complex, Bandra (E)
Mumbai 400 051, India
Tel: +91 22 6622 2600
Fax: +91 22 6622 2501
Email: a2z.ipo@idfc.com
Investor Grievance Email: complaints@idfc.com
Contact Person: Mr. Cyril Paul
Website: www.idfccapital.com

DSP Merrill Lynch Limited

Mafatlal Centre, 8th Floor
Nariman Point
Mumbai 400 021, India
Tel: +91 22 6632 8000
Fax: +91 22 2204 8518
Email: a2z.ipo@baml.com
Investor Grievance Email:
india_merchantbanking@ml.com
Contact Person: Ms. Theresa Pimenta
Website: www.dspml.com

SEBI Registration Number: INM000011336

Enam Securities Private Limited

801, Dalamal Towers
Nariman Point
Mumbai 400 021, India
Tel: +91 22 6638 1800
Fax: +91 22 6638 1999
Email: a2z.ipo@enam.com
Investor Grievance Email: complaints@enam.com
Contact Person: Mr. Harish Lodha
Website: www.enam.com
SEBI Registration Number: INM000006856

SBI Capital Markets Limited

202, Maker Tower 'E'
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Tel: +91 22 2217 8300
Fax: +91 22 2218 8332
Email: a2z.ipo@sbicaps.com
Investor Grievance Email:
investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Mr. Ritwik Mohapatra/Mr. Harsh
Soni
SEBI Registration Number: INM000003531

Co-Book Running Lead Manager

YES Bank Limited

Nehru Centre
12th Floor, Discovery of India
Dr. A. B. Road, Worli
Mumbai 400 018
Maharashtra, India
Tel: +91 22 6669 9000
Fax: +91 22 2497 4158
Email: dla2zipo@yesbank.in
Investor Grievance Email: merchantbanking@yesbank.in
Contact Person: Mr. Gautam Badalia
Website: www.yesbank.in
SEBI Registration Number: MB/INM000010874

Syndicate Member(s)

Sharekhan Limited

A-206, Phoenix House, Phoenix Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai 400 013
Maharashtra, India
Tel: +91 22 6748 2000
Fax: +91 22 2498 2626
Email: pankajp@sharekhan.com
Contact Person: Mr. Pankaj Patel
Website: www.sharekhan.com
SEBI Registration Number: BSE:INB231073330
NSE: INB011073351

SEBI Registration Number: INM000011625

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg
Churchgate, Mumbai 400 020
Maharashtra, India
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
Email: a2z.ipo@icicisecurities.com
Investor Grievance Email:
customercare@icicisecurities.com
Contact Person: Mr. Vishal Kanjani
Website: www.icicisecurities.com
SEBI Registration Number: INM000011179

SBICAP Securities Limited

191, Maker Tower, E Wing
Cuffe Parade
Mumbai 400 005
Maharashtra, India
Tel: +91 22 4227 3300
Fax: +91 22 4227 3331
Email: archana.dedhia@sbicapsec.com
Contact Person: Ms. Archana Dedhia
Website: www.sbicapsec.com
SEBI Registration Number: BSE: INB011053031
NSE: INB231052938

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as an SCSB for the ASBA process and details relating to the Designated Branches of SCSBs collecting the ASBA Bid-cum-Application Forms are available at <http://www.sebi.gov.in/pmd/scsb.html>.

Legal Advisors

Indian Legal Counsel to the Company

S&R Associates

64, Okhla Industrial Estate Phase III
New Delhi 110 020, India
Tel: +91 11 4069 8000
Fax: +91 11 4069 8001

Indian Legal Counsel to the Underwriters

Trilegal

One Indiabulls Centre
14th Floor, Tower One
Jupiter Mills, Elphinstone Road
Mumbai 400 013, India
Tel: +91 22 4079 1000
Fax: +91 22 4079 1098

International Legal Counsel to the Underwriters

DLA Piper Singapore Pte. Ltd.

80 Raffles Place
#48-01 UOB Plaza 1
Singapore 048624
Tel: +65 6512 6066
Fax: +65 6512 9500

Monitoring Agency

IDBI Bank Limited

SSAD, 14th Floor, IDBI Tower
Cuffe Parade, Mumbai 400 005
Maharashtra, India
Tel: +91 22 6655 2081
Fax: +91 22 2215 5749

Project Appraisal (for the biomass (bagasse)-based cogeneration projects in the State of Punjab and the biomass-based power generation project in Kanpur)

YES Bank Limited

D-12, South Extension Part II
New Delhi 110 049
Tel: +91 11 4602 9000
Fax: +91 11 2625 4000
Email: vinit.rangbulla@yesbank.in

Registrar to the Issue

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai 400 078
Maharashtra, India
Tel: +91 22 2596 0320
Fax: +91 22 2596 0329
Investor Grievance Email: a2z.ipo@linkintime.co.in
Contact Person: Mr. Chetan Shinde
Website: www.linkintime.co.in
SEBI Registration Number: INR000004058

Bankers to the Issue and/or Escrow Collection Banks

Axis Bank Limited

E-Wing, 3rd Floor, Maker Towers
Cuffe Parade, Mumbai 400 005
Maharashtra, India
Tel: +91 22 6707 1657/98337 65922
Fax: +91 22 2215 5157
Email: prashant.fernandes@axisbank.com
Contact Person: Mr. Prashant Fernandes
Website: www.axisbank.com
SEBI Registration Number: INBI00000017

HDFC Bank Limited

FIG-OPS Department – Lodha
I Think Techno Campus
O-3 Level, Next to Kanjurmarg Railway Station
Kanjurmarg (East)
Mumbai 400 042
Maharashtra, India
Tel: +91 22 3075 2928
Fax: +91 22 2579 9801
Email: deepak.rane@hdfcbank.com;
figdelhi@hdfcbank.com; ajiy.mann@hdfcbank.com
Contact Person: Mr. Deepak Rane
Website: www.hdfcbank.com
SEBI Registration Number: INBI00000063

IDBI Bank Limited

Unit No. 2, Corporate Park
Sion Trombay Road
Chembur, Mumbai 400 071
Maharashtra, India
Tel: +91 22 6690 8402
Fax: +91 22 2528 6173
Email: mn.kamat@idbibank.co.in
Contact Person: Mr. M. N. Kamat
Website: www.idbibank.com
SEBI Registration Number: INBI00000076

The Hongkong and Shanghai Banking Corporation Limited

HSBC, Securities Services Department, Shiv Building
2nd Floor, Plot No. 139-140B
Western Express Highway Sahar Road Junction
Vile Parle (East), Mumbai 400 057
Maharashtra, India
Tel: +91 98217 80250
Fax: +91 22 4035 7657
Email: mustafasanchawalla@hsbc.co.in;
anitakohli@hsbc.co.in
Contact Person: Mr. Mustafa Sanchawalla
Website: www.hsbc.co.in
SEBI Registration Number: INBI00000027

DBS Bank Limited

3rd Floor, Fort House
221, Dr. D.N. Road, Fort
Mumbai 400 001
Maharashtra, India
Tel: +91 22 6752 8328/6614 7557
Fax: +91 22 6752 8470
Email: ganesh@dbb.com; lalitsharma@dbb.com
Contact Person: Mr. Lalit Sharma; Mr. Ganesh Ramanathan
Website: www.dbs.com/in
SEBI Registration Number: INBI00000992

ICICI Bank Limited

Capital Markets Division
30, Mumbai Samachar Marg
Mumbai 400 001
Maharashtra, India
Tel: +91 22 6631 0322/11
Fax: +91 22 6631 0350/2261 1138
Email: anil.gadoo@icicibank.com
Contact Person: Mr. Anil Gadoo
Website: www.icicibank.com
SEBI Registration Number: INBI00000004

Standard Chartered Bank

270 D.N. Road, Fort
Mumbai 400 001
Maharashtra, India
Tel: +91 22 2268 3955
Fax: +91 22 2209 6067
Email: joseph.george@sc.com
Contact Person: Mr. Joseph George
Website: www.standardchartered.co.in
SEBI Registration Number: INBI00000885

Yes Bank Limited

2nd Floor, Ticcicon House
Dr. E Moses Road, Mahalaxmi
Mumbai 400 011
Maharashtra, India
Tel: +91 22 6622 9031
Fax: +91 22 2497 4875
Email: dlbtiservices@yesbank.in
Contact Person: Mr. Mahesh Shirali
Website: www.yesbank.in
SEBI Registration Number: INBI00000935

The Refund Banks are HDFC Bank Limited and Axis Bank Limited.

Auditors

S.R. Batliboi & Associates, Chartered Accountants

Golf View Corporate Tower B
Sector 42, Sector Road
Gurgaon 122 002
Haryana, India
Tel: +91 124 464 4000
Fax: +91 124 464 4050
Email: srba@in.ey.com
Firm Registration Number: 101049W

Bankers to the Company

State Bank of Patiala

Commercial Branch
2nd Floor, Chandra Lok Building
36, Janpath
New Delhi 110 001
Tel: +91 11 2332 1398
Fax: +91 11 2335 4365
Email: sbpcbnd@yahoo.co.in
Contact Person: Mr. Suyash
Website: www.sbp.co.in

Axis Bank Limited

Statesman House, IInd Floor
148 Barakhamba Road
New Delhi 110 001
Tel: +91 11 4368 2446
Fax: +91 11 4368 2447
Email: sudeep.saxena@axisbank.com
Contact Person: Mr. Sudeep Saxena
Website: www.axisbank.com

ICICI Bank Limited

2nd Floor, SCO 18 & 19, HUDA Shopping Centre
Sector 14, Gurgaon
Haryana 122 001
Tel: +91 124 414 5674
Fax: +91 124 414 5935
Email: sanghamitra.barua@icicibank.com
Contact Person: Mr. Sanghamitra Barua
Website: www.icicibank.com

IndusInd Bank Limited

3rd Floor, Building No. 10
Tower B, DLF Cyber City
Gurgaon
Haryana 122 002
Tel: +91 124 4749 538
Fax: +91 124 4749 597
Email: sumit.khurana@indusind.com
Contact Person: Mr. Sumit Khurana
Website: www.indusind.com

Standard Chartered Bank

7A, DLF Building
3rd Floor, DLF Cyber City
Sector 24, 25 and 25A

Allahabad Bank

H-12 Green Park Extension
New Delhi 110 016
Tel: +91 11 2610 2973
Fax: +91 11 4608 2042
Email: br.del_gpark@allahabadbank.in
Contact Person: Ms. Seema Narang
Website: www.allahabadbank.com

DBS Bank Limited

Upper Ground Floor
Birla Tower 25, Barakhamba Road
New Delhi 110 001
Tel: +91 11 6621 1817
Fax: +91 11 6621 1899
Email: pravinmodi@dbb.com
Contact Person: Mr. Pravin Modi
Website: www.dbs.com

IDBI Bank Limited

India Red Cross Society Building
1, Red Cross Road
New Delhi 110 001
Tel: +91 11 6628 1004
Fax: +91 11 2371 1664
Email: vaibhav.anand@idbi.co.in
Contact Person: Mr. Vaibhav Anand
Website: www.idbi.com

ING Vysya Bank Limited

9th Floor, Mercantile House
15, K.G. Marg
New Delhi 110 001
Tel: +91 11 6651 0000
Fax: +91 11 6651 0124
Email: venkataramananr@ingvysyabank.com
Contact Person: Mr. R. Venkataramanan
Website: www.ingvysyabank.com

State Bank of India

Commercial Branch
2nd Floor, Vardhman Trade Centre
Nehru Place

Gurgaon
Haryana 122 002
Tel: +91 124 4876 232
Fax: +91 124 4876 200
Email: prateek.rajput@sc.com
Contact Person: Mr. Prateek Rajput
Website: www.standardchartered.co.in

New Delhi 110 019
Tel: +91 11 4161 6737
Fax: +91 11 2621 0480
Email: sbi.04298@sbi.co.in
Contact Person: Mr. C. S. Parmar
Website: www.statebankofindia.com

State Bank of Hyderabad
Commercial Branch
74, Janpath
New Delhi 110 001
Tel: +91 11 2371 7892
Fax: +91 11 2331 3683
Email: sbhkgmarg@yahoo.co.in
Contact Person: Mr. Bhanu Singh
Website: www.sbhyd.com

State Bank of Indore
Commercial Branch
M-47, Connaught Circus
Opp. Super Bazar
New Delhi 110 001
Tel: +91 11 2341 7022
Fax: +91 11 2341 7026
Email: sbn3356@sbindore.co.in
Contact Person: Mr. M. Sen
Website: www.indorebank.org

State Bank of Mysore
Corporate Account Branch
3-5, DDA Building
Nehru Place
New Delhi 110 019
Tel: +91 11 2644 3042
Fax: +91 11 4161 6739
Email: sbm415@indiatimes.com
Contact Person: Mr. Chandrakant Kini/Mr. Rahul Gautam
Website: www.statebankofmysore.co.in

The Hongkong and Shanghai Banking Corporation Limited
3rd Floor, Birla Tower
25, Barakhamba Road
New Delhi 110 001
Tel: +91 11 4159 2279
Fax: +91 11 2331 5060
Email: kajalzalpuri@hsbc.co.in
Contact Person: Ms. Kajal Zalpuri
Website: www.hsbc.co.in

Union Bank of India
New Railway Road
Gurgaon 122 001
Haryana
Tel: +91 124 2320 401
Fax: +91 124 2327 486
Email: gurgaon@unionbankofindia.com
Contact Person: Mr. R. Nellaiappan
Website: www.unionbankofindia.co.in

YES Bank Limited
D-12, South Extension II
New Delhi 110 049
Tel: +91 11 4602 9000
Fax: +91 11 2625 4000
Email: vinit.rangbulla@yesbank.in
Contact Person: Mr. Vinit Rangbulla
Website: www.yesbank.in

Inter-se Responsibilities of the Book Running Lead Managers and the Co-Book Running Lead Managers

The following table sets forth the *inter se* allocation of responsibilities for various activities among IDFC Capital, BofAML, Enam, I-Sec and SBI Cap as the Book Running Lead Managers for the Issue and YES Bank as the Co-Book Running Manager for the Issue:

S. No.	Activities	Responsibility	Co-ordinators
1.	Capital structuring with relative components and formalities.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	IDFC Capital
2.	Due diligence of the Company's operations/ management/ business plans/ legal etc. Drafting and design of Draft Red Herring Prospectus and of statutory advertisements including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalization of Prospectus and RoC filing including	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	IDFC Capital

S. No.	Activities	Responsibility	Co-ordinators
	drafting and approval of all statutory advertisements.		
3.	Drafting and approval of all publicity material other than statutory advertisements as mentioned above, including corporate advertisement, brochure etc.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	Enam
4.	Appointment of other intermediaries such as Legal Counsels, Printers and IPO Grading Agency.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	IDFC Capital
5.	Appointment of intermediaries such as Registrar(s) to the Issue, advertising agency and Bankers to the Issue.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	Enam
6.	Preparation of roadshow presentation and FAQs.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	BofAML
7.	Institutional marketing strategy: International institutional.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	BofAML
8.	Institutional marketing strategy: Domestic institutional.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	Enam
9.	Retail/HNI marketing strategy - Finalize centers for holding conference for brokers, etc.; - Finalize media, marketing and public relations strategy; - Follow-up on distribution of publicity and Issue materials including forms, Prospectus and deciding on the quantum of the Issue material; and - Finalize bidding centers.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	Enam
10.	Pricing, managing the book and coordination with Stock Exchanges.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	IDFC Capital
11.	The post-bidding activities including management of escrow accounts, co-ordinate non-institutional and institutional allocation, intimation of allocation and dispatch of refunds to Bidders, etc.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	BofAML
12.	The post-Issue activities for the Issue will involve essential follow up steps, which include the finalization of basis of allotment, dispatch of refunds, demat of delivery of shares, finalization of listing and trading of instruments with the various agencies connected with the work such as the Registrar(s) to the Issue and Bankers to the Issue. The BRLMs and the CBRLM shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with the Company and the Selling Shareholders.	IDFC Capital, BofAML, Enam, I-Sec, SBI Cap, YES Bank	BofAML

Credit Rating

As the Issue is of equity shares, a credit rating is not required.

IPO Grading Agency

Credit Analysis & Research Limited

710 Surya Kiran Building, 19 Kasturba Gandhi Marg
New Delhi 110 001
Tel: +91 11 4533 3200
Fax: +91 11 4533 3238
Website: www.careratings.com
Contact Person: Mrs. Jyotsna Gadgil

The proposed Issue was graded by Credit Analysis & Research Limited, a credit rating agency registered with SEBI. Credit Analysis & Research Limited, through its letters dated October 6, 2010 and November 19, 2010 and the IPO grading report dated October 19, 2010, and assigned a "CARE IPO Grade 4", indicating above

average fundamentals. The IPO grading is assigned on a scale of 1 to 5, with “IPO Grade 5” indicating strong fundamentals and “IPO Grade 1” indicating poor fundamentals. A summary of the rationale for the grading assigned by Credit Analysis & Research Limited is reproduced below:

“The grading reflects A2Z’s strong business profile marked by its demonstrated track record of a healthy growth and profitable operations in Engineering Procurement and Construction (EPC) in the power transmission & distribution business, proven execution abilities, healthy order book position and above average profitability and return metrics. The grading also takes into account the strength derived from the experienced & qualified promoters and management team, its ability to successfully identify and scale up in opportunities in the Renewable Power Generation (RPG) & Municipal Solid Waste (MSW) business, policy incentives such as preferential tariffs, Renewable Purchase Obligations (RPOs) etc, provided by the Government of India (GoI) in renewable power in order to make such projects commercially viable.

The grading, however, is constrained by significant capex planned over the next two years in new business lines, project implementation risks associated with various RPG and MSW projects where A2Z has no prior track record, the relatively higher cost of power generation from RPG and risks on account of the availability and sourcing of biomass fuel.”

The Issue has not been graded by any other rating agency.

For the disclaimer of Credit Analysis & Research Limited, see the section “Other Regulatory and Statutory Disclosures” beginning on page 375 of this Prospectus.

Trustees

As the Issue is of equity shares, the appointment of trustees is not required.

Book Building Process

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

- (1) The Company and the Selling Shareholders;
- (2) The Book Running Lead Managers and the Co-Book Running Lead Manager;
- (3) The Syndicate Member(s);
- (4) The Registrar to the Issue;
- (5) The Escrow Collection Banks; and
- (6) The SCSBs.

The Equity Shares are being offered to the public through the Book Building Process in accordance with the ICDR Regulations wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. The Company may, allocate up to 30% of the QIB Portion to Anchor Investors at the Anchor Investor Issue Price on a discretionary basis in accordance with ICDR Regulations.

Attention of all QIBs is specifically drawn to the fact that all QIBs (including Anchor Investors) are required to pay the entire Bid Amount at the time of the submission of the Bid-cum-Application Form. Under the ICDR Regulations, QIBs (other than Anchor Investors) are not allowed to withdraw their Bid-cum-Application Forms after the Bid/Issue Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Date. For details, please see the section “Issue Structure” beginning on page 390 of this Prospectus.

The Company will comply with the ICDR Regulations and any other directions issued by SEBI in respect of the Issue. In this regard, the Company and the Selling Shareholders have appointed the BRLMs and the CBRLM to

manage the Issue and procure subscriptions and purchasers for the Issue. The Selling Shareholders confirm that they will comply with the ICDR Regulations and any other directions issued by SEBI, as applicable to the Selling Shareholders in relation to the Equity Shares offered by the Selling Shareholders in the Offer for Sale.

The process of Book Building under the ICDR Regulations is subject to change. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Issue.

Steps to be taken by the Bidders for bidding:

- Check eligibility for making a Bid. Please see the section “Issue Procedure” beginning on page 395 of this Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form or the ASBA Bid-cum-Application Form, as the case may be;
- Except for Bids (i) on behalf of the Central or State Government officials and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who in terms of a SEBI circular dated July 20, 2006, may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the I.T. Act in the Bid-cum-Application Form or the ASBA Bid-cum-Application Form. For further details, please see the section “Issue Procedure – Permanent Account Number” beginning on page 419 of this Prospectus;
- Ensure that the Bid-cum-Application Form or the ASBA Bid-cum-Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid-cum-Application Form or the ASBA Bid-cum-Application Form, as the case may be;
- Bids by QIBs, including Anchor Investors, will have to be submitted to the BRLMs, the CBRLM and the Syndicate Members; and
- Bids by ASBA Bidders will have to be submitted to the Designated Branches of the SCSBs. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission of the Bid to the SCSB.

Illustration of the Book Building and Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration and is not specific to the Issue. Also, this excludes any Bidding under the Anchor Investor Portion)

Bidders can bid at any price within the price band. For instance, assuming a price band of Rs. 20 to Rs. 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below, the illustrative book would be as given 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 as shown below indicates the demand for the shares of the company at various prices and is collated from bids from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative equity shares Bid for	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	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired 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 book running lead managers, will finalize the issue price at or below such cut off, i.e., at or below Rs. 22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Withdrawal of the Issue

The Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date. In such an event, the Company 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 the Company shall also promptly inform the Stock Exchanges. If the Company and the Selling Shareholders withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an initial public offering of the Company's Equity Shares, the Company shall file a fresh draft red herring prospectus with SEBI. 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. Under the ICDR Regulations, QIBs (other than Anchor Investors) shall not be allowed to withdraw their Bids after the Bid/Issue Closing Date. Anchor Investors shall not be allowed to withdraw their Bids after the Anchor Investor Bid/Issue Date.

Bid/Issue Program

BID/ISSUE OPENED ON	DECEMBER 8, 2010
BID/ISSUE CLOSED ON	DECEMBER 10, 2010

The Company has allocated 3,137,940 Equity Shares to Anchor Investors in accordance with the ICDR Regulations on the Anchor Investor Bid/Issue Date. For details, please see the section "Issue Procedure – Anchor Investor Portion" beginning on page 430 of this Prospectus.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10 a.m. and 5 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid-cum-Application Form or, in case of Bids submitted through ASBA, the Designated Branches of the SCSBs **except that on the Bid/Issue Closing Date, the Bids shall be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until (i) 4 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders and (ii) 5 p.m. or such time as permitted by the BSE and the NSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is up to Rs. 200,000.** 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 working day prior to the Bid/Issue Closing Date and, in any case, no later than 3 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the NSE and the BSE.

In order that the data captured by the brokers in the electronic book is accurate, the members of the Syndicate and the SCSBs may be permitted one additional day, post the Bid/Issue Closing Date, to amend some of the data fields entered by them in the electronic bidding system.

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

The Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, reserve the right to revise the Price Band during the Bidding Period in accordance with the ICDR Regulations. Under the ICDR Regulations, the Cap Price should not be more than 20% of the Floor Price, i.e., the Cap Price shall be less than or equal to 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the revised Floor Price Band can move up or down to the extent of 20% of the Floor Price disclosed in the Red Herring Prospectus or the issue advertisement, as the case may be.

In case of revision in the Price Band, the Bidding Period will be extended for a minimum three additional working days, subject to the Bidding Period not exceeding ten working days. Any revision in the Price Band and the revised Bidding 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 websites of the BRLMs, the CBRLM and at the terminals of the other members of the Syndicate.

Underwriting Agreement

On finalization of the Issue Price and prior to filing of the Prospectus with the RoC, the Company and the Selling Shareholders has entered into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued and sold in the Issue. Pursuant to the terms of the Underwriting Agreement, the BRLMs and the CBRLM shall be responsible for bringing in the amount devolved in the event that their respective Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions to closing, as specified therein.

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

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees in million)
Book Running Lead Managers		
IDFC Capital Limited 2 nd Floor, Naman Chambers C – 32, G Block Bandra Kurla Complex, Bandra (E) Mumbai 400 051, India Tel: +91 22 6622 2600 Fax: +91 22 6622 2501 Email: a2z.ipo@idfc.com	3,215,329	1,285.83
DSP Merrill Lynch Limited Mafatlal Centre, 8 th Floor Nariman Point Mumbai 400 021, India Tel: +91 22 6632 8000 Fax: +91 22 2204 8518 Email: a2z.ipo@baml.com	3,215,429	1,285.87
Enam Securities Private Limited 801, Dalamal Towers Nariman Point Mumbai 400 021, India Tel: +91 22 6638 1800 Fax: +91 22 6638 1999 Email: a2z.ipo@enam.com	3,215,429	1,285.87
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg Churchgate, Mumbai 400 020 Maharashtra, India Tel: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: a2z.ipo@icicisecurities.com	3,215,429	1,285.87
SBI Capital Markets Limited 202, Maker Tower 'E' Cuffe Parade Mumbai 400 005 Maharashtra, India Tel: +91 22 2217 8300 Fax: +91 22 2218 8332 Email: a2z.ipo@sbicaps.com	3,215,329	1,285.83
Co-Book Running Lead Manager		
YES Bank Limited Nehru Centre 12 th Floor, Discovery of India Dr. A. B. Road, Worli Mumbai 400 018 Maharashtra, India Tel: +91 22 6669 9000 Fax: +91 22 2497 4158 Email: dla2zipo@yesbank.in	3,215,429	1,285.87
Syndicate Members		
Sharekhan Limited A-206, Phoenix House, Phoenix Mills Compound Senapati Bapat Marg, Lower Parel Mumbai 400 013	100	0.04

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rupees in million)
Maharashtra, India Tel: +91 22 6748 2000 Fax: +91 22 2498 2626 Email: pankajp@sharekhan.com		
SBICAP Securities Limited 191, Maker Tower, E Wing Cuffe Parade Mumbai 400 005 Maharashtra, India Tel: +91 22 4227 3300 Fax: +91 22 4227 3331 Email: archana.dedhia@sbicapsec.com	100	0.04
Total	19,292,574	7,715.23

The above-mentioned amount is an indicative underwriting and would be finalized after determination of the Issue Price and actual allocation of the Equity Shares. The Underwriting Agreement is dated December 16, 2010 and has been approved by the Board of Directors and the Selling Shareholders.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments. Notwithstanding the above table, the BRLMs, the CBRLM and the Syndicate Members shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them and any ASBA Bidders. 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 subscription for or subscribe for Equity Shares to the extent of the defaulted amount. Subject to the terms and conditions of the Underwriting Agreement, the Underwriters severally (and not jointly) have agreed to procure subscribers and purchasers for the Equity Shares aggregating not more than 90% of the Issue (as defined in this Red Herring Prospectus).

In the opinion of the Board of Directors (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. The Underwriters have also informed the Company that for the purposes of the Issue all the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

CAPITAL STRUCTURE

The Company's share capital, as of the date of filing this Prospectus, before and after the proposed Issue, is set forth below:

		Aggregate Nominal Value (Rupees in million)	Aggregate Value at Issue Price (Rupees in million)
A)	AUTHORIZED SHARE CAPITAL*		
	100,000,000 Equity Shares of Rs. 10 each	1,000.00	
B)	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL* (BEFORE THE ISSUE)		
	57,301,125 Equity Shares of Rs. 10 each	573.01	
C)	PRESENT ISSUE IN TERMS OF THE RED HERRING PROSPECTUS		
	19,407,750 Equity Shares of Rs. 10 each	194.07	7,762.47
	(i) Fresh Issue of 16,876,569 Equity Shares of Rs. 10 each ⁽¹⁾	168.77	6,750.00
	(ii) Offer for Sale of 2,531,181 Equity Shares of Rs. 10 each ⁽²⁾	25.31	1,012.47
	Of which:		
	Employee Reservation Portion of up to 100,000 Equity Shares of Rs. 10 each ⁽³⁾	1.00	40.00
D)	NET ISSUE TO THE PUBLIC		
	19,307,750 Equity Shares of Rs. 10 each of which	193.08	7,723.10
	QIB Portion ⁽⁴⁾		
	Not more than 9,653,874 Equity Shares available for allocation	96.54	3,861.55
	Of which:		
	Mutual Fund Portion		
	325,797 Equity Shares	3.26	130.32
	Balance for all QIBs including Mutual Funds		
	6,515,934 Equity Shares	65.16	2,606.37
	Non-Institutional Portion ⁽⁵⁾		
	Not less than 2,896,163 Equity Shares available for allocation	28.96	1,158.47
	Retail Portion ⁽⁵⁾		
	Not less than 6,757,713 Equity Shares available for allocation	67.58	2,703.09
D)	ISSUED, SUBSCRIBED AND PAID UP EQUITY CAPITAL (AFTER THE ISSUE)		
	74,177,694 Equity Shares of Rs. 10 each	741.78	29,671.08
E)	SECURITIES PREMIUM ACCOUNT**		
	Before the Issue	1,395.38	
	After the Issue	7,976.61	

* As of July 31, 2010, the authorized share capital of the Company was Rs. 1,000,000,000 divided into 100,000,000 Equity Shares of Rs. 10 each, the issued and paid up share capital of the Company was 57,301,125 Equity Shares and the amount in the securities premium account was Rs. 1,395.38 million.

⁽¹⁾ The present Issue has been authorized by the Board of Directors pursuant to a resolution passed at its meeting held on June 2, 2010 and by the shareholders of the Company pursuant to a resolution dated June 8, 2010 under Section 81(1A) of the Companies Act.

⁽²⁾ The Selling Shareholders have authorized the Offer for Sale of the Equity Shares held by them as part of the Issue pursuant to (i) a resolution dated July 19, 2010 of the board of directors of Beacon and (ii) the consents and authorization letters each dated July 19, 2010 issued by Mr. Amit Mittal, Mrs. Babita Shivswaroop Gupta, Mr. Rakesh Radheyshyam Jhunjhunwala and Mrs. Nipa Sheth, respectively, and dated July 20, 2010 issued by Beacon. The Selling Shareholders are offering 2,531,181 Equity Shares, which have been held for a period of at least one year as on the date of filing of the Draft Red Herring Prospectus with SEBI and are, therefore, eligible for being offered for sale in the Issue. As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.

⁽³⁾ A discount of 5% to the Issue Price determined pursuant to completion of the Book Building Process shall be offered to Eligible Employees (the "Employee Discount"). Eligible Employees bidding at a price within the Price Band have to make payment based on their highest bid price option. Eligible Employees bidding at Cut-Off Price have to ensure payment at the upper end of the Price Band. Eligible Employees should note that discount is not offered on application but on allotment. The excess amount paid on application would be refunded to such Bidders after Allotment along with any other refund, if any. For the definition of Employees, please see the section "Definitions and Abbreviations – Employees" beginning on page i of this Prospectus.

⁽⁴⁾ The Company has allocated 3,137,940 Equity Shares to Anchor Investors in accordance with applicable ICDR Regulations on the Anchor Investor Bid/Issue Date. For further details, please see the section "Issue Procedure – Anchor Investor Portion" beginning on page 430 of this Prospectus. Allocation to QIBs (other than the Anchor Investor Portion) is proportionate as per the terms of the Red

Herring Prospectus. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion.

- (5) Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Qualified Institutional Portion, the Non-Institutional Portion or the Retail Portion, would be allowed to be met with spill-over from other category or a combination of categories, at the discretion of the Company, in consultation with the BRLMs, the CBRLM and the Designated Stock Exchange. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue.

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

Date of Shareholders' Meeting	Authorized Share Capital prior to the Change	Authorized Share Capital after the Change
May 9, 2003	Rs. 100,000 divided into 10,000 Equity Shares of Rs. 10 each	Rs. 2,500,000 divided into 250,000 Equity Shares of Rs. 10 each
October 15, 2005	Rs. 2,500,000 divided into 250,000 Equity Shares of Rs. 10 each	Rs. 20,000,000 divided into 2,000,000 Equity Shares of Rs. 10 each
December 15, 2005	Rs. 20,000,000 divided into 2,000,000 Equity Shares of Rs. 10 each	Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each
April 30, 2007	Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each	Rs. 250,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each
July 31, 2007	Rs. 250,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each	Rs. 1,000,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each and 75,000,000 0.001% cumulative mandatorily convertible preference shares of Rs. 10 each
September 30, 2008	Rs. 1,000,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each and 75,000,000 0.001% cumulative mandatorily convertible preference shares of Rs. 10 each	Rs. 1,000,000,000 divided into 100,000,000 Equity Shares of Rs. 10 each

Notes to the Capital Structure

1. Share Capital History of the Company

a. Equity Share Capital

The following is the history of the equity share capital of the Company:

Date of allotment	Number of Equity Shares	Face Value per Equity Shares (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Consideration (Cash, bonus, other than cash)	Reasons for Allotment	Cumulative Equity Share Capital (Rs.)	Cumulative Equity Share Premium (Rs.)	Individuals/ Entities to whom Equity Shares Allotted
January 11, 2002	5,000	10	10	Cash	Subscription to the Memorandum of Association	100,000	0	Mr. Sanjeev Kumar Sharma
	5,000							Mr. Pramod Kumar
February 1, 2004	50,000	10	10	Cash	Preferential allotment	990,000	0	Mr. Amit Mittal
	39,000							Mrs. Dipali Mittal
March 8, 2005	5,000	10	10	Cash	Preferential allotment	1,052,500	0	Mr. Manoj Gupta
	1,250							Mrs. Shikha Gupta
March 29, 2005	16,000	10	100	Cash	Preferential allotment	1,212,500	1,440,000	Svam Software Limited
October 20, 2005	850,000	10	10	Cash	Preferential allotment	9,712,500	1,440,000	Mr. Amit Mittal
March 10, 2006	42,857	10	140	Cash	Preferential allotment	11,141,070	20,011,410	Mr. Shiv Swaroop Gupta
	100,000							Shiv Swaroop Gupta HUF
July 27, 2006	429,898	10	418.70	Cash	Preferential allotment	15,440,050	195,710,722	Mr. Rakesh Radheyshyam Jhunjhunwala
July 25, 2007	45,000	10	502.44	Cash	Allotment pursuant to conversion of	15,917,710	219,232,612	Mr. Rakesh Radheyshyam Jhunjhunwala

Date of allotment	Number of Equity Shares	Face Value per Equity Shares (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Consideration (Cash, bonus, other than cash)	Reasons for Allotment	Cumulative Equity Share Capital (Rs.)	Cumulative Equity Share Premium (Rs.)	Individuals/ Entities to whom Equity Shares Allotted
	2,766				47,766 share warrants			Ms. Nipa Sheth
August 10, 2007	17,509,481	10	--	Bonus	Bonus Issue in the ratio of 11:1	191,012,520	44,137,802	Existing Shareholders of the Company
January 7, 2008	35,153	10	284.47	Cash	Preferential allotment	191,364,050	53,786,245	29 employees of the Company
July 25, 2008	2,510,687	10	298.723	Conversion	Allotment pursuant to conversion of 75,000,000 Preference Shares	216,470,920	778,679,374	Beacon
October 12, 2009	152,803	10	785.32	Cash	Preferential allotment	229,204,500	1,765,945,516	Beacon
	1,120,555							Lexington
March 18, 2010	34,380,675	10	--	Bonus	Bonus Issue in the ratio of 3:2	573,011,250	1,422,138,766*	Existing Shareholders of the Company
Total	57,301,125					573,011,250		

* The amount in the securities premium account was reduced due to utilization for share issue expenses (in connection with the Issue) and as at July 31, 2010, the securities premium account was Rs. 1,395.38 million.

The following is the history of the equity share capital of the Company issued as bonus shares out of the securities premium account of the Company:

Date of allotment	Number of Equity Shares	Face Value per Equity Share (Rs.)	Nature of Consideration (cash, bonus, other than cash)	Reasons for Allotment	Persons to whom Equity Shares Allotted	Benefit to the Issuer
August 10, 2007	17,509,481	10	Bonus	Bonus Issue in the ratio of 11:1	Existing Shareholders	NA
March 18, 2010	34,380,675	10	Bonus	Bonus Issue in the ratio of 3:2	Existing Shareholders	NA

b. Preference Share Capital

The following is the history of the preference share capital of the Company:

Date on which Preference Shares were allotted and made fully paid-up	Number of Preference Shares	Face value per Preference Share (Rs.)	Issue Price per Preference Shares (Rs.)	Nature of payment of (cash, bonus, other than cash) consideration	Reason for allotment	Cumulative Preference Shares Capital (Rs.)	Cumulative Preference Share Premium (Rs.)	Individuals/ Entities to whom Preference Shares Allotted
August 31, 2007	75,000,000	10	10	Cash	Preferential allotment of 0.001% Cumulative Mandatorily Convertible Preference Shares ⁽¹⁾	750,000,000	-	Beacon
Total	75,000,000							

⁽¹⁾ The Company issued and allotted an aggregate of 2,510,687 Equity Shares to Beacon on July 25, 2008 pursuant to conversion of the Preference Shares into Equity Shares. Currently, there are no outstanding preference shares.

c. Warrants

The following is the history of convertible warrants issued by the Company:

Date of allotment of the Warrants	Number of Warrants	Face value (Rs.)	Issue Price (Rs.)	Nature of payment of (cash, bonus, other than cash) consideration	Reason for allotment	Individuals/ Entities to whom Warrants Allotted
July 27, 2006	45,000	10	418.70	Cash	Preferential allotment ⁽¹⁾	Mr. Rakesh Radheyshyam Jhunjunwala and Mrs. Nipa Sheth
	2,766					
Total	47,766					

⁽¹⁾ The Company issued and allotted an aggregate of 47,766 Equity Shares to Mr. Rakesh Radheyshyam Jhunjunwala and Mrs. Nipa Sheth on July 25, 2007 pursuant to conversion of the warrants into Equity Shares upon the payment of additional premium of Rs. 83.74 per warrant by the warrant holders. Currently, there are no outstanding warrants.

2. Build up of Promoter's Capital, Promoter's Contribution and Lock-in

A. Capital Build-up of the Promoter's equity shareholding in the Company

Number of Equity Shares	Date of Allotment/ Transfer	Date Fully Paid-up	Face Value	Issue/Transfer Price	Nature of Consideration	Nature of Transaction	Percentage of Pre-Issue Equity Share Capital (%)	Percentage of Post-Issue Equity Share Capital (%)	Lock-In (years)
Mr. Amit Mittal									
5,000	December 22, 2003	December 22, 2003	10	10	Cash	Transfer from Mr. Sanjeev Kumar Sharma	0.01	0.01	1
50,000	February 1, 2004	February 1, 2004	10	10	Cash	Preferential Allotment	0.09	0.07	1
5,000	February 21, 2004	February 21, 2004	10	10	Cash	Transfer from Mr. Pramod Kumar	0.01	0.01	1
850,000	October 20, 2005	October 20, 2005	10	10	Cash	Preferential Allotment	1.48	1.15	1
16,000	June 30, 2006	June 30, 2006	10	110	Cash	Transfer from Svam Software Limited	0.03	0.02	1
1,250	February 22, 2007	February 22, 2007	10	110	Cash	Transfer from Mrs. Shikha Gupta	Negligible	Negligible	1
10,199,750	August 10, 2007	August 10, 2007	10	-	Bonus	Bonus	17.80	13.75	1
(95,506)	September 29, 2007	September 29, 2007	10	(325.11)	Cash	Transfer to Beacon	(0.17)	(0.13)	-
16,547,241	March 18, 2010	March 18, 2010	10	-	Bonus	Allotment of Bonus Shares	28.88	22.31	14,835,539 Equity Shares are locked in for 3 years and the remaining are locked in for 1 year
Total:	27,578,735						48.13	37.19*	

* This includes 694,434 Equity Shares offered for sale by the Promoter in the Issue.

As of the date of filing this Prospectus, Mr. Amit Mittal has pledged 10,290,226 Equity Shares, representing an aggregate of 17.96% of the pre-Issue equity share capital of the Company, to secure certain loans taken by the Company.

Pursuant to the Rupee Term Loan from L&T Infrastructure Finance Company Limited, 10% of the paid up capital of the Company is required to be pledged by Mr. Amit Mittal in favor of L&T Infrastructure Finance Company Limited as a security for the loan. In addition, Mr. Amit Mittal is required to pledge 10% of any additional securities acquired by him by way of subscription, purchase, conversion, redemption, substitution, exchange, rights, bonus, preference, stock, splits, option or otherwise. Currently, 5,730,113 Equity Shares held by Mr. Amit Mittal are pledged in favor of L&T Infrastructure Finance Company Limited. Further, the Consortium Agreement is secured by, *inter alia*, a pledge of 10% shares of the Company held by the promoter directors in favor of the State Bank of Patiala (the “Lead Bank”). Pursuant to the Consortium Agreement, a pledge agreement dated June 28, 2010 was entered into among Mr. Amit Mittal, the Lead Bank and the Company (the “Pledge Agreement”). Under the Pledge Agreement, Mr. Amit Mittal has pledged 4,560,113 Equity Shares of the Company in favor of the Lead Bank. Mrs. Dipali Mittal has also pledged 1,170,000 Equity Shares held by her under this agreement. Further, Mr. Amit Mittal and Mrs. Dipali Mittal are required to pledge any additional shares of the Company acquired by way of bonus, rights issue or otherwise. Mr. Amit Mittal, Mrs. Dipali Mittal and the Company have agreed that the Equity Shares shall not be listed on or delist from any stock exchange without the prior written consent of the Lead Bank.

For further details, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

B. Details of Promoter’s contribution locked-in for three years

Pursuant to Regulation 36 of the ICDR Regulations, at least an aggregate of 20% of the post-Issue shareholding of the Promoter shall be locked-in for a period of three years from the date of Allotment.

The Equity Shares that are being locked-in are not ineligible for computation of minimum Promoter’s contribution under Regulation 33 of the ICDR Regulations. In this regard, the Company confirms that the Equity Shares being locked-in do not consist of:

- (i) Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets or (b) arising from bonus issue by utilization of revaluation reserves or unrealized profits of the Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of Promoter’s contribution;
- (ii) Equity Shares acquired by the Promoter during the one year preceding the date of the Draft Red Herring Prospectus, at a price lower than the price at which Equity Shares are being offered to the public in the Issue;
- (iii) Equity Shares issued to the Promoter upon conversion of a partnership firm; and
- (iv) Equity Shares pledged with any creditor.

The details of the Equity Shares of the Promoter locked-in as minimum Promoter’s contribution are given below:

Name of the Promoter	Date on which the Equity Shares were Allotted / Transferred	Date when made fully paid-up	Nature of Transaction	Nature of payment of consideration	Number of Equity Shares locked in	Face value (Rs.)	Issue Price (Rs.)	Percentage of pre-Issue share-holding (%)	Percentage of post-Issue share-holding (%)
Mr. Amit Mittal	March 18, 2010	March 18, 2010	Allotment of Bonus Shares	Bonus	14,835,539	10	-	25.89	20.00
Total								25.89	20.00

The Promoter’s contribution has been brought in to the extent of not less than the specified minimum amount and has been contributed by the persons defined as Promoter under the ICDR Regulations.

C. Details of share capital locked-in for one year

In addition to the Equity Shares proposed to be locked-in as part of the Promoter’s contribution as stated above, the entire pre-Issue equity share capital of the Company will be locked-in for a period of one year from the date of allotment of Equity Shares in the Issue, other than 2,531,181 Equity Shares which are being transferred and sold in the Offer for Sale. Accordingly, 54,769,944 Equity Shares representing

approximately 73.84% of the post-Issue paid-up share capital of the Company, will be locked in for a period of one year from the date of Allotment of the Equity Shares in the Issue.

Pursuant to Regulation 39 of the ICDR Regulations, locked-in Equity Shares held by the Promoter can be pledged with any scheduled commercial bank or public financial institution as collateral security for loans granted by such scheduled commercial bank or public financial institution, provided that (i) the pledge of shares is one of the terms of sanction of the loan and (ii) if the shares are locked-in as Promoter's contribution for three years under Regulation 36(a) of the ICDR Regulations, then in addition to the requirement in (i) above, such shares may be pledged only if the loan has been granted by the scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Pursuant to Regulation 40 of the ICDR Regulations, Equity Shares held by the Promoter, which are locked in as per Regulation 36 of the ICDR Regulations, may be transferred to and among the Promoter or the Promoter Group or to a new promoter or persons in control of the Company subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Code, as applicable.

Further, pursuant to Regulation 40 of the ICDR Regulations, Equity Shares held by shareholders other than the Promoter which are locked in as per Regulation 37 of the ICDR Regulations, may be transferred to any other person holding shares which are locked-in, subject to continuation of the lock-in in the hands of the transferee for the remaining period and compliance with the Takeover Code, as applicable.

3. Shareholding Pattern of the Company

- (i) The table below presents the Company's equity shareholding as per Clause 35 of the equity listing agreement:

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a %
(A)	Shareholding of Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/ Hindu Undivided Family	5	31,980,629	31,970,247	55.81	55.81	11,460,226	20.00
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-
(d)	Financial Institutions/ banks	-	-	-	-	-	-	-
(e)	Any other (specify)	-	-	-	-	-	-	-
	Sub- Total (A)(1)	5	31,980,629	31,970,247	55.81	55.81	11,460,226	20.00
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/ Foreign non Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-
(d)	Any other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	5	31,980,629	31,970,247	55.81	55.81	11,460,226	20.00
(B)	Public shareholding							
(1)	Institutions							
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-
(b)	Financial Institutions/ Banks	-	-	-	-	-	-	-
(c)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-

Category code	Category of shareholder	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a %
(e)	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institution Investors	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	1	6,897,490	6,897,490	12.04	12.04		
(h)	Any Other (specify)	-	-	-	-	-		
	Sub-Total (B)(1)	1	6,897,490	6,897,490	12.04	12.04		
(2)	Non-institutions							
(a)	Bodies Corporate	-	-	-	-	-	-	
(b)	Individuals -							
	i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	26	49,751	33,750	0.08	0.08		
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	22	13,980,170	13,955,170	24.40	24.40		
(c)	Others							
	Foreign Corporate Bodies	1	4,393,085	4,393,085	7.67	7.67		
	Sub-Total (B)(2)	49	18,423,006	18,382,005	32.15	32.15		
	Total public shareholding (B)= (B)(1)+(B)(2)	50	25,320,496	25,279,495	44.19	44.19		
	TOTAL (A)+(B)	55	57,301,125	57,249,742	100	100	11,460,226	20.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	55	57,301,125	57,249,742	100	100	11,460,226	20.00

(ii) The pre and post-Issue shareholding pattern of the Company is set out below:

Name of Shareholder	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage of equity share capital (%)	Number of Equity Shares	Percentage of equity share capital (%)
Promoter				
Mr. Amit Mittal	27,578,735	48.13	26,884,301	36.24
Total Holding of the Promoter	27,578,735	48.13	26,884,301	36.24
Promoter Group (other than Promoter)				
Mrs. Dipali Mittal	1,170,000	2.04	1,170,000	1.58
Shiv Swaroop Gupta HUF	1,935,802	3.38	1,935,802	2.61
Mrs. Babita Shivswaroop Gupta	1,285,710	2.24	1,230,155	1.66
Ms. Priya Goel	10,382	0.02	10,382	0.01
Total Holding of Promoter Group (other than Promoter)	4,401,894	7.68	4,346,339	5.86
Other Significant Shareholders				
Mr. Rakesh Radheyshyam Jhunjhunwala*	12,051,125	21.03	11,773,351	15.87
Others				
Beacon	6,897,490	12.04	5,449,627	7.35
Lexington	4,393,085	7.67	4,393,085	5.92
Employees and others	1,978,796	3.45	1,923,241	2.59
Total Holding of Others (other than Promoter and Promoter Group)	25,320,496	44.19	23,539,304	31.73
Public in the Issue	-	-	19,407,750	26.16

Name of Shareholder	Pre-Issue		Post-Issue	
	Number of Equity Shares	Percentage of equity share capital (%)	Number of Equity Shares	Percentage of equity share capital (%)
Total	57,301,125	100	74,177,694	100

* Mr. Rakesh Radheyshyam Jhunjhunwala is not involved in the day-to-day management of the Company. Under the articles of association of the Company and the shareholders' agreements, Mr. Jhunjhunwala does not have the right to (a) appoint majority of the directors or (b) control the management or policy decisions of the Company after the listing and commencement of trading of the Equity Shares. The shareholders' agreement with Mr. Jhunjhunwala states that he shall not be considered as a promoter. Also, Mr. Jhunjhunwala has not been named as a promoter in any offer document of the Company. The person who is in control of the Company is Mr. Amit Mittal, who holds 48.13% of the pre-Issue Equity Shares of the Company, and he has been named as the promoter. Based on the foregoing, Mr. Jhunjhunwala has not been named a promoter under the ICDR Regulations.

4. Details of the shareholding of the Promoter and the members of the Promoter Group as of the date of filing of this Prospectus:

Name of the Shareholder	Total Shares	% of pre-Issue capital
Promoter		
Mr. Amit Mittal	27,578,735	48.13
Total Holding of the Promoter (A)	27,578,735	48.13
Promoter Group		
Mrs. Dipali Mittal	1,170,000	2.04
Shiv Swaroop Gupta HUF	1,935,802	3.38
Mrs. Babita Shivswaroop Gupta	1,285,710	2.24
Ms. Priya Goel	10,382	0.02
Total holding of Promoter Group (other than Promoter) (B)	4,401,894	7.68
Total Holding of Promoter and Promoter Group (A+B)	31,980,629	55.81

5. Other than the Equity Shares issued and allotted to the existing shareholders on March 18, 2010 pursuant to the bonus issue, there are no Equity Shares that have been purchased or acquired by the Promoter Group and/or the Directors and/or the immediate relatives of the Directors (as defined under Regulation 2(1)(zb)(ii) of the ICDR Regulations) within the last six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.
6. The Promoter Group, the Directors, the immediate relatives of the Directors (as defined under Regulation 2(1)(zb)(ii) of the ICDR Regulations) have not financed the purchase by any other person of securities of the Company during the six months preceding the date of filing the Draft Red Herring Prospectus with SEBI.
7. The Company, the Directors, the BRLMs and the CBRLM have not entered into any buy back and/or standby/safety-net arrangements for the purchase of Equity Shares in the Issue from any person.
8. The list of top ten shareholders of the Company and the number of Equity Shares held by them is set forth below:
- (a) The top ten shareholders of the Company and the Equity Shares held by them as of the date of the filing of this Prospectus are as follows:

S. No.	Name of Shareholder	Number of Equity Shares	Pre-Issue Percentage Shareholding (%)
1.	Mr. Amit Mittal	27,578,735	48.13
2.	Mr. Rakesh Radheyshyam Jhunjhunwala	12,051,125	21.03
3.	Beacon	6,897,490	12.04
4.	Lexington	4,393,085	7.67
5.	Shiv Swaroop Gupta HUF	1,935,802	3.38
6.	Mrs. Babita Shivswaroop Gupta	1,285,710	2.24
7.	Mrs. Dipali Mittal	1,170,000	2.04
8.	Mrs. Nipa Sheth	696,420	1.22
9.	Mrs. Sushila P Gupta	187,500	0.33

S. No.	Name of Shareholder	Number of Equity Shares	Pre-Issue Percentage Shareholding (%)
10.	Mr. Rajiv Agarwal	131,250	0.23
	Total	56,327,117	98.31

- (b) The top ten shareholders of the Company and the Equity Shares held by them as of ten days prior to the filing of this Prospectus are as follows:

S. No.	Name of Shareholder	Number of Equity Shares	Pre-Issue Percentage Shareholding (%)
1.	Mr. Amit Mittal	27,578,735	48.13
2.	Mr. Rakesh Radheyshyam Jhunjhunwala	12,051,125	21.03
3.	Beacon	6,897,490	12.04
4.	Lexington	4,393,085	7.67
5.	Shiv Swaroop Gupta HUF	1,935,802	3.38
6.	Mrs. Babita Shivswaroop Gupta	1,285,710	2.24
7.	Mrs. Dipali Mittal	1,170,000	2.04
8.	Mrs. Nipa Sheth	696,420	1.22
9.	Mrs. Sushila P Gupta	187,500	0.33
10.	Mr. Rajiv Agarwal	131,250	0.23
	Total	56,327,117	98.31

- (c) The top ten shareholders of the Company and the Equity Shares held by them as of two years prior to the filing of this Prospectus are as follows:

S. No.	Name of Shareholder	Number of Equity Shares	Pre-Issue Percentage Shareholding (%)
1.	Mr. Amit Mittal	11,031,494	57.65
2.	Mr. Rakesh Radheyshyam Jhunjhunwala	5,250,000	27.43
3.	Shiv Swaroop Gupta HUF	1,200,000	6.27
4.	Mrs. Babita Shivswaroop Gupta	514,284	2.69
5.	Mrs. Dipali Mittal	468,000	2.45
6.	Mrs. Nipa Sheth	278,568	1.46
7.	Beacon	95,506	0.50
8.	Mrs. Rajeshkumar Jhunjhunwala	75,000	0.39
9.	Mrs. Sushila P. Gupta	75,000	0.39
10.	Mr. Manoj Gupta	60,000	0.31
	Total	19,047,852	99.54

9. Except as set forth below, none of the Directors or our key managerial personnel holds Equity Shares in the Company:

S.No.	Name of the Shareholder	Number of Equity Shares	Pre-Issue Percentage Shareholding (%)	Post-Issue Percentage Shareholding (%)
1.	Mr. Amit Mittal	27,578,735	48.13	36.24
2.	Mrs. Dipali Mittal	1,170,000	2.04	1.58
3.	Mr. Rakesh Radheyshyam Jhunjhunwala	12,051,125	21.03	15.87
4.	Mr. Manish Gupta	129,000	0.22	0.17
5.	Mr. Manoj Gupta	117,750	0.21	0.16
6.	Mr. Ashok K. Saini	12,500	0.02	0.02
7.	Mr. Sanjeev Sharma	12,500	0.02	0.02
8.	Mr. Alok Kumar Gupta	5,000	0.01	0.01
9.	Mr. Anil Soni	2,500	Negligible	Negligible
10.	Mr. Atul Agarwal	1	Negligible	Negligible

10. Other than the A2Z ESOP, there are no outstanding warrants, options or rights to convert debentures or other instruments into Equity Shares.
11. Pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on March 30, 2010, the Company adopted the A2Z ESOP for the grant of options, which shall be exercisable for such number of Equity Shares or securities convertible into Equity Shares, as shall not exceed 5% of the issued share capital of the Company on the date of such grant.

The A2Z ESOP shall be administered and supervised by the Remuneration-cum-Compensation Committee of the Board. Each option shall entitle the option grantee to apply for and be transferred one (1) Equity Share of the Company. On or from the time of the listing of the Equity Shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into Equity Shares) at the time of grant of options.

Under the A2Z ESOP, Equity Shares may be issued to (i) a permanent employee of the Company working in India or abroad; (ii) Directors of the Company, whether whole-time director or not; and (iii) an employee, as defined under (i) and (ii) above, of the subsidiaries of the Company. An employee who is the Promoter, belongs to the Promoter Group or a Director, who directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company is not eligible to participate in the A2Z ESOP.

The particulars of the A2Z ESOP are set forth below:

Options granted	1,075,750 (includes 67,500 cancelled options)																											
Total number of options to be granted	Equity Shares representing up to 5% of the issued share capital of the Company at the date of grant, that is, 2,865,056 options																											
Grant of options	June 2, 2010																											
Identification of classes of employees entitled to participate in the A2Z ESOP	(i) A permanent employee of the Company working in India or abroad; (ii) Directors of the Company, whether whole-time director or not; and (iii) an employee, as defined under (i) and (ii) above, of the subsidiaries of the Company. An employee who is the Promoter, belongs to the Promoter Group or a Director, who directly or indirectly, holds more than 10% of the outstanding Equity Shares of the Company is not eligible to participate in the A2Z ESOP																											
Requirements of vesting, period of vesting and maximum period within which options shall be vested	The vesting schedule is set forth below: <table><thead><tr><th><u>Vesting</u></th><th><u>Number of months from the date of grant of options</u></th><th><u>% of options vested</u></th><th><u>Cumulative % of options vested</u></th></tr></thead><tbody><tr><td>1</td><td>12</td><td>20</td><td>20</td></tr><tr><td>2</td><td>24</td><td>20</td><td>40</td></tr><tr><td>3</td><td>36</td><td>20</td><td>60</td></tr><tr><td>4</td><td>48</td><td>20</td><td>80</td></tr><tr><td>5</td><td>60</td><td>20</td><td>100</td></tr></tbody></table>				<u>Vesting</u>	<u>Number of months from the date of grant of options</u>	<u>% of options vested</u>	<u>Cumulative % of options vested</u>	1	12	20	20	2	24	20	40	3	36	20	60	4	48	20	80	5	60	20	100
<u>Vesting</u>	<u>Number of months from the date of grant of options</u>	<u>% of options vested</u>	<u>Cumulative % of options vested</u>																									
1	12	20	20																									
2	24	20	40																									
3	36	20	60																									
4	48	20	80																									
5	60	20	100																									
Exercise price	Rs. 314.13																											
Exercise period and process of exercise	5 years; by way of application																											
The appraisal process for determining the eligibility of employees to the A2Z ESOP	Determined by the Remuneration-cum-Compensation Committee																											
The maximum number of options to be issued per employee and in the aggregate	50,000																											
Accounting method used by the Company to value its options	Intrinsic value method																											
Options vested	Nil																											
Options exercised	Nil																											
The total number of Equity Shares arising as a result of exercise of options	Nil																											
Options lapsed, forfeited or cancelled	67,500																											
Extinguishment or modification or variation of the terms of the options	Nil																											
Money realized by exercise of options	Nil																											
Options outstanding (i.e., total number of options in force)	1,008,250																											
Person-wise details of options granted to:																												
i. Senior managerial personnel	418,750 as below*																											
ii. Any other employee who received a grant in any one year of options amounting to 5% or more of options granted during that year	None																											
iii. Identified employees who are granted	None																											

options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	
Pre-Issue Diluted Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of options	Not applicable
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost calculated using the fair value of stock options and the impact on profits and EPS arising therefrom	Not applicable
Weighted average exercise price and weighted average fair value of options whose exercise price either equals or exceeds or is less than the market value of the Equity Shares	Not applicable
Lock-in	3 years while the Company remains unlisted. Once the Equity Shares of the Company is listed, the Equity Shares will not be subject to such lock-in.
Impact on profits and EPS of the last three years if the Company had followed the accounting policies specified in Clause 13 of the SEBI ESOP Guidelines	Not applicable
Description of the method and significant assumptions used during the year to estimate the fair value of the options, including the following weighted average information: (i) risk free interest rate, (ii) expected life, (iii) expected volatility, (iv) expected dividends and (v) price of underlying share in the market at the time of grant of the options	Not applicable

* Set out below is the list of Directors and key managerial personnel who have been granted ESOPs under the A2Z ESOP:

S.No.	Name of Director or Key managerial personnel	Total Number of ESOPs
1.	Mr. Surender Kumar Tuteja	25,000
2.	Mr. Rajeev Thakore	25,000
3.	Mr. Vinod Sagar Wahi	25,000
4.	Mr. Rakesh Gupta	33,750
5.	Mr. Rajesh Kataria	12,500
6.	Mr. Ashok Kumar Saini	33,750
7.	Mr. Rajesh Jain	25,000
8.	Mr. Amit Kumar Agarwal	25,000
9.	Mr. Rashmi Ranjan	12,500
10.	Mr. Sunil B. Chhibar	25,000
11.	Mr. Swapan Kumar Dasgupta	5,000
12.	Mr. G.P.Chaukiyal	7,500
13.	Mr. Chander Parkash Khurana	7,500
14.	Mr. V.K. Ramesh	12,500
15.	Mr. Hemant Gupta	25,000
16.	Mr. Atul Kumar Agarwal	5,000
17.	Mr. Rakesh Kumar Aggarwal	33,750
18.	Mr. Sanjeev Sharma	33,750
19.	Mr. Manoj Gupta	33,750
20.	Mr. Subhash Kumar Mehta	12,500
	TOTAL	418,750

The A2Z ESOP is in compliance with the SEBI ESOP Guidelines. The Company undertakes to conform to the accounting policies as specified in the Clause 13.1 of the SEBI ESOP Guidelines.

As of the date of this Prospectus, 1,075,750 stock options (includes 67,500 cancelled options) had been granted under the above plan. Any grant of options by the Company after the listing of the Equity Shares shall be in conformity with the SEBI ESOP Guidelines.

If the exercise price of the options is lower than the fair value of the Equity Shares as certified by independent accountants, the A2Z ESOP will result in a charge to the Company's profit and loss

account equal to the product of the number of Equity Shares granted thereunder and the difference between the exercise price and the market price, which will be amortized over the vesting period of the stock option.

Under Indian GAAP, the grant of stock options will result in a charge to our profit and loss account based on the difference between the exercise price determined at the date of the grant of options and the market price of the options as on the date of the grant. This expense will be amortized over the vesting period of the options.

12. The Company has not issued any Equity Shares out of revaluation reserves or for consideration other than cash. The Company had issued 17,509,481 and 34,380,675 Equity Shares as bonus shares on August 10, 2007 and March 18, 2010, respectively, to the then-existing shareholders of the Company out of its securities premium account as disclosed under this section “Capital Structure” beginning on page 23 of this Prospectus.
13. The Company has issued Equity Shares to the persons as described below in the year preceding the Issue, which may be at a price lower than the Issue Price:

Name of the Shareholder	Whether Belongs to Promoter Group	Number of Equity Shares	Date of Issue	Issue Price (Rs.)	Reasons for Issue
Beacon	No	152,803	October 12, 2009	785.32	Preferential allotment
Lexington	No	1,120,555	October 12, 2009	785.32	Preferential allotment

In addition, the Company issued 34,380,675 Equity Shares by way of bonus issue to the then-existing shareholders of the Company, including the Promoter and the members of the Promoter Group, on March 18, 2010. The effective issue price per Equity Share in respect of the above allotment to Beacon and Lexington after taking into consideration the bonus shares issue was Rs. 314.13.

14. Subject to the ICDR Regulations, there will be no further issue of Equity Shares whether by way of preferential issue or bonus issue or rights issue or further public issue of Equity Shares or qualified institutions placement or in any other manner during the period commencing from submission of the Draft Red Herring Prospectus with the SEBI until the Equity Shares offered through the Red Herring Prospectus have been listed.
15. The Company presently does not have any intention or proposal to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split/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 the Equity Shares) whether by way of preferential issue or bonus issue or rights issue or further public issue of Equity Shares or qualified institutions placement or otherwise, except granting stock options or allotting Equity Shares pursuant to the A2Z ESOP or if the Company plans to enter into acquisitions, joint ventures or strategic alliances, the Company may consider raising additional capital to fund such activity or use Equity Shares as currency for such acquisition, investment or alliance.
16. A Bidder cannot submit a Bid for more than the number of Equity Shares offered in the Issue and such bids are subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
17. There shall be only one denomination for the Equity Shares of the Company, unless otherwise permitted by law. The Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
18. As of the date of filing this Prospectus, the total number of holders of Equity Shares was 55.
19. The Company has currently not raised any bridge loan against the proceeds of the Issue.
20. An over-subscription to the extent of 10% of the Net Issue can be retained for purposes of rounding off to the nearest multiple of the minimum allotment lot while finalizing the basis of allotment.
21. All of the Equity Shares in the Issue will be fully paid up upon Allotment.

22. The Promoter and the members of the Promoter Group will not participate in the Issue.
23. There are restrictive covenants in the agreement entered into by the Company with certain lenders for short-term and long-term borrowing. For further details, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.
24. The details of the Equity Shares being offered in the Offer for Sale by the Selling Shareholders are set forth below:

Name of the Selling Shareholders	Number of Equity Shares	% of pre-Issue equity capital
Mr. Amit Mittal	694,434	0.94
Beacon	1,447,863	1.95
Mrs. Babita Shivswaroop Gupta	55,555	0.10
Mr. Rakesh Radheyshyam Jhunjunwala	277,774	0.37
Mrs. Nipa Sheth	55,555	0.10
Total	2,531,181[#]	3.46

[#] As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced to 2,531,181 Equity Shares.

For additional information regarding the Equity Shares held by the Selling Shareholders, please see the table below:

Number of Equity Shares	Date of Allotment/ Transfer	Face Value	Issue/Transfer Price	Nature of Consideration	Nature of Transaction	Percentage of Pre-Issue Equity Share Capital (%)
Mr. Amit Mittal						
5,000	December 22, 2003	10	10	Cash	Transfer from Mr. Sanjeev Kumar Sharma	0.01
50,000	February 1, 2004	10	10	Cash	Preferential Allotment	0.09
5,000	February 21, 2004	10	10	Cash	Transfer from Mr. Pramod Kumar	0.01
850,000	October 20, 2005	10	10	Cash	Preferential Allotment	1.48
16,000	June 30, 2006	10	110	Cash	Transfer from Svam Software Limited	0.03
1,250	February 22, 2007	10	110	Cash	Transfer from Mrs. Shikha Gupta	Negligible
10,199,750	August 10, 2007	10	-	Bonus	Bonus	17.80
(95,506)	September 29, 2007	10	(325.11)	Cash	Transfer to Beacon	(0.17)
16,547,241	March 18, 2010	10	-	Bonus	Allotment of Bonus Shares	28.88
Total:	27,578,735					48.13
Beacon						
95,506	September 29, 2007	10	325.11	Cash	Transfer from Mr. Amit Mittal	0.17
2,510,687	July 25, 2008	10	-	-	Conversion of Preference Shares	4.38
152,803	October 12, 2009	10	785.32	Cash	Preferential Allotment	0.27
4,138,494	March 18, 2010	10	-	-	Bonus	7.22
Total:	6,897,490					12.04
Mr. Rakesh Radheyshyam Jhunjunwala						
429,898	July 27, 2006	10	418.70	Cash	Preferential Allotment	0.75
45,000	July 25, 2007	10	-	-	Conversion of warrants	0.07
5,223,878	August 10,	10	-	-	Bonus	9.12

Number of Equity Shares	Date of Allotment/ Transfer	Face Value	Issue/Transfer Price	Nature of Consideration	Nature of Transaction	Percentage of Pre-Issue Equity Share Capital (%)
	2007					
(448,776)	August 20, 2007	10	34.89	Cash	Transfer to 11 persons*	(0.78)
(60,000)	August 10, 2009	10	-	Gift	Transfer to Mrs. Rekha Jhunjunwala	(0.10)
(95,000)	August 26, 2009	10	-	Gift	Transfer to Mr. Rajesh Jhunjunwala	(0.16)
(274,550)	September 25, 2009	10	-	Gift	Transfer to 11 persons**	(0.48)
7,230,675	March 18, 2010	10	-	-	Bonus	12.62
Total:	12,051,125					21.03
Mrs. Babita Shivswaroop Gupta						
514,284	September 29, 2007	10	11.67	Cash	Transfer from Mr. S.S. Gupta	0.90
771,426	March 18, 2010	10	-	-	Bonus	1.34
Total:	1,285,710					2.24
Mrs. Nipa Sheth						
2,766	July 25, 2007	10	-	-	Conversion of warrants	Negligible
30,426	August 10, 2007	10	-	-	Bonus	0.05
245,376	August 20, 2007	10	34.89	Cash	Transfer from Mr. Rakesh Radheyshyam Jhunjunwala	0.43
417,852	March 18, 2010	10	-	-	Bonus	0.73
Total:	696,420					1.22

* On August 20, 2007, Mr. Jhunjunwala transferred (i) 245,376 Equity Shares to Mrs. Nipa Sheth; (ii) 75,000 Equity Shares to Mr. Rajesh Jhunjunwala; (iii) 75,000 Equity Shares to Ms. Sushila P. Gupta; (iv) 12,000 Equity Shares to Mr. Manish Gupta; (v) 7,200 Equity Shares to Mr. Iyer Sivaramaksishnan; (vi) 7,200 Equity Shares to Mr. Rajeev Kumar; (vii) 6,000 Equity Shares to Mr. Naren R. Shah; (viii) 6,000 Equity Shares to Mr. Rajiv Agarwal; (ix) 6,000 Equity Shares to Mr. Rakesh Khetan; (x) 6,000 Equity Shares to Mr. Gaurav Gupta; and (ix) 3,000 Equity Shares to Chetan R. Shah (HUF).

** On September 25, 2009, Mr. Jhunjunwala transferred (i) 51,600 Equity Shares to Mr. Manish Gupta; (ii) 25,800 Equity Shares to Mr. Dalal Niraj Deepak; (iii) 5,150 Equity Shares to Mrs. Salonee A. Sanghvi; (iv) 25,800 Equity Shares to Mrs. Ushma Sheth; (v) 12,900 Equity Shares to Mr. Nirbhay Mahawar; (vi) 15,500 Equity Shares to Mr. Vinay Gopalakrishnan Nair; (vii) 37,200 Equity Shares to Mr. Nilesh S. Shah; (viii) 30,900 Equity Shares to Mr. Chetan R. Shah; (ix) 46,500 Equity Shares to Mr. Rajiv Agarwal; (x) 12,900 Equity Shares to Mr. Amit Himatlal Shah; and (ix) 10,300 Equity Shares to Mrs. Teena Hemchand Purohit.

The Selling Shareholders are offering 2,531,181 Equity Shares[#], in aggregate, which have been held for a period of at least one year prior to the date of filing of the Draft Red Herring Prospectus with SEBI and, hence, are eligible for the Offer for Sale.

[#] As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced to 2,531,181 Equity Shares.

25. As of the date of filing this Prospectus, none of the BRLMs, the CBRLM and their associates hold any Equity Shares in the Company.

26. The constitution of the Promoter Group is set forth below:

The natural persons who are part of the Promoter Group, apart from the individual Promoter mentioned in the section “Our Promoter and Group Companies of our Promoter” beginning on page 168 of this Prospectus, are set forth below:

- Mrs. Dipali Mittal (spouse of Mr. Amit Mittal)
- Mr. Rajendra Kumar Mittal (father of Mr. Amit Mittal)
- Mrs. Sudha Mittal (mother of Mr. Amit Mittal)
- Mrs. Ruchi Goyal (sister of Mr. Amit Mittal)
- Mrs. Ritu Agarwal (sister of Mr. Amit Mittal)
- Master Shivang Mittal (son of Mr. Amit Mittal)
- Ms. Kanika Agarwal (daughter of Mr. Amit Mittal)
- Mrs. Suman Goel (mother-in-law of Mr. Amit Mittal)

- i. Mrs. Pooja Gupta (sister-in-law of Mr. Amit Mittal)
- j. Ms. Priya Goel (sister-in-law of Mr. Amit Mittal)

The members of the Promoter Group in accordance with the ICDR Regulations are set forth below:

- (a) Amit Kumar Mittal HUF
- (b) Mjooz Global Private Limited
- (c) JIT Logistics Private Limited
- (d) m-Nxt Consulting and Solutions Private Limited

In addition to the entities identified above, the Company considers Mrs. Babita Shivswaroop Gupta and Shiv Swaroop Gupta HUF as members of the Promoter Group.

- 27. No person connected with the Issue, including, but not limited to, the BRLMs, the CBRLM, the members of the Syndicate, the Company, the Selling Shareholders, the Directors, the subsidiaries, the Promoter, the Promoter Group and the Group Companies of the Promoter, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
- 28. Any unsubscribed portion in the Employee Reservation Portion shall be added to the Net Issue. In case of under-subscription in the Net Issue, spill-over to the extent of under-subscription shall be permitted from the Employee Reservation Portion to the Net Issue. Under subscription in any other category, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of the Company in consultation with the BRLMs, the CBRLM and the Designated Stock Exchange.

OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue and an Offer for Sale.

Offer for Sale

The Company will not receive any proceeds from the Offer for Sale.

Objects of the Fresh Issue

The Company intends to utilize the proceeds from the Fresh Issue, after deduction of the Issue expenses (such net proceeds, the “Net Proceeds of the Fresh Issue”) for the following objects:

1. investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab;
2. investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan;
3. investment in subsidiaries;
4. repayment of a loan granted by L&T Infrastructure Finance Company Limited (“L&T Infrastructure Finance”) to the Company;
5. working capital requirements; and
6. general corporate purposes.

The main objects clause of the Memorandum of Association enables the Company to undertake the activities for which the funds are being raised pursuant to the Issue. The existing activities of the Company are within the ambit of the objects clause of the Memorandum of Association.

The details of the proceeds of the Fresh Issue are summarized in the table below:

Particulars		<i>(Rs. in million)</i>
		Amount
Gross proceeds of the Fresh Issue		6,750.00
Issue related expenses		378.08
Net Proceeds of the Fresh Issue		6,371.92

Requirement of Funds

The details of the utilization of the Net Proceeds of the Fresh Issue are as follows:

<i>(Rs. in million)</i>				
S. No.	Particulars	Estimated Total Cost	Expenditure incurred as of October 25, 2010	Total Amount to be financed from the Net Proceeds of the Fresh Issue
1.	Investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab	2,460.31	497.15*	680.31
2.	Investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan	4,000.00	2.73*	1,200.00
3.	Investment in subsidiaries			
(i)	Share capital in A2Z Infrastructure for the 15 MW biomass-based power generation project in Kanpur	850.00	163.64*	250.00
(ii)	Share capital in A2Z Infrastructure and its subsidiaries for certain MSW projects	2,383.66	344.73*	423.42
(iii)	Share capital in Mansi Bijlee & Rice Mills Private Limited (“Mansi Bijlee”), the subsidiary that will implement one rice mill and associated rice-husk based biomass power generation project in the State of Punjab	1,023.32	18.00*	1,023.32
4.	Repayment of loan granted by L&T Infrastructure Finance to the Company	416.67	-	416.67
5.	Working capital requirements	1,250.00	-	1,250.00
6.	General corporate purposes	-	-	1,128.20
	Total	12,383.96		6,371.92

* As certified by VBR & Associates, Chartered Accountants pursuant to certificates dated November 8, 2010.

The cost requirements with respect to the three biomass (bagasse) based cogeneration projects in the State of Punjab and the biomass-based power generation project in the city of Kanpur being established by A2Z Infrastructure have been appraised by YES Bank Limited. A portion of the costs related to the MSW projects are based on the letters of award. Other than the foregoing, the fund requirements described below are based on management estimates and have not been appraised by any bank or financial institution or any other independent agency. These are based on current conditions and are subject to change due to changes in external circumstances, such as the prevailing business situation, or costs.

In the event of any variation in the actual utilization of funds for the purposes specified above, increased fund requirements for a particular purpose may be financed from 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 or in case of cost overruns, we expect that the shortfall will be met from internal accruals and the entry into debt or equity arrangements as required.

In view of the competitive and dynamic nature of the industries in which we operate and on account of new projects that we may pursue, modification in the developments and initiatives that we are currently pursuing and any business consolidation opportunities, such as acquisitions, that we may pursue in the future, we may have to revise our planned allocation of funds from time to time. This may entail increasing or decreasing the allocation of funds for a particular purpose from its planned allocation at the discretion of our management.

In accordance with Regulation 4(2)(g) of the ICDR Regulations and the SEBI Circular No. SEBI/CFD/MB/IS/3/2008/29/08, we confirm that we have made firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, in the form of debt and equity, excluding the amount to be raised through the Net Proceeds or through existing identifiable internal accruals.

Schedule of Implementation/Utilization of Net Proceeds

The breakdown of the proposed utilization of the Net Proceeds of the Fresh Issue and the deployment of the Net Proceeds of the Fresh Issue, as currently estimated by the Company, during fiscals 2011, 2012 and 2013, and the expenditure incurred as of October 25, 2010, is set forth below.

<i>(Rs. in million)</i>					
Particulars	Estimated Total Cost	Expenditure incurred as of October 25, 2010	Schedule of Deployment of Funds as of March 31,		
			2011	2012	2013
Investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab	2,460.31	497.15*	1,963.16	Nil	Nil
Investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan	4,000.00	2.73*	1,637.27	2,360.00	Nil
Investment in subsidiaries					
(i) Share capital in A2Z Infrastructure for the 15 MW biomass-based power generation project in Kanpur	850.00	163.64*	686.36	Nil	Nil
(ii) Share capital in A2Z Infrastructure and its subsidiaries for its MSW projects	2,383.66	344.73*	2,038.93	-	-
(iii) Share capital in Mansi Bijlee, the subsidiary that will implement one rice mill and associated rice-husk based biomass power generation project in the State of Punjab	1,023.32	18.00*	584.79	420.53	-
Repayment of loan granted by L&T Infrastructure Finance to the Company	416.67	-	416.67	-	-
Working capital requirements	1,250.00	-	1,250.00	-	-
General corporate purposes	1,128.20	-	112.82	676.92	338.46

* As certified by VBR & Associates, Chartered Accountants pursuant to certificates dated November 8, 2010.

Our management, in accordance with the policies set up by the Board, will have flexibility in deploying the Net Proceeds of the Fresh Issue.

Project Appraisal

The three 15 MW biomass (bagasse)-based power cogeneration projects in the State of Punjab and the 15 MW

biomass-based power generation project at Kanpur have been appraised by YES Bank Limited. YES Bank Limited issued their information memorandum for each of these above referenced projects in May 2010 in their capacity as the underwriter and mandated lead manager in connection with rupee term loan facilities granted to the Company for such projects. For details related to the risks identified in the information memorandum, please see the section “Risk Factors - The information memoranda prepared by YES Bank Limited identifies possible risk factors that could adversely affect us and our prospects, business, results of operations and financial condition” beginning on page xxviii of this Prospectus.

Details of the Objects of the Issue

1. Investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab

The Company proposes to utilize an amount aggregating Rs. 680.31 million from the Net Proceeds of the Fresh Issue to finance the equity component of the three biomass (bagasse)-based cogeneration power projects of 15 MW each located in sugar mills at Nakodar, Morinda and Fazilka in the State of Punjab. The Company has executed a memorandum of understanding and agreement with each of Fazilka Cooperative Sugar Mills Limited, Morinda Cooperative Sugar Mills Limited and Nakodar Cooperative Sugar Mills Limited to set up biomass (bagasse) based cogeneration power plants within their respective premises. The agreements grant us concessions for a period of 15 years over the projects on a BOOT basis. For further description of these projects, please see the section “Our Business” beginning on page 83 of this Prospectus.

A. *Project Cost*

The three projects have been appraised by YES Bank Limited and as per their information memorandum issued in May 2010, the total cost of the three biomass (bagasse)-based cogeneration projects is expected to be Rs. 2,460.31 million. A detailed breakdown of the cost is set forth in the following table:

(Rs. in million)				
Particulars	Nakodar	Morinda	Fazilka	Total
Land development and civil	103.79	106.44	103.79	314.02
Plant and machinery	591.19	698.06	636.19	1,925.44
Total	694.98	804.50	739.98	2,239.46
Contingency	24.32	28.16	25.90	78.38
Establishment and consultant charges	21.38	21.86	21.58	64.83
Total Project Cost without Interest During Construction (IDC)	740.68	854.52	787.46	2,382.66
IDC and financing charges	24.14	27.85	25.66	77.65
Total	764.82	882.37	813.12	2,460.31

Pursuant to a certificate dated November 8, 2010, VBR & Associates, Chartered Accountants, have certified that as of October 25, 2010, the expenditure incurred on these projects was Rs. 497.15 million and have been met out of the funds from the loan granted for these projects by YES Bank Limited.

We expect to complete the above activities by fiscal 2011 and therefore, a year-wise breakdown of the proposed expenditure has not been provided.

Land Development and Civil

The relevant sugar mills have granted a lease to the Company over land measuring 5 acres for each of the cogeneration projects for a period of 15 years. We have commenced civil work and have awarded contracts for the civil construction to A2Z Powercom. A2Z Powercom had issued work orders for civil work to Placid Constructions Private Limited in March 2010 for Fazilka and Nakodar, which were subsequently terminated. New work orders for Fazilka and Nakodar have been issued in October 2010 and August 2010 to Projcon Infrastructure and ACE Build Private Limited, respectively. Work orders have been issued to A S Enterprises for Morinda in April 2010. Orders for chimneys have also been placed. We expect to incur an aggregate amount of approximately Rs. 314.02 million on land development and civil works for the three projects.

Plant and Machinery

We have awarded the EPC contract for the supply, construction and commissioning of the three projects to A2Z Powercom who has in turn placed orders with various vendors. The cost relating to plant and machinery for the three projects is expected to be approximately Rs. 1,925.44 million. We have not included the per unit cost of the equipment and quantity with respect to the orders that have been placed as we believe that such information, being competitive in nature, is sensitive to our business. Orders for various items have been placed with a number of vendors, including as set forth below:

S. No.	Name of Vendor	Purpose	Projects	Purchase Order/Contract Date
1.	Sichuan Chuanguo Boiler Co., Ltd.	Boiler	All three projects	January 5, 2010
2.	Qingdao Jieneng Power Station Engineering Co., Ltd.	Turbine	All three projects	January 4, 2010
3.	APT Power Engineering Limited	Turbine auxiliaries	All three projects	February 19, 2010
4.	Mist Ressonance Engineering Private Limited	Mist Cooling Systems	All three projects	May 18, 2010
5.	KSB Pumps Limited	Boiler feed pumps	All three projects	May 3, 2010
6.	Himenviro Environmental Technologies Private Limited	Electro Static Precipitator (ESP)	Morinda	April 26, 2010
7.	Unicon Engineers	ESP	Nakodar and Fazilka	April 24, 2010
8.	Fantek	PA, SA & ID Fans	All three projects	May 6, 2010
9.	Ravi Industries	Deaerator	All three projects	May 3, 2010
10.	Grip Engineers Private Limited	EOT Crane	All three projects	June 5, 2010
11.	Sudhir Power Projects Limited	DG Set	All three projects	June 21, 2010
12.	Ion Exchange (India) Limited	DM Water Plant	All three projects	June 10, 2010
13.	Macawber Beekey Private Limited	Ash Handling System	All three projects	October 9, 2010
14.	Forbes Marshall Private Limited	Pressure Reducing Desuperheated System	All three projects	October 11, 2010
15.	Mather & Platt Pumps Limited	Cooling water and miscellaneous pumps	All three projects	September 4, 2010

We are yet to place orders for plant and machinery for an aggregate amount of approximately Rs. 1,126.41 million, which is 58.50% of the cost of plant and machinery for these projects.

Contingency

The total contingency cost for the three projects is estimated at Rs. 78.38 million.

Establishment and consultant charges

The establishment and consultant charges include expenses towards the preparation of the detailed project report by Cethar Consulting Engineers Private Limited and the initial establishment costs. The total establishment and consultant charges for the three projects are approximately Rs. 64.83 million.

Interest during Construction and Financing Charges

The interest during construction and the loan processing fees for the debt component of the three projects is Rs. 77.65 million.

B. Means of Finance

The means of finance for these projects as per the information memorandum prepared in connection with the project appraisal are as below:

(Rs. in million)				
Particulars	Nakodar	Morinda	Fazilka	Total

Debt	553.34	638.38	588.28	1,780.00
Equity	211.48	243.99	224.84	680.31
Total	764.82	882.37	813.12	2,460.31

We confirm that at least 75% of the stated means of finance, in the form of debt, excluding the amount to be raised through the Net Proceeds of the Fresh Issue or through existing identifiable internal accruals have been tied up as follows:

		(Rs. in million)
Particulars	Amount	
Total Project Cost (A)		2,460.31
Amount proposed to be financed through Net Proceeds of the Fresh Issue (B)		680.31
Amount to be financed through debt/equity contribution (Net Means of Finance) (C) = (A) – (B)		1,780.00
75% of the Net Means of Finance in accordance in Regulation 4(2)(g) of the ICDR Regulations (D)=(C) x 0.75		1,335.00
Debt Tie up (E)		1,780.00
Firm Arrangement of Net Means of Finance (F) = (E)/(C) x 100		100%

The debt component of the project cost has been tied up by the Company. Pursuant to a facility letter dated March 15, 2010, YES Bank Limited has granted a long-term loan of Rs. 1,780.00 million for these projects and the Company has executed a loan agreement dated March 18, 2010 for up to Rs. 500.00 million. Pursuant to credit arrangement letters dated April 12, 2010 and July 23, 2010, ICICI Bank Limited has granted a rupee term loan of Rs. 880.00 million for part-financing the cost of these projects. It is currently proposed that YES Bank Limited and ICICI Bank Limited will form a consortium for these projects and the loan granted by ICICI Bank Limited shall form part of the overall limit of Rs. 1,780.00 million specified by YES Bank Limited. For further information, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

C. *Schedule of Implementation*

The estimated schedule of implementation of these projects is as follows:

S. No.	Description	Expected Month
1.	Lease of land required for the project	Lease deed executed
2.	Commencement of civil works	Commenced
3.	Start of boiler erection	Commenced
4.	Start of turbine erection	December 2010
5.	Rolling and synchronization of project	March 2011

2. **Investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan**

The Company proposes to fund Rs. 1,200.00 million of the Net Proceeds of the Fresh Issue to finance the equity component of the five biomass-based power projects of 15 MW each located at Lunkaransar (Bikaner), Kolayat (Bikaner), Shiv (Barmer), Fatehpur (Sikar) and Bhadra (Hanumangarh) in the State of Rajasthan. We propose to use crop residues such as mustard stems and groundnut, agro-industrial residue, juliflora and other sources of biomass in these projects. We have registered or applied for registration of these projects with the Rajasthan Renewable Energy Corporation Limited and have appointed Manalee Engineering Limited to prepare detailed projects reports and biomass assessment reports. For further details on these projects, please see the section “Our Business” beginning on page 83 of this Prospectus.

A. *Project Cost*

The total cost of these five biomass-based power generation projects is estimated by us to be Rs. 4,000.00 million. A detailed breakdown of the aggregate cost for the five projects is set forth in the following table:

		(Rs. in million)
S. No.	Description	Amount
1.	Land development and civil	550.00
2.	Plant and machinery	2,996.10
3.	Contingencies	124.10
4.	Establishment	125.00

S. No.	Description	Amount
5.	Interest during construction and financing cost	204.80
	Total Project cost	4,000.00

Pursuant to a certificate dated November 8, 2010, VBR & Associates, Chartered Accountants, have certified that as of October 25, 2010, the expenditure incurred on these projects was Rs. 2.73 million, which was met out of internal resources.

Land Development and Civil

We expect to require approximately 15 acres of land for each project and will incur expenditure towards leveling, site grading, fencing and constructing roads, culverts and drainage. We have purchased land measuring 14.7769 acres and 20.70 acres at Fatehpur and Lunkaransar, respectively. We estimate that the total cost for land and site development for the five projects will be approximately Rs. 550.00 million. We have yet to commence civil construction on this site.

Plant and Machinery

We estimate to incur an aggregate cost of Rs. 2,996.10 million on plant and machinery for these five projects. We will require various equipment such as turbine generator and other auxiliaries, boiler and auxiliaries, switchyard, fuel and ash handling equipment and air cooled condensers. We are in the process of obtaining quotations from vendors for these projects.

Contingencies

We have estimated an aggregate cost towards contingencies of approximately Rs. 124.00 million for these five projects.

Establishment

The establishment expenses for the five projects is estimated to be approximately Rs. 125.00 million which includes establishment charges, travelling expenses, engineering charges, start-up expenses for salaries and wages and project supervision charges.

Interest during Construction and Financing Cost

The interest during construction and financing cost worked out is Rs. 204.80 million for the five projects.

B. Means of Finance

The means of finance for this project as per management estimate and as also set out in the sanction letter issued by YES Bank Limited is as below:

(Rs. in million)						
Particulars	Lunkaransar	Kolayat	Shiv	Fatehpur	Bhadra	Total
Debt	560.00	560.00	560.00	560.00	560.00	2,800.00
Equity	240.00	240.00	240.00	240.00	240.00	1,200.00
Total	800.00	800.00	800.00	800.00	800.00	4,000.00

We confirm that at least 75% of the stated means of finance, in the form of debt, excluding the amount to be raised through the Net Proceeds of the Fresh Issue or through existing identifiable internal accruals have been tied up as follows:

(Rs. in million)	
Particulars	Amount
Total Project Cost (A)	4,000.00
Amount proposed to be financed through Net Proceeds of the Fresh Issue (B)	1,200.00
Amount to be financed through debt/equity contribution (Net Means of Finance) (C) = (A) – (B)	2,800.00
75% of the Net Means of Finance in accordance in Regulation 4(2)(g) of the ICDR Regulations (D)=(C) x 0.75	2,100.00
Debt tie up (E)	2,800.00

Firm Arrangement of Net Means of Finance (F) = (E)/(C) x 100	100%

The debt component of the project cost has been tied up by the Company. Pursuant to a facility letter dated June 29, 2010, YES Bank Limited has granted a long term loan of Rs. 2,800.00 million. For further information, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

C. Schedule of Implementation

The estimated schedule of implementation of these projects is as follows:

S. No.	Description	Expected Month
1.	Acquisition/lease of land required for these projects	Commenced
2.	Commencement of civil works	January 2011
3.	Start of boiler erection	March 2011
4.	Start of turbine erection	April 2011
5.	Rolling and synchronization of project	October 2011

3. Investment in subsidiaries

The Company proposes to invest an aggregate of Rs. 1,696.74 million from the Net Proceeds of the Fresh Issue in the share capital of the following subsidiaries and projects:

Name of subsidiary and Project	Amount (Rs. in million)
A2Z Infrastructure for the 15 MW biomass-based power generation project in Kanpur	250.00
A2Z Infrastructure and its subsidiaries for certain MSW projects	423.42
Mansi Bijlee, the subsidiary that will implement one rice mill and associated rice-husk based biomass-based power generation project in the State of Punjab	1,023.32

We propose to utilize a portion of the Net Proceeds of the Fresh Issue in the form of investment towards investment in the share capital of certain subsidiaries. The investment by the Company in such subsidiaries will be at par value, through an issue of equity or preference shares, or through a combination of both. Other than in respect of the preference share capital, none of our subsidiaries have any stated dividend policy and the Company cannot be assured of any dividends from our subsidiaries, including in respect of our equity infusion from the Net Proceeds. The Company will remain interested in its subsidiaries, and will derive benefits from our subsidiaries, to the extent of its shareholding in such subsidiaries.

(i) Investment in A2Z Infrastructure for the 15 MW Biomass-based Power Generation Project in Kanpur

The Company proposes to invest Rs. 250.00 million from the Net Proceeds of the Fresh Issue in A2Z Infrastructure to fund the equity component of the 15 MW biomass-based power generation project being implemented by A2Z Infrastructure in Kanpur. We intend to use RDF processed by our MSW business as one of the sources of fuel for this project. For further details, please see the section “Our Business” beginning on page 83 of this Prospectus.

A. Project Cost

This project has been appraised by YES Bank Limited and as per their information memorandum issued in May 2010, the total cost of the power generation project is Rs. 850.00 million. A detailed breakdown of the cost is set forth in the following table:

Particulars	Amount (Rs. in million)
Land acquisition, development and civil works	96.42
Plant and Machinery	677.71
Total	774.13
Contingency	27.09
Establishment Charges	22.81
Total Project Cost without IDC	824.03

IDC and Financing Charges	25.96
Total	850.00

Pursuant to a certificate dated November 8, 2010, VBR & Associates, Chartered Accountants, have certified that as of October 25, 2010, the expenditure incurred on this project was Rs. 163.64 million, which was partly met out of the loan granted by YES Bank Limited for the project and partly out of internal resources.

We expect to complete the above activities by fiscal 2011 and therefore, a year-wise breakdown of the proposed expenditure has not been provided.

Land acquisition, development and civil

We have completed the acquisition of land measuring approximately 23.04 acres, out of which 12 acres is required for the power plant and which was acquired at an approximate cost of Rs. 8.00 million. We have commenced development and construction activities and have awarded the contract for the civil work to A2Z Powercom. We will provide all weather roads connecting to site and within the plant area to enable the transport and movement of plant and construction equipment, machines, tools and tackles. Covered area for storage of equipment will also be provided. The construction work force for the proposed power plant will be accommodated within the vicinity of the plant.

Plant and Machinery

We have awarded the EPC contract for the supply, erection, testing, commissioning and civil work of the project to A2Z Powercom which in turn has placed orders with various vendors. The cost relating to plant and machinery is expected to be approximately Rs. 677.71 million. We have not included per unit cost of the equipment and quantity with respect to the orders that have been placed as we believe that such information, being competitive in nature, is sensitive to our business. We have placed orders with various vendors, including the following:

S. No.	Vendors Name	Purpose	Purchase order/Agreement date
1.	Sichuan Chuanguo Boiler Co., Ltd.	Boiler	January 5, 2010
2.	Qingdao Jieneng Power Station Engineering Co., Ltd.	Turbine	January 4, 2010
3.	APT Power Engineering Limited	Turbine auxiliaries	February 19, 2010
4.	Mist Ressonance Engineering Private Limited	Mist Cooling Systems	May 18, 2010
5.	KSB Pumps Limited	Boiler feed pumps	May 3, 2010
6.	Himenviro Environmental Technologies Private Limited	ESP	April 26, 2010
7.	Fantek	PA, SA & ID Fans	May 3, 2010
8.	Steamline	Deaerator	April 28, 2010
9.	Grip Engineers Private Limited	EOT Crane	June 5, 2010
10.	Macawber Beekey Private Limited	Ash Handling System	October 9, 2010
11.	Forbes Marshall Private Limited	Pressure Reducing Desuperheated System	October 11, 2010
12.	Mather & Platt Pumps Limited	Cooling water and miscellaneous pumps	September 4, 2010

We are yet to place orders for plant and machinery for an aggregate value of Rs. 461.78 million, which constitutes approximately 68.14% of the total cost for plant and machinery for this project.

Contingency

We have estimated an amount of Rs. 27.09 million as contingency costs.

Establishment Charges

The establishment charges have been estimated to be Rs. 22.81 million. Establishment charges include expenses towards the preparation of the detailed project report by Cethar Consulting Engineers Private Limited, the RDF test report prepared by AES Laboratories and initial establishment costs.

Interest during Construction and Financing Charges

The interest during construction and loan processing fees has been estimated at Rs. 25.96 million.

B. Means of Finance

The means of finance for this project as per the information memorandum prepared by YES Bank Limited in connection with the project appraisal is as below:

Particulars	Amount (Rs. in million)
Debt	600.00
Equity	250.00
Total	850.00

We confirm that at least 75% of the stated means of finance, in the form of debt, excluding the amount to be raised through the Net Proceeds of the Fresh Issue or through existing identifiable internal accruals have been tied up as follows:

Particulars	Amount (Rs. in million)
Total Project Cost (A)	850.00
Amount proposed to be financed through Net Proceeds of the Fresh Issue (B)	250.00
Amount to be financed through debt/equity contribution (Net Means of Finance) (C) = (A) – (B)	600.00
75% of the Net Means of Finance in accordance in Regulation 4(2)(g) of the ICDR Regulations (D)=(C) x 0.75	450.00
Debt Tied up (E)	600.00
Firm Arrangement of Net Means of Finance (F) = (E)/(C) x 100	100%

The debt component of the project has been tied up by A2Z Infrastructure. Pursuant to a facility letter dated March 23, 2010, YES Bank Limited has granted A2Z Infrastructure a long term loan of Rs. 600.00 million and A2Z Infrastructure has executed a loan agreement dated March 27, 2010 for up to Rs. 150.00 million. Pursuant to a sanction letter dated August 12, 2010, Axis Bank Limited has granted a Rupee term loan/foreign currency term loan of Rs. 300.00 million for part funding this project. It is currently proposed that YES Bank Limited and Axis Bank Limited will form a consortium for these projects and the loan granted by Axis Bank Limited shall form part of the overall limit of Rs. 600.00 million specified by YES Bank Limited. For further information, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

C. *Schedule of Implementation*

The estimated schedule of implementation for this project is as follows:

S. No.	Description	Expected Month
1.	Acquisition of land required for power plant	Completed
2.	Commencement of Civil Work	Commenced
3.	Start of boiler erection	Commenced
4.	Start of turbine erection	December 2010
5.	Rolling and synchronization of project	March 2011

(ii) *Investment in A2Z Infrastructure and its subsidiaries for Certain MSW Projects*

A. *Project Cost*

The Company proposes to utilize Rs. 423.42 million of the Net Proceeds of the Fresh Issue for investments in the share capital of (i) A2Z Infrastructure for the MSW projects at Muzaffarnagar and Patna and (ii) A2Z Aligarh, A2Z Merrut, A2Z Moradabad and A2Z Varanasi for the MSW projects at Aligarh, Meerut, Moradabad and Varanasi, respectively. In the MSW business, we provide collection, transportation, processing, disposal and treatment of municipal solid waste and receive subsidies from urban local bodies. We have been awarded contracts or letters of award for (a) setting up IRRFs on a BOOT basis with an aggregate MSW capacity of 3,800 tons per day (“TPD”) in six cities, (b) the collection and transportation (“C&T”) of MSW of an aggregate capacity of 910 TPD in two cities and (c) the processing and disposal (“P&D”) of MSW of an aggregate capacity of 855 TPD in 12 cities in India. The Muzaffarnagar MSW project is currently only in respect of P&D operations whereas the projects at Aligarh, Meerut, Moradabad and Varanasi involve setting up of IRRFs and our operations in Patna are currently only C&T. Of these projects, the C&T operations at Patna, Varanasi, Aligarh, Moradabad and Meerut and the P&D operations at Muzaffarnagar have commenced. For further details of these projects, please see the section “Our Business” beginning on page 83 of this Prospectus.

The total cost of such MSW projects, as estimated by us and based on the letters of award issued by the relevant urban local body, is approximately Rs. 2,383.65 million. Out of this amount, the costs in respect of land fill, building, plant and machinery and miscellaneous fixed assets are derived from the letters of award issued by the relevant urban local body and reclassified by us. A detailed breakdown of the cost is set forth in the following table:

	(Rs. in million)						
	Muzaffarnagar	Aligarh	Meerut	Moradabad	Varanasi	Patna	Total MSW cost
Land Fill	15.25	62.64	170.10	65.16	170.10	0	483.25
Building	20.35	71.60	125.53	79.70	125.53	0	422.70
Plant and Machinery	48.41	182.80	354.15	188.35	377.45	172.23	1,323.39
Miscellaneous Fixed Assets	0.89	1.49	1.50	0.93	1.50	0.41	6.72
Preliminary and Pre-Operatives	4.98	16.46	33.53	18.00	23.03	0	96.00
Contingency	0.06	0.72	2.08	0.65	3.08	0	6.58
Margin Money for working capital	1.72	6.03	14.78	7.26	14.97	0.25	45.03
Total	91.66	341.74	701.67	360.05	715.66	172.89	2,383.65

Pursuant to certificates dated November 8, 2010, VBR & Associates, Chartered Accountants, have certified that as of October 25, 2010, the expenditure incurred on (i) the Muzaffarnagar project was Rs. 82.38 million, (ii) the Aligarh project was Rs. 34.82 million, (iii) the Meerut project was Rs. 20.70 million, (iv) the Moradabad project was Rs. 30.09 million, (v) the Varanasi project was Rs. 70.71 million and (vi) the Patna project was Rs. 106.02 million, which was met out of the capital subsidy for the projects, loans from IDBI Bank Limited for the MSW project at Patna and from Standard Chartered Bank for the MSW projects at Varanasi, Aligarh and Moradabad, respectively, and internal resources.

Land Fill

Our estimated expenditure on construction of the sanitary land fill at these project sites (other than Patna where we are only undertaking C&T operations and are not constructing any landfills) is approximately Rs. 483.25 million. Construction of the land fill also includes construction of a green belt, the inner roads, the boundary walls and other associated works related to landfill development.

Building

We will be required to construct buildings and other civil structures such as sheds, tipping floors, composting pads, storerooms and drainage system for our MSW operations. The total cost of constructing such buildings is expected to be approximately Rs. 422.70 million at these projects (other than Patna).

Plant and Machinery

We are incurring and expect to continue to incur substantial expenditure on plant and machinery such as processing units, compost plants, RDF plants, vehicles and power transformers at each of these projects. The aggregate cost of plant and machinery at these projects is expected to be approximately Rs. 1,323.39 million. We are yet to place orders for plant and machinery worth approximately Rs. 2.77 million, Rs. 87.78 million, Rs. 248.14 million, Rs. 90.64 million, Rs. 198.15 million and Rs. 59.10 million in our MSW projects at Muzaffarnagar, Aligarh, Meerut, Moradabad, Varanasi and Patna, respectively.

Miscellaneous Fixed Assets

Expenditure on miscellaneous fixed assets include expenditure on office equipment such as computers and furniture/fixtures. The aggregate expenditure under this item is expected to be approximately Rs. 6.72 million.

Preliminary and Pre-Operative Expenses

Preliminary and pre-operative expenses include establishment expenses, interest during construction, consultancy fees, bank processing fees, legal and mortgage expenses. We expect to incur approximately Rs. 96.00 million in the aggregate towards preliminary and pre-operative expenses for these projects.

Contingency

We provide for contingency against increase in the price of materials and items that are required for our business and for which we have not yet entered into firm contracts. We estimate the total contingency for the five projects to be Rs. 6.58 million.

Margin Money for Working Capital

We have estimated the margin money for working capital as 25%, which is an aggregate of Rs. 45.03 million for all these projects.

B. Means of Finance

The means of finance for these projects as per management estimates are set forth below:

	<i>(Rs. in million)</i>						
	<u>Muzaffarnagar</u>	<u>Aligarh</u>	<u>Meerut</u>	<u>Moradabad</u>	<u>Varanasi</u>	<u>Patna</u>	<u>Total MSW</u>
Subsidy	41.90	133.28	182.84	116.47	486.77	-	961.26
Equity	14.93	62.48	155.55	72.95	68.61	48.89	423.42
Debt	34.83	145.98	363.28	170.62	160.27	124.00	998.98
Total	91.66	341.74	701.67	360.04	715.66	172.89	2,383.65
Amount Invested	59.03	2.15	1.72	2.31	2.37	101.39	168.97

We confirm that at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds of the Fresh Issue or through existing identifiable internal accruals have been tied up as follows:

Particulars	Amount
Total Project Cost (A)	2,383.65
Amount proposed to be financed through Net Proceeds of the Fresh Issue (B)	423.42
Amount to be financed through debt/equity contribution (Net Means of Finance) (C) = (A) – (B)	1,960.23
75% of the Net Means of Finance in accordance in Regulation 4(2)(g) of the ICDR Regulations (D)=(C) x 0.75	1,470.17
Debt Tied up (E)	789.00
Subsidy granted by the urban local body (F)	961.26
Total Tie up (G) = (E)+ (F)	1,750.26
Firm Arrangement of Net Means of Finance (H) = (G)/(C) x 100	89.29%

The following will finance at least 75% of the project cost of these projects: (i) the subsidy provided by the urban local authorities along with the share capital to be infused from the Net Proceeds of the Fresh Issue, (ii) sanction by Standard Chartered Bank pursuant to correspondence dated July 28, 2010, sanction letters dated August 13, 2010 to A2Z Aligarh and August 16, 2010 to A2Z Merrut, A2Z Moradabad and A2Z Varanasi, whereby Standard Chartered Bank sanctioned rupee term loans for Rs. 115.00 million, Rs. 200.00 million, Rs. 115.00 million and Rs. 200.00 million, respectively, aggregating Rs. 630.00 million, (iii) the sanction letter dated January 4, 2010 issued by IDBI Bank Limited and a loan agreement dated January 19, 2010 for a rupee term loan of Rs. 124.00 million granted to A2Z Infrastructure for the Patna MSW project and (iv) sanction letter dated August 30, 2010 issued by IDBI Bank Limited for a rupee term loan of Rs. 35.00 million granted to A2Z Infrastructure for the Muzaffarnagar MSW project.

The terms and conditions as contained in the correspondence dated July 28, 2010 and sanction letters dated August 13, 2010 to A2Z Aligarh and August 16, 2010 to A2Z Merrut, A2Z Moradabad and A2Z Varanasi from Standard Chartered Bank in respect of the sanctioned rupee term loan aggregating Rs. 630.00 million provide that the tenor of the term loans is five years from the date of the first drawdown with the repayment to be in equal monthly instalments after a moratorium of one year from the date of the first disbursement. The loan will be secured by an unconditional corporate guarantee provided by the Company, an exclusive charge on the movable fixed assets of the borrower and an exclusive charge on the receivables under the MSW project contracts, which receivables are required to be deposited in a blocked account and utilized towards repayment of such facilities. In addition, each of A2Z Aligarh, A2Z Merrut, A2Z Moradabad and A2Z Varanasi shall not, *inter alia*, without prior written permission of the lender (i) enter into any scheme of amalgamation, restructuring or reconstruction; (ii) create any security over its assets; (iii) declare or distribute any dividend on its equity shares; (iv) take any debt/funding from any bank or financial institution; and (v) dilute the shareholding of the Company below 80% of the total paid-up equity share capital of A2Z Aligarh, A2Z Merrut, A2Z Moradabad and A2Z Varanasi.

For further information, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

C. Schedule of Implementation

The estimated schedule of deployment is set out below:

Project location	Land allotment	Civil Work	Installation of Plant and Machinery	Expected Commercial Operations Month for P&D	Expected Commercial Operations Month for C&T
Muzaffarnagar	5.6 hectares handed over	Completed	Completed	Trial run commenced	Not applicable
Aligarh	25 acres handed over	Commenced	In progress	March 2011	C&T operations have commenced
Meerut	17.878 hectares land demarcated; yet to be handed over	Will commence once land is handed over	Yet to commence	March 2011	C&T operations have commenced
Moradabad	28.9 acres handed over	Commenced	In progress	March 2011	C&T operations have commenced
Varanasi	15.37 hectares handed over	Commenced	In progress	March 2011	C&T operations have commenced
Patna	Not applicable	Not applicable	Completed	Not applicable	C&T operations have commenced for one circle (out of four circles)

(iii) Investment in Mansi Bijlee, the subsidiary that will implement one rice mill and associated rice-husk based biomass project in the State of Punjab

We have been issued a letter of award to set up ten IRRFs at five locations (two IRRFs at each location) in the State of Punjab by the Punjab State Grains Procurement Corporation Limited. Each IRRF shall consist of one rice mill with a capacity of at least 20 TPH together with biomass-based power generation plant of at least an aggregate capacity of 10 MW. Under the terms of the letter of award, Punjab State Grains Procurement Corporation Limited is required to provide us a minimum quantity of paddy for the specified commitment period of 20 years and pay us the milling charges in accordance with the rates prescribed by the Government of India. We propose to utilize the rice husk generated in our milling operations as a fuel in the associated biomass-based power plants. We have engaged Manalee Engineering Limited and Dr. Ing. N.K. Gupta Technical Consultants Private Limited to prepare the detailed project report for these projects.

The Company proposes to invest Rs. 1,023.32 million from the Net Proceeds of the Fresh Issue in the share capital of Mansi Bijlee to fund the project cost of implementing one IRRF. For further details, please see the section “Our Business” beginning on page 83 of this Prospectus.

A. Project Cost

The total cost of construction and development of one IRRF project is estimated to be approximately Rs. 1,023.32 million.

A detailed breakdown of the cost as estimated by management and as contained in the detailed project report prepared by Dr. Ing. N.K. Gupta Technical Consultants Private Limited for the rice mill is set forth in the following table:

S. No.	Particulars	Amount (in Rs. million)
1.	Land and Site Development	160.00
2.	Building and other civil works	107.15
3.	Plant and machinery	142.20
4.	Boiler system	8.33
5.	Other fixed assets	23.25

S. No.	Particulars	Amount (in Rs. million)
6.	Pre-operative expenses	1.35
7.	Contingencies	14.05
8.	Margin on working capital	6.29
	Total	462.62

A detailed breakdown of the cost as estimated by management and as contained in the detailed project report prepared by Manalee Engineering Limited for the power project is set forth in the following table:

S. No.	Particulars	Amount (in Rs. million)
1.	Land acquisition and development and civil works	98.70
2.	Plant and machinery and Misc. Fixed Assets	417.78
3.	Contingency	10.73
4.	Preliminary and pre-operative expenses	20.00
5.	Working capital margin	13.50
	Total	560.71

Pursuant to a certificate dated November 8, 2010, VBR & Associates, Chartered Accountants, have certified that as of October 25, 2010, the expenditure incurred on these projects was Rs. 18.00 million, which was met out of internal resources.

Land Development and Civil Works

We expect to require approximately 30 to 35 acres of land for setting up the rice mill. In addition, the land required for the power generation projects in one IRRF is estimated to be approximately between 10 to 15 acres. We have executed agreements to purchase land measuring 29 acres for one IRRF at Moga. These agreements are yet to be registered with the relevant authority. We will need to construct buildings such as the rice milling hall, the paddy storage area, the rice storage area and undertake civil works for constructing boundary walls, roads and drainage. We expect to incur approximately Rs. 267.15 million on land acquisition, land development, buildings and civil work for one rice mill and approximately Rs. 98.70 million for the power generation plants with an aggregate capacity of at least 10 MW.

Plant and Machinery and Other Fixed Assets

We will require equipment such as the pre-cleaner for the paddy, paddy drier, paddy husker, paddy separator, whiteners, polishers, conveyors, elevators, water treatment plant and other utilities and fixed assets. We will also require equipment and machinery for the power generation plants.

Contingency

We have estimated contingencies with respect to the costs related to building, plant and machinery, boiler system and other fixed assets.

Preliminary and pre-operative expenses

We expect to incur preliminary and pre-operative expenses on travelling costs, salary and labor costs and preparation of detailed project reports.

Margin for working capital

We have also estimated the cost towards margin for working capital to be Rs. 19.79 million.

B. Means of Finance

The estimated means of finance as contained in the detailed project reports is set forth below:

Particulars	Amount (Rs. in million)
Debt	Nil
Equity	1,023.32
Total	1,023.32

These projects will be funded entirely through the Net Proceeds of the Fresh Issue. Accordingly, we confirm that

firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing identifiable internal accruals, are not required to be made.

C. Schedule of Implementation

The estimated schedule of implementation for the rice mill proposed to be funded by the Net Proceeds of the Fresh Issue is as follows:

S. No.	Description	Expected Month
1.	Land procurement, registration and clearances	Commenced
2.	Building and civil work	December 2010
3.	Placement of order for plant and machinery	December 2010
4.	Erection of plant and machinery	January 2011
5.	Commercial Operations Month	March 2011

The estimated schedule of implementation for the power generation projects proposed to be funded by the Net Proceeds of the Fresh Issue is as follows:

S. No.	Description	Expected Completion Month
1.	Land procurement, registration and clearances	Commenced
2.	Building and Civil Work	January 2011
3.	Start of boiler erection	May 2011
4.	Start of turbine erection	April 2011
5.	Rolling and synchronization of project	December 2011/January 2012

4. Repayment of loan granted by L&T Infrastructure Finance

We have availed of debt facilities from certain banks and financial institutions. For details of our indebtedness, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

We intend to utilize an amount of Rs. 416.67 million out of the Net Proceeds of the Fresh Issue to repay the aggregate outstanding amount of Rs. 416.67 million under the loan availed by us from L&T Infrastructure Finance. We may repay/prepay this facility on or prior to the scheduled dates for the repayment/prepayment. Until we receive the Net Proceeds of the Fresh Issue, we will utilize our internal resources or fresh debt for certain prepayments or scheduled repayments, which will be reimbursed from the Net Proceeds of the Fresh Issue.

The details of the loan proposed to be repaid out of Net Proceeds of the Fresh Issue are provided in the table below:

Name of Bank /Financial Institution	L&T Infrastructure Finance Company Limited
Nature of loan facility	Rupee Term Loan
Amount of Sanctioned Facility	Rs. 500.00 million
Amount Disbursed	Rs. 500.00 million
Amount Outstanding as on June 30, 2010	Rs. 416.67 million
Date of sanction letter/facility agreement	July 6, 2009/July 23, 2009
Tenor	36 months
Rate of Interest	L&T Infra PLR – 0.25%, currently at 13.25% p.a.
Interest Reset, if any	Reset on first day of the subsequent month at the end of three months from the date of first disbursement and thereafter every quarter from the first reset date based on the then prevailing L&T Infra PLR
Repayment Schedule	Three years including a moratorium of six months, in 30 equal monthly installments of Rs. 16.67 million, to be paid on the first of every month after a moratorium of 6 months from the date of the first disbursement
Prepayment Penalty, if any	1. No penalty if pre-paid at end of 12 months from the date of first disbursement and every 12 months thereafter, subject to a prior intimation in writing 2. 1% otherwise

The Company had availed this loan to part finance various projects under implementation by the Company in the power transmission and distribution sector and to part finance a new corporate office at 8th Floor, Tower B, Medicity, Sector-38, Gurgaon 122 001.

The broad sub-headings under which this loan has been utilized as certified by VBR & Associates, Chartered Accountants, pursuant to a certificate dated November 8, 2010 are as follows:

Particulars	Rs. million
Meeting obligations under Letter of Credit	441.31
Vendor Financing and other such payments to suppliers	32.59
Part payment towards acquisition of corporate office	21.68
Other miscellaneous items	4.42
Total	500.00

Pursuant to a certificate dated July 19, 2010, VBR & Associates, Chartered Accountants, have certified that the above loan was utilized for the purpose it was sanctioned.

5. Working Capital Requirements

Our business is working capital intensive and we avail most of our working capital in the ordinary course of our business from various banks. As of March 31, 2010, the aggregate amount outstanding under the fund based and non-fund based working capital facilities was Rs. 2,854.56 million. Pursuant to a Consortium Agreement dated June 28, 2010, the Company has been sanctioned fund-based and non-fund-based working capital facilities by a consortium of 15 bank aggregating Rs. 14,740 million. For further details, please refer to the section “Financial Indebtedness” section beginning on page 310 of this Prospectus.

The details of our expected working capital requirements as of March 31, 2011 and our assumptions are set out in the table below:

Particulars	Holding Level (days)	As of March 31, 2009	Holding Level (days)	As of March 31, 2010	(Rs. in millions)	
					Holding Level (days)	As of March 31, 2011
CURRENT ASSETS						
Cash & Bank		684.40		883.96		1,319.95
Receivables	188	3,539.10	193	5,901.70	143	6,565.91
Inventory						
(a) Raw materials	1	20.69	0	7.80	28	1,291.88
(b) Stocks Work in Progress	40	744.07	40	1,240.40	16	751.71
Advance to suppliers	24	444.36	7	207.70	7	300.00
Other Current Assets						
(a) Earnest Money Deposits	2	30.12	1	31.90	1	40.00
(b) Other Assets	18	340.98	21	650.20	16	750.00
Total Current Assets (A)		5,803.72		8,923.66		11,019.45
CURRENT LIABILITIES						
Sundry Creditors	84	1,585.93	89	2,712.70	38	1,722.50
Provision for Taxation	17	314.20	12	352.61	-	-
Deposits/ instalments, etc. repayable in 1 year	11	213.30	7	220.83	5	234.52
Other Current Liabilities & Provisions	32	594.73	47	1,450.30	33	1,500.00
Total Current Liabilities (B)		2,708.16		4,736.44		3,457.02
Net Working Capital (A-B)		3,095.56		4,187.22		7,562.43
Bank Funding		2,392.07		2,676.20		4,559.99
Utilization of Net Proceeds of the Fresh Issue						1,250.00
Internal Accruals		703.49		1,511.02		1,752.44

6. General Corporate Purpose

We will have flexibility in applying Rs. 1,128.20 million of the Net Proceeds of the Fresh Issue for general corporate purposes, including (i) bidding/negotiating for new contracts; (ii) funding cost overruns; (iii) releasing appropriate equipment advances; (iv) financing expenses including upfront fees for debt tied up; (v) brand building and other marketing efforts; (vi) acquiring fixed assets including land, building, furniture and fixtures and vehicles; (vii) meeting any expense of the Company and its subsidiaries, including salaries and wages, rent, administration, insurance, repairs and maintenance, payment of taxes and duties; (viii) repayment of loans; (ix)

meeting expenses incurred in the ordinary course of business; (x) inorganic or other growth opportunities; and (xi) any other purpose as may be approved by our Board.

Our management, in accordance with the policies of the Board, will have flexibility in utilizing any amounts for general corporate purposes under the overall guidance and policies of our Board.

Issue Related Expenses

The BRLMs' fee and the CBRLM's fee, underwriting commission, brokerage and selling commission and certain other expenses will be shared between the Company and the Selling Shareholders in the proportion to the Equity Shares issued/transferred in the Fresh Issue and the Offer for Sale, respectively. The printing, advertising and media expenses with respect to the Issue will be paid by the Company.

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

Activity	Expense (Rupees in million)	As a % of Total Issue Expenses	As a % of Issue Size
Fees payable to Book Running Lead Managers and the Co-Book Running Lead Manager	181.25	47.94	2.11
Fees payable to the Registrar to the Issue	1.13	0.30	0.01
Other (listing fees, legal fees, grading expenses, advertising and marketing expenses, printing and stationery, etc.)	195.70	51.76	2.28
Total estimated Issue expenses	378.08	100.00	4.41

Interim Use of Funds

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments, including money market mutual funds and deposits with banks for the necessary duration or for reducing the working capital facilities being availed by us. Pending utilization of the Net Proceeds of the Fresh Issue, the Company shall not invest the Net Proceeds of the Fresh Issue in the equity market.

Shortfall of Funds

In case of any shortfall in the Net Proceeds of the Fresh Issue to meet the objects mentioned above, including on account of lowering of the Price Band to the extent of 20%, our management may explore a range of options, including utilizing internal accruals or seeking additional debt or equity. If the shortfall is due to the lowering of the Price Band to the extent of 20%, Allotment shall not be made in this Issue unless the financing in this regard is tied-up. If there is any surplus from the Net Proceeds of the Fresh Issue after meeting the objects of the Issue, we intend to use such surplus for general corporate purposes, including meeting future growth opportunities.

Bridge Financing Facilities

We have currently not raised any bridge loan against the Net Proceeds of the Fresh Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds of the Fresh Issue.

Monitoring of Utilization of Funds

The Board and the Monitoring Agency will monitor the utilization of the Net Proceeds of the Fresh Issue. The Company will disclose the utilization of the Net Proceeds of the Fresh Issue under a separate head in its balance sheet until the such proceeds remain unutilized and to the extent required under applicable law and regulation, specifying the purposes for which such proceeds have been utilized. The Company will also, in its balance sheet for the relevant fiscal periods, provide details, if any, in relation to all such Net Proceeds of the Fresh Issue that have not been utilized, also indicating investments, if any, of such unutilized proceeds. In connection with the utilization of the Net Proceeds of the Fresh Issue, the Company shall comply with the listing agreements with the Stock Exchanges, including Clauses 43A and 49, as amended from time to time.

Other Confirmations

The Company will not pay any part of the Net Proceeds of the Fresh Issue as consideration to the Promoter, Directors, key managerial personnel, Group Companies of our Promoter or associates.

In the event we are unable to obtain any of the approvals that are currently pending in relation to the projects described in this section and the non-receipt of such approval makes the project unviable, then the management will decide on the utilization of the Net Proceeds of the Fresh Issue for other objects of the Issue or other uses in accordance with the policies of the Board and in compliance with the provisions of the Companies Act, 1956, as amended, and other applicable laws.

BASIS FOR ISSUE PRICE

The Issue Price has been determined by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process and is justified based on the below accounting ratios. Please see the section “Risk Factors” beginning on page xii of this Prospectus and the restated summary statements as set out in the section “Financial Statements” beginning on page 175 of this Prospectus to have a more informed view. The trading price of the Equity Shares of the Company could decline due to the factors mentioned in the section “Risk Factors” and you may lose all or part of your investment. The face value of the Equity Shares is Rs. 10 and the Issue Price is 40 times the face value.

Qualitative Factors

We believe that we have the following principal competitive strengths:

- Ability to identify new business opportunities and scale businesses in high growth sectors
- Proven project execution capabilities and demonstrated track record
- In-house engineering capabilities and strong quality management systems
- Qualified and experienced management and motivated employee base
- Diversified business and operations

For more details on qualitative factors, refer to section “Our Business” beginning on page 83 of this Prospectus.

Quantitative Factors

Information presented in this section is derived from the restated summary statements included in this Prospectus.

Some of the quantitative factors which may form the basis for computing the Issue Price are as follows:

1. Earning per Share (EPS)⁽¹⁾⁽²⁾:

As per the Company’s restated unconsolidated summary statements:

Year ended	Basic EPS (in Rs.)	Diluted EPS (in Rs.)	Weight
March 31, 2010	17.66	17.66	3
March 31, 2009	10.80	10.65	2
March 31, 2008	9.41	9.16	1
Weighted Average	14.00	13.91	
July 31, 2010 ⁽³⁾	5.40	5.40	

As per our restated consolidated summary statements:

Year ended	Basic EPS (in Rs.)	Diluted EPS (in Rs.)	Weight
March 31, 2010	17.28	17.28	3
March 31, 2009	10.69	10.54	2
March 31, 2008	9.32	9.08	1
Weighted Average	13.76	13.67	
July 31, 2010 ⁽³⁾	4.56	4.56	

⁽¹⁾ Earnings per share represents basic earnings per share calculated as net profit attributable to equity shareholders as restated divided by a weighted average number of shares outstanding during the year.

⁽²⁾ Face value per share is Rs. 10.

⁽³⁾ Not annualized.

Note:

- a) The earning per share has been calculated on the basis of the restated profits and losses of the respective years.
- b) The earning per share calculations have been done in accordance with Accounting Standard 20-“Earning per share” notified by the Companies (Accounting Standards) Rules, 2006, [as amended].

2. Price Earning Ratio (P/E ratio)

The Price/Earning (P/E) ratio, on the basis of an Issue Price of Rs. 400 per Equity Share is as set forth below:

- a) As per the Company's restated unconsolidated summary statements:
 - (i) for the period ended July 31, 2010: 74.07
 - (ii) for the year ended March 31, 2010: 22.65
 - (iii) for the year ended March 31, 2009: 37.04
- b) As per our restated consolidated summary statements:
 - (i) for the period ended July 31, 2010: 87.72
 - (ii) for the year ended March 31, 2010: 23.15
 - (iii) for the year ended March 31, 2009: 37.42
- c) Peer Group P/E – *
 - a. Highest:
 - (i) Engineering - Turnkey Services: 54.4
 - (ii) Electric Equipment: 79.7
 - (iii) Transmission Line Towers/Equipment: 34.0
 - b. Lowest:
 - (i) Engineering - Turnkey Services:
 - (ii) Electric Equipment:
 - (iii) Transmission Line Towers/Equipment: NA
 - c. Industry composite:
 - (i) Engineering - Turnkey Services: 33.2
 - (ii) Electric Equipment: 29.4
 - (iii) Transmission Line Towers/Equipment: 17.0

Source: Capital Market Volume XXV/18, November 1-14, 2010.

* Peer group includes ABB Limited (Electric Equipment), Larson & Toubro Limited (Engineering Turnkey Services), Jyoti Structures Limited, KEC International Limited and Kalpataru Power Transmission Limited (Transmission Line Towers/Equipment)

3. Return on Net Worth⁽¹⁾:

Return on net worth as per the Company's restated unconsolidated summary statements:

Year Ended	RONW (%)	Weight
March 31, 2010	23.84	3
March 31, 2009	26.60	2
March 31, 2008	56.11	1
Weighted Average	30.14	
July 31, 2010 ⁽²⁾	7.07	

Return on net worth as per our restated consolidated summary statements:

Year Ended	RONW (%)	Weight
March 31, 2010	23.62	3
March 31, 2009	26.45	2
March 31, 2008	55.89	1
Weighted Average	29.94	
July 31, 2010 ⁽²⁾	6.11	

(1) Return on Net Worth = Profit after tax as restated/ Net Worth at the end of the year (excluding preference share capital)

(2) Not Annualised

4. Minimum Return on Increased Net Worth required to maintain pre-issue earning per share for the year ended March 31, 2010:

- a. Based on basic earning per share:
At the Floor Price: 11.97% and 11.77% based on the restated unconsolidated summary statements and the restated consolidated summary statements, respectively.

At the Cap Price: 11.90% and 11.70% based on the restated unconsolidated summary statements and the restated consolidated summary statements, respectively.

b. Based on diluted earning per share:

At the Floor Price: 11.97% and 11.77% based on the restated unconsolidated summary statements and the restated consolidated summary statements, respectively.

At the Cap Price: 11.90% and 11.70% based on the restated unconsolidated summary statements and the restated consolidated summary statements, respectively.

5. Net Asset Value per Equity Share:

a. As of March 31, 2010 (unconsolidated)	: Rs. 73.19
b. As of March 31, 2010 (consolidated)	: Rs. 72.30
c. As of July 31, 2010 (unconsolidated)	: Rs. 76.33
d. As of July 31, 2010 (consolidated)	: Rs. 74.63
e. Issue Price	: Rs. 400
f. As of July 31, 2010 (unconsolidated)	: Rs. 149.97
g. As of July 31, 2010 (consolidated)	: Rs. 148.65

Net asset value per Equity Share represents the net worth, as restated, divided by the number of Equity Shares outstanding at the end of the period.

6. Comparison with Industry Peers⁽¹⁾:

Fiscal 2010	Face Value (Rs.)	Total Income (Rs. Mn.)	EPS (Rs.)	NAV (per share) (Rs.)	P/E Multiple	RONW (%)
A2Z Maintenance & Engineering Services Limited	10.0	12,252.96	17.28	72.30	23.15	23.62
Peer Group						
ABB Limited	2.0	63,097.71	16.74	114.38	54.49	14.63%
KEC International Limited	10.0	39,082.22	38.30	159.51	13.05	24.10%
Jyoti Structures Limited	2.0	21,361.15	10.30	59.89	13.19	17.16%
Kalpataru Power Transmission Limited	2.0	40,210.80	67.05	387.40	2.65	19.05%
Larson and Toubro Limited	2.0	465,646.30	91.90	348.58	22.13	25.97%

Source: Capital Market Volume XXV/18, November 1-14, 2010/Company Annual Reports.

Note (1): The Total Income, EPS, RONW and NAV figures for A2Z Maintenance & Engineering Services Limited are based on the restated consolidated information for the year ended March 31, 2010. The Total Income, EPS, RONW and NAV figures for the Peer Group are based on the latest consolidated audited results for the year ended March 31, 2010 and the P/E is computed based on the market price as on October 25, 2010 and EPS for the year ended March 31, 2010 as reported in Capital Market (Volume XXV/18, November 1-14, 2010)

The Issue Price has been determined by the Company and the Selling Shareholders in consultation with the BRLMs and the CBRLM and on the basis of assessment of market demand for the Equity Shares through the Book Building Process. The BRLMs and the CBRLM believe that the Issue Price of Rs. 400 is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “Risk Factors” and “Financial Statements” beginning on pages xii and 175, respectively, of this Prospectus, to have a more informed view.

STATEMENT OF TAX BENEFITS

Auditor's Report

The Board of Directors
A2Z Maintenance & Engineering Services Limited
O- 116, 1st Floor,
Shopping Mall, DLF City, Phase- 1,
Gurgaon- 122002,
Haryana.

Dear Sirs,

Statement of Possible Tax Benefits available to A2Z Maintenance & Engineering Services Limited and its shareholders

We report that the enclosed statement states the possible tax benefits available to A2Z Maintenance & Engineering Services Limited ('the Company') and to the shareholders of the Company under the Income Tax Act, 1961 and Wealth Tax Act, 1957 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult 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:

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

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon, India
Date: November 10, 2010

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 following tax benefits shall be available to the Company and the prospective shareholders under Direct Tax.

1) **To the Company - Under the Income-tax Act, 1961 ('the Act')**

General Tax Benefits

- (a) Under section 10(34) of the Act, any income by way of dividends referred to in section 115-O of the Act (i.e. dividends declared, distributed or paid on or after April 1, 2003 by domestic companies) received from a domestic company shall be exempt from tax in the hands of the company.
- (b) Under section 10(35) of the Act, any income received in respect of the units of a Mutual Fund specified under section 10(23D) is exempt from tax.
- (c) Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company (i.e. capital asset held for a period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax. However, long term capital gains of a company shall be taken into account in computing tax payable under section 115JB.
- (d) As per section 48 of the Act, income chargeable under the head capital gains shall be computed by deducting from the full value of consideration, the expenses incurred in connection with the transfer of the capital asset along with the cost of acquisition and cost of improvement of the capital asset. Further, in case of long term capital gain arising from transfer of a long term capital asset, the company shall be eligible to avail the benefit of indexed cost of acquisition and cost of improvement and factor in the impact of inflation on cost.
- (e) Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –
 - (i) National Highways Authority of India (“NHAI”) constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; and
 - (ii) Rural Electrification Corporation Limited (“RECL”), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

The maximum amount permitted to be invested in the aforesaid bonds is Rs. 5 million per investor. If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

- (f) Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act @ 15% (plus applicable surcharge for corporate assesseees and education cess).
- (g) Under Section 32 of the Act, the company can claim depreciation allowance at the prescribed rates on tangible assets such as building, plant and machinery, furniture and fixtures, etc. and intangible assets such as patent, trademark, copyright, know-how, licenses etc (on intangible assets acquired after March 31, 1998).

- (h) In terms of sub section (2) of 32 of the Act, the Company is entitled to carry forward and set off the unabsorbed depreciation arising due to absence / insufficiency of profits or gains chargeable for the previous year. The amount is allowed to be carried forward and set off for the succeeding previous years until the amount is exhausted without any time limit.
- (i) Under section 35 of the Act, the Company will be entitled to a deduction equal to one and three - fourth times of any sum paid to a research association which undertakes scientific research or to a university, college or institutions to be used for scientific research.
- (j) Under Section 35D of the Act, the Company will be entitled to a deduction equal to 1/5th of the expenditure incurred of the nature specified in the said section, including expenditure incurred on present issue, such as under writing commission, brokerage and other charges, as specified in the provision, by way of amortization over a period of 5 successive years, beginning with the previous year in which the business commences, subject to the stipulated limits.
- (k) As per the provisions of Section 56(2)(viiia) the Company shall be taxed in respect of shares received of a company in which the public are not substantially interested either without consideration or for a consideration which is less than the aggregate fair market value of the such shares provided the fair market value of such shares exceeds fifty thousand rupees. Such income shall be taxed in the hands of the company as "Income from other sources".
- (l) Where the tax liability of the Company as computed under the normal provisions of the Act, is less than 18% of its book profits after making certain specified adjustments, the Company would be liable to pay Minimum Alternate Tax ("MAT") at an effective rate of 19.9305% (including applicable surcharge and education cess) of the book profits. For the purpose of computation of MAT, the book profits are subjected to certain adjustments as prescribed.

MAT paid in one year shall however be available as credit against the normal income tax liability in subsequent years. Such credit can be carried forward upto 10 years for set off against normal tax liability.
- (m) As per provisions of section 71 of the Act, the Company is entitled to set off loss arising under one head of income (other than capital loss) against income under any other head (excluding income under the head salary) in the same assessment year.
- (n) As per provisions of section 72 of the Act, the Company is entitled to carry forward business losses for a period of 8 consecutive assessment years commencing from the assessment year when the losses were first computed and set off such losses from income chargeable under the head "Profits and gains from business or profession" provided there is no substantial change in shareholding of the company in accordance with section 79 of the Act.
- (o) As per provisions of section 74 of the Act, the Company is entitled to carry forward losses arising from the transfer of capital assets for a period of 8 consecutive assessment years commencing from the assessment year when the losses were first computed and set off such losses from income chargeable under the head "Capital Gains". However, losses arising from long term capital assets may be set off only against long term capital gains arising to the company in future.
- (p) The company is entitled to deduction under section 80G of the Act in respect of amounts contributed as donations to various charitable institutions and funds covered under that section, subject to fulfilment of conditions specified therein.

Special Tax Benefits

- 1.1 Currently, the company is not claiming any special tax benefits. However, in respect of its business of generation of power, the company may be eligible for deduction equivalent to 100 per cent of profits under the provisions of section 80-IA of the Act provided the eligible business commences at any time before 31st day of March, 2011.

The benefit of deduction under the aforesaid section is available at the option of an enterprise for any

ten consecutive assessment years out of fifteen years beginning from the year in which the undertaking commences generation or distribution of power or commences transmission or distribution of power, subject to the following conditions being satisfied:

- i. The entity is not formed by the reconstruction of an existing business; and
- ii. The entity is not formed by use of old plant or machinery (old plant or machinery to the extent of 20% is permitted, further old plant or machinery brought from outside India may not be included subject to certain conditions).

Further, it may be noted that while undertakings engaged in power generation are eligible to tax deduction under section 80-IA of the Act, they are still liable to pay MAT under section 115JB of the Act.

- 1.2 The company may be eligible to claim a deduction under section 80JJA of the Act for the business of collecting and processing or treatment of biodegradable waste for generating power or producing bio-fertilizers, bio-pesticides, producing bio-gas etc. The deduction under this section is equivalent to 100 per cent of the profits derived from the eligible business for a period of five years starting from the year of commencement of business.

2) **To the Members of the Company - Under the Income Tax Act**

2.1 **Resident Members**

General Tax Benefits

- (a) Under Section 10(34) of the Act, income earned by way of dividend from domestic company referred to in Section 115-O of the Act is exempt from income-tax in the hands of the shareholders.
- (b) Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company (i.e. capital asset held for a period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax. However, long term capital gains of a company shall be taken into account in computing tax payable under section 115JB.
- (c) Section 80CCF of Income-tax Act, 1961 ('Act') was introduced by Finance Act, 2010 recently. It provides for a deduction of Rs. 20,000 from income chargeable to tax of individuals for **investment in long term infrastructure bonds as may be notified by the Central Government** for this purpose. Such deduction shall be in addition to deduction of Rs. 1,00,000 allowed earlier under section 80C of the Act.
- (d) In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions.
- (e) Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by –
 - i. National Highways Authority of India ("NHAI") constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; and
 - ii. Rural Electrification Corporation Limited ("RECL"), a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

The maximum amount permitted to be invested in the aforesaid bonds is Rs. 5 million per investor. If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

- (f) Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act @ 15% (plus applicable surcharge for corporate assesseees and education cess).
- (g) Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains [not covered under Section 10(38) of the Act] arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge for corporate assesseees and education cess on income-tax) after indexation as provided in the second proviso to Section 48 or at 10% (plus applicable surcharge for corporate assesseees and education cess on income-tax) (without indexation), at the option of the Shareholders.

Special Tax Benefits

There are no special tax benefits available to the resident members.

2.2 Non Resident Indians/Members other than Foreign Institutional Investors and Foreign Venture Capital Investors

General Tax Benefits

- (a) By virtue of Section 10(34) of the Act, income earned by way of dividend income from a domestic company referred to in Section 115-O of the Act, is exempt from tax in the hands of the recipients.
- (b) Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital asset held for a period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.
- (c) Section 80CCF of Income-tax Act, 1961 ('Act') was introduced by Finance Act, 2010 recently. It provides for a deduction of Rs. 20,000 from income chargeable to tax of individuals for **investment in long term infrastructure bonds as may be notified by the Central Government** for this purpose. Such deduction shall be in addition to deduction of Rs. 1,00,000 allowed earlier under section 80C of the Act.
- (d) In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions.
- (e) Under the first proviso to section 48 of the Act, in case of a non resident, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.
- (f) Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38) of the Act] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds issued by –
 - i. National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; and

- ii. RECL, a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.
- (g) The maximum amount permitted to be invested in the aforesaid bonds is Rs. 5 million per investor. If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.
 - (h) Under the provisions of section 90(2) of the Act, an assessee may choose to be governed by the provisions of the Act or the double taxation avoidance agreements entered into by India with the country of residence of the assessee, whichever is more beneficial.
 - (i) Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act @ 15% (plus education cess).
 - (j) Under Section 112 of the Act and other relevant provisions of the Act, long term capital gains [not covered under Section 10(38) of the Act] arising on transfer of shares in the company, if shares are held for a period exceeding 12 months, shall be taxed at applicable rates.
 - (k) Taxation of Income from investment and Long Term Capital Gains [other than those exempt u/s 10(38)]
 - (i) A non-resident Indian, i.e. an individual being a citizen of India or person of Indian origin has an option to be governed by the special provisions contained in Chapter XIIA of the Act, i.e. "Special Provisions Relating to certain incomes of Non-Residents".
 - (ii) Under Section 115E of the Act, where shares in the company are subscribed for in convertible Foreign Exchange by a non-resident Indian, capital gains arising to the non resident on transfer of shares held for a period exceeding 12 months shall [in cases not covered under Section 10(38) of the Act] be concessional tax at a flat rate of 10% (plus education cess) without indexation benefit but with protection against foreign exchange fluctuation under the first proviso to Section 48 of the Act.
 - (iii) Under provisions of section 115F of the Act, long term capital gains [not covered under section 10(38) of the Act] arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible Foreign Exchange shall be exempt from income tax if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted within three years from the date of their acquisition.
 - (iv) Under provisions of Section 115-G of the Act, it shall not be necessary for a non-resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from.
 - (v) Under Section 115-I of the Act, a non resident Indian may elect not to be governed by the provisions of Chapter XII-A of the Act for any assessment year by furnishing his return of income under section 139 of the Act declaring therein that the provisions of the Chapter shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him. In such a case the tax on investment income and long term capital gains would be computed as per normal provisions of the Act.

Special Tax Benefits

There are no special tax benefits available to the non resident members.

2.3 Foreign Institutional Investors

General Tax Benefits

- (a) By virtue of Section 10(34) of the Act, income earned by way of dividend income from another domestic company referred to in Section 115-O of the Act, is exempt from tax in the hands of the institutional investor.
- (b) Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company (i.e. capital asset held for a period of more than twelve months) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.
- (c) Section 80CCF of Income-tax Act, 1961 ('Act') was introduced by Finance Act, 2010 recently. It provides for a deduction of Rs. 20,000 from income chargeable to tax of individuals for **investment in long term infrastructure bonds as may be notified by the Central Government** for this purpose. Such deduction shall be in addition to deduction of Rs. 1,00,000 allowed earlier under section 80C of the Act.
- (d) In terms of Section 88E of the Act, the Securities Transaction Tax paid by the shareholder in respect of the taxable securities transactions entered into in the course of the business would be eligible for rebate from the amount of income-tax on the income chargeable under the head 'Profits and Gains under Business or Profession' arising from taxable securities transactions.
- (e) Under Section 111A of the Act, capital gains arising from transfer of short term capital assets, being an equity share in a company which is subject to Securities Transaction Tax will be taxable under the Act at the rate of 15% (plus applicable surcharge for corporate assesseees and education cess).
- (f) Under Section 115AD capital gain arising on transfer of long term capital assets, being shares in a company (other than those mentioned in point b) above), are taxed at the rate of 10% (plus applicable surcharge for corporate assesseees and education cess). Such capital gains would be computed without giving effect to the first and second proviso to Section 48 of the Act. In other words, the benefit of indexation, direct or indirect, as mentioned under the two provisos would not be allowed while computing the capital gains. Further gains arising from the transfer of short term capital assets may be taxed at the rate of 30% (plus applicable surcharge for corporate assesseees and education cess) or 15%(plus applicable surcharge for corporate assesseees and education cess) in case of equity shares in a company which have been subject to Securities Transaction Tax.
- (g) Under Section 54EC of the Act, capital gain arising from transfer of long term capital assets [other than those exempt u/s 10(38) of the Act] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds issued by –
 - (i) National Highways Authority of India ('NHAI') constituted under Section 3 of National Highways Authority of India Act, 1988 and notified by the Central Government in the Official Gazette for the purpose of this section; and
 - (ii) RECL, a company formed and registered under the Companies Act, 1956 and notified by the Central Government in the Official Gazette for the purpose of this section.

The maximum amount permitted to be invested in the aforesaid bonds is Rs. 5 million per investor. If only part of the capital gain is so reinvested, the exemption shall be proportionately reduced. However, the amount so exempted shall be chargeable to tax subsequently, if the new bonds are transferred or converted into money within three years from the date of their acquisition.

Special Tax Benefits

There are no special tax benefits available to the Foreign Institutional Investors.

2.4 Venture Capital Companies / Funds

General Tax Benefits

As per the provisions of section 10(23FB) of the Act, income of

- Venture Capital Company which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992 and notified as such in the Official Gazette; and
- Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit Trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992 and fulfilling such conditions as may be notified in the Official Gazette, set up for raising funds for investment in a Venture Capital Undertaking,

which is set up to raise funds for investment in a venture capital undertaking is exempt from income tax. As per the provisions of Income tax Act, “venture capital undertaking” means a domestic company whose shares are not listed in a recognized stock exchange of India and which is engaged the business of:

- Nanotechnology;
- Information technology relating to hardware and software development;
- Seed research and development;
- Bio-technology;
- Research and development of new chemical entities in the pharmaceutical sector;
- Production of bio-fuels;
- Building and operating composite hotel-cum-convention center with seating capacity of more than three thousand; or
- Developing or operating and maintaining or development, operating and maintaining any infrastructure facility as defined in the Income Tax Act; or
- Dairy or poultry industry.

Special Tax Benefits

There are no special tax benefits available to the Venture Capital Companies / Funds.

3. Wealth Tax Act, 1957

Shares in a company held by a shareholder will not be treated as an asset within the meaning of Section 2(ea) of Wealth-tax Act, 1957; hence, wealth tax is not leviable on shares held in a company.

4. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares of the company will not attract gift tax.

5. Tax Treaty benefits

In accordance with section 90(2) of the Act, a non resident investor has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

Notes

- a) All the above benefits are as per the current tax law and will be available only to the sole/ first named holder in case the shares are held by joint holders.
- b) In respect of non-residents, taxability of capital gains mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any between India and the country in which the non-resident has fiscal domicile.

In view of the individual nature of tax consequence, each investor is advised to consult his/ her own tax adviser with respect to specific tax consequences of his/ her participation in the scheme.

SECTION IV: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section includes, or has been extracted from, industry publications, websites, and other publicly available documents of governmental agencies, as well as other sources such as industry surveys, market research and forecasts and internal company reports and surveys. We may have reclassified such data for the purposes of presentation in this section. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable but there can be no assurance as to the accuracy and completeness of the information. While, reasonable actions have been taken by us to ensure that the information is extracted accurately and in its proper context, we have not independently verified any of the data from third parties contained in this section and in this Prospectus.

Overview of the Indian Economy

India, the world's largest democracy in terms of population (1,173 million people) had a GDP on a purchasing power parity basis of approximately US\$3,570 billion in 2009. This makes it the fifth largest economy in the world after the European Union, United States of America, China and Japan (*Source: CIA World Factbook*).

In 1991, the Government of India initiated a series of comprehensive macroeconomic and structural reforms to promote economic stability and growth. The key policy reforms that were initiated by the Government were focused on implementing fundamental economic reforms, deregulation of industry, accelerating foreign investment and pushing forward a privatization program for disinvestment in public sector units. Consequent to the reforms, India's economy registered robust growth with an average real GDP rate of approximately 8.5% over the period FY 06 to FY 10. For FY 10, India had a GDP real growth rate of 7.4%, as compared to 6.7% in FY 09 and 9.2% in FY 08. (*Source: www.mospi.nic.in*)

The Indian Infrastructure Opportunity

The Indian economy is based on planning through successive five year plans that set out targets for economic development in various sectors, including the infrastructure sector. The XIth Five Year Plan ("FYP") aims at a sustainable GDP growth rate of 9.00%, but there is general consensus that infrastructure inadequacies would constitute a significant constraint in realizing this development potential. To overcome this constraint, an ambitious programme of infrastructure investment, involving both public and private sector, is being developed for the XIth FYP. Infrastructure spending targets for the XIth FYP were revised from approximately 4.60% to approximately 7.60% of GDP representing an increase of over 140.00% compared to the Xth FYP.

The programme strengthens and consolidates recent infrastructure initiatives, such as the Bharat Nirman for building rural infrastructure, as well as sectoral initiatives, such as the National Highways Development Programme (NHDP), the Airport Financing Plan, the National Maritime Development Programme (NMDP) and the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). Given the scale of infrastructure spending, the Government of India is encouraging private sector participation through Public Private Partnership (PPP) projects. The Government of India has also set up the Ministry of New and Renewable Energy (MNRE) as the nodal agency for all matters relating to new and renewable energy. (*Source: MNRE – www.mnre.gov.in*)

Indian Power Sector

Overview of the Indian Power Sector

The power sector in India is slowly moving from a regulated return framework to a market driven pricing mechanism. This has provided a major boost for private entrepreneurs to enter the power sector and set up projects. Currently significant traction has been achieved in the generation space, while the transmission and the distribution segment is slowly opening to the private sector. (*Source: Ministry of Power*).

Demand for engineering, procurement and construction services in the power transmission lines and power distribution businesses is largely dependent on development, demand and new investments in the power generation, transmission and distribution sectors. For FY 10, India faced an energy shortage of approximately 11.7% of total energy requirements and 13.3% of peak demand requirements. (*Source: CEA, "Power Scenario at a Glance", April 2010*). Over FY 00 – FY 10, the peak deficit has grown from 6.2% (*Source: Ministry of Power, Annual Report, FY 2002-03*) to 13.3%. The growth in per capita consumption of electricity in India can be seen

from the table below, although India lags behind other economies by a large margin, as noted by the International Energy Agency.

All India Annual Per Capita Consumption of Electricity:

Year	Per capita consumption (kWh)
FY 03	566.70
FY 04	592.00
FY 05	612.50
FY 06	631.50
FY 07	671.90
FY 08	704.20

(Source: CEA, "Power Scenario at a Glance", April 2010)

World per Capital Consumption of Electricity:

For the year 2007	Per capita consumption (kWh)
USA	13,616.00
UK	6142.00
China	2,346.00
OECD	8,477.00
World	2,752.00

(Source: International Electricity Agency, "Key World Energy Statistics", 2009)

Organization and regulation of the electricity industry

The Electricity Act, 2003, as amended (the "Electricity Act") provides the statutory framework for the regulation of electricity in India. There is also State-level legislation in the power sector in a number of states, including Andhra Pradesh, Haryana, Karnataka, Orissa, Rajasthan and Uttar Pradesh, among others.

In India, control over the development of the power sector is shared between the Central and the State Governments. The Ministry of Power is the highest authority governing the power industry in India. The CEA is a statutory body constituted by the Government of India under the Electricity (Supply) Act, 1948, as amended, and continued under the Electricity Act. The CEA has the responsibility of formulating the National Electricity Plan in accordance with the National Electricity Policy, once every five years. The CEA is the main technical advisor of the Government of India and the Regulatory Commissions. It is also required to specify, among others, the technical standards and safety requirements for construction, operation and maintenance of electrical standards and electrical lines and is responsible for providing the techno-economic clearances to hydroelectric projects.

The CERC, which was constituted under the Electricity Regulatory Commission Act, 1998, as amended, is an independent statutory body with quasi-judicial powers. The main functions of the CERC are to regulate the tariffs of generating companies, grant licenses for inter-State transmission and trading and advise the Central Government in formulation of National Electricity Policy and Tariff Policy. Currently, 26 states have constituted SERCs and 21 states have issued tariff orders to rationalize tariffs. The main responsibilities of a SERC are to determine the tariff for generation, supply, transmission and wheeling of electricity, whole sale, bulk or retail sale within the State; to issue licenses for intra-State transmission, distribution and trading; to promote co-generation and generation of electricity from renewable sources of energy. (Source: Ministry of Power)

Power Generation

According to the CEA, as of June 30, 2010, India's power generation systems had an installed capacity of around 162,366.8 MW. Thermal power plants powered by coal, gas, naphtha or oil accounted for 64.3% of total power capacity in India as of June 30, 2010, hydroelectric stations for 22.8% and others (including renewable sources of energy and nuclear stations) accounted for 12.9%. As of May 31, 2010, the CPSUs accounted for approximately 31.50%, various state entities accounted for approximately 49.7% and private sector companies accounted for approximately 18.70%, of total power generation capacity.

The Central Government has adopted a system of successive FYPs that set out targets for economic development in a number of sectors, including the power sector. Each successive FYP has increased power generation capacity addition targets. The XIth FYP envisaged a planned additional capacity of 78.7 GW through investments of Rs. 4,951 billion, an additional 92.5 GW generation capacity is envisaged in the XIIth FYP through an investment of Rs. 5,917 billion. The Ministry of Power has projected an installed capacity of 212,000 MW by 2012. This requires substantial augmentation of power generation capacity. Investment in power generation sector is expected to lead to increased investment in power transmission and distribution sector as well so as to make the power available to the required end consumers in the country.

Distribution

Distribution is typically considered to be the transfer of less than 66 KV range of power to end consumers. After the un-bundling of the state electricity boards in the country, most of the states have separate distribution corporations engaged in the business of electricity distribution. Distribution is considered as the weakest link in the power sector due to the large energy losses occurring at the distribution end. T&D losses in India are very high at 26.91% as per PFC in 2008.

All India Transformation, T&D and AT&C Losses

Year	T&D Losses	AT&C Losses*
FY 03	32.54	32.54
FY 04	32.53	34.78
FY 05	31.25	34.33
FY 06	30.42	34.54
FY 07#	28.61	32.07
FY 08##	26.91	N.A.

*PFC figures

#Provisional

Estimated (Source: CEA)

In order to accelerate and upgrade the Indian T&D infrastructure, the Government of India consolidated various distribution schemes during the Xth FYP including:

- A. Accelerated Power Development and Reforms Program (APDRP)
- B. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) schemes.

A. APDRP

APDRP was targeted at densely populated urban areas with the main objective to cut losses in the system and bring the total AT&C losses to 15% in all towns. Although the program led to some loss reduction, the target of 15% was not achieved. The Government of India revised the scheme and renamed it as “Restructured-Accelerated Power Development and Reforms Programme” (R-APDRP) in FY09.

The funds received under the R-APDRP scheme are utilized to upgrade and modernize the sub-transmission and distribution (below 33 kV or 66 kV) networks. The plan is to cover towns/cities with population of more than 30,000. The plan targets include an annual targeted reduction of 3% in AT&C losses for utilities which have greater than 30% losses. Similarly, an annual 1.5% AT&C loss reduction has been targeted for utilities with less than 30% losses. (Source: www.pfc.gov.in/apdrp/apdrp2more.html and Ministry of Power)

The entire scheme has been split into three parts:

- Part A includes projects for the establishment of baseline data and IT applications for energy auditing/accounting & IT based consumer service centers.
- Part B includes renovation and strengthening of the 11 KV level substations, transformers, feeder’s separation and other activities. In certain cases to strengthen 33/66 KV wherever required.
- Part C is an enabling component for the implementation of R-APDRP for capacity building, validating data and development of franchisees.

Funding Mechanism of R-APDRP

Power Finance Corporation has been made the nodal agency for the disbursement of funds under R-APDRP scheme. As of March 31, 2010, total funds sanctioned were Rs. 81,860 million and total funds disbursed were Rs. 16,460 million. (Source: PFC)

Initially 100% of the funds for approved projects under Part A are to be provided as loan from GOI. The loan shall be converted into grant once the establishment of the required system is achieved and verified by a nodal agency. For Part B, initially 25% of the funds for the projects are to be provided through loan from GOI. If the distribution utilities achieve the target of 15% AT&C losses on a sustained basis for a period of five years in the project and the project is completed within the time scheduled, up to 50% of the loan will be converted into grant in equal tranches, every year for five years. The total programme size is expected to be Rs. 515,770 million that includes Rs. 100,000 million for Part A activities, Rs. 400,000 million for Part B activities, Rs. 11,770 million for Part C activities and Rs. 4,000 million as incentives for utilities. (Source: Ministry of Power)

B. RGGVY

RGGVY was launched in April 2005 by merging all ongoing schemes for rural electrification. Under the programme 90% grant is provided by GOI and 10% as loan by Rural Electrification Corporation (REC) to the State Governments. REC is the nodal agency for the programme. The RGGVY aims at electrifying all villages and habitations, providing access to electricity to all rural households, providing electricity connections to Below Poverty Line (BPL) families free of charge, establishment of Rural Electricity Distribution Backbone (REDB), with 33/11 KV (or 66/11 KV) sub-stations of adequate capacity in blocks where these do not exist, creation of Village Electrification Infrastructure (VEI) with provision of distribution transformer of appropriate capacity in villages/habitations and Decentralized Distributed Generation (DDG) Systems based on conventional & non conventional energy sources where grid supply is not feasible or cost-effective. (Source: www.rggvy.gov.in)

The table below sets forth the committed spend under RGGVY for the periods indicated (updated until October 31, 2010):

Number of	X th FYP	XI th FYP	Total
Projects	235	338	573
Un-electrified villages.....	68,763	49,736	118,499
Intensive electrification of electrified villages	111,936	243,261	355,197
BPL* households (in million).....	8.31	16.33	24.64
Awarded cost (Rs. in million).....	128,145.60	187,657.30	315,802.90
Total Amount released (Rs. in million)	111,975.10	114,7815.10	227,354.10

*Below poverty line. (Source: www.rggvy.gov.in/rggvy/rggvyportal/plgsheet_frameplan.jsp)

Rural Electrification (as on May 31, 2010):

1	Total no. of villages	593,732
2	No. of villages electrified	498,080
3	% of villages electrified	83.90%
4	Potential of energisation of pumps	19,594,000
5	No. of pumpsets energised	16,604,117
6	% of pumpsets energised	84.60%

(Source: CEA)

As on May 31, 2010, out of the 593,732 villages registered (census 2001), 498,080 villages have been electrified and 16,604,117 pumpsets were energised out of a potential figure of 19,594,000.

Transmission

Transmission of electricity is typically defined as the bulk transfer of power over a long distance at a high voltage, generally 132 KV and above. A reliable transmission and distribution system is important for the proper and efficient transfer of power from generating stations to load centers. A T&D system typically comprises transmission lines, sub-stations, switching stations, transformers, and distribution lines.

Traditionally the Central Government has focused on investment into power generation and in the process the T&D segment has attracted significantly less investment. As a result of this, and the fact that India's electricity generation resources are distributed unevenly, there is a critical requirement for a reliable transmission system within the Indian power sector, a fact which has been recognized by the XIth FYP. As the Central Government plans to increase installed power generation capacity, this is expected to facilitate an expansion of the regional transmission network and inter-regional capacity to transmit power. Inter-regional transmission networks are required because power generation sources are unevenly distributed in India and power needs to be carried over large distances to areas where load centers and demand exist. These regional grids are expected to be gradually integrated to form a national grid governed by the Indian Electricity Grid Code.

The table below shows the growth in the power transmission sector since the VIth FYP:

Transmission Lines (circuit kilometers (cKm))

At the end of	400 KV Transmission lines				220 KV Transmission lines			
	Central	State	JV/Pvt ⁽¹⁾	Total	Central	State	JV/Pvt	Total
6 th FYP	1,831	4,198		6,029	1,641	44,364		46,005
7 th FYP	13,068	6,756		19,824	4,560	55,071		59,631
8 th FYP	23,001	13,141		36,142	6,564	73,036		79,600
9 th FYP	29,345	20,033		49,378	8,687	88,306		96,993
10 th FYP	50,992	24,730		75,722	9,444	105,185		114,629
11 th FYP up to June 10	66,094	28,987	3,682	98,763	10,285	118,694	393	129,372

*Additionally as of June 2010 India had a capacity of 3,782 cKm of 765 KV transmission lines (Source: CEA)

⁽¹⁾ Joint venture or private sector

Sub-Stations (MVA)

At the end of	400 KV Transmission lines				220 KV Transmission lines			
	Central	State	JV/Pvt ⁽¹⁾	Total	Central	State	JV/Pvt	Total
6 th FYP	715	8,615		9,330	500	36,791		37,291
7 th FYP	6,760	14,820		21,580	1,881	51,861		53,742
8 th FYP	17,340	23,525		40,865	2,566	81,611		84,177
9 th FYP	23,575	36,805		60,380	2,866	113,497		116,363
10 th FYP	40,455	52,487		92,942	4,276	152,221		156,497
11 th FYP up to June 10	58,595	60,352		118,947	5,076	184,299	1,440	190,815

*Additionally as of June 2010 India had a capacity of 4,500 MVA of 765 KV substations (Source: CEA)

⁽¹⁾ Joint venture or private sector

In India, the T&D system is a three-tier structure comprising distribution networks, state grids, and regional grids. These distribution networks and state grids are primarily owned and operated by respective SEBs or state governments (through state electricity departments). Most inter-state transmission links are owned and operated by the PGCIL, though some are jointly owned by the concerned SEBs. In addition, PGCIL owns and operates many inter-regional transmission lines (part of the national grid) to facilitate the transfer of power from a region of surplus to one with a deficit. At present there are five regional grids operating in India - Northern, Eastern, Western, Southern and North-eastern region. Regional or inter-state grids facilitate the transfer of power from a region of surplus to one with a deficit. These regional grids also facilitate the optimal scheduling of maintenance outages and better coordination between power plants.

These regional grids are expected to be gradually integrated to form a national grid, whereby power in a region of surplus can be transferred to another, resulting in the optimal utilization of generating capacity. For instance, the Eastern region currently has the largest power surplus, whilst the Northern region, currently has a deficit. As of March 31 2009 total inter-regional transmission capacity was 20,750 MW. With the proposed addition of 17,900 MW, the total inter-regional transmission capacity is expected to be 38,650 MW by the end of XIth FYP. (Source: Annual Report FY 2008-09, Ministry of Power)

With a view to accelerating the growth of transmission infrastructure in India, the Central Government has permitted private companies to invest in the power transmission space, either through a joint venture with PGCIL or via an independent private transmission company based on competitive bidding.

Projected transmission capacity by XIIth FYP:

Transmission Lines (cKm)

Transmission lines	Existing End of X th FYP	XI th FYP Target	XII th FYP Estimates
765 kV	2,184	5,428	25,000-30,000
HVDC, 500 kV	5,872	1,606	0
HVDC 800/600 kV	0	3,600	5,000
400 kV	75,722	49,278	50,000
220 kV	114,629	35,371	40,000
Total (cKm)	198,569	95,283	120,000-125,000

(Source: CEA)

Sub-Stations (MVA/MW)

Sub-stations	Existing End of X th plan	XI th FYP Target	XII th FYP Estimates
HVDC	8,200	6,000	16,000-22,000
765 kV	0	53,000	110,000
400 kV	92,942	52,058	80,000
230/220 kV	156,497	73,503	95,000
Total*	249,439	178,561	295,000

*Non-HVDC (Source: CEA)

In order to mobilize resources from private sector, Government of India issued guidelines for private sector participation in transmission sector in January 2000. These guidelines envisage two distinct routes for private sector participation in transmission: Joint Venture (JV) Route, wherein the CTU/STU shall own at least 26% equity and the balance shall be contributed by the Joint Venture Partner (JVP) and Independent Private Transmission Company (IPTC) Route, wherein 100% equity shall be owned by the private entity. (Source: www.powermin.nic.in/transmission/invest_in_transmission.htm)

BOT Opportunities in the T&D Sector

Distribution Franchise

Pursuant to Section 14 of the Electricity Act, electricity boards of various states were trifurcated into separate transmission, distribution and electricity trading companies. The distribution companies ("Discoms") in an endeavour to improve operational efficiencies and quality of services provided to its consumers, usually seek to bring in management expertise through PPP projects in the distribution of electricity. Therefore, Discoms appoint distribution franchisees for demarcated areas through a competitive bidding process so as to:

- Minimise distribution and commercial losses
- To bring improvement in metering, billing and revenue collection
- To minimize arrears
- To enhance customer satisfaction by improving quality of service

These projects encompass all activities relating to purchase and distribution of power to the existing/future customers in the franchise area, maintenance of distribution assets and all related activities as determined by state electricity regulatory commissions and respective Discoms.

Bidding for projects includes technical and financial criteria. Technical criteria includes capabilities and prior experience, network rollout plan etc and financial bids are for annualized high tension and low tension input rates including targeted annual reductions in these input rates.

Summary of the All India T&D XIth and XIIth Plan Opportunity:

Sector, Rs. Billion	XI th FYP	XII th FYP
Transmission	1,400	2,400
Distribution	2,870	4,000
Total	4,270	6,400

(Source: CEA)

Municipal Solid Waste Management (“MSWM”)

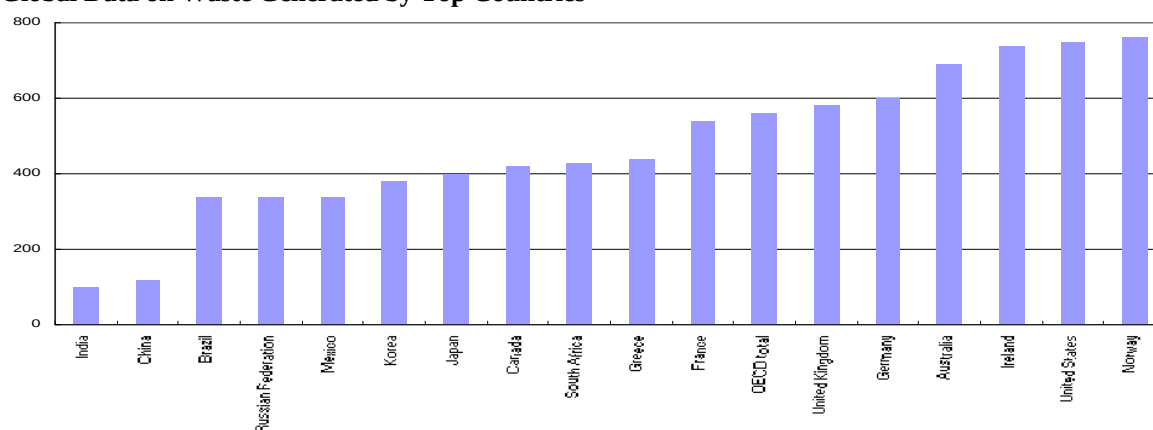
Municipal Solid Waste is a waste type which predominantly includes household waste (domestic waste) and sometimes with the addition of commercial wastes collected by a municipality within a given area.

Global Scenario in Waste Management

Rapid increase in volume and types of solid and hazardous waste as a result of continuous economic growth, urbanization and industrialization, is becoming a burgeoning problem for national and local governments to ensure effective and sustainable management of waste. It is estimated that in 2006 the total amount of municipal solid waste (“MSW”) generated globally reached 2.02 billion tons, representing a 7% annual increase since 2003 (Source: *Developing Integrated Solid Waste Management Plan, UNEP*). It is further estimated that between 2007 and 2011, global generation of municipal waste will rise by 37.3%, equivalent to approximately 8% increase per year.

The World Bank estimates that in developing countries, it is common for municipalities to spend 20-50% of their available budget on solid waste management (open dumping with open burning is the norm), even though 30-60% of all the urban solid wastes remain uncollected and less than 50% of the population is served. In low-income countries, collection alone constitutes 80-90% of municipal solid waste management budget. In mid-income countries, collection costs 50-80% of total budget. In high-income countries, collection accounts for less than 10% of the budget, which allows large funds to be allocated to waste treatment facilities. If most of the waste could be diverted for material and resource recovery, then a substantial reduction in final volumes of waste could be achieved and the recovered material and resources could be utilized to generate revenue to fund waste management (Source: *Developing Integrated Solid Waste Management Plan, UNEP*). This forms the premise for Integrated Solid Waste Management (ISWM) system. ISWM system has been pilot tested in a few locations (Wuxi, People’s Republic China; Pune, India; Maseru, Lesotho) and has been well received by local authorities. It has been shown that with appropriate segregation and recycling system significant quantity of waste can be diverted from landfills and converted into resource.

Global Data on Waste Generated by Top Countries



(Source: OECD Factbook 2008)

Solid Waste Management in India

Urban waste generation is rapidly increasing in India with population expansion and economic development. MSWM is a part of public health and sanitation, and is entrusted to the municipal government for execution. The

historical practices of uncontrolled dumping of waste on the outskirts of towns/cities have created serious environmental and public health problems. Urban population in India constitutes about 28% of the country's population and is distributed in large towns and in metropolitan areas. Large industrial complexes have also come up in different parts of the country. The waste generated in these urban areas and industrial complexes is of great concern. The proper disposal of urban waste is not only absolutely necessary for the preservation and improvement of public health but it has an immense potential for resource recovery.

Need for Urban Sector Development

According to the 2001 census, India has a population of 1,027 million with approximately 28% or 285 million people living in urban areas. As a result of the liberalization policies adopted by the Government of India, the urban population is expected to increase to about 40% of total population by the year 2021. The present contribution of cities and towns to the country's GDP is 55% and it is estimated that by the year 2011, urban areas would contribute about 65% of GDP. The process of urbanization has gathered considerable momentum over the last 50 years. The proportion of urban population to total population has increased from 17% in 1951 to 28 % in 2001 and this ratio is expected to cross 40% by 2021. Cities and towns are emerging as centers of domestic and international investments where most of the commercial activities take place. However, this higher productivity is contingent upon the availability and quality of infrastructure services. Urban economic activities are dependent on infrastructure, such as power, telecom, roads, water supply and mass transportation, coupled with civic infrastructure, such as sanitation and solid waste management. (Source: www.urbanindia.nic.in)

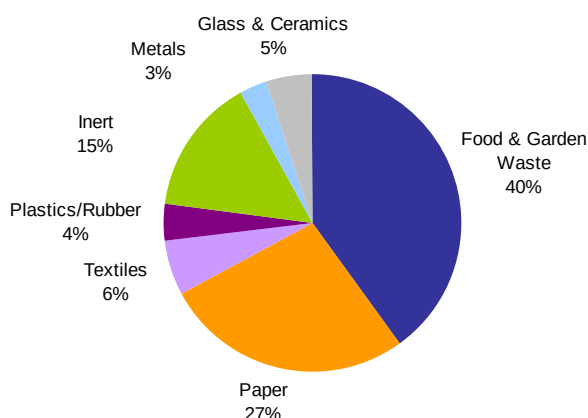
About 100,000 MT of MSW is generated daily in the country and per capita waste generation in major cities ranges from 0.20 kg to 0.6 kg. The collection efficiency ranges from 70% to 90% in major metro cities and below 50% in some smaller cities. Urban local bodies spend about Rs. 500 to Rs. 1,500 per ton on solid waste for collection, transportation, treatment and disposal. About 60% to 70% of this amount is spent on street sweeping of waste collection, 20% to 30% on transportation and less than 5% on final disposal of waste. Landfill sites have not yet been identified by many municipalities and in several municipalities, the landfill sites have been exhausted and the respective local bodies do not have resources to acquire new land. (Source: www.urbanindia.nic.in)

The problems of collection, transport, proper use and disposal have become a huge task, straining both financial resources of the civic bodies and their physical capabilities, in addition to the problem of availability of disposal sites. In some of these areas with a population of about 10 million or more and still growing, the daily production of more than 3,000 tons of municipal solid waste is a major management problem. The introduction of new materials, especially packaging materials, plastics and the like pose a different set of problems of disposal due to their inherent non biodegradability. The MSWM business in India is governed by the Municipal Solid Wastes (Management and Handling) Rules, 2000 ("MSW Rules").

An effective waste management system includes one or more of the following options:

- a) Waste collection and transportation.
- b) Resource recovery through sorting and recycling, i.e., recovery of materials (such as paper, glass, metals) etc. through separation.
- c) Resource recovery through waste processing, i.e., recovery of materials (such as compost) or recovery of energy through biological, thermal or other processes.
- d) Waste transformation (without recovery of resources), i.e., reduction of volume, toxicity or other physical/chemical properties of waste to make it suitable for final disposal.

The composition of solid waste in India is as follows:



(Source: CPCB, 2006)

The following table sets forth the top 10 cities in India in terms of the quantity waste generated:

City	Population	Area in Sq Km	Waste Generated (TPD)	Waste Generation Rate (kg/c/day)
Mumbai	11,978,450	437	5,320	0.45
Delhi	10,306,452	1,483	5,922	0.57
Kolkata	4,572,876	187	2,653	0.58
Chennai	4,343,645	174	3,036	0.62
Bangalore	4,301,326	226	1,669	0.39
Hyderabad	3,843,585	169	2,187	0.57
Ahmedabad	3,520,085	191	1,302	0.37
Kanpur	2,551,337	267	1,100	0.43
Pune	2,538,473	244	1,175	0.46
Surat	2,433,835	112	1,000	0.41

(Source: CPCB, 2004-05)

Improper management of this waste poses an enormous risk to human health and the environment. There is thus an urgent need to address this problem with a more scientific approach than the commonly adopted crude dumping of waste. With this objective, the Government of India has formulated several policies aimed at better waste management.

The top ten cities under the urban sanitation policy in India for 2009-2010 are:

S.No.	City	State
1	Chandigarh	Chandigarh
2	Mysore	Karnataka
3	Surat	Gujarat
4	N.D.M.C	Delhi
5	Delhi Cantt.	Delhi
6	Tiruchirapalli	Tamil Nadu
7	Jamshedpur	Jharkhand
8	Mangalore	Karnataka
9	Rajkot	Gujarat
10	Kanpur	Uttar Pradesh

(Source: Ministry of Urban Development)

Investment Requirements in the Urban Sector: It is estimated that over a seven-year period, the urban local bodies (ULBs) would require a total investment of Rs. 1,205,360 million. This includes an investment in basic infrastructure and services, that is, annual funding requirement of Rs. 172,190 million. (Source: www.urbanindia.nic.in) It is well recognised that in order to fructify these investments, a national level initiative is required that would bring together the State Governments and enable ULBs to catalyze investment flows in the urban infrastructure sector.

Urban Sector Investment Requirement

Category	Number of Cities	Investment Required 2006-13 (Rs. million)	Annual Funds Projected (Rs. million)
Cities with over 4 million population	7	571,430	81,633
Cities with 1-4 million population	28	571,430	81,633
Cities with less than 1 million population	28	62,500	8,929
Total	63	1,205,360	172,195

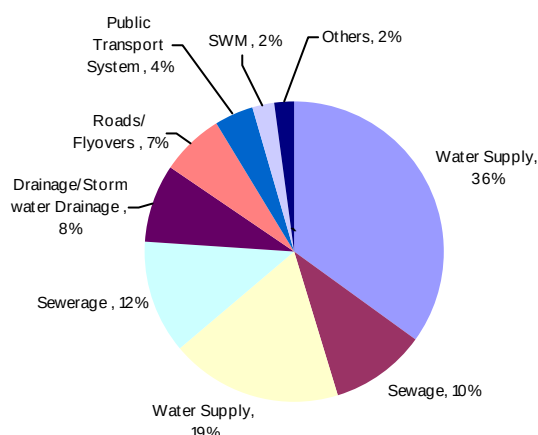
(Source: JNNURM)

Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

Urban renewal is one of the thrust areas in the National Common Minimum Programme of the Government and accordingly, JNNURM was launched on December 3, 2005 with an investment of Rs. 1,000,000 million during the mission period of seven years beginning 2005-06.

Total support from the Government of India for the first phase of this scheme is Rs. 500,000 million with equal contribution by cities/states over the next six years (2006-12). Total investment of around Rs. 1,500,000 million is envisaged under this scheme. The Union government had allocated Rs. 54,820 million for JNNURM in the 2007-08 budget, Rs. 68,660 million in the 2008-09 budget and Rs 128,870 million in the 2009-10 budget. As of June 4, 2010, 524 projects requiring an investment of Rs. 582,833.3 million have been sanctioned. (Source: <http://jnnurm.nic.in/>).

The funds released under JNNURM until June 4, 2010 was approximately Rs. 124,143.9 million. The sector-wise split of the funds sanctioned is as follows:



(Source: JNNURM)

JNNURM is designed to encourage the involvement of the private sector in service delivery and management. The following factors have created demand for private capital as well as greater interest of private sector in urban infrastructure development: (i) part-grant financing by the JNNURM (which is likely to increase the bankability of a number of large urban infrastructure projects) and (ii) the financing gap/needs to meet the project costs. The types of services that could be provided through PPP will, however, vary from one local government to the other based on their needs and priorities. The collaboration between the public and private sector could take any one of the following forms:

- Public funding with private service delivery and private management.
- Public as well as private funding with private service delivery and private management.
- Public as well as private funding with public/private service delivery and public/private/joint management.
- Private funding with private service delivery and private management.

(Source: Encouraging Public Private Partnership – Optional reform under JNNURM)

Urban Infrastructure Development Scheme for Small and Medium Towns (UIDSSMT)

UIDSSMT is one of the components of JNNURM. It is the single largest initiative of the Government of India for planned development of cities and towns. UIDSSMT aims at improvement in urban infrastructure in towns and cities in a planned manner. It subsumes the existing schemes of Integrated Development of Small and Medium Towns (IDSMT) and Accelerated Urban Water Supply Programme (AUWSP).

The objectives of the scheme are to:

- Improve infrastructural facilities and help create durable public assets and quality oriented services in cities and towns;
- Enhance public-private-partnership in infrastructural development; and
- promote planned integrated development of towns and cities.

(Source: Guidelines for Urban Infrastructure Development Scheme for Small & Medium Towns, December 2005, Ministry of Urban Development)

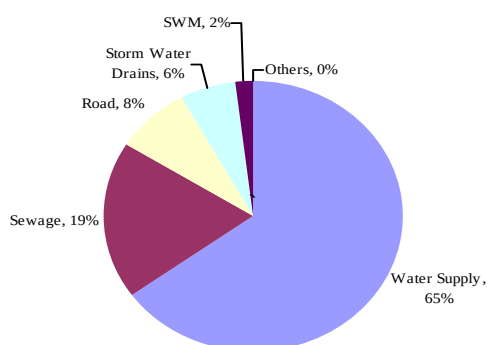
The duration of UIDSSMT is for seven years beginning from 2005-06. An evaluation of the outcomes of the scheme will be undertaken before the commencement of the XIth FYP and, if necessary, the scheme would be suitably calibrated. The scheme applies to all cities/towns as per the 2001 census, except those cities/towns covered under JNNURM. Allocation of funds among states will be on the basis of the state's urban population to total urban population in the country (excluding cities covered under JNNURM). *(Source: Urban Infrastructure Development Scheme for Small & Medium Towns, Overview and Salient Features, Ministry of Urban Development, 2009)*

Components of UIDSSMT include:

1. Urban renewal
2. Water supply and sanitation
3. Sewerage and solid waste management
4. Drainage projects
5. Roads and highways
6. Parking lots
7. Development of heritage areas
8. Preservation of water bodies

The sharing of funds is in the ratio of 80:10 between the Central Government and the State Government and the remaining 10% is to be raised by the nodal/implementing agencies from the financial institutions. Implementing agencies may substitute internal resources for funds to be raised from financial institutions. However, in case of cities/towns in North Eastern States and Jammu & Kashmir sharing of funds would be in the ratio of 90:10 between the Central and the State Government. The State Level Sanctioning Committee may sanction projects up to three times the share of the Central Government, subject to availability of funds. Such committee can assign higher priority to projects of (i) water supply (including desalination plants) and sanitation, (ii) sewerage and solid waste management, (iii) road network and (iv) construction and improvement of drains/storm water drains.

As on June 30, 2010, the total number of projects approved was 979 with approved cost of Rs 199,365.4 million. Total funds released until September 30 were Rs 69,469.0 million. The sector-wise split of the funds sanctioned and released until date is as follows:



Renewable Energy Generation

Renewable energy principally comprises wind power, hydro power, solar power, biomass energy and geothermal energy. Renewable energy sources are becoming increasingly important contributors to the world's energy supply portfolio as they contribute to the world energy supply security, reducing dependency on fossil fuel resources, and provide opportunities for mitigating greenhouse gases. According to the Energy Information Administration's International Energy Outlook 2009 reference case, renewable energy is expected to be the fastest-growing source of electricity generation, increasing by about 2.9% annually to grow from 19% of the world's electricity generation in 2006 to 21% in 2030.

Renewable Energy in India

Renewable energy-based power capacities have registered the highest pace of growth in the overall capacity additions in India compared to non renewable sources, increasing their share of total power capacity from 2% in FY 2003 to around 10% in FY 2010. Nonetheless, contribution from renewable energy sources towards overall generation has been low at around 3% due to low plant load factors of renewable capacities. (Source: CEA)

The aim for the XIth FYP, as stated by the working group of the Planning Commission in its Report of the Working Group on New and Renewable Energy for the XIth FYP (2007-2012) (published in December 2006), is a capacity addition of 14,000 MW from renewable energy (grid-interactive). In the report, the Planning Commission estimates that by the end of the XIth FYP, renewable energy power capacity in India could be around 23,000 MW out of total capacity of around 211,000 MW (or approximately 11% of total capacity).

Programme Component	Physical Target for XIth Plan (in MW)	Proposed Outlay for XIth Plan (Rs. in million)
Wind Power	10,500	750 (for demo only)
Small Hydro Power	1,400	7,000
Biomass Power	1,200	6,000
Co-generation	500	2,000
Urban Waste to Energy	200	1,500
Industrial Waste to Energy	200	750
Total	14,000	18,000

(Source: MNRE – www.mnre.gov.in)

Capacity addition of around 49,000 MW in the aggregate is envisaged for the XIIth and XIIIth FYPs. According to the Planning Commission, renewable power capacity by the end of the XIIIth FYP period is projected to reach 53,000 MW, comprised of 39,000 MW of wind power, 7,500 MW of biomass power and 6,500 MW of mini-hydroelectric power.

The key drivers for the renewable energy sector in India include:

- (i) the demand-supply gap, especially as population increases;
- (ii) regulatory incentives and the availability of CDM benefits and/or Indian renewable energy certificates ("RECs"), when fully-implemented by the Indian government;
- (iii) a large untapped potential;
- (iv) environmental concerns regarding the use of fossil fuels;
- (v) the desire to strengthen India's energy security; and

- (vi) a viable solution for rural electrification.

Regulatory Incentives

The Government of India and state governments provide a variety of regulatory incentives in respect of renewable energy, including the following:

Tax incentives. Indian renewable energy companies are entitled to take 80% accelerated depreciation on assets employed in renewable energy power generation and benefit from a 10-year tax holiday. Renewable energy companies may also receive excise duty relief on certain capital goods.

Generation Incentives. The GoI has recently announced a plan to offer an incentive of 50 paise per unit of wind power supplied to the grid by independent wind power producers. The incentive is limited to wind farms with a maximum aggregate installed capacity of 4,000 MW. The generation based incentive is over and above the tariff fixed by the SERCs for purchase of electricity from wind power projects for a period of 10 years provided that investors do not claim an accelerated depreciation benefit. The benefit is only available for independent power producers whose capacities are commissioned for sale of power to the grid; it is not available for captive wind power projects and merchant plants.

Preferential Tariffs. Pursuant to the Electricity Act, the National Electricity Policy of 2005 and the National Tariff Policy of 2006, SERCs are encouraged to set preferential tariffs for power produced from renewable energy. Preferential tariffs are established to take into account the externalities caused by conventional energy which may not be reflected in their price.

Renewable Purchase Obligation (RPO): Pursuant to the Electricity Act, the National Electricity Policy, 2005 and the National Tariff Policy, 2006, SERCs are required to specify a percentage of electricity purchased which comes from renewable sources. The chart below sets forth the renewable purchase obligation per annum for some of the states that have issued RPO orders:

State	RPO p.a.	State	RPO p.a.
Andhra Pradesh	5%	Maharashtra	6%
Chhattisgarh	10%	Punjab	2%
Delhi	1%	Rajasthan	7.50%
Gujarat	5%	Tamil Nadu	14%
Haryana	10%	Uttar Pradesh	7.50%
Karnataka	5%	Uttarakhand	8%
Kerala	5%	West Bengal	3.80%
Madhya Pradesh	10%	Orissa	5%

Failure to comply with RPOs will result in penalties that are yet to be established by the SERCs.

CDM/Kyoto Protocol. Pursuant to the Kyoto Protocol and the Clean Development Mechanism (CDM), to which India is a signatory country, certain developed or “Annex I” countries have committed to reduce global greenhouse gas emissions by approximately 5.2% over 1990 levels. To meet the binding commitment to reduce greenhouse gas emissions, Annex I countries have the option to reduce part of their emissions domestically, or purchase certified emission reduction certificates or CERs from projects undertaken in developing or “Annex 2” countries through the carbon finance market. Effectively, emission reductions purchased under carbon finance can be used against the greenhouse gas reduction obligations under the Kyoto Protocol or for other regulated or voluntary greenhouse gas emission reduction regimes.

China and India have been the biggest beneficiaries of the Kyoto Protocol CDM program, together accounting for nearly 67.9% of the total CERs issued through June 1, 2010, according to the United Nations Environment Programme Risoe Centre on Energy, Climate and Sustainable Development. As of June 1, 2010, India had 506 projects registered, which accounted for 23.0% of total projects registered at the CDM Executive Board and 768 projects in the validation stage, which accounted for 27.0% of total projects at validation stage.

Renewable Energy Certificates. On January 14, 2010, the CERC issued the Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for

Renewable Energy Generation) Regulations, 2010, as amended (the “REC Regulations”). The REC Regulations envision the designation of a central agency for registration of eligible entities, issuance of certificates, maintaining and settling accounts in respect of certificates, and other functions in respect of RECs after inviting comments from state electricity commissions. Solar certificates and non-solar certificates will be sold to entities with renewable purchase obligations and will be traded on a power exchange (subject to a floor price and a forbearance (or ceiling) price determined by the CERC). Therefore, a renewable energy generator will have the option to sell the renewable energy at the preferential tariff fixed by the relevant electricity regulatory commission or sell the electricity generated at a price equal to the equivalent weighted average power purchase cost of the distribution company and sell the REC separately. The aim of RECs is to address the mismatch between availability of renewable energy resources and power demand.

“Must Run” Status. Pursuant to the Central Electricity Regulatory Commission (Terms and Conditions for Tariff Determination from Renewable Energy Sources) Regulations, 2009, as amended (the “CERC Regulations”) all renewable energy power plants, except for biomass power plants with installed capacity of 10 MW and above and non-fossil fuel based cogeneration plants are treated as “must run” power plants and are not subject to ‘merit order despatch’ principles.

Achievement in 2009-10

No.	Sources / Systems	Achievements during 2009-10 (up to March 31, 2010)	Cumulative achievements as of March 31, 2010
I. Power from Renewable			
A. Grid-interactive renewable power			
1	Biomass Power (Agro residues)	153.30 MW	865.60 MW
2	Wind Power	1,565.00 MW	11,807.00 MW
3	Small Hydro Power (up to 25 MW)	305.27 MW	2,735.42 MW
4	Cogeneration-bagasse	295.30 MW	1,334.03 MW
5	Waste to Energy	4.72 MW	64.96 MW
6	Solar Power	8.15 MW	10.28 MW
	Sub Total (in MW) (A)	2,330.42 MW	16,817.29 MW
B. Off-Grid/Distributed Renewable Power (including Captive/CHP Plants)			
7	Biomass Power / Cogen.(non-bagasse)	50.80 MW	232.17 MW
8	Biomass Gasifier	13.28 MWeq.	122.14 MWeq
9	Waste-to- Energy	15.88 MWeq.	46.72 MWeq
10	Solar PV Power Plants	0.16 MWp	2.46 MWp
11	Aero-Generators/Hybrid Systems	0.22 MW	1.07 MW
	Sub Total (B)	80.34 MWeq	404.56 MWeq
	Total (A + B)	2,410.76 MW	17,221.86 MW
II. Remote Village Electrification		1,013 villages & hamlets	5,348 villages/1,408 hamlets

(Source: MNRE- <http://mnre.gov.in/>)

Biomass

Biomass power generation in India

As of December 2009, there was 2,136 MW of aggregate installed capacity of biomass power in India. Bagasse based co-generation projects account for 1,307 MW, or approximately 61% and non-bagasse biomass-based power projects account for 829 MW, or approximately 39% of total biomass power. (Source: MNRE)

The chart below sets forth the installed capacity for biomass-based power as at March 2009 excluding waste-to-energy capacity:

S. No.	State	Installed Capacity (MW)
1	Uttar Pradesh	373
2	Andhra Pradesh	343
3	Tamil Nadu	334
4	Karnataka	294
5	Maharashtra	186
6	Chhattisgarh	156
7	Rajasthan	31
8	Punjab	28

9	Haryana	6
10	Madhya Pradesh	1
11	Gujarat	1
	Total	1,752

(Source: MNRE)

The chart below sets forth potential by state for bagasse-based (excluding biomass) power in India as at October 2009:

S. No.	State	Potential (MW)
1	Maharashtra	1,250
2	Uttar Pradesh	1,250
3	Karnataka	450
4	Tamil Nadu	450
5	Gujarat	350
6	Andhra Pradesh	300
7	Bihar	300
8	Punjab	300
9	Haryana and others	350
	Total	5,000

(Source: MNRE - <http://mnre.gov.in/biomass-bbc.htm>)

The aggregate installed capacity of biomass-based power has increased at a CAGR of 24.4% during FY 2002 to FY 2009. As of FY 2009, the total installed capacity including co-generation projects and waste to energy based capacity was at 1,811 MW, of which 1,049 MW comprised bagasse-based cogeneration, 703 MW comprised agri-residue and the remaining comprised of waste to energy. Uttar Pradesh, with 372 MW (predominantly from sugar manufacturing units), and Andhra Pradesh, with 343 MW (mainly on account of rice husk based power plant and bagasse-based co-generation), are leaders in biomass-based power generation. Together they account for 41.0% of the total biomass-based installed power capacity in India (excluding waste to energy). Currently, India is estimated to produce approximately 500 million metric tons of biomass per year, of which approximately 120-150 million metric tons are surplus which can be utilized for power generation of up to 16 GW. In addition, there is also approximately 5 GW of power generation potential from bagasse-based cogeneration. (Source: MNRE)

Jawaharlal Nehru National Solar Mission (“JNNSM”): The JNNSM is a major initiative of the Government of India and the State Governments to promote ecologically sustainable growth while addressing India’s energy security challenge. The JNNSM’s targets are as follows:

- To create an enabling policy framework for the deployment of 20,000 MW of solar power by 2022.
- To ramp up capacity of grid-connected solar power generation to 1,000 MW within three years – by 2013; an additional 3,000 MW by 2017 through the mandatory use of the renewable purchase obligation by utilities backed with a preferential tariff. This capacity can be more than doubled – reaching 10,000 MW installed power by 2017 or more, based on the enhanced and enabled international finance and technology transfer.
- To create favourable conditions for solar manufacturing capability, particularly solar thermal for indigenous production and market leadership.
- To promote programmes for off grid applications, reaching 1,000 MW by 2017 and 2000 MW by 2022
- To achieve 15 million sq. meters solar thermal collector area by 2017 and 20 million by 2022.
- To deploy 20 million solar lighting systems for rural areas by 2022

(Source: www.mnre.gov.in/pdf/mission-document-JNNSM.pdf)

Renewable Energy Tariffs

In India, pursuant to the Electricity Act, the CERC was required to determine the tariff for central sector generating stations or generating stations with a composite scheme to regulate the tariff of (i) the general companies owned or controlled by the Central Government (ii) generating companies who enter into or otherwise have a composite scheme for generation and sale of electricity in more than one state. CERC announced the CERC Regulations on September 16, 2009 which set tariff parameters for each type of renewable

energy technology based on certain financial assumptions intended to generate a set rate of return. In December 2009, the CERC issued its tariff order for FY 10.

The CERC Regulations apply to the following types of notified renewable energy projects:

- Wind power projects located at wind sites having a minimum annual mean wind power density of 200 watt/m² measured at hub height of 50 meters and using new wind turbine generators;
- Small hydro projects located at sites approved by the relevant state authority using new plant and machinery with an installed project capacity of less than or equal to 25 MW at a single location;
- Biomass power projects using new plant and machinery based on Rankine cycle technology and using biomass sources with no more than 15% of total fuel consumption on an annual basis coming from fossil fuels;
- Non-fossil fuel based co-generation plants using new plant and machinery and using the topping cycle mode of co-generation as defined in the CERC Regulations; and
- Solar photovoltaic and solar thermal power projects based on technologies approved by the MNRE.

Under the CERC Regulations, the CERC determines levelled tariffs on a yearly basis. Project-specific tariffs may be determined for municipal solid waste projects, other renewable energy technologies approved by the MNRE, hybrid solar thermal power plants, biomass projects other than those based on Rankine cycle technology and application of water cooled condenser and if the project developer so elects for solar photovoltaic and solar thermal power projects.

The tariff period for renewable energy power projects, except in the case of small- hydroelectric projects below 5 MW, solar photovoltaic and solar thermal power projects, is 13. The CERC Regulations set out a single part tariff based on the following fixed cost components: return on equity, interest on loan capital, depreciation, interest on working capital and operation and maintenance expenses. For renewable energy technologies that have a fuel cost component such as biomass power plants the tariffs also take into account fuel costs. Tariffs are determined on a levelized basis for the tariff period considering (i) the year of commissioning of the project, (ii) the useful life of the renewable energy project, discounted based on the weighted average cost of capital. The fuel cost component is determined on an annual basis.

The table below sets forth a summary of CERC Regulations' financial principles applicable to renewable energy projects:

Metric	Details
Debt: Equity	70:30
Loan Tenure	Average Long term SBI PLR during previous year + 150 basis points, 10 years
Salvage value	10% of asset value
Depreciation	Shall be allowed for the maximum of 90% of capital cost of the asset
For the 1st 10 years	7% p.a.
From 11th year	Equally depreciated over useful life
Return on equity	
For the 1st 10 years	Pre-tax 19%
From 11th year	Pre-tax 24%
Interest on working capital	Interest rate equivalent to average SBI short term PLR during previous year + 100 basis points
Biomass and non-fossil fuel co-generation	Fuel costs for 4 months, equivalent to normative PLF; O&M expenses for one month, receivables for 2 months of fixed and variable charges for sale of electricity calculated on targeted PLF; maintenance spare at 15% of operation and maintenance expenses; interest on working capital at interest rate equivalent to average SBI short term PLR during previous year + 100 basis points
CDM benefits	
First year	100% of gross proceeds of CDM benefits retained by developer after the date of commercial operation of project
2nd to 5th year	90% retained by project developer in the 2nd year, decreased by 10% each year
6th to 10th year	50% retained by developer; 50% to purchases of energy

(Source: CERC Regulations)

The CERC Regulations also set forth certain additional technology-specific eligibility criteria as set forth below:

Parameter	Biomass	Non-fossil fuel based
Eligibility Criteria	Use of fossil fuel restricted to 15%	Power output + one half of thermal

		output > 45% of energy consumption
Capital Cost (Rs. Million/MW)	45	44.5
Capacity Utilization Factor (CUF)/Plant load factor	80% ⁽¹⁾	53% ⁽²⁾
Auxiliary Consumption	10.0%	8.5%
O&M exp (Rs. Million/MW)	2.025	1.335
Escalation in O&M exp	5.72%	5.72%
Station Heat Rate (kcal/kwh)	3,800	3,600
Calorific value (kCal/kg)	3,275-3,689 (based on location)	2,250
Fuel cost (Rs/ton) (based on location)	1,301-2,092	899-1,398

Note:

(1) CUF for the first year is 70%

(2) CUF for Uttar Pradesh and Andhra Pradesh is 45%, while for Tamil Nadu and Maharashtra, it is 60%.

(Source: CERC Regulations, September 2009)

The chart below sets forth the CERC tariffs for FY 2010 for certain key locations and technologies:

State	Bio-mass power project (Rs./kwh)	Non-fossil fuel based power project (Rs./kwh)
Andhra Pradesh	4.15	4.93
Haryana	5.52	5.78
Madhya Pradesh	3.93	4.29
Maharashtra	4.76	4.80
Punjab	5.49	5.75
Rajasthan	4.73	5.17
Tamil Nadu	5.08	5.10
Uttar Pradesh	4.47	5.21
Others	4.88	5.17

Source: CERC Order re Petition No. 284/2009 (Suo Moto) dated December 3, 2009

In 2008, India was the world's fourth largest emitter of CO₂. Between 1990 and 2004, emissions increased by 97%, one of the highest rates of increase in the world. In December 2009, India announced that it would voluntarily reduce its emission intensity by 20-25% by 2020 on a baseline of 2005. In March 2010, India agreed to be listed as a party on the Copenhagen Accord with the understanding that the accord was not binding. In addition, pursuant to the National Action Plan on Climate Change, the Government of India has called for 5% of electricity purchased from the grid in India to come from renewable sources by FY 10, with an increase of 1% per year. This means that renewable energy would grow at a faster rate than traditional power generation, accounting for around 20% of the total added capacity planned in the XIth FYP time frame. (Source: National Action Plan on Climate Change; Global Wind Energy Council, Indian Wind Energy Outlook 2009, September 2009)

Facility Management Services (FMS)

Facility management is a profession that encompasses multiple disciplines to ensure functionality of the built environment by integrating people, place, process and technology. (Source: International Facility Management Association). In the broader framework of a growing economy, sectors such as financing, insurance, real estate and business services grew at 9.9% in 2009-10 (Source: <http://indiabudget.nic.in/es2009-10/chapt2010/chapter01.pdf>). Growth in these sectors has led to a demand for supporting infrastructure and management of the same is emerging as a business model. Such management solutions have a place for organizations spread geographically such as the Indian Railways (with 6,853 stations (Source: Ministry of Railways)) and also places such as offices, malls etc.

OUR BUSINESS

Overview

We are an engineering, procurement and construction (“EPC”) company in India and have been providing services to the power transmission and distribution sector with a focus primarily on the distribution segment. We are diversifying this business to provide EPC services to power generation companies and companies in other sectors, including road and telecommunications (together, the “EPC business”, referred to as the Engineering Services Segment in our restated summary statements). In addition, we are significantly focused on and involved in other businesses that include the following: (i) generating power from renewable energy sources (the “Renewable Energy Generation business”); (ii) providing municipal solid waste management services (the “MSW business”); (iii) providing facility management services (the “FMS business”); and (iv) developing information technology (“IT”) solutions for power utilities (the “Power IT Solutions business”). Our business operations are geographically spread across India and conducted through the Company and its direct and indirect subsidiaries.

EPC. We have been operating our EPC business since fiscal 2006 and have historically focused primarily on the power distribution sector, where our EPC services include the installation of distribution line infrastructure with capacities of up to 33 KV, the construction of substations of up to 33 KV and participation in system strengthening projects and rural electrification projects. In the power transmission sector, where we have undertaken select projects, our EPC services portfolio includes the construction of extra high voltage (“EHV”) substations of up to 400 KV and EHV transmission lines of up to 765 KV. We are executing projects in the power transmission and distribution sector in India for various state power utilities and central public sector utilities such as PGCIL, NTPC and NHPC. In the power generation sector, we are currently executing EPC projects for an aggregate capacity of 60 MW for companies within the Group and intend to grow this business to provide such services to third parties. We have recently been awarded an EPC project in the road segment. The income from the EPC business, as per our restated consolidated summary statements, in fiscal 2008, 2009 and 2010 was Rs. 4,536.47 million, Rs. 6,644.22 million and Rs. 11,227.83 million, respectively, comprising 94.25%, 91.79% and 91.63% of our total income for such years as per our restated consolidated summary statements. In the four month period ended July 31, 2010, the income from the EPC business, as per our restated consolidated summary statements, was Rs. 3,659.40 million, comprising 87.52% of the total income for such period, as per our restated consolidated summary statements. As of July 31, 2010, our outstanding order book from the EPC business (T&D) was approximately Rs. 12,919.94 million.

Renewable Energy Generation. We have recently entered the power generation business choosing renewable energy sources of fuel such as biomass, RDF generated from our projects in the MSW business, bagasse, mustard stems, rice husk, juliflora and other agricultural and forest waste. We are constructing three 15 MW renewable energy cogeneration projects in sugar mills located in the State of Punjab on a BOOT basis and a 15 MW biomass-based power plant at Kanpur in the State of Uttar Pradesh where we intend to primarily use, among others, RDF generated from our MSW business as a source of fuel. We expect these four power plants to be commissioned in March 2011. In addition, we are also setting up five 15 MW biomass-based power generation projects in the State of Rajasthan that will primarily utilize crop residue as fuel and biomass-based power generation projects in the State of Punjab with an aggregate installed capacity of 100 MW that will utilize the rice husk generated from rice milling operations proposed to be undertaken by us. We expect the projects in the State of Rajasthan to be commissioned in October 2011 and an aggregate installed capacity of 10 MW of the biomass (rice husk)-based power generation projects in the State of Punjab will be commissioned in December 2011. We intend to develop additional biomass-based power projects with unique fuel linkages. Such projects include the biomass generated from our MSW business which we believe complements our power generation business as we have an available source of fuel for power generation.

MSW. In the MSW business (referred to as collection & transportation of municipal solid waste and sale-compost in our restated consolidated summary statements), we provide collection, transportation, processing, disposal and treatment of municipal solid waste (“MSW”). In a short span of time since 2008, we have been awarded contracts for (a) setting up IRRFs on a BOOT basis with an aggregate MSW capacity of 3,800 tons per day (“TPD”) in six cities, (b) the collection and transportation (“C&T”) of MSW of an aggregate capacity of 910 TPD in two cities and (c) the processing and disposal (“P&D”) of MSW of an aggregate capacity of 855 TPD in 12 cities in India. Currently, the C&T activities in the cities of Kanpur (in 34 out of 110 wards), Indore, Biharsharif, Patna (in one out of four circles), Aligarh, Varanasi, Moradabad and Meerut and the P&D activities in the city of Kanpur are operational.

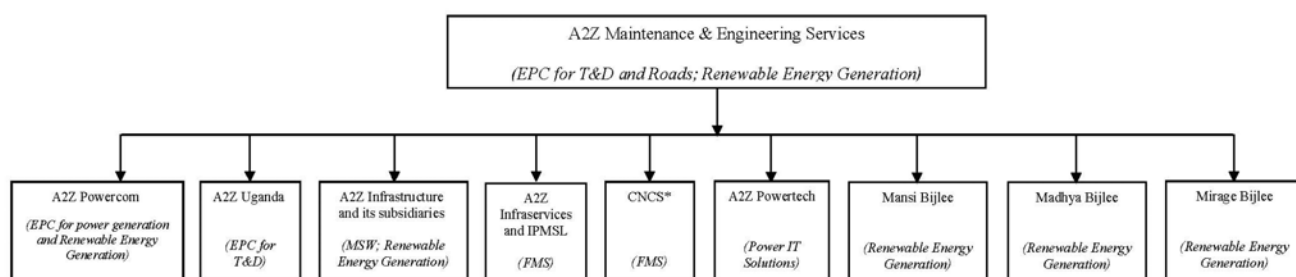
FMS. We have been engaged in the FMS business (referred to as the Facility Management Services in our restated consolidated summary statements) since the incorporation of the Company in 2002 and believe that we differentiate ourselves by leveraging our engineering skills and assisting clients in adopting preventive maintenance and energy saving solutions. Our services in the FMS business include engineering maintenance (mechanical, plumbing, electrical, HVAC, DG Set), energy saving solutions, janitorial services, parking management, property lease management, telecommunications tower maintenance and security services to public and private sector clients. We have established ourselves as a multi-location, multi-service FMS provider in the Indian market. We also provide specialized services to the Indian Railways under the Clean Train Station (“CTS”) scheme, the Intensive Rake Cleaning (“IRC”) scheme and the On-Board Housekeeping Services (“OBHS”) scheme in 11 out of 16 railway zones. As of September 30, 2010, we were providing our services in 27 States in India and the NCT of Delhi and Haryana and had, as of such date, 14,670 employees in this business.

Power IT Solutions. We have recently diversified into the Power IT Solutions business, where we are executing projects as a systems integrator by developing solutions for aggregate technical and commercial (“AT&C”) loss reduction in India. We also intend to provide advanced metering solutions to power utilities.

In fiscal 2008, 2009 and 2010, our consolidated total income, as restated, was Rs. 4,813.47 million, Rs. 7,238.80 million and Rs. 12,252.96 million, respectively and our consolidated net profit after tax, as restated, was Rs. 498.42 million, Rs. 590.49 million and Rs. 978.73 million, respectively. In the four month period ended July 31, 2010, our consolidated total income, as restated, was Rs. 4,180.99 million and our consolidated net profit after tax, as restated, was Rs. 261.13 million.

The A2Z Group

An organizational chart of our business is given below:



* We hold an equity interest of 51% in CNCS through Imatek, a wholly-owned subsidiary of the Company. Such equity interest can be increased to 100% by 2014 through the exercise of put or call options. For further details, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

For the detailed corporate organizational structure, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

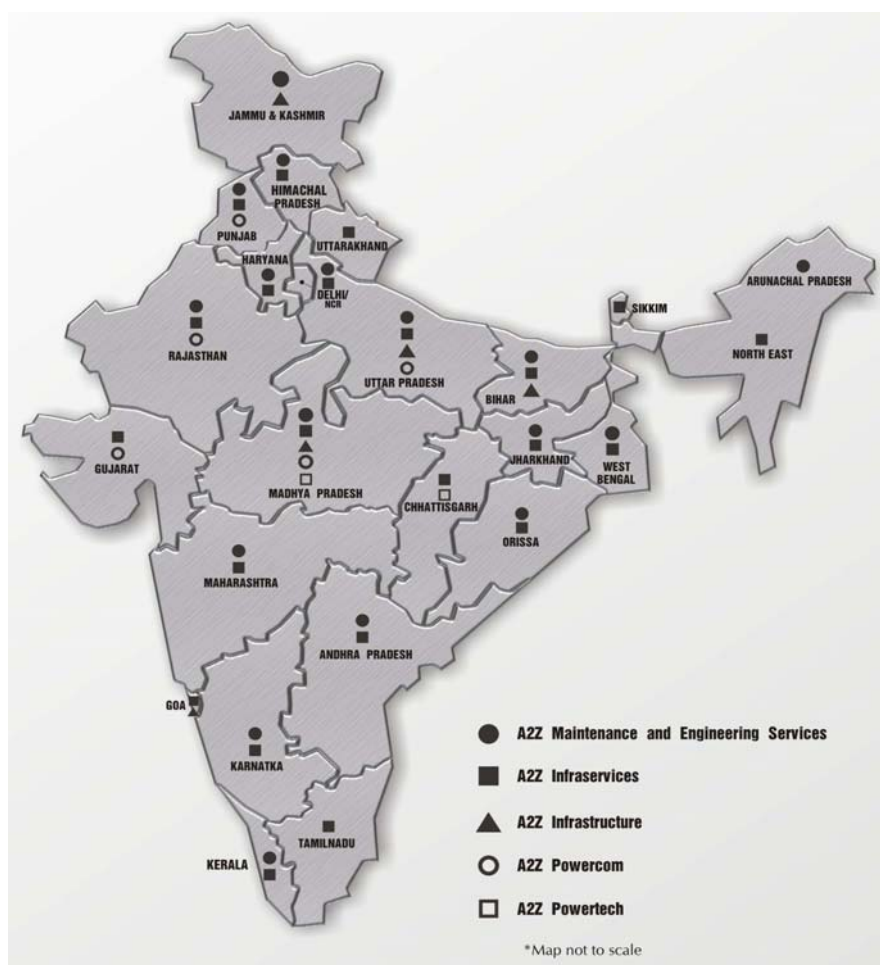
History

The Company was incorporated on January 7, 2002 and Mr. Amit Mittal, our Promoter, acquired the equity shares of the Company from its existing shareholders in December 2003 and February 2004. We were initially engaged in the FMS business and entered the EPC business in fiscal 2006. Our presence in the EPC business was strengthened with the acquisition of Sri Eswara Sai Constructions Private Limited, a company engaged in the installation of transmission lines, which was subsequently merged with and into the Company with effect from January 1, 2008. To enhance our business focus and streamline operations, the Company transferred its FMS business to its then wholly-owned subsidiary, A2Z Infraservices, with effect from April 15, 2008, pursuant to a court-approved scheme of demerger. In August 2009, we further consolidated our presence in the FMS segment through the acquisition of Imatek, a company that initially held a 5% equity interest in CNCS (an FMS company). Imatek subsequently increased its equity interest in CNCS to 51% in October 2009. Our capabilities in the EPC business were strengthened in the first quarter of fiscal 2011, when we executed business transfer agreements to purchase as a going concern the entire business of Surendar Chowdhury & Brothers (a partnership firm, engaged in the business of construction of electrical sub-stations and railway electrification work), Mohd. Rashid Contractors (a partnership firm engaged in the business of telecommunications cable laying, civil works and other EPC services) and En-Tech Engineers and Contractors (a partnership firm engaged in the business of telecommunications cable laying, civil works and other EPC services). In August 2010, we acquired a 1% profit

sharing ratio in Star Transformers, a partnership firm, engaged in the business of manufacturing and fabrication of transformers. We intend to increase our interest in Star Transformers by up to 51% after it is converted into a company. In October 2010, we acquired the entire equity share capital of IL&FS Property Management & Services Limited, a company engaged in the FMS business. For further information, please refer to the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus.

Our existing investors in the Company include Mr. Rakesh Radheyshyam Jhunjhunwala, Beacon India Investors Limited and Lexington Equity Holdings Limited who hold 21.03%, 12.04% and 7.67% of the Equity Shares, respectively, as of the date of this Prospectus. These investors have strengthened our financial and managerial capabilities and we have leveraged their experience in growing our business and executing our business strategy.

The following map shows our geographic presence in India in the EPC business, the Renewable Energy Generation business, the MSW business and the FMS business:



Competitive Strengths

We believe that we have the following principal competitive strengths:

Ability to identify new business opportunities and scale businesses in high growth sectors

We have diversified from the FMS business into the power and waste management businesses. The power and waste management sectors in India have experienced high growth over the last few years. The Planning Commission envisages a planned additional capacity of 78,700.4 MW through investments of Rs. 4,951.00 billion during the XIth five year plan period from 2007 to 2012. For solid waste management, the XIth five year plan has determined there should be 100% population coverage and it is estimated that the fund requirement for solid waste management during such plan period will be approximately Rs. 22,120.00 million. We believe that increased allocation of resources by the government to the power sector, facilitation of incremental lending to the infrastructure sector and increased social sector projects will continue to benefit our businesses.

We believe that our ability to successfully identify new business opportunities and scale businesses in high growth sectors in a short period of time provides us with a significant competitive advantage. In many of the businesses that we operate, the pre-qualification requirements for undertaking a project are strict and include a minimum experience which acts as an entry-barrier for such business. An early presence in such businesses has helped us in gaining experience and strengthened our execution skills. Since fiscal 2006, we have scaled our EPC business by increasing the number of States in India where we operate, the services we offer and the number of clients we cover. In our MSW business, we have been awarded contracts for handling 5,565 TPD of MSW in 20 cities in a short span of time. In our Renewable Energy Generation business, we expect to commission power plants with an aggregate capacity of 60 MW in March 2011 and certain additional generation projects in fiscal 2012. In the FMS business, we have established ourselves as a multi-location, multi-service provider, and as of September 30, 2010, we were providing our services in 27 States in India and the NCT of Delhi and Haryana. We also provide FMS services to the Indian Railways in 11 out of 16 railway zones.

Proven project execution capabilities and demonstrated track record

We have established a track record and reputation for efficient project management and execution of projects in our EPC business and FMS business, and recently, our MSW business. In our EPC business, we are experienced in executing projects across various States in India, including Jammu and Kashmir, Rajasthan, Arunachal Pradesh, Himachal Pradesh, Orissa, Kerala and Bihar, under difficult and challenging conditions. Because of our track record and experience, we meet pre-qualification criteria of a number of government entities to construct distribution line infrastructure and substations with a capacity of up to 33 KV and EHV substation projects of up to 400 KV and EHV transmission lines of up to 765 KV. In our MSW business, we have been awarded contracts by state or urban local authorities in 20 cities in India. In the FMS business, we have established ourselves as a multi-location, multi-service provider. We believe our expertise in the successful implementation of projects provides us with a competitive advantage and has enabled us to increasingly bid for large value and more complex projects.

In-house engineering capabilities and strong quality management systems

We believe that our engineering capabilities give us a competitive advantage as we are able to apply such skills across our various businesses. For example, we rely on our engineering skills in quoting an optimal price, anticipating engineering challenges, choosing the right technology and equipment to handle materials and improving efficiency. Our engineering capabilities help in adding value to the services we provide to clients such as providing appropriate preventive maintenance services and power saving solutions. We also have strong quality management systems and have received ISO 9001:2008 certifications for various specified services in our EPC business and FMS business.

Qualified and experienced management and motivated employee base

We are professionally-managed and led by a team of qualified and experienced managers, engineers, technicians and ex-defence personnel with domestic and international experience in our various businesses. We believe that our management team possesses a good understanding of our businesses and customer requirements, and is well-positioned to focus on the continued growth of our business.

We believe that a motivated and empowered employee base is important to our future growth. To better manage the rapid growth and diversification of our businesses, our employees are encouraged to take significant client responsibility and focus directly on the challenges that each project faces. As of September 30, 2010, we had a total workforce of 19,020 employees, which included 14,670 employees in our FMS business. Our in-house capability helps us in reducing the services that we out-source and ensures greater accountability to our clients. We intend to continue to invest in the development and training of our employees to ensure that they are well-equipped to meet our diverse project needs and execution capabilities.

Diversified business and operations

We are present in and have capabilities across key growth sectors, including power and waste management. In addition, we also have a presence in the FMS business and Power IT Solutions business. We have been able to benefit from synergies derived from our various businesses. For example, our MSW business complements the power generation business as we have an available source of fuel for power generation. Our MSW business and the Renewable Energy Generation business may also derive fiscal and other incentives from the government.

While our EPC business provides a shorter term revenue outlook based on an outstanding order book to be executed, our Renewable Energy Generation business and MSW business offer longer-term revenue prospects. We believe our experience in each of the infrastructure sectors in which we operate positions us favorably to secure future projects in these sectors. Further, we believe our presence in various businesses diversifies our revenue sources, provides more stability in cash flows and protects us against adverse economic conditions.

Our Business Strategy

Our business strategy is focused on expanding our participation in the power, infrastructure and waste management sectors in a socially relevant manner. To this end, we intend to continue to provide high quality services to our clients and grow our business by leveraging our strengths and implementing the following strategies:

Strengthen presence in the power sector

We intend to strengthen our presence across various segments in the power sector. In our EPC business, we intend to leverage on the opportunity in the Indian power transmission and distribution sector with a focus on power distribution projects. We will seek to increase our participation in larger projects, including in the transmission segment on a BOOT basis, as well as enter into distribution franchise arrangements with power utilities, explore opportunities in providing controlled impedance solution, limiting fault current solutions and other applications for superconductors in the power sector. For example, we have executed a letter of intent with Zenergy Power plc for exploring the market for fault current limiters in India. We have taken steps to participate in transmission line projects for REC/PFC on the BOOT basis through tariff based competitive bidding process in consortium with other parties. We intend to expand our Renewable Energy Generation business by exploring opportunities in other energy sources and entering into fuel linkages with our MSW projects and other third parties. We intend to derive benefits from government policies that permit us to sell power from renewable energy sources at preferential tariffs to state utilities. We also seek to establish our presence as an EPC provider for the power generation sector. Further, we intend to provide additional services by emerging as an IT solution provider for reduction of AT&C losses and energy management to power utilities.

Continue to diversify and grow our EPC, Renewable Energy Generation, MSW and FMS businesses

We intend to diversify our EPC business by providing EPC services to other infrastructure sectors such as road, telecommunications and water infrastructure. Various projects announced under the Provision of Urban Amenities in Rural Areas ("PURA") scheme of the Ministry of Rural Development, Government of India, emphasize the roadmap for integrated infrastructure development and the enhanced participation of the rural community in sustainable economic activities. For example, the amenities to be provided under such schemes include water and sewerage, construction and maintenance of village streets, solid waste management, skill development and development of economic activities. We intend to participate in such PURA projects and have submitted bids for certain projects. We intend to grow our MSW business by offering integrated waste management solutions using innovative engineering practices, strengthening the MSW off-take value chain by establishing better sales channels for the by-products generated from our P&D operations and focusing on award of projects on a cluster-based approach (award of projects to a single operator by a group of municipalities). In the Renewable Energy Generation business, we are implementing plans to significantly increase the power generation capacity through various sources of renewable energy. We also believe the BOOT projects in our MSW business and the Renewable Energy Generation business provide us long term sources of revenue and cash flow stability and we intend to focus on obtaining more BOOT contracts. In our FMS business, we intend to focus on large customers, offer multiple services under longer term contracts, increase the range of services to include, among others, maintenance of telecommunications towers, industrial/plant maintenance and continue to differentiate ourselves by providing energy savings solutions.

Establish an international presence

We intend to establish our presence in international markets by leveraging our domestic experience and seeking cost and operational advantages. We have recently been awarded a rural electrification project in Uganda. We are evaluating other projects in our EPC business in Africa and are pre-qualified for MSW projects in Nepal and Maldives, although we are yet to enter into a definitive contract for any such project. We believe that our international operations will contribute increasingly to our growth and our results of operations and financial condition may change, in a significant manner, if our international business grows.

Pursue strategic alliances and investments

We intend to establish strategic alliances or enter into mergers and acquisitions or joint ventures with companies whose resources, skills and strategies are complementary to and are likely to enhance our business opportunities, including the formation of joint ventures and consortia to achieve a competitive advantage. We also intend to focus on exploring and participating in new investment opportunities, which may complement our existing business or provide us with an additional revenue stream.

Our Operations

EPC Business

The Company commenced providing EPC services to the power transmission and distribution (“T&D”) sector in fiscal 2006. As part of these services, we provide integrated design, testing, installation, construction and commissioning services on a turn-key basis to our clients in this sector. We participate in projects involving rural electrification, railway overhead electrification, reduction of AT&C losses, feeder renovation, underground cabling, feeder segregation, installing High Voltage Distribution System (“HVDS”) and Low Voltage Distribution System (“LVDS”) distribution lines, substations and transmission lines. We have executed projects in difficult and challenging terrains and weather conditions in the States of Jammu and Kashmir, Arunachal Pradesh, Himachal Pradesh, Rajasthan, Orissa, Kerala and Bihar. Our EPC contracts are usually awarded pursuant to various central government policies and schemes such as the Re-structured Accelerated Power Development and Reform Program (“R-APDRP”) and the Rajiv Gandhi Grameen Vidyutikaran Yojana (“RGGVY”) and the policies of the state governments. We believe we have established a strong presence in the power distribution sector in India within a short period. Our quality management system in the EPC business (T&D) is ISO 9001:2008 certified by Moody International Certification, which is valid until February 2013.

In the power distribution sector, we provide engineering, procurement and construction services for building power distribution networks, including those in rural India. Our services also include undertaking the renovation and augmentation of existing distribution systems through a review of the design, re-engineering, implementing underground cabling, aerial bunched cabling and implementing best practices for reducing AT&C losses.

Our services to the power transmission sector include providing EPC services in respect of transmission lines and substations. We have capability with respect to the installation of EHV transmission lines of up to 765 KV and EHV substation projects of up to 400 KV. We are also experienced in the installation of overhead traction system of 25 KV and supportive catenary system for the Indian Railways.

Order book

As of July 31, 2010, our order book for the EPC business (T&D) was approximately Rs. 12,919.94 million. We define “order book” at a given date as (i) the contract value of existing projects less revenues recognized from completed portions of such projects at such date and (ii) the contract value of the projects in respect of which letters of award or intent have been issued by the client prior to execution of the final contract. Our order book is unaudited. Our order book may not be realized for various reasons, some of which may not be within our control, including changes in project scope and schedule and payment defaults by our customers. Please also see the section “Risk Factors - Projects included in our order book may be changed, delayed, cancelled or not fully paid for by our clients, which could materially harm our cash flow position, revenues or profits” beginning on page xvii of this Prospectus.

The total income, the earnings before interest, taxes, depreciation and amortization (“EBITDA”) and the net profit after tax (“PAT”), and our outstanding order book from our EPC business in the last three fiscal years is set forth below:

	(Rs. in millions)			Period ended July 31,
	Year ended March 31,			
	2008	2009	2010	2010
Order book (unaudited)	5,611.00	13,897.80	13,835.00	12,919.94
Income from EPC business, as per our restated unconsolidated summary statements	4,536.47	6,645.74	11,227.83	3,652.56
Year on Year Growth of Income from	166.17%	46.50%	68.95%	-

	Year ended March 31,			Period ended July 31,
	2008	2009	2010	2010
EPC business				
EBITDA	887.89	1,252.20	1,973.19	756.48
Net Profit, as per the restated unconsolidated summary statements	503.03	596.81	999.92	309.26

*EBITDA= Total income from operations as adjusted by Cost of materials and services, personnel expenses and administrative and selling expenses

** The EBITDA and Net Profit for fiscal 2008 and 2009 includes the EPC and FMS businesses and for fiscal 2010 and period ended July 31, 2010, includes the EPC business

The Company has procured orders of Rs. 298.4 million between August 1, 2010 and October 31, 2010.

Certain significant contracts

We are experienced in executing challenging projects in difficult terrains such as the construction and installation of six substations and 215 kms of 66 KV transmission lines in Leh and five substations and 135 kms of 66 KV lines in Kargil district in the State of Jammu and Kashmir under extreme climatic and geographic conditions.

In fiscal 2010, we were awarded the HVDS project by Uttar Haryana Bijli Vitran Nigam Limited (“UHBVNL”) for the conversion of existing LT lines to new 11 KV lines, along with pole mounted dedicated distribution transformers with capacities ranging from 6.3 KVA to 40 KVA, whole current static meters with communication facility features and whole current static meters, GSM modems and LT gas capacitors for 42,000 tube-well connections in Karnal in the State of Haryana. This project presented various challenges, including those related to climatic conditions and right of way. By utilizing our prior experience and through efficient project management, we have been able to anticipate challenges and complete a substantial portion of the work on schedule.

We assisted the Jodhpur Vidyut Vitran Nigam Limited in reducing its AT&C losses to 15.9% at the end of fiscal 2007 through our various services under the feeder renovation program. Our services included execution of low-tension (“LT”) less system, segregation of 11 KV feeders, installation of aerial bunched cables, replacement of single phased meters and transformers, construction of 33 KV lines and replacement of obsolete service lines.

We have executed large turnkey projects for MSETCL by installing 12 substations with capacities of 132 KV and 220 KV in the State of Maharashtra.

We have recently been awarded contracts for the construction and maintenance of rural roads in the State of Bihar under the Pradhan Mantri Grameen Sadak Yojna and the Bihar Rural Roads Project for a five year period.

The Company has also entered into a teaming agreement with the consortium of ITI Limited (a public sector undertaking of the Government of India engaged in the manufacture of telecommunications products) and Aksh Technologies Limited (an optical fibre cable manufacturing company) for an underground optical fiber cable laying project that such consortium has bid for. The bidding process has been completed but the successful bidders are yet to be notified.

We have also been recently awarded a contract from the Rural Electrification Agency, Ministry of Energy and Mineral Development, Uganda in August 2010 in respect of construction of power lines and associated power networks of “Government Priority Rural Electrification Projects” in Uganda. The contract award amount for this project is Rs. 267.00 million (Uganda Shillings 12,642,169,837 converted at 1 Uganda Shilling = Rs. 0.02112). This project is currently under execution.

Projects Awarded

Since fiscal 2006, we have been awarded EPC contracts to, among others, install approximately 21,000 cKm of HT distribution line, 19,500 cKm of LT distribution line, 1,200 cKm of transmission line, 5,800 km of aerial bunched cable, 124,000 number of transformers, 930,000 number of poles, 735 number of substations of different capacities up to 220 KV, and to provide connections to approximately 1,200,000 below poverty line households.

Project Execution

Pre-Qualification and Bidding

In selecting contractors for EPC projects, public sector clients generally limit the tender to contractors they have pre-qualified, based on certain technical and financial criteria. The technical criteria include experience, reputation for quality, safety record and strength and size of previous contracts in similar projects. Pre-qualification is key to our winning projects and we intend to focus on achieving pre-qualification for larger projects that we propose to bid for. In the event that we do not qualify directly for a project, for instance due to the technical qualifications required for bidding for the project, we typically bid through a consortium with other experienced and qualified contractors. For more details on our existing consortium agreements, please see the section “Financial Statements” beginning on page 175 of this Prospectus. We are currently qualified to bid for various projects implemented by government entities, including the 765 KV transmission lines and substations project by PGCIL. Price competitiveness of the bid, among qualified parties, is generally the most important and determinant selection criterion, especially for contracts with government entities.

In evaluating bid opportunities, we consider factors such as the geographic location, the period required for completion of the project, the complexity of execution of the project, our current and projected workload, the likelihood of additional work, the project’s cost and profitability estimates, the working capital requirements and our likelihood of success relative to other likely bidders.

We are required to submit an earnest money deposit ranging between 1% and 2% of the project value together with our bid. Bids typically include technical and financial bids and the financial bids are opened only if we satisfy the client’s technical criteria. Generally if we are the lowest bidder, then a letter of award is issued in our favour. The earnest money deposit is returned to us once we submit a performance guarantee and the contract is signed. If we are not the lowest bidder, then the earnest money deposit is returned to us typically within six to eight months after the lowest bidder signs the contract.

Performance Guarantees

In most of our EPC contracts, we provide performance guarantees to our clients that range between 10% and 15% of the value of the contract. These guarantees are provided in the form of bank guarantees at the time of signing of the contract. The performance guarantee is valid until the expiry of three months from the expiry of the defect liability period which starts after handing over a project to the client after completion. These performance guarantees are project-specific rather than client-specific, and are therefore returned generally after three months from the expiry of the defect liability period, irrespective of how many other projects we continue to undertake for such client. We generally retain insurance coverage until the repayment of the performance guarantee.

Engineering and Design

We provide detailed engineering and design services, if required by the client, for the projects that we undertake. Typically, for such projects, the client supplies conceptual information pertaining to the project, including project requirements and specifications. We are required to prepare detailed structural designs based on the conceptual requirements of the customer. Prior to bidding for the project, our bidding department and senior management review the preliminary design prepared by our engineers. Once the project is awarded to us, our engineers prepare detailed designs pursuant to the project requirements.

Procurement

Since the procurement of raw material, labor and equipment plays a critical part in the success of any project, we seek to maintain experienced staff in our central procurement group to carry out materials procurement activities, which helps us in achieving better economies of scale, credit terms and vendor management. In our EPC contracts, such procurement is especially critical to the timely completion of construction. Depending upon the location of the project and the kind of raw material and equipment required, we may procure it centrally or locally. Certain contracts specify a list of pre-approved suppliers from whom we can procure raw material and equipment. We also procure labor through sub-contractors, generally locally, under project-specific contracts.

After execution of the project contract, we order the materials and bought-out items required for a project, such as cement, poles, conductors, insulators, structures, cables, energy meters, distribution transformers, lightning arrestors, gas insulated and stay sets, vacuum circuit breakers, control and relay panels, capacitor banks, isolators

and batteries in consonance with the execution plan of the project, to ensure availability of such materials when required under the project schedule and to decrease the possibility of price fluctuating from those assumed in our tender bid. We source these and other construction materials from a large number of approved suppliers based on demand and specifications that correspond to the needs of a given project. We have developed relationships with a number of suppliers of raw materials, labor and equipment over the years. Procurement of material, labor and equipment from suppliers typically comprises a significant part of a project's costs. The ability to procure material, labor and equipment in a cost-effective manner, while meeting quality specifications for our projects is essential for the successful execution of such projects. The prices and supply of these and other raw materials depend on factors not within our control, including general economic conditions, competition, production levels, transportation costs and import duties. We continually evaluate our existing vendors and also attempt to develop additional sources of supply for most of the materials, services and equipment needed for our projects.

Once the material is ready for supply, a representative of the client visits the supplier's factory and inspects and verifies the quantity and quality of the material. After receipt of the material at the site, the materials are inspected once again by the client. Once the inspection is completed in a manner satisfactory to the client, we raise the bill of supply. Our average raw material holding period is 30 days during a financial year which varies depending on the project size and duration. Generally, our raw material holding period is shorter towards the end of a financial year. In certain cases where we are required to raise invoices only upon the satisfaction of certain specified milestones, we treat cost of materials, labor, freight, transportation and other charges as part of work in progress.

Construction

In our EPC contracts, construction typically commences once the basic engineering and design aspects of the project are finalised. The key construction activities involved in a project depend on the nature and scope of the project. The project team identifies and works with the procurement team to purchase raw materials and procure labor and equipment to commence construction. Based on the contract and the project, a detailed schedule of construction activities is prepared. Such schedule would set forth interim milestones as well as achievement dates for such milestones. We outsource the civil work to sub-contractors.

We have a project management system that monitors the physical and financial progress of the work as compared to the project schedule. Periodic progress reports are prepared at sites by project managers and are reviewed at our headquarters by our project coordinators.

Pricing

Our EPC contracts, particularly in the distribution sector where we may purchase most of the equipment, expose us to significant construction and cash flow risks. To mitigate these risks, we have developed risk controls that include selective bidding on projects, efficient project management and disciplined cash flow management. We believe that our past ability to manage these risks has been a key factor in our ability to provide solutions for our clients.

The EPC services we provide to our clients vary in a number of aspects, including, among others, in price, quantity and scope. EPC contracts generally provide for one or more of the following provisions:

- *Fixed-price provisions:* Contracts which entail the supply of materials to the client without price escalation clauses, where management of raw materials is critical to maintaining our material costs;
- *Variable-price provisions:* Contracts which entail the supply of certain materials with price escalation clauses, where a variation in the price of raw materials, such as aluminium, copper, steel, zinc and cement, is reimbursed, fully or to a limited degree, based on the purchase price of such product paid by the Company;
- *Unit-price provisions:* Contracts which require us to quote prices for each individual item listed on the bill of quantities prepared by the client at the time of the bid; any variation in the actual bill of quantities items against the amount tendered is compensated at the price provided for at the time of the bid in the bill of quantities; and
- *Turn-key provisions:* Contracts which entail our providing a wide range of EPC services, from designing and engineering to providing finished projects.

In certain of our contracts, there may be a change in the scope of the project resulting into increase in the scope of our work. Typically, although such changes are requested by the client's site engineer or other officer and are acted on by us immediately, the final approval of the change in the scope of the project is required to be obtained from the appropriate authority or authorized person within the client's organization. In such cases, while we incur expenses on an immediate basis, we may be able to recognize revenues from such increased scope of the project on the basis of dispatch instructions in the case of materials (*i.e.*, acceptance of the same by the customers before the final approval of the relevant authority is obtained), whereas for erection, revenues may not be recognized until the final approval of the competent authority is obtained.

We are paid a percentage of the value of the contract on the achievement of certain specified milestones. For example, the milestones for our contracts typically include the submission of an acknowledged copy of the letter of award and/or the requisite bank guarantee, the delivery of the equipment and erection of the equipment and completion of the project. In addition, a portion of the contract value, which may range up to 40%, is withheld by the client as retention money and released after the testing of the product or the supply date or the commissioning of the project (which may be many months to more than a year after the completion of the project).

Project Warranties

In most of our EPC contracts we provide warranties to indemnify the client for defects and faults for a period of 12 to 24 months from the testing of the product or the supply date or the commissioning of the project. We also enter into a back-to-back warranty arrangement with our suppliers in certain cases. The performance bank guarantee submitted to the client is valid until the expiry of the defect liability period to secure their interest in case the defect is not rectified by us.

Renewable Energy Generation Business

In keeping with our strategy of expanding our presence in the power sector, we have recently diversified into power generation through renewable sources such as biomass, bagasse, crop residue and RDF processed and generated in our MSW projects. The Company has been awarded the following projects:

- (i) setting up of three biomass-based cogeneration projects of 15 MW each at sugar mills in Nakodar, Fazilka and Morinda in the State of Punjab on a BOOT basis for a period of 15 years; and
- (ii) setting up of ten IRRFs, with each IRRF consisting of one rice mill with a minimum capacity of 20 TPH and biomass (rice husk)-based generation plants with a minimum aggregate installed capacity of 10 MW each. Such ten IRRFs shall be set up at five locations in the State of Punjab. We have yet to enter into any definitive agreements with the State authorities for this project. We expect to implement this project through our subsidiary, Mansi Bijlee.

We are also taking steps to set up five biomass-based power projects of 15 MW each located at Lunkaransar, Kolayat, Shiv, Fatehpur and Bhadra in the State of Rajasthan where we intend to primarily use crop residue such as mustard stems, groundnut, agro-industrial residue, firewood and juliflora as fuel. We have also received in-principle approvals to set up five biomass-based power projects of 10 MW each at Kadi, Sami, Chhota Udepur, Dahod and Panchmahal in the State of Gujarat, which are valid for six months.

In addition, our subsidiary, A2Z Infrastructure, is constructing a 15 MW biomass-based power plant utilizing RDF as one of the sources of fuel, at Kanpur in the State of Uttar Pradesh. The subsidiary is also taking steps to set up a 2 MW solar power project at Kanpur under the Jawaharlal Nehru National Solar Mission.

Further, our subsidiary, A2Z Powercom, has been issued or has applied for registrations to set up biomass-based power projects of 2 MW capacity each at ten sites in the State of Rajasthan. A2Z Powercom is also taking steps to set up certain additional projects and has applied for registering biomass-based power projects for an aggregate capacity of 50 MW in the States of Uttar Pradesh, Maharashtra and Madhya Pradesh.

Power Generation Process

The thermo-chemical processes for conversion of biomass to useful products is through the process of combustion. The process is similar to that of a thermal coal-based power plant but with a specially designed boiler. The biomass is burnt at high pressure in the boiler to generate steam and operate a turbine with the generated steam. The exhaust of the steam turbine can either be fully condensed using a cooling system or used

partly or fully for another heating activity. The latter is referred to as cogeneration. Cogeneration is typically used in sugar mills where bagasse is used as the fuel source.

We intend to use efficient technologies for our biomass-based power projects, such as circulating fluidized bed combustion (“CFBC”) boilers in our projects with a capacity of 10 to 15 MW, where the biomass fuel can be directly fired inside the boiler. The CFBC boiler is suited for fuels with a low calorific value. This model is based on advanced environment-friendly technology and results in the emission of lesser atmospheric emissions as compared to other technologies typically used in biomass-based power projects. It is a multi-fuel technology, which reduces our dependence on any one type of renewable source of energy. We have entered into a supply contract with Sichuan Chuanguo Boiler Co. Limited, a Chinese company, to design, engineer, manufacture and provide technical consultation and supervision in connection with the installation, testing and commissioning of the CFBC boilers for the bagasse-based cogeneration projects in the State of Punjab and the biomass-based power generation project in Kanpur.

We intend to use biomass-fired reciprocating grate boilers for our biomass-based power projects with a capacity of 2 MW. The reciprocating grate boiler is suited for a small capacity project and is efficient. The reciprocating grate combustion system can be used for burning fuel such as rice straw, juliflora, bark, sawdust, wood shavings, plant trimmings and lumberyard waste. We have placed orders for these boilers for four plants of 2 MW each in the State of Rajasthan, four plants of 2 MW each in the State of Uttar Pradesh and two plants of 2 MW in the State of Madhya Pradesh from Taishan Group Taian Boao International Trade Co. Ltd., a Chinese company.

In our current bagasse-based cogeneration projects in the State of Punjab and biomass-based power generation project in Kanpur using RDF as one of the sources of fuel, power will be generated through one steam turbine generator (“STG”) of 15 MW capacity and the steam requirements for such STG will be met through the CFBC boiler. The plant, in addition to the STG and the CFBC boiler, will consist of various auxiliary plants and systems such as the water treatment plant, the cooling tower system, the compressed air system, the firefighting system, the fuel and ash handling system, the switch gear and the switch yard. We have placed the order for the supply of the STGs for our bagasse-based cogeneration projects in the State of Punjab, biomass-based power generation project in Kanpur, four plants of 2 MW each in the State of Rajasthan, four plants of 2 MW each in the State of Uttar Pradesh and two plants of 2 MW in the State of Madhya Pradesh.

Contract process

The existing and planned projects in our Renewable Energy Generation business are a combination of contracts that are awarded to us based on competitive bidding or request for proposals and projects being undertaken by us pursuant to the biomass policy of the relevant state government. For projects awarded to us based on competitive bidding or request for proposals, we are required to execute a formal agreement with the relevant state authority. For all our projects in the Renewable Energy Generation business, we are required to obtain registrations or inform the appropriate state agency for renewable energy development. Such registration or information helps the state government monitor and restrict the number of biomass-based power projects within a specified radial distance. Typically, the registration certificate contains conditions requiring us to submit additional documents such as a detailed project report to the authority.

Biomass (bagasse) based Power Cogeneration Projects in Sugar Mills in the State of Punjab

We were awarded the biomass (bagasse) based cogeneration power projects on a competitive bidding basis by the Punjab State Federation of Cooperative Sugar Mills Limited. The Company executed a memorandum of understanding and agreement dated January 12, 2009 with each of the Fazilka Cooperative Sugar Mills Limited, the Morinda Cooperative Sugar Mills Limited and the Nakodar Cooperative Sugar Mills Limited to set up biomass (bagasse) based cogeneration power plants within their respective premises. The agreements grant us concessions for a period of 15 years over the projects on a BOOT basis. Upon the completion of the concession period, we have a right of first refusal on fresh terms and conditions, which are required to be informed to us six months prior to the expiry of the concession period. If we refuse to accept the new terms, the sugar mills are restricted from offering more favorable terms to any third party. The agreement requires us to be solely responsible and liable for bringing in funds for the implementation of the projects.

The table below sets forth certain details of the three biomass-based cogeneration projects in the State of Punjab:

Project	Sugar Crushing Capacity of Sugar Mill	Power Generation Capacity*	Revenue Sharing (%)	Expected Start Month*

Project	Sugar Crushing Capacity of Sugar Mill	Power Generation Capacity*	Revenue Sharing (%)	Expected Start Month*
Fazilka	1,700 TPD	15 MW	7	March 2011
Morinda	2,500 TPD	15 MW	9	March 2011
Nakodar	1,700 TPD	15 MW	7	March 2011

* This represents the first phase of the projects.

The percentage of revenue shared by us with the sugar mills is subject to an increase of 0.5% after the completion of the fifth year of the concession period and a further 1% increase if the power generation exceeds a specified capacity.

The total project cost for these projects has been appraised by YES Bank Limited as Rs. 2,460.31 million. The projects are expected to be financed by combination of debt and equity in the ratio of 2.6:1. Pursuant to a facility letter dated March 15, 2010, YES Bank Limited has granted us a long term loan of Rs.1,780.00 million. This loan is secured by, among others, a first charge on the projects' book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill pertaining to the project and a non-disposal undertaking from our Promoter in respect of 35% of the Company's equity capital. Further, an escrow account is required to be opened with YES Bank Limited where all cash inflows from the project are required to be deposited and all proceeds utilized in a manner and in the priority agreed between the Company and YES Bank Limited. The loan is also secured by an assignment, substitution or mortgage of all project contracts, rights, titles, permits, approvals, clearances and interest of the Company related to the projects. Further, we have to provide preferential rights to the lender for arranging buyers for any CERs. Pursuant to credit arrangement letters dated April 12, 2010 and July 23, 2010, ICICI Bank Limited has granted a rupee term loan of Rs. 880.00 million for part-financing the cost of these projects on terms and conditions similar to the loan granted by YES Bank Limited with respect to these projects. It is currently proposed that YES Bank Limited and ICICI Bank Limited will form a consortium for these projects and the loan granted by ICICI Bank Limited shall form part of the overall limit of Rs. 1,780.00 million specified by YES Bank Limited.

The status of implementation for these cogeneration projects is given below:

Project	Land	Water	Fuel	Power Purchase Agreement ("PPAs")	Environmental clearance from the Central Government	Status
Nakodar Fazilka Morinda	Total land required for each project is five acres. Lease deeds for five acres each have been signed	To be met by water supplied by the sugar mills from deep bore wells located in the sugar mills' premises	• Bagasse from sugar mills; • fuel procured from Multi Fuel Management Private Limited; and • other fuels such as cotton stock, rice husk and coal rejects to be procured locally	Feasibility clearance for connectivity granted by the PSEB. PPAs executed with a private party.	Not required as power plants up to 15 MW with less than 15% usage of coal/pet coke are exempt	Civil work in advanced stage of completion. Delivery of first lot of boilers has been received.

The sugar mills are required to provide the land and water to the Company at no additional cost. We have entered into agreements with each sugar mill under which we have been granted a lease over approximately five acres of land for a period of 15 years, which can be extended for an additional period of 15 years on mutually agreed terms. The Company has entered into supply, erection and commissioning contracts in respect of these projects with our subsidiary, A2Z Powercom. A2Z Powercom has, in turn, entered into supply contracts with various vendors.

Integrated Biomass (rice husk)-based Power Generation Projects and Rice Milling in the State of Punjab

We have been issued a letter of award to set up ten IRRFs (at five locations), with each IRRF consisting of one rice mill with a capacity of at least 20 TPH together with biomass-based generation power plant of at least an aggregate capacity of 10 MW each at five locations in the State of Punjab (two IRRFs at each location) by the

Punjab State Grains Procurement Corporation Limited (“Punjab Grains”). The definitive agreements for these projects are yet to be executed. The period of commitment of supply of paddy by Punjab Grains shall be 20 years which is extendable by a period of five years. Pursuant to the letter of award, the definitive agreement with Punjab Grains, when executed, is expected to contain terms which include, *inter-alia* that it may be terminated at the end of the tenth year with the clearance of accounts and a one year notice period. Punjab Grains is required to pay us the milling charges in accordance with the rates prescribed by the Government of India. We are required to provide covered space of at least 25,000 MT per location for storage of rice on assurance of hiring arrangement by Punjab Grains.

The total cost of setting up one IRRF is estimated to be Rs. 1,023.32 million. We propose to entirely finance the setting up of one IRRF by utilizing the Net Proceeds of the Fresh Issue. We are yet to achieve financial closure for the remaining nine IRRFs.

The process of rice milling will involve destoning and the removal of hull or husk from paddy through a hulling machine, a husk separator and a paddy separator. Once the paddy has been hulled, it will be milled or polished to remove layers of bran, following which the milled rice shall be graded into different sizes such as head rice and broken and color sorting will be completed. The white rice will then be packed and ready for storage/delivery. Under the letter of award from Punjab Grains, we are entitled to retain the rice husk and bran that has been separated during the rice milling operations. We propose to use the rice husk obtained as fuel for the biomass-based power generation plants located in each of these locations.

The status of implementation for these power generation and rice milling projects is given below:

Project	Land	Water	Raw Material	Fuel	PPAs	Environmental clearance from the Central Government	Civil Work
Five locations in Punjab	Total land required for each rice mill, including paddy storage, rice milling plants, boiler and husk yard is approximately 30-35 acres. Total land required for the power generation projects at each location is estimated to be approximately between 10 to 15 acres. We have executed agreements to purchase land measuring a total 76 acres at two locations. The registration of the relevant agreements with the relevant authority is currently pending. We are yet to	From tube wells or bore wells or nearest canal.	Guaranteed allotment of at least 100,000 MT custom milling paddy per year per mill to be provided by Punjab Grains	- Rice husk generated from our milling operations; - Paddy straw procured from locations in the State of Punjab; - other fuels such as coal rejects and biomass provided by suppliers	PPAs yet to be executed	Environmental clearance for the rice mills yet to be applied for. Not required for the power projects as power plants up to 15 MW with less than 15% usage of coal/pet coke are exempt	Will commence after land has been acquired

	acquire the land for the remaining locations.						

We propose to implement this project through our subsidiary, Mansi Bijlee.

Biomass-based Power Generation Projects in the State of Rajasthan

We propose to set up five 15 MW biomass-based power generation projects in the State of Rajasthan. The following table summarizes certain details of the projects:

Project	Power Generation Capacity	Project Cost (Rs. million)	Expected Start Month
Lunkaransar (Bikaner)	15 MW	800.00	October 2011
Kolayat (Bikaner)	15 MW	800.00	October 2011
Shiv (Barmer)	15 MW	800.00	October 2011
Fatehpur (Sikar)	15 MW	800.00	October 2011
Bhadra (Hanumangarh)	15 MW	800.00	October 2011

The total project cost for these projects is estimated by us to be Rs. 4,000.00 million. The projects are expected to be financed by combination of debt and equity in the ratio of 2.4:1. Pursuant to a facility letter dated June 29, 2010, YES Bank Limited has granted us a long term loan of Rs. 2,800.00 million. This loan is secured by, among others, a first charge on the projects' book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill pertaining to the project and a non-disposal undertaking from our Promoter in respect of 35% of the Company's equity capital. Further, an escrow account is required to be opened with YES Bank Limited where all cash inflows from the project are required to be deposited and all proceeds utilized in a manner and in the priority agreed between the Company and YES Bank Limited. The loan is also secured by an assignment, substitution or mortgage of all project contracts, rights, titles, permits, approvals, clearances and interest of the Company related to the projects. Further, we have to provide preferential rights to the lender for arranging buyers for any CERs.

These projects are at an initial stage. We have obtained registration numbers for all these projects (other than at Shiv) from the Rajasthan Renewable Energy Corporation Limited. We have taken steps to hire consultants who have prepared a detailed project report and biomass feasibility reports in respect of each project. The status of implementation for these power generation projects is given below:

Project	Land	Water	Fuel	PPAs	Environmental clearance from the Central Government	Civil Work
Lunkaransar Kolayat Shiv Fatehpur Bhadra	Total land required for each project is approximately 15 acres. We have executed agreements to purchase land measuring 14.7769 acres and 20.70 acres at Fatehpur and Lunkaransar, respectively. The remaining	To be sourced from deep tube wells and water from the nearby water sources	- Crop residues such as mustard stems and groundnut, agro-industrial residue, firewood and cotton stock to be procured locally - Juliflora cultivated in the vicinity We have not yet entered into any fuel supply arrangement.	PPAs yet to be executed	Not required as power plants up to 15 MW with less than 15% usage of coal/pet coke are exempt	Yet to commence

Project	Land	Water	Fuel	PPAs	Environmental clearance from the Central Government	Civil Work
	land is yet to be acquired.					

Biomass-based Power Generation Project at Kanpur

The construction of the 15 MW biomass-based power generation plant at Kanpur is part of our waste-to-energy model wherein waste, including in particular the RDF processed by our MSW business, is treated as a resource and used as a fuel in the generation of power. We have used multi-fuel technology for our power generation projects and our power plant at Kanpur will be able to process other biomass-based fuels such as RDF and coal rejects.

The table below sets forth certain details of the Kanpur biomass-based power generation project:

Project	Power Generation Capacity	Project Cost (Rs. million)	Expected Start Month
Kanpur, Uttar Pradesh (UP)	15 MW	850.00	March 2011

The project cost for this project has been appraised by YES Bank Limited as Rs. 850.00 million. This project is expected to be financed by a combination of debt and equity in the ratio of 2.4:1. Pursuant to a facility letter dated March 23, 2010, YES Bank Limited has granted A2Z Infrastructure a long term loan of Rs. 600.00 million. The loan facility is secured by, among others, a first charge on the project's book debts, operating cash flows, receivables, commissions, revenues, intangibles and goodwill pertaining to the project. Further, an escrow account is required to be opened with YES Bank Limited where all cash inflows from the project are required to be deposited and all proceeds utilized in a manner and in the priority agreed between A2Z Infrastructure and YES Bank Limited. The loan is also secured by an assignment, substitution or mortgage of all project contracts, rights, titles, permits, approvals, clearances and interest of A2Z Infrastructure related to the project. Pursuant to a sanction letter dated August 12, 2010, Axis Bank Limited has granted A2Z Infrastructure a Rupee term loan/foreign currency term loan of Rs. 300.00 million for part funding this project on terms and conditions similar to the above referenced loan granted by YES Bank Limited. It is currently proposed that YES Bank Limited and Axis Bank Limited will form a consortium for these projects and the loan granted by Axis Bank Limited shall form part of the overall limit of Rs. 600.00 million specified by YES Bank Limited.

The status of implementation for the power generation project is given below:

Project	Land	Water	Fuel	PPA	Environmental clearance from the Central Government	Civil Work
Kanpur	12 acres of land required for the power plant. Approximately 12 acres of land has been acquired. Additional land measuring 11.04 acres for fuel storage acquired.	To be met by deep bore wells	- Crop residue; - RDF from our MSW projects; and - coal rejects	PPA executed with Dakashinanchal Vidyut Vitran Nigam Limited.	Not required as power plants up to 15 MW with less than 15% usage of coal/pet coke are exempt	Commenced

We have acquired approximately 23.04 acres of land located near our Kanpur MSW project. We intend to source water from deep bore wells and canals. Electricity required for construction will be received from the grid and one diesel generator set will be maintained for emergency purposes. A2Z Infrastructure has entered into supply, erection and commissioning contracts in respect of these projects with A2Z Powercom. A2Z Powercom has, in turn, entered into supply contracts with various vendors.

Other Projects

In addition, we are also exploring other opportunities of setting up biomass-based power plants in other states in India, including in cities where we are already undertaking MSW projects. We are in the initial stages of setting

up five biomass-based power projects of 10 MW each in the State of Gujarat where we have received in-principle registrations from the Gujarat Energy Development Agency for such projects which are valid for six months. A2Z Infrastructure has also been issued a pre-registration certificate by the Uttar Pradesh New and Renewable Energy Development Agency to set up a 2 MW solar power project at village Panka Bahadur, Pargana and District Kanpur under the Jawaharlal Nehru National Solar Mission. This pre-registration has now been forwarded to the relevant central agency. A2Z Powercom has also been issued registrations to set up biomass-based power projects of 2 MW each at ten sites in the State of Rajasthan. We have been issued an in-principle registration by Madhya Pradesh Urja Vikas Nigam Limited to set up a 10 MW biomass based power plant in Indore, which requires us to submit certain documents with the authority within a specified time. We have also applied for registering biomass-based power projects of 10 MW each at four locations in the State of Uttarakhand, where we intend to use pine needles and lantana as a primary source of fuel. A2Z Powercom has also filed the following applications: (i) an application with the Madhya Pradesh Urja Vikas Nigam Limited to set up biomass-based power projects with a capacity of 2 MW each at ten sites in Vidisha and Sehore districts of the State of Madhya Pradesh; (ii) applications with the New and Renewable Energy Development Agency, Uttar Pradesh, for setting up 12 biomass based power projects of 2 MW each; and (iii) applications with the Maharashtra Energy Development Agency for setting up three biomass based power projects of 2 MW each in Osmanabad District of the State of Maharashtra. We are yet to obtain the final registration for any of these projects.

Raw Material

The sugar mills are required to provide bagasse free of cost during the crushing season for use in the cogeneration plants. We can use other biomass and any other fuel in addition to bagasse, other than garbage or sewage derivatives, for operating the three cogeneration plants. Based on the detailed project report prepared by Cethar Consulting Engineers Private Limited, the biomass availability in regions where the three bagasse-based cogeneration projects in the State of Punjab are being constructed is given below:

Particulars	Morinda	Nakodar	Fazilka	Total
Biomass generation (MTPA)	5,279,191	1,773,617	3,776,750	10,829,558
Biomass consumption (MTPA)	3,388,244	1,222,899	2,721,439	7,332,582
Surplus (MTPA)	1,890,947	550,718	1,055,311	3,496,976
Expected power to be produced from surplus biomass	247 MW	72 MW	138 MW	457 MW

In addition, we have entered into long-term fuel linkages to provide fuel security to our bagasse-based cogeneration projects in the State of Punjab. In addition to the bagasse provided by the sugar mills in the State of Punjab during the crushing season, we have also entered into a long term contract with Multi Fuel Management Private Limited ("Multi Fuel") for the supply of additional fuel for a period of 10 years until April 1, 2020. Under the contract, Multi Fuel is required to supply a specified quantity of fuel per year with a minimum calorific value.

For our rice husk-based power cogeneration project, the Punjab State Government has guaranteed the minimum allotment of 100,000 MT of custom milling paddy per mill per year which may increase to 200,000 MT depending upon the milling capacity, performance and availability of paddy.

Based on the detailed project report prepared by Manalee Engineering Limited, the biomass availability in regions where the five biomass-based power generation projects in the State of Rajasthan are being constructed is given below:

Project	Total Surplus Biomass at 60% Collection Efficiency (MTPA)
Lunkaransar	576,912
Kolayat	693,216
Shiv	306,349
Fatehpur	356,819
Bhadra	250,410

For our Kanpur project, we propose to use RDF as one of the fuels. The RDF produced at the existing MSW plant at Kanpur is approximately 110,000 MT per annum (assuming 80% capacity utilization) and we currently estimate that the RDF required for the 15 MW power plant will be approximately 93,000 MT per annum (assuming 90% plant load factor).

Off-Take Arrangements

We are required to provide steam and power from our three bagasse-based cogeneration projects in the State of Punjab during the crushing season free of cost to the three sugar mills. Based on the project design and financial model, we have to provide aggregate power of approximately 8.8 MW to the three sugar mills during the crushing season. Any surplus power that we generate can be sold to third parties on a merchant basis or to the Punjab State Electricity Board through a PPA. During the off-season, we can sell the entire power generated to third parties. We have entered into memoranda of understanding with Punjab Energy Development Agency (“PEDA”) in respect of the projects in Fazilka, Morinda and Nakodar whereby PEDA has agreed to assist the Company in obtaining statutory clearances and facilitate the execution of the PPAs for such projects. We have also executed an implementation agreement with PEDA in respect of the project at Nakodar and are yet to execute such agreements in respect of the projects at Fazilka and Morinda.

With respect to the power generated from our proposed rice-husk-based power generation projects in the State of Punjab, we are required to supply to Punjab Grains as royalty the power equivalent of at least 5% of the power generated on the custom milling paddy allotted by Punjab Grains. We are entitled to sell the rest of the power generated to the PSEB or in the open market. The rice processed through our proposed milling operations in the State of Punjab is required to be delivered to the Food Corporation of India or designated agencies nominated by Punjab Grains as per requirements specified by the Government of India.

Since we are in the initial stages of developing our renewable energy projects, we have not yet entered into off-take arrangements with third parties other than in respect of the three 15 MW biomass-based (bagasse) cogeneration projects in the State of Punjab and the 15 MW biomass-based power project in the city of Kanpur. We have executed PPAs with a private party for the sale of power generated from the cogeneration projects at Fazilka, Morinda and Nakodar for a ten year period from April 1, 2011, which is extendable by mutual consent. A2Z infrastructure has entered into a PPA with Dakshinanchal Vidyut Vitran Nigam Limited, a state government entity for the 15 MW biomass based power project at Kanpur for the duration of 20 years from the commissioning of the project. Further, under the terms of the loans granted by YES Bank Limited in respect of the power generation projects in the city of Kanpur, the State of Rajasthan and the sugar mills in the State of Punjab, we are required to execute firm PPAs for at least 75% of the power available for sale from the projects, with power utilities managed by the State government, power traders or any other persons.

We have also executed a memorandum of understanding with Dachinanchal Vidyut Vitran Nigam Limited for the sale of the entire electricity generated by the solar power project, subject to the entry into a detailed PPA, for a period of 25 years from the date of commissioning of the solar power project.

Most power utilities managed by the State government in India are currently required to purchase a minimum 5% of their grid purchase from renewable energy sources, which requirement is expected to be increased to 15% by 2020. Further, the CERC has also issued specific preferential tariff guidelines for electricity generated from renewable sources wherein the specified tariff is higher compared to the tariff on electricity generated from conventional sources. This provides us with an opportunity to sell power to utilities at the higher tariffs determined by CERC.

MSW Business

We commenced our MSW business in fiscal 2008 by identifying opportunities provided by new public-private participation initiatives of the Government of India in such projects. The government provides financial assistance and incentives for MSW projects through various schemes such as the Jawaharlal Nehru National Urban Renewal Mission and the Urban Infrastructure Development Scheme for Small and Medium Towns. Urban local bodies undertaking MSW projects through public-private partnership initiatives also receive allocations pursuant to the recommendation of the Finance Commission of India. We have been awarded contracts to handle 5,565 TPD of MSW. Our strategy for the MSW business is to be an integrated player, providing end-to-end solutions comprising collection, transportation, segregation, processing, disposal, and generating energy from municipal solid waste. Our MSW business is operated through A2Z Infrastructure and its subsidiaries. A2Z Infrastructure has been awarded the JCB-CII APTDC Award for Excellence in Waste Management in June 2010.

Collection activities involve door-to-door collection of MSW from households, slums, commercial establishments and other bulk-waste generators at a pre-determined time through containerized hand carts, push carts, tricycles or motorized vehicles. In certain cases, we may also be required to provide mechanical street sweeping and storm water drain cleaning operations. Collection includes the gathering of solid waste and recyclable materials, as well as the transportation of these materials, after collection, to the location where the collection vehicle is emptied. This location may be a processing facility, a transfer station or a landfill disposal site. If our contract permits only C&T operations, we cannot segregate the waste after it has been transported to the disposal site. At the disposal site, the waste collected is weighed on a weigh bridge which is the basis for the payment of the user charges (the tipping fees).

Process Flow Diagram

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graph TD
    IW[Incoming Waste] --> PSS[Pre Sorting / Pre Segregation]
    PSS --> R1[Recycling<br/>•Plastic<br/>•Glass<br/>•Metals]
    PSS --> WF[Windrow Formation]
    WF --> T[Turning]
    T --> E[Evaporation]
    T --> FM[Fermented MSW]
    FM --> S[Sorting]
    S --> LI[Large Inerts]
    LI --> PRL[Plastic Recycling/Bricks/Landfill]
    S --> SS75[Screening (75mm)]
    SS75 --> R2[Recycling<br/>•Plastic<br/>•Glass<br/>•Metals]
    SS75 --> SS30[Screening (30mm)]
    SS30 --> B[Bricks etc]
    SS30 --> C[Curing]
    C --> SS16[Screening (16mm & 6/4mm)]
    SS16 --> S1[Stones]
    S1 --> R3[Bricks etc/Landfill]
    SS16 --> SS[Sand separation]
    SS --> S2[Sand]
    S2 --> R3
    SS --> CO[Compost]
    CO --> E2[Enrichment]
    E2 --> P[Packing]
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The diagram illustrates the MSW management process flow, categorized into four main sections:

- Aerobic Composting (biological Treatment):** This section includes the initial stages of waste processing: Incoming Waste, Pre Sorting / Pre Segregation, Windrow Formation, Turning, and Fermented MSW. Evaporation is noted as a byproduct of the turning process.
- Product Primary Screening:** This section involves the initial sorting of waste materials: Sorting, Screening (75mm), and Screening (30mm). Large Inerts are separated during sorting, and various materials (Plastic, Glass, Metals, Bricks etc.) are recovered during the screening stages.
- Curing Section:** This section focuses on the stabilization of organic waste through Curing.
- Secondary Screening:** This section involves further refinement of the waste products: Screening (16mm & 6/4mm), Sand separation, and Compost. Stones and Sand are separated from the compost stream, while the final products are Enrichment and Packing.

Existing Contracts

Certain details of our current projects are set forth in the table below:

Project location	Contract Scope	Capacity (TPD)	Term (Years)	Date of allotment
Kanpur, UP	Integrated	1,500	30	June 2008
Varanasi, UP	Integrated	600	30	November 2009
Meerut, UP	Integrated	600	30	November 2009
Aligarh, UP	Integrated	220	30	November 2009
Moradabad, UP	Integrated	280	30	November 2009
Indore, Madhya Pradesh	Integrated	600	20 ¹	December 2008
Total (Integrated)		3,800		
Patna, Bihar	C&T	800	7 ²	September 2009
Bihar Sharif, Bihar	C&T	110	7 ²	April 2010
Total (C&T)		910		
Firozabad, UP	P&D	130	30	June 2008
Muzaffarnagar, UP	P&D	120	30	February 2009
Jammu	Processing ³	20	10	October 2009
Badaun, UP	P&D ⁴	55	30	August 2010
Balia, UP	P&D ⁴	40	30	August 2010
Basti, UP	P&D ⁴	40	30	August 2010
Fatehpur, UP	P&D ⁴	55	30	August 2010
Jaunpur, UP	P&D ⁴	80	30	August 2010
Loni, UP	P&D ⁴	120	30	August 2010
Mirzapur, UP	P&D ⁴	100	30	August 2010
Sambhal, UP	P&D ⁴	75	30	August 2010
Panaji, Goa	P&D ⁴	20	7	October 2010
Total (P&D)⁵		855		

¹ The C&T contract is for a period of seven years which is renewable for a further period of 5 years at the option of the municipal authority.

² Renewable for a further period of 5 years at the option of the municipal authority.

³ In Jammu, we have been issued a letter of award only for processing MSW and are yet to execute the agreement.

⁴ We have been issued the letter of award and are yet to execute the agreements.

⁵ The Kolkata Metropolitan Development Authority had issued three letters of award to A2Z Infrastructure in respect of P&D projects in Bhatpara, Kalyani and Gayeshpur, in the State of West Bengal. These letters of award were cancelled in September 2010 since the investment by a private party in such projects was required to be limited to 30%. The bidding process for such projects will be started afresh.

The status of implementation of the above projects is set forth below:

Project location	Land	State Environmental Clearance	Status; Civil Work
Kanpur, UP	46 hectares handed over	Received	Operations have commenced
Varanasi, UP	15.37 hectares handed over	Received	C&T operations have commenced; civil work has commenced
Meerut, UP	17.878 hectares land demarcated; yet to be handed over	Received	C&T operations have commenced; civil work will commence once land is handed over
Aligarh, UP	25 acres handed over	Not received from Uttar Pradesh Jal Nigam	C&T operations have commenced; Civil work has commenced
Moradabad, UP	28.9 acres handed over	Received	C&T operations have commenced; civil work has commenced
Indore, Madhya Pradesh	15 acres land handed over	N/A for C&T	C&T operations have commenced in February 2009; civil work has commenced
Patna, Bihar	Not applicable since it is a C&T project	N/A	C&T operations have commenced
Bihar Sharif, Bihar	Not applicable since it is a C&T project	N/A	C&T operations have commenced
Firozabad, UP	Not yet handed over	Received	Yet to commence
Muzaffarnagar, UP	5.6 hectares handed over	Yet to be granted	Trial run has commenced
Jammu	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Badaun, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Balian, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Basti, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Fatehpur, UP	7.51 hectares handed over	Yet to be granted	Civil work has commenced
Jaunpur, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Loni, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Mirzapur, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Sambhal, UP	Not yet handed over	Yet to be granted	Yet to commence; land not yet granted
Panaji, Goa	Site not yet handed over	Yet to be granted	Yet to commence operations at the site

We have commenced our C&T and P&D operations in Kanpur. Based on a certificate dated October 14, 2010 issued by Eco Save Systems (P) Ltd., the Kanpur IRRF is currently the largest integrated MSW processing facility in the South East Asian region. According to a rating of 423 cities conducted by the Union Urban Development Ministry in 2010 with respect to access to proper sanitary facilities, Kanpur is featured as one of the top ten “sanitized” cities in India.

Pursuant to a sanction letter dated June 17, 2009, we have been granted a rupee term loan of Rs. 285.00 million by IDBI Bank Limited for the Kanpur and Firozabad projects. This loan is secured by, *inter alia*, a first charge on the entire movable and current assets of A2Z Infrastructure, both current and future. Further, the lender also has an escrow arrangement over the (a) subsidy receivables from the Uttar Pradesh Jal Nigam; (b) tipping fees for MSW collection from the Municipal Corporation of Kanpur and Firozabad; and (c) charges from the Uttar Pradesh Jal Nigam for disposal in the sanitary land fill at Kanpur and Firozabad.

Pursuant to a sanction letter dated January 4, 2010, we have been granted a rupee term loan of Rs. 124.00 million by IDBI Bank Limited for our Patna C&T operations. This loan is secured by, *inter alia*, the hypothecation of the project assets, an escrow on the project receivables both present and future and a non-disposal undertaking by the Company with respect to 51% of the paid up capital of A2Z Infrastructure. Further, all future revenues are required to be routed through the escrow account.

Pursuant to correspondence dated July 28, 2010 and sanction letters dated August 13, 2010 to A2Z Aligarh and August 16, 2010 to A2Z Moradabad, A2Z Varanasi and A2Z Merrut, Standard Chartered Bank sanctioned a rupee term loan of Rs. 630.00 million for the capital expenditure required by A2Z Infrastructure and its subsidiaries for the MSW projects in Aligarh, Moradabad, Varanasi and Meerut, subject to the terms and conditions of the sanction letter. This loan is proposed to be secured by, *inter alia*, a corporate guarantee by the Company, an exclusive charge over the movable assets of these companies, an exclusive charge on the receivables under the project. Further, all future revenues are required to be routed through the escrow account.

Pursuant to a sanction letter dated August 30, 2010, we have been granted a rupee term loan of Rs. 35.00 million by IDBI Bank Limited for our Muzaffarnagar P&D project. This loan is secured by, *inter alia*, a first charge over the movable assets of the borrower. Further, all future revenues are required to be routed through the escrow account.

The P&D contracts typically contain provisions requiring us to undertake trial run for three months and commence maintenance operations thereafter for a specified period.

Revenue from the MSW projects include tipping fees paid by the state or urban local authorities for the transportation of MSW and proceeds from the sale of compost, RDF and recyclable materials.

Pre-Qualification and Bidding

We are awarded contracts by state entities and urban local authorities on a competitive bidding basis. To meet strict pre-qualification requirements in relation to technical capability and performance, financial strength and prior experience, we commenced our operations through consortia with other experienced and qualified contractors to participate in public sector projects. In some of our projects, our consortium partners include Bhumika Transport and Burns Environmental Services Limited which provide technical expertise across the waste management value chain. We believe that with the experience and technical capability that we have gained from our earlier projects, we are now capable of bidding for MSW projects on our own.

One of the main criteria on which successful bidders are selected is the amount quoted by them as the tipping fees payable by the government. Since the MSW contracts are typically long-term contracts and involve substantial investment for projects that are on a BOOT basis, our bidding department at A2Z Infrastructure carefully analyzes the project capacity, the project’s cost and profitability estimates prior to submitting such quotes. We believe that our engineering background and project management skills help us in formulating our bidding and pricing strategy.

We are required to submit up to 5% of the project value as earnest money deposit at the time of submission of our bid. If we are the lowest bidder, then a letter of intent or award is issued in our favour which requires us to deposit a specified percentage of the contract value as a performance guarantee. Typically, the earnest money deposit is returned to us after the agreement is executed and the performance guarantee furnished.

Pricing, Guarantees and Penalty Provisions

The P&D and integrated contracts contain a specified amount to be provided as a grant by the government entity and require us to invest a specified amount into the project. The P&D and integrated contracts are usually fixed-price contracts. The C&T contracts for Indore and Patna provide the rate of services to be fixed throughout an operating year, with a limited escalation after a specified period of time. We are paid for our C&T operations on a per ton basis as measured at authorized weighbridges. These amounts are payable to us on a monthly basis. In our projects located in the five cities in Uttar Pradesh, the amounts collected from each household per month are required to be deposited with the urban local authority which in turn is required to deposit such amounts in a specified escrow account. The escrow account is utilized to pay our monthly tipping fees on a per ton basis. However, all proceeds from the commercial sale of various by-products recovered from the waste accrue to us.

Under certain P&D and integrated contracts, we typically pay a security deposit of 10% of the project cost as specified in the letter of award or a specified amount, of which 5% is the performance guarantee and the remaining 5% is the contract security. The contract security is released only upon the inspection of the completed work by the client. The remaining 5% is retained for the entire period of the contract. Our C&T contracts also require the payment of a specified amount as performance security which is refundable upon the completion of the contract.

Under our P&D and integrated contracts, if we fail to maintain the required progress to complete the work and clear the site on or before the date of completion, we are liable to pay a percentage of the contract value as compensation to the relevant authorities subject to a specified cap. There are also provisions under our C&T contracts that impose penalties on us on a per incident basis.

Infrastructure and Raw Materials

In order to commence the construction work on a P&D or integrated MSW project, the site is required to be provided to us by the relevant state or urban local authority. We have in the past experienced delays in the transfer of land by the government or obtaining rights of way and may continue to do so in future.

Our P&D and integrated contracts in the MSW business require us to make our own arrangements for water and electricity.

The responsibility for equipment procurement under our C&T projects depends on the terms of the contract. For example, in Indore, the equipment is provided by the municipality whereas in Patna, we have purchased the required equipment. We currently own a total of 322 vehicles in our Kanpur, Patna, Muzaffarnagar, Varanasi, Meerut, Aligarh and Moradabad projects.

Off-Take Arrangements

We have entered into agreements with Indian Potash Limited and Krishak Bharati Cooperative Limited to sell compost generated at our Kanpur IRRF facility. These agreements are valid for a one-year period. We have also entered into an agreement with Coromandel International Limited for the supply of compost until March 31, 2011 or until the agreement is terminated by mutual consent, whichever is earlier. We expect increased demand for such product from fertilizer companies. Pursuant to a recommendation of an Inter-Ministerial Task Force on Integrated Plant Nutrient Management Using City Compost constituted by the Supreme Court of India, the court has directed the implementation of a mandatory requirement for fertilizer companies to co-market compost created from city waste along with chemical fertilizers in the ratio three (or four) bags of compost with six (or seven) bags of chemical fertilizers.

Although we are yet to enter into off-take arrangements for most of the other products generated by our MSW business, we believe there is a readily available market for such products. We expect to sell RDF to industrial units located in the vicinity that use agro-biomass or coal as a fuel for their boilers. We can also store the RDF for use in our Renewable Energy Generation business. We expect to sell PET bottles, plastic granules, metals and glass through recyclers. We also plan to sell interlocking tiles and hollow bricks manufactured from construction and demolition debris to construction companies.

FMS Business

We are a multi-service FMS company providing comprehensive one-stop solutions to our clients. We differentiate ourselves by leveraging our engineering skills and assisting clients in adopting preventive maintenance and energy saving solutions. Our FMS services include engineering maintenance (mechanical, plumbing, electrical, HVAC, DG Set), energy saving solutions, janitorial services, parking management, property lease management, telecommunications tower maintenance and security services to public and private sector clients. Our existing contracts require us to undertake and provide management of shopping malls, integrated facility management, project management consultancy and quality assurance services. In addition, we also provides specialized services to the Indian Railways under the CTS scheme, OBHS scheme and IRC scheme in 11 of the 16 railway zones in India. We have been in this business since the incorporation of the Company. We operate this business through our subsidiaries, A2Z Infraservices and CNCS.

Our FMS services include the following:

Engineering	Business Support	Soft Services	Consulting	Project Management	Services for Railways
• Electro Mechanical • HVAC • Civil • Operation and maintenance of building equipment • Energy Saving (“ESCO”) • Telecom Tower Maintenance (Active and passive)	• Front Office Management • Mailroom • Reception • HR • Help Desk • Vendor Management	• Housekeeping • Cleaning • Janitorial • M – Security • E – Security	• Facilities Management Consulting • Manpower, Energy and Vendor Management Audit	• Turnkey Projects • Building Operations • Inventory Control • Regulatory Compliance • Utilities Management • Energy Management • Service Audits • Moves and Rearrangements • Property Lease Management (with varied shell sub-lease options to clients) • Project Management Consulting	• CTS • IRC • OBHS

We service clients across multiple sectors, including government entities, banking, finance and insurance companies, retail chains and telecommunications companies. Our quality management systems with respect to the mechanized cleaning and OBHS services provided by our FMS business to the Indian Railway coaches have been certified ISO 9001:2008 compliant.

We have a presence across India, covering 27 States in India and the NCT of Delhi and Haryana, as of September 30, 2010.

Pursuant to our recent acquisition of IPMSL as a subsidiary, our project management services have been strengthened and we now have acquired the capability and skills to provide customized services such as construction management and engineering management of projects. We also provide transaction management services wherein we provide clients with, *inter alia*, detailed, relevant, up-to-date market intelligence and analysis of properties for acquisitions across Indian cities together with a database of potential users and buyers to property owners, for lease and disposition of assets.

Existing Contracts

Our significant customers vary from year to year depending on the nature and term of the contract. We generated 55.38%, 39.96% and 32.36% of our income from the FMS business from our top ten clients in fiscal 2008, 2009 and 2010. Our current and significant customers include the Indian Railways, National Highway Authority of India, Airport Authority of India, BSLI, Apollo Munich and other leading insurance companies in India, Firstsource Solutions, Aircel, and Delhi Metro Rail Corporation.

The term of our contracts varies depending on the nature of the services we provide. For example, our contracts with the various divisions of the Indian Railways range from three to five years, our contract with a leading

insurance company in India for premises facility management and mail room services is for a period of two years and certain other contracts are for an even shorter period.

Our contracts with the government are awarded on a competitive bidding basis. The contracts with our private sector clients are subject to mutual negotiations with such clients. We typically focus on large value contracts in both the public and private sectors. In fiscal 2010 and in the four month period ended July 31, 2010, our income from the FMS business as per our restated consolidated summary statements was Rs. 909.81 million and Rs. 449.41 million, respectively.

While we have typically provided our services in the FMS business on our own, we are currently exploring opportunities with other players in the sector to provide certain services in a consortium or through a joint venture company. We have also entered into an MOU with Mainguard India for working together on providing security services in India.

Technology

Our energy-saving initiatives have been certified by the Bureau of Energy Efficiency, Ministry of Power, Government of India. Our energy-saving initiatives include network energy management solutions, device based energy solutions and sensor based energy solutions. We aim to integrate various technologies and offer green solution technologies to our clients. We also have a call centre to redress client issues.

Pricing, Guarantee and Penalty Provisions

The pricing of our contracts varies depending on the nature of the services. For example, for services related to premises facility management, we charge our clients a fee on a per square foot basis, on a per person basis or on a cost-plus management fee basis. Our contracts with the Indian Railways are on a fixed price basis. We are typically paid for these services on a monthly basis.

Under certain of our FMS contracts, we are required to provide performance guarantees for 5% of the contract value and most contracts contain penalty provisions for deficiency in services.

Power IT Solutions

The Company together with its consortium partner, Sterlite Technologies Limited, has been empanelled by Power Finance Corporation of India Limited, a publicly listed entity that is majority-owned by the Government of India, as a system integrator to provide IT applications for reduction in AT&C losses under R-APDRP. We are currently managing the execution of a project in the city of Jabalpur where we are providing IT solutions for meter data acquisition, replacing existing meters with automated meter readings ("AMRs") and providing related IT application services. In addition to being a systems integrator, which includes providing project management consultancy services, development of ERP systems, AMR and SCADA implementation, we also intend to provide other services such as advanced metering solutions. We believe that our prior experience in reduction of AT&C losses through power IT applications in Jodhpur, Jabalpur and other system strengthening projects (such as feeder segregation, DT metering and aerial bunched cabling projects) gives us a competitive advantage and we intend to derive benefits from the initiatives launched by the Ministry of Power, Government of India through R-APDRP – Part B. We have also recently been awarded a contract for spot bill generation and distribution for all categories of consumers under LT billing system in the specified area by the Chhattisgarh State Power Development Corporation. The Madhya Pradesh Poorv Kshera Vidyut Vitaran Company Limited has also issued a letter of award to us in connection with the reading of machine read meters using meter reading instruments and that of other meters using digital camera, printing of bill with digital photograph of meter and bill distribution in four towns. We plan to implement this business through our subsidiary, A2Z Powertech.

Marketing and Sales

All our contracts in the EPC business and MSW business and some contracts in the FMS business are awarded through a competitive bidding process. We have a tendering department for each business that is responsible for reviewing, identifying and evaluating potential projects that may be advertised in newspapers and websites. Prior to the submission of a bid, the tendering department together with our business heads evaluates various factors, including the type and degree of complexity of the project, the prospective client's financial strength, the current and projected workload, the pre-qualification eligibility, the likelihood of additional work, the project's cost and profitability estimates and our likelihood of success relative to other likely bidders. Accurate cost estimates are

essential for successful execution of projects and maintaining profit margins. The tendering department is also responsible for analyzing the projected costs for key materials and components, services and equipment.

In our MSW business, our sales department is involved in sensitizing and explaining the benefits of integrated waste management to various entities, including state and urban local authorities.

Our FMS business has sales office in four zones across India, comprising North and Central India, West India, East India and South India. The zonal officers along with the area managers are responsible for identifying opportunities and developing the business. The sales department also assists clients in the process of transition of services from an existing service provider.

Customers

The projects in our EPC business are undertaken for government entities such as state distribution utilities, state transmission utilities, public sector enterprises, the Indian Railways and state electricity boards. We have generated significant revenues from a small number of clients in this business, and our significant clients can vary from year to year.

Our clients in the MSW business include state government entities and urban local bodies such as the UP Jal Nigam, the Patna Municipal Corporation, the Indore Municipal Corporation, the Corporation of the City of Panaji and various Municipal Corporations in the State of Uttar Pradesh. We have also entered into contracts to supply compost produced from our P&D operations to fertilizer companies such as Indian Potash Limited and Krishak Bharati Cooperative Limited.

Our significant clients in the FMS business include the Indian Railways, National Highway Authority of India, Airport Authority of India, BSLI, Apollo Munich and other leading insurance companies in India, Firstsource Solutions, Aircel and Delhi Metro Rail Corporation.

Competition

We operate in an intensively competitive environment in our various businesses.

With respect to our EPC business, our competitors in the power distribution EPC services include ABB Limited, KEC International Limited as well as a number of regional companies. In the power transmission EPC services, these competitors include Jyoti Structures Limited, KEC International Limited, Kalpataru Power Transmission Limited and Larsen & Toubro Limited.

Our competitors in the Renewable Energy Generation business include Orient Green Power Company Limited, Surya Chakra Power, Shalivahana Green Energy and the Greenko group.

In the MSW business, our major competitors include Ramky Enviro Engineers Limited, Veolia Environmental Services Asia Private Limited, Hydroair Tectonics (PCD) Limited and Jaiprakash Associates Limited.

Our major competitors in the FMS business include national companies such as Updater Services Private Limited and BVG India Limited and international companies such as Sodexo, ISS, Group 4 Securities and Cushman & Wakefield.

Quality Management, Health, Safety and Environment

We are committed to best practices and comply in material respects with applicable health, safety and environment laws and regulations.

Our quality management system in the EPC business has been certified ISO 9001:2008 compliant by Moody International Certification, which is valid until February 2013. We have also received an ISO 9001:2008 certification from Norsk Akkreditering of Norway for our quality management systems with respect to the mechanized cleaning and OBHS services provided by our FMS business to Indian Railway's coaches, which is valid until April 8, 2011. In August 2010, the environment management systems of A2Z Infraserivices in respect of the FMS services provided by it were certified to be NS-EN ISO 140001:2004/ISO 140001:2004 by Norsk Akkreditering of Norway. This certificate is valid until August 2013.

We have been empanelled as an Energy Service Company by the Bureau of Energy Efficiency, the Ministry of Power, Government of India. We have also been empanelled as a systems integrator by the Power Finance Corporation.

We expect to derive income from the recognition of CERs generated from our projects in the MSW business and the Renewable Energy Generation business that are expected to be registered as CDM projects. These businesses are also entitled to fiscal and other incentives. For further information on CERs, fiscal and other incentives, please see the section “Industry Overview” beginning on page 66 of this Prospectus.

Corporate Social Responsibility

We believe in conducting our operations in a socially relevant manner. We provide employment opportunities to persons in the unorganized sector in the MSW business and we aim to enhance their quality of life and dignity of service. For example, we intend to improve the standard of living by providing housing facilities to rag pickers employed in our MSW business. In addition, we have also been selected to assist the state government through public private partnership for upgrading the industrial training institutes located at Kama in District Bharatpur and Chirawa in District Jhunjhunu in the State of Rajasthan. This initiative helps untrained persons, including from the underprivileged sections of the society, to develop certain skill sets required for various industries.

Additionally, our Promoter has constituted a trust, the A2Z Foundation, to spearhead corporate social responsibility initiatives. The objects of the A2Z Foundation include promoting the need for a clean environment, promoting education to various stakeholders such as the Government of India, administration, potential employees in the sector, learning, vocational training and promoting initiatives to provide medical and other relief to the poor. The A2Z Foundation is currently undertaking initiatives for our Group including in the MSW business.

Insurance

Our operations are subject to inherent hazards such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and equipment, and environmental damage. We maintain insurance for a variety of risks through “erection-all-risk policy” which covers marine insurance of material, fire, burglary and certain other losses and damage to inventory, buildings, plants, machinery, certain office equipment, loss of cash in transit and cash in safe and third party liability.

Under many of our contracts with clients, we are required to obtain insurance for the projects undertaken by us, and we regularly purchase insurance policies for specific business operations for individual projects. We also maintain workmen’s compensation policies. We do not maintain any business interruption insurance. We maintain key man insurance in respect of our Managing Director, Mr. Amit Mittal.

Human Resources

We believe that our employees are key contributors to our success, and that our growth potential as well as the achievement of our strategy is directly linked to our ability to attract and maintain the best professionals available in the businesses that we operate.

Our operations are labor intensive. As of March 31, 2008, March 31, 2009, March 31, 2010 and September 30, 2010, our combined work force consisted of approximately 5,822, 8,644, 16,170 and 19,020 full time employees, which included 4,888, 7,515, 12,314 and 14,670 employees in our FMS business (excluding employees of IPMSL) and 931, 1,050, 3,392 and 3,361 employees, respectively, in the Company. Our organization is structured as various strategic business units handling the different businesses, which in turn is supported by certain shared services such as finance and accounts and IT.

We have constituted the A2Z Employee Group Gratuity Scheme that applies to employees of the Company, including whole-time directors, who do not own more than 5% of the Equity Shares of the Company. We have also adopted similar gratuity schemes for A2Z Infrservices and A2Z Infrastructure.

We have also adopted the A2Z ESOP for the employees of the Company and its subsidiaries. For further details, please see the section “Capital Structure” beginning on page 23 of this Prospectus.

Currently, none of our employees belong to a trade union.

Real Estate Property

We own or lease various commercial premises in connection with our corporate, administrative or project-related functions. The terms of the leases executed by us are varied. Most of our lease agreements executed by us include options to renew for further periods, typically at increased rates of rent.

We have leased the following properties from certain related parties:

Lessor	Lessee	Address	Purpose	Rent	Term
Company	Mrs. Dipali Mittal ¹	O-116, 1st Floor DLF Shopping Mall Arjun Marg, DLF Phase 1 Gurgaon, Haryana	Registered Office	Rs. 54,450 per month	Valid until August 31, 2011
Company	Mr. Amit Mittal ²	Flat No.A-303 Plot No.-75 Madhur Jivan Apartments Sec. 56 Gurgaon, Haryana	Guest house	Rs. 30,000 per month with 10% escalation	Valid until August 31, 2012
Company	Mrs. Dipali Mittal ¹	T-1, No-1706 Valley View Gurgaon, Faridabad Road, Gurgaon	Guest house	Rs. 25,000 per month	Valid until March 31, 2011
Company	Mrs. Sudha Mittal ³	Manhattan-2 Flat No. MA-2/1A Building No.2 Garden Estate, M.G. Road, Gurgaon, Haryana	Guest house	Rs. 25,000 per month	Valid until March 31, 2011
Company	Mr. Manoj Gupta ⁴	T1/1606, Valley View Estate Gurgaon, Haryana	Guest house	Rs. 25,000 per month with 10% escalation	Valid until March 31, 2011
A2Z Infraseservices	Mr. Ashok Saini ⁵	Apartment no.A3 1501 15th Floor, Block - A3 Uniworld City, Gurgaon Haryana	Service apartment	Rs. 55,000 per month	Valid until April 5, 2011
A2Z Infraseservices	Mrs. Anjali Tuteja ⁶	Apartment no. A2 403 4 th Floor, Block – A2 Uniworld City, Gurgaon Haryana	Guest house	Rs. 45,000 per month	Valid until July 31, 2014

¹ Mrs. Dipali Mittal is our Director and a member of our Promoter Group

² Mr. Amit Mittal is our Managing Director and Promoter.

³ Mrs. Sudha Mittal is a member of our Promoter Group.

⁴ Mr. Manoj Gupta is one of our key managerial personnel.

⁵ Mr. Ashok Saini is one of our key managerial personnel.

⁶ Mrs. Anjali Tuteja is the spouse of Mr. Surender Kumar Tuteja, who is our Chairman and non-Executive Director.

In addition, the Company has leased certain premises from a third party for its corporate office for an initial period of 36 months valid until May 31, 2013. Under the terms of the lease agreement, the Company is not permitted to terminate the agreement during the 36 month period without paying the rent for the entire period. The monthly rent payable for the first, second and third years are Rs. 2.8 million, Rs. 2.94 million and Rs. 3.09 million, excluding service tax which is an additional amount. This lease is renewable subject to certain conditions, including a 5% escalation in the rent.

The Company has sub-leased its Registered Office premises to A2Z Infrastructure, A2Z Powercom, A2Z Infraseservices, A2Z Powertech and Selligence until March 31, 2011 for a monthly rent of Rs. 2,000 each.

For further information, please see the section, “Risk Factors - Certain properties, including our Registered Office and our corporate office, are not owned by us. We have also entered into lease agreements with members of our Promoter Group” and “Financial Statements” beginning on pages 168 and 175, respectively, of this Prospectus.

Intellectual Property

We do not have registered trademarks or copyrights over the “A2Z” name and logo. We have filed trade mark applications in respect of the “A2Z” service mark, logo and certain slogans for our various businesses and such applications are currently pending before the applicable authorities in India. For further details of our intellectual property, please see the section “Government and Other Approvals” beginning on page 355 of this Prospectus.

We have not entered into any technical collaboration agreements.

Legal Proceedings

In the ordinary course of our business, we are party to various legal actions that we believe are incidental to the operation of our business. Except as disclosed in this Prospectus, as of the date hereof, we are not a party to any proceeding that, if finally determined against us, would result in a material adverse effect on our consolidated results of operations. See also “Risk Factors – There are outstanding legal proceedings involving the Company, our subsidiaries, our Directors and our Promoter” and the section “Outstanding Litigation and Material Developments” beginning on pages xv and 332, respectively, of this Prospectus.

REGULATIONS AND POLICIES

We are engaged in the business of, *inter alia*, providing integrated engineering, procurement and construction services, managing municipal waste, providing facilities management services and generating renewable energy. The following is an overview of certain laws and regulations which are relevant to our business. The information set out below is not exhaustive and prospective investors should seek independent legal advice on the laws and regulations applicable to our businesses and the sectors in which we operate.

Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy of the Government and FEMA and circulars and notifications issued thereunder. While the policy of the Government 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 and FEMA, foreign direct investment up to 100% is permitted in the industries in which we operate.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. Recently, the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued Circular 2 of 2010 (“Circular 2 of 2010”), which with effect from October 1, 2010, consolidates and rescinds all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on September 30, 2010. The Government proposes to update the consolidated circular on FDI policy once every six months and therefore, Circular 2 of 2010 will be valid until the DIPP issues an updated circular on March 31, 2011.

Ownership Restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of the company, which may be increased up to the percentage of sectoral cap on FDI in respect of such company pursuant to a resolution of the board of directors of the company and the approval of the shareholders of the company by a special resolution in a general meeting. Our Board of Directors and shareholders have approved an increase in the existing FII limit in the Company from 24% to 49%. The total holding by each FII or in case an FII is investing on behalf of its sub-account, each sub-account should not exceed 10% of the total paid-up capital of that company.

Laws relating to the Power Industry

The Electricity Act, 2003

The Electricity Act was enacted to consolidate the laws relating to the generation, transmission, distribution, trading and use of electricity and generally for taking measures conducive to the development of the electricity industry. These include promoting competition, protecting interests of consumers and the supply of electricity to all areas, rationalization of electricity tariffs, ensuring transparent policies regarding subsidies, promotion of efficient and environmentally benign policies, the constitution of the Central Electricity Authority and regulatory commissions and the establishment of an appellate tribunal.

The Central Electricity Authority’s functions include, *inter alia*, (a) specifying technical standards for construction of electrical plants, electric lines and connectivity to the grid; (b) specifying grid standards for operation and maintenance of transmission lines; (c) specifying the conditions for installation of meters for transmission and supply of electricity; (d) advising the Central Government on matters relating to the National Electricity Policy; and (e) advising the appropriate government and commission on all technical matters relating to the generation, transmission and distribution of electricity. The Electricity Act also provides for a Central Electricity Regulatory Commission (“CERC”) and a State Electricity Regulatory Commission (“SERC”) for each state. Among other functions, the CERC is responsible for: (a) regulating of interstate transmission of electricity; (b) determining of tariff for inter-state transmission of electricity; (c) issuing of licenses to function as a transmission licensee with respect to inter-state operations; and (d) specifying and enforcing standards with respect to the quality, continuity and reliability of service by a licensee. SERCs perform similar such functions at the state level.

Electricity Rules, 2005

The Electricity Rules, 2005, as amended, were framed under the Electricity Act and provide the requirements in respect of captive generating plants and generating stations. The authorities constituted under these rules may give appropriate directions for maintaining the availability of the transmission system of a transmission licensee.

National Electricity Policy

The National Electricity Policy, as amended (the “NEP”), was notified by the Central Government on February 12, 2005, pursuant to Section 3 of the Electricity Act.

The main objectives of the NEP are as follows:

- providing access to electricity for all households in next five years;
- meeting the power demand fully by 2012, overcoming energy and peaking shortages and creating an adequate spinning reserve;
- providing a supply of reliable and quality power at specified standards in an efficient manner and at reasonable rates;
- increasing per capita availability of electricity to over 1,000 units by 2012;
- establishing the minimum lifeline consumption of 1 unit/household/day by 2012;
- creating a financially and commercially viable electricity sector; and
- protecting consumers’ interests.

Labour and Environmental Regulations

Depending upon the nature of the activity undertaken by us at our various units, applicable environmental and labour laws and regulations include the following:

- The Contract Labour (Regulation and Abolition) Act, 1970;
- The Employees’ Provident Funds and Miscellaneous Provisions Act, 1952;
- The Employees’ State Insurance Act, 1948;
- The Industrial Disputes Act, 1947;
- The Payment of Wages Act, 1936;
- The Employees’ Compensation Act, 1923;
- The Minimum Wages Act, 1948;
- The Payment of Bonus Act, 1965;
- The Payment of Gratuity Act, 1972;
- The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- The Inter State Migrant Workers Act, 1979;
- The Environment (Protection) Act, 1986;
- The Environment Impact Assessment Notification S.O. 1533(E), 2006;
- The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
- The Municipal Solid Wastes (Management & Handling) Rules, 2000;
- The Water (Prevention and Control of Pollution) Act, 1974;
- The Water (Prevention and Control of Pollution) Cess Act, 1977;
- The Air (Prevention and Control of Pollution) Act, 1981;

Labour Laws

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the “CLRA”)

The CLRA requires establishments that employ or employed on any day in the previous twelve months, twenty or more workmen as contract labour to be registered and prescribes certain obligations with respect to the welfare and health of contract labour.

The CLRA requires the principal employer of an establishment to which the CLRA applies to make an application to the registering officer in the prescribed manner for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor to

whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid facilities, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period.

Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended (the “EPF Act”)

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

The Employees’ State Insurance Act, 1948, as amended (the “ESI Act”)

The ESI Act provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the establishment is also required to register itself under the ESI Act and maintain prescribed records and registers.

The Industrial Disputes Act, 1947, as amended (the “Industrial Disputes Act”)

The Industrial Disputes Act provides the machinery and procedure for the investigation settlement of industrial disputes and for providing certain safeguards to the workers. The Industrial Disputes Act aims to improve the service conditions of industrial labour. When a dispute exists or is apprehended, the appropriate Government is empowered to refer the dispute to an authority mentioned under the Industrial Disputes Act in order to prevent the occurrence or continuance of the dispute. Reference may be made to a board of conciliation constituted under the Industrial Disputes Act, labour court, tribunal, arbitrator, or any other applicable authority, to prevent a strike or lock out while a proceeding is pending. Wide powers have been given to the labour courts and tribunals under the Industrial Disputes Act while adjudicating a dispute to grant appropriate relief.

Payment of Wages Act, 1936, as amended (the “Payment of Wages Act”)

Every employer is required to pay wages to persons employed by him within wage-periods not exceeding one month under the Payment of Wages Act. This Act also provides for certain authorized deductions that may be made from the wages payable to such employed persons, including fines imposed for acts or omissions specified by notice with the previous approval of the appropriate Government or prescribed authority, deductions for absence from duty, deductions for house-accommodation amenities and services rendered by the employer and accepted as terms of employment by the employed person, deductions for recovery of advances and loans and deductions for payments to co-operative societies and insurance schemes. The appropriate Government has the power, under the Payment of Wages Act, to appoint authorities to hear and decide claims arising out of deductions from wages or delay in payment of wages, including all matters incidental to such claims.

Employees’ Compensation Act, 1923, as amended (the “Employees’ Compensation Act”)

The Indian Parliament approved certain amendments to the Workmen’s Compensation Act, 1923, as amended, to substitute, inter-alia, references to “workmen” with “employees” including in the name of the statute. The amendment came into force on January 18, 2010.

Under the Employees’ Compensation Act, if personal injury is caused to an employee by accident arising out of and in the course of employment, the employer would be liable to pay such employee compensation in accordance with the provisions of the Employees’ Compensation Act. However, no compensation is required to be paid (i) if the injury does not disable the employee for a period exceeding three days, (ii) where the employee, at the time of injury, was under the influence of drugs or alcohol, or (iii) where the employee wilfully disobeyed safety rules or wilfully removed or disregarded safety devices.

The Minimum Wages Act, 1948, as amended (the “Minimum Wages Act”)

State Governments may stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance; or a basic rate of wages with or without the cost of living allowance and the cash value of the concessions in respect of supplies of essential commodities; or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any. Every employer is required to maintain such registers and records as prescribed by the Minimum Wages Act.

Workmen are to be paid for overtime at overtime rates stipulated by the appropriate State Government. Contravention of the provisions of this legislation may in certain cases result in imprisonment up to six months or a fine up to Rs. 500 or both.

The appropriate State Government may prescribe rules including the mode of calculating the cash value of wages, time and conditions of payment and permissible deductions from wages.

The Payment of Bonus Act, 1965, as amended (the “Bonus Act”)

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

The Bonus Act also provides for the Government of India to make rules regarding preparation of registers, records, and other documents provided and grants powers to be exercised by the inspectors appointed under the Bonus Act.

Contravention of the provisions of the Bonus Act by a company is punishable by imprisonment for up to six months or a fine of up to Rs. 1,000 or both, against persons in charge of, and responsible to the company for, the conduct of the business of the company at the time of contravention.

The Payment of Gratuity Act, 1972, as amended (the “Gratuity Act”)

Under the Gratuity Act an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent on an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 1,000,000.

An employee is said to be in ‘continuous service’ for a certain period notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee. The employee is also deemed to be in continuous service if the employee has worked (in an establishment that works for at least six days in a week) for at least 240 days in a period of twelve months or 120 days in a period of six months immediately preceding the date of reference.

Contravention of the provisions of the Gratuity Act by an employer is punishable by imprisonment for minimum of three months up to one year or a minimum fine of Rs. 10,000 and a maximum of Rs. 20,000 or both.

Environmental Laws

Our business is subject to environment laws and regulations. The applicability of these laws and regulations varies from operation to operation and is also dependent on the jurisdiction in which we operate. Compliance with relevant environmental laws is the responsibility of the occupier or operator of the facilities.

Our operations require various environmental and other permits covering, among other things, water use and discharges, stream diversions, solid waste disposal and air and other emissions. Major environmental laws applicable to our operations include:

The Environment (Protection) Act, 1986, as amended (the “EPA”)

The EPA is an umbrella legislation in respect of the various environmental protection laws in India. The EPA vests the Government of India with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and preventing and controlling environmental pollution. This includes rules for *inter alia*, laying down the quality of environment, standards for emission or discharge of environment pollutants from various sources, inspection of any premises, plant, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution. Penalties for violation of the EPA include fines up to Rs. 100,000, imprisonment of up to five years or both.

There are provisions with respect to certain compliances by persons handling hazardous substances, furnishing of information to the authorities in certain cases, establishment of environment laboratories and appointment of Government analysts.

The Environment Impact Assessment Notification S.O. 1533(E), 2006 (the “EIA Notification”)

The EIA Notification issued under the EPA and the Environment (Protection) Rules, 1986 provides that the prior approval of the Ministry of Environment and Forests or State Environment Impact Assessment Authority as the case may be, is required in the event of any new project or activities or the expansion or modernization of existing projects or activities as specified in the EIA Notification. The EIA Notification states that obtaining of prior environmental clearance includes a maximum of four stages, *i.e.*, screening, scoping, public consultation and appraisal.

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (the “Hazardous Wastes Rules”)

The Hazardous Wastes Rules impose an obligation on every occupier of a facility generating hazardous waste for safe and environmentally sound handling of hazardous waste generated at such facility. Every person engaged in generation, processing, treatment, packaging, storage, transportation, use, collection, destruction, conversion, offering for sale and transfer of hazardous waste must obtain an approval from the applicable State Pollution Control Board. The occupier, the importer, the transporter and the operator are liable for damages to the environment or third party resulting from the improper handling and disposal of hazardous waste. The operator and the occupier of a facility are liable for any fine that may be levied by the respective State Pollution Control Boards, penalty for the contravention of the provisions of the Hazardous Waste Rules includes imprisonment up to five years and imposition of fines as may be specified in the EPA or both.

The Municipal Solid Wastes (Management & Handling) Rules, 2000 (the “Municipal Solid Wastes Rules”)

The Municipal Solid Wastes Rules shall apply to every municipal authority responsible for collection, segregation, storage, transportation, processing and disposal of municipal solid wastes. Municipal solid wastes include commercial and residential wastes generated in municipal or notified areas in either solid or semi-solid form, excluding industrial hazardous wastes but including treated bio-medical wastes.

The operator of a facility involved in collecting, segregating, storing, transporting, processing and disposal of municipal solid wastes and any other agency appointed by the municipal authority for the management and handling of municipal solid wastes is required to obtain an authorization from the State Pollution Control Board to set up a waste processing and disposal facility including landfills. Any municipal solid waste generated is required to be managed and handled in accordance with the procedures specified in the Municipal Solid Wastes Rules.

The Water (Prevention and Control of Pollution) Act, 1974, as amended (the “Water Act”)

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, which is empowered to establish standards and conditions that are required to be complied with. In certain cases the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines or imprisonment or both.

The Central Pollution Control Board has powers, *inter alia*, to specify and modify standards for streams and wells, while the State Pollution Control Boards have powers, *inter alia*, to inspect any sewage or trade effluents, and to review plans, specifications or other data relating to plants set up for treatment of water, to evolve efficient methods of disposal of sewage and trade effluents on land, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry likely to pollute a stream or a well, to specify standards for treatment of sewage and trade effluents, to specify effluent standards to be complied with by persons while causing discharge of sewage, to obtain information from any industry and to take emergency measures in case of pollution of any stream or well.

A central water laboratory and a state water laboratory have been established under the Water Act.

The Water (Prevention and Control of Pollution) Cess Act, 1977, as amended (the “Water Cess Act”)

The Water Cess Act provides for levy and collection of a cess on water consumed by industries with a view to augment the resources of the Central and State Pollution Control Boards constituted under the Water Act. Every person carrying on an industry specified under the Water Cess Act is required to pay a cess calculated on the basis of the amount of water consumed for any of the purposes specified under the Water Cess Act at such rate not exceeding the rate specified under the Water Cess Act. A rebate of up to 25% on the cess payable is available to those persons who install any plant for the treatment of sewage or trade effluent, provided that they consume water within the quantity prescribed for that category of industries and also comply with the provision relating to restrictions on new outlets and discharges under the Water Act or any standards laid down under the EPA. For the purpose of recording the water consumption, every industry is required to affix meters as prescribed. Penalties for non-compliance with the obligation to furnish a return and evasion of cess include imprisonment of any person for a period up to six months or a fine of Rs. 1,000 or both and penalty for non payment of cess within a specified time includes an amount not exceeding the amount of cess which is in arrears.

The Air (Prevention and Control of Pollution) Act, 1981, as amended (the “Air Act”)

Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. The State Pollution Control Board is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board. The penalties for the failure to comply with the above requirements include imprisonment of up to six years and the payment of a fine as may be deemed appropriate.

Under the Air Act, the Central Board for the Prevention and Control of Water Pollution has powers, *inter alia*, to specify standards for quality of air, while the State Board for the Prevention and Control of Water Pollution have powers, *inter alia*, to inspect any control equipment, industrial plant or manufacturing process, to advise the State Government with respect to the suitability of any premises or location for carrying on any industry and to obtain information from any industry.

HISTORY AND CERTAIN CORPORATE MATTERS

The Company was incorporated as “A2Z Maintenance Services Private Limited” on January 7, 2002 under the Companies Act. Pursuant to a resolution of the Board of Directors of the Company dated April 28, 2005 and a special resolution of the shareholders at an extraordinary general meeting held on May 2, 2005, the name of the Company was changed from “A2Z Maintenance Services Private Limited” to “A2Z Maintenance & Engineering Services Private Limited” to reflect the enhanced scope of services offered by the Company. The fresh certificate of incorporation was issued by the RoC on June 13, 2005. Subsequently, pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on March 12, 2010, the Company became a public limited company and the word “private” was deleted from its name. The fresh certificate of incorporation to reflect the new name was issued by the RoC on March 26, 2010.

Pursuant to a Board resolution dated April 15, 2004, the registered office of the Company was changed from 1361, Sector 4, Urban Estate, Gurgaon 122 001, Haryana to O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana with effect from April 15, 2004.

Major Events:

Date	Key Events, Milestones and Achievements
January 2002	Incorporation of the Company
July 2006	Investment in the Company by Mr. Rakesh Radheyshyam Jhunjhunwala
August 2007	Investment in the Company by Beacon
December 2007	Acquisition by the Company of Sri Eswara Sai Constructions Private Limited, a company engaged in the installation of transmission lines
April 2008	Amalgamation of Sri Eswara Sai Constructions Private Limited with and into the Company with effect from January 1, 2008
July 2009	Transfer of the FMS business by the Company to a subsidiary, A2Z Infraserivces, with effect from April 2008
August and October 2009	Acquisition of 100% shares of Imatek in August 2009. Increase in the equity interest held in CNCS from 5% to 51% by Imatek Solutions Private Limited in October 2009
October 2009	- Investment in the Company by Lexington - Additional investment in the Company by Beacon
May 2010	Acquisition of the entire business of Surendar Chowdhury & Brothers, a partnership firm, as a going concern
June 2010	- Acquisition of the entire business of Mohd. Rashid Contractors, a partnership firm, as a going concern - Acquisition of the entire business of En-Tech Engineers and Contractors, a partnership firm, as a going concern - A2Z Infrastructure was awarded the JCB, CII-APTDC Award for Excellence in Solid Waste Management by the Confederation of Indian Industry
August 2010	Acquisition of a 1% profit sharing ratio in Star Transformers, a partnership firm
October 2010	Acquisition of the entire equity share capital of IPMSL, an FMS company, by A2Z Infraserivces

As of the date of filing this Prospectus, the Company had 55 shareholders. For further details, please see the section “Capital Structure” beginning on page 23 of this Prospectus.

For details on delays in projects, please see the sections “Risk Factors” and “Our Business” beginning on pages xii and 83, respectively, of this Prospectus.

For details regarding the raising of capital, please see the sections “Capital Structure”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Indebtedness” beginning on pages 23, 83, 285 and 310, respectively, of this Prospectus.

For details regarding our competitors, please see the sections “Industry Overview” and “Our Business” beginning on pages 66 and 83, respectively, of this Prospectus.

For details regarding the business profile, technology, market, managerial competence and capacity build-up, please see the sections “Industry Overview”, “Our Business” and “Our Management” beginning on pages 66, 83 and 152, respectively, of this Prospectus.

Main Objects:

The main objects of the Company contained in its Memorandum of Association are:

- To carry on the business of maintenance of buildings, house flats, apartments, offices, godowns, warehouses, shops, factories, sheds, hospitals, resorts, shopping cum residential complexes and to renovate, recondition, improve, enlarge, repair and demolish the above and to renovate and repair all

types of air-conditioning and refrigerating plants and equipments, cooling towers, diesel generators, lifts, motors, pumps, parts and accessories thereof. To carry on the air-conditioning, electrical, electronic and mechanical engineers contractors and consultants.

2. To repair, service, job work or otherwise deal in all types of electrical wire and ceiling, harmonic control in electrical panel and maintenance of all electrical panels and electronic goods, appliances and equipments including refrigerators, coolers, computers, CVT, UPS, AVS, servos and fax machines and to carry on the business in India and abroad of providing security services, housekeeping and maintenance services and to act as placement agents for supply of labour/manpower to various institutes, corporate, firms and individuals and to act as management consultants for corporate.
3. To carry on the business of manufacturers, agent, dealers, distributors, importers, exporters, brokers, factors, stockiest, commission agents, purchase and sales representatives, advisor, consultants, turnkey contractors and render services relating to any type of electrical business for generating, switching, protecting, controlling, distribution, transmitting and maintenance and to the business of Non conventional energy sources including but not limited to Hydro-power, wind energy and solar energy and maintenance thereof.
4. To carry on the business of collection, segregation and transportation of municipal solid wastes on design, Renovate, Operate, Maintain and Transfer (DPROMT) or on commercial basis or any other basis and to dispose biomedical waste and municipal solid waste at designated sites, implement a scientific solid waste management system including recovery of all derivatives of municipal solid waste like compost, refuse derived fuels, plastics, metals and other recoverable and to renovate, operate, maintain, construct garbage dumping center/landfill sites/workshop site/public convenience site as per guideline issued by the respective authority for any Municipal Corporations/Local authorities/Govt. agencies and Semi Government agencies including any other private, public or Government sector clients.
5. To carry out the business of consultancy, construction laying, renovation, operation, distribution, design, develop, operate, own, renovate and maintenance of water supply lines, projects, gas pipe lines of all kinds, sewage and drainage System, power generation units based on all conventional and non-conventional energy sources including municipal or industrial or other kind of wastes for private, public or govt. sector client for industrial as well as domestic purpose and to sell, trade, utilize the energy generated from these projects and to act as distribution franchisee of power, gas or any other type of energy etc. and to act as consultant/provide consultancy, in the fields of municipal solid waste management and handling waste to energy, sewerage and drainage systems, power generation from organic waste, biomass, solar, wind and other non-conventional energy sources, water supply, city development plans etc.
6. To carry on in India or abroad the business to generate, accumulate, transmit, commission, maintain, distribute, purchase, sell and supply electricity power or any other energy from conventional/non-conventional energy sources on a commercial basis and to construct, lay down, establish, operate and maintain power/energy/generating stations including buildings, structures, works, machineries, equipments, cables and to undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transforming to third person/s, power plants and plants based on conventional or non-conventional energy sources, bio-mass, solar energy plants, wind energy plants, mechanical, electrical, hydel and to deal all kinds of energy systems and products, such as electric power, thermal power, hydraulic power, atomic power, wind power, solar power, compressed natural gas, cooking gas, coal, petroleum, diesel, kerosene, including energy saving devices.
7. To purchase any land, plot(s) of land or immovable property or any right or interest therein either singly or jointly or in Partnership with any person(s) or Body corporate or partnership Firm and to develop and construct thereon residential, commercial complex or complex(es) either singly or jointly or in partnership as aforesaid, comprising offices for sale or self use or for earning rental income thereon by letting out individual units comprised in such building(s).
8. To construct, execute, carryout, equip, support maintain, operate, improve, work, develop. Administer, manage, control and superintend within or outside the country anywhere in the world all kinds of works, public or otherwise, buildings, houses and other constructions or conveniences of all kinds, which expression in this memorandum includes roads, railways, and tramways, docks, harbours, Piers,

wharves, canals, serial runways and hangers, airports, reservoirs, embankments, imitations, reclamation, improvements, sewage, sanitary, water, gas, electronic light, power supply works, and hotels, cold storages, warehouses, cinema houses, markets, public and other buildings and all other works and conveniences of public or private utility, to apply for purchase or otherwise acquire any contracts, decrease, concessions, for or in relation to the construction, execution, carrying out equipment, improvement, administration, or control of all such works and conveniences as aforesaid and to undertake, execute carry out, dispose of or otherwise turn to account the same.

The Reserve Bank of India (“RBI”) has granted its approval for the Offer for Sale vide letter reference no. FE.CO.FID.No./11090/10.21.209/2010-11 dated November 3, 2010 and FE.CO.FID.No./11849/10.21.209/2010-11 dated November 11, 2010 subject to the condition that we seek shareholder approval to amend clause 6 of the main objects of the Company’s Memorandum of Association and delete references to the words “atomic power” appearing therein. We have been directed by the RBI to have this clause amended by seeking shareholder approval within a period of ninety days from the date of commencement of listing and trading of the Equity Shares on the Stock Exchanges in the Issue. We have confirmed to the RBI that the Company does not undertake any activity in the atomic power sector and nor have we announced any plans to do so and our Board of Directors of the Company, vide Board resolution dated November 8, 2010, have also stated that we shall not undertake any activity in the atomic power sector otherwise than in complete compliance with all applicable laws and regulations, including obtaining the necessary approvals from all regulatory authorities, including the Government of India, as may be required. Accordingly, within a period of 90 days of the commencement of listing and trading of our Equity Shares in the Issue, we shall seek the approval of our shareholders pursuant to a special resolution to amend Clause 6 of the main objects clause in our Memorandum of Association and delete the reference therein to “atomic power”, subject to applicable laws and regulations.

Amendments to the Memorandum of Association of the Company

Since incorporation, the following changes have been made to the Company’s Memorandum of Association:

Date	Nature of Amendment
May 9, 2003	The authorized capital of the Company was increased from Rs. 1,000,000 divided into 100,000 Equity Shares of Rs. 10 each to Rs. 2,500,000 divided into 250,000 Equity Shares of Rs. 10 each
May 2, 2005	The name of the Company was changed from “A2Z Maintenance Services Private Limited” to “A2Z Maintenance & Engineering Services Private Limited”
October 15, 2005	The authorized capital of the Company was increased from Rs. 2,500,000 divided into 250,000 Equity Shares of Rs. 10 each to Rs. 20,000,000 divided into 2,000,000 Equity Shares of Rs.10 each
December 15, 2005	The authorized capital of the Company was increased from Rs. 20,000,000 divided into 2,000,000 Equity Shares of Rs. 10 each to Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each
November 30, 2006	The main objects of the Memorandum of Articles were altered by adding new sub clauses 5, 6, 7 and 8 to Clause III(A)
April 30, 2007	The authorized capital of the Company was increased from Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10 each to Rs. 250,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each
July 31, 2007	The authorized capital of the Company was increased from Rs. 250,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each to Rs. 1,000,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each and 75,000,000 0.001% cumulative mandatorily convertible preference shares of Rs. 10 each
September 30, 2008	The authorized share capital of the Company was restructured from Rs. 1,000,000,000 divided into 25,000,000 Equity Shares of Rs. 10 each and 75,000,000 0.001% cumulative mandatorily convertible preference shares of Rs. 10 each to Rs. 1,000,000,000 divided into 100,000,000 Equity Shares of Rs. 10 each
July 4, 2009	The main objects clause of the Memorandum of Association was amended to replace the then existing sub-clauses with the new sub-clauses (1) to (6) to Clause III(A)
March 12, 2010	The name of the Company was changed from “A2Z Maintenance & Engineering Services Private Limited” to “A2Z Maintenance & Engineering Services Limited”

Details regarding acquisition of business/undertakings, mergers and schemes of amalgamation

(a) Acquisition of Sri Eswara Sai Constructions Private Limited

Sri Eswara Sai Constructions Private Limited, (“SESCPL”), a company in the business of, *inter alia*, civil, mechanical and electrical engineering and erection servicing of transmission lines, was incorporated on October 24, 2007 and acquired the business of a partnership firm (*i.e.*, Sri Eswara Sai Constructions established in 1997) as a going concern. On December 5, 2007, the Company acquired the entire equity capital of SESCPL (*i.e.*, 50,000 equity shares of Rs. 10 each) from its existing promoters for an aggregate consideration of Rs. 10,000,000 and SESCPL became a wholly-owned subsidiary of the Company.

Pursuant to a scheme of arrangement approved by the Punjab and Haryana High Court at Chandigarh on March 13, 2008, SESCPL was merged with and into the Company with effect from January 1, 2008.

The rationale for the merger was to consolidate the two companies under one management and control, establish a diversified business in the power sector and achieve an optimum size of business. The merger was proposed to result in a better financial position with a higher net worth, turnover, diversified business activities, operational synergies and better utilization of manpower thereby strengthening the Company's electrical engineering business and enabling the Company to operate on a larger scale.

Pursuant to the merger, all assets, liabilities, debts, obligations and duties of SESCPL were transferred to the Company. The transferred assets included plant and machinery, furniture and fixtures, computers and vehicles.

Since SESCPL was a wholly-owned subsidiary of the Company, no equity shares of the Company were issued as consideration and SESCPL was dissolved without being wound up.

The accounting treatment for the amalgamation of SESCPL was in accordance with Accounting Standard 14.

(b) Transfer of the FMS Business to A2Z Infraservices

Pursuant to a scheme of demerger approved by the High Court of Punjab and Haryana at Chandigarh on May 29, 2009, the Company transferred the facilities management services business on a going concern basis to its then wholly-owned subsidiary, A2Z Infraservices Limited ("A2Z Infraservices"), with effect from April 15, 2008 (the "Appointed Date"). The order was filed with the RoC on July 16, 2009 (the "Effective Date").

The demerger was proposed to lead to a more focused business approach and efficient utilization of resources between the Company's electric contracting business and the FMS business. The demerger of the FMS business was intended to unlock the value of each business segment leading to enhancement of shareholders value.

In terms of the scheme of demerger, all the assets and liabilities of the FMS business were transferred to A2Z Infraservices at the book value as on the Appointed Date (i.e., Rs. 118,540,513). In consideration of the transfer of the FMS business, on July 25, 2009, A2Z Infraservices allotted 1,900,000 fully paid up equity shares of Rs. 10 each to the Company.

Since this transaction was between a parent company and its subsidiary, the Company did not conduct any independent valuation for the transfer of the FMS business to A2Z Infraservices.

(c) Acquisition of Imatek and CNCS

Pursuant to a Share Purchase Agreement dated August 13, 2009 among Imatek Solutions Private Limited ("Imatek"), Mr. Roomy N. Daruwala, Mr. Nozer P. Daruwala, Mr. Vishant D. Gala, and the Company, the Company acquired the entire shareholding of Imatek, a company engaged in the business of photography and imaging, from its promoters at a price of Rs. 162.08 per equity share (consideration aggregating Rs. 4,862,400). Following the transfer of the equity shares of Imatek to the Company, Imatek became a wholly-owned subsidiary of the Company.

Pursuant to an Investment and Shareholder's Agreement dated August 13, 2009 and Amendment Agreement dated August 16, 2010 among CNCS Facility Solutions Private Limited ("CNCS"), Mr. Nozer P. Daruwala, Mr. Roomy N. Daruwala, Mr. Vishant D. Gala, Mr. Anand Shah (together the "CNCS Promoters"), Imatek and the Company (as a confirming party) (the "CNCS Investment Agreement"), Imatek agreed to (a) acquire 105,018 equity shares of CNCS, a company engaged in the FMS business, from the CNCS Promoters at a price of Rs. 206.04 per equity share (share purchase consideration aggregating Rs. 21,637,530) and (b) subscribe to 242,675 equity shares of CNCS at a price of Rs. 206.04 per equity share (subscription consideration aggregating Rs. 50,000,000). Following the subscription by and transfer of the shares to Imatek, CNCS became a 51% owned subsidiary of Imatek and an indirect subsidiary of the Company.

Under the terms of the CNCS Investment Agreement, at any time after March 31, 2011 and before June 30, 2011 (the "First Option Period"), Imatek can exercise a call option requiring the CNCS Promoters to transfer such number of equity shares of CNCS (the "CNCS Equity Shares") which shall increase the shareholding of Imatek to 76% of the paid up share capital of CNCS (the "Imatek First Call Option"). The CNCS Promoters have a corresponding right to require Imatek, during the First Option Period, to purchase from the CNCS Promoters

such number of CNCS Equity Shares which shall increase the shareholding of Imatek to 76% of the paid up share capital of CNCS (the “CNCS Promoters First Put Option”). The consideration to be paid by Imatek to the CNCS Promoters for each CNCS Equity Share acquired, pursuant to the exercise of either the Imatek First Call Option or the CNCS Promoters First Put Option, will be determined by dividing the then existing equity share capital of CNCS by its equity value.

In addition, under the terms of the CNCS Investment Agreement, at any time after March 31, 2014 and before June 30, 2014 (the “Second Option Period”), Imatek can exercise a second call option requiring the CNCS Promoters to transfer such number of CNCS Equity Shares which shall increase the shareholding of Imatek in CNCS from 76% to 100% (the “Imatek Second Call Option”). The CNCS Promoters have a corresponding right to require Imatek, during the Second Option Period, to purchase from the CNCS Promoters such number CNCS Equity Shares which shall increase the shareholding of Imatek in CNCS from 76% to 100% (the “CNCS Promoters Second Put Option”). The consideration to be paid by the Imatek to the CNCS Promoters for each CNCS Equity Share acquired pursuant to the exercise of either the Imatek Second Call Option or the CNCS Promoters Second Put Option will be determined by dividing the then existing equity share capital of CNCS by its equity value.

Since the acquisitions of CNCS and Imatek were not pursuant to a scheme of arrangement, the provisions of Accounting Standard 14 do not apply to the accounting treatment for such acquisitions and accordingly, the Company is not required to comply with Accounting Standard 14 in this regard.

No independent valuations were conducted by the Company in respect of such acquisitions.

(d) Acquisition of Business of Surendar Chowdhury & Brothers

Pursuant to a business transfer agreement dated May 1, 2010 (the “Business Transfer Agreement”) among Mr. Ajay Chowdhury, Mr. Manoj Chowdhury, Mr. Surendar Chowdhury (collectively, the “Original Owners”) and the Company, the Company purchased as a going concern the entire business of M/s Surendar Chowdhury & Brothers, a partnership constituted pursuant to a deed of partnership dated December 2, 2004, engaged in the business of construction of electrical substations and railway electrification work. The Company acquired the business of Surendar Chowdhury & Brothers for an aggregate consideration of Rs. 20.00 million (the “Total Consideration”). The Company paid Rs. 7.50 million as the first tranche of the Total Consideration on May 1, 2010 with the remaining amount of Rs. 12.50 million being treated as an interest-free unsecured loan to Mr. Surendar Chowdhury and payable upon the completion of the due diligence by the Company and after remedial steps are taken by the Original Owners, if any, required by the Company as a result of such due diligence.

Pursuant to the Business Transfer Agreement, with effect from May 1, 2010, all assets, including goodwill, business contracts and employees of M/s Surendar Chowdhury & Brothers were transferred to the Company and the Original Owners were employed by the Company.

The Original Owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company. Further, the Original Owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the Business Transfer Agreement. The Business Transfer Agreement is governed by the laws of India. As of the date of filing the Prospectus, out of the aggregate consideration of Rs. 20.00 million, the Company has paid Rs. 12.50 million.

No independent valuation was conducted by the Company in respect of this acquisition.

(e) Acquisition of Business of Mohd. Rashid Contractors

Pursuant to a business transfer agreement dated June 10, 2010 (the “Business Transfer Agreement”) among Mr. Mohammad Rashid, Mr. Abdul Basit, Mr. Mohammad Nasir (collectively, the “Original Owners”) and the Company, the Company purchased as a going concern the business of M/s Mohd. Rashid Contractors, a partnership firm, engaged in the business of telecommunications cable laying, civil works and other engineering, procurement and construction work. The Company acquired the business of Mohd. Rashid Contractors for an aggregate consideration of Rs. 2.00 million.

Pursuant to the Business Transfer Agreement, with effect from June 10, 2010, all assets, including goodwill, business contracts and employees of M/s Mohd. Rashid Contractors were transferred to the Company and the Original Owners were employed by the Company.

The Original Owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company. Further, the Original Owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the Business Transfer Agreement. The Business Transfer Agreement is governed by the laws of India.

No independent valuation was conducted by the Company in respect of this acquisition.

(f) Acquisition of Business of En-Tech Engineers and Contractors

Pursuant to a business transfer agreement dated June 10, 2010 (the “Business Transfer Agreement”) among Mr. Mohammad Nasir, Mr. Abdul Basit, Mr. Zakir Hussain, Mr. Mahboob-ur-Rehman (collectively, the “Original Owners”) and the Company, the Company purchased as a going concern the business of En-Tech Engineers and Contractors, a partnership firm, engaged in the business of telecommunications cable laying, civil works and other engineering, procurement and construction work. The Company acquired the business of En-Tech Engineers and Contractors for an aggregate consideration of Rs. 3.00 million (the “Total Consideration”). The Company paid Rs. 1.00 million as the first tranche of the Total Consideration on June 1, 2010 with the remaining amount of Rs. 2.00 million being treated as an interest-free unsecured loan to Original Owners and payable upon the completion of the due diligence by the Company and after remedial steps are taken by the Original Owners, if any, required by the Company as a result of such due diligence. As of the date of filing the Prospectus, out of the aggregate consideration of Rs. 3.00 million, the Company has paid Rs. 2.50 million.

Pursuant to the Business Transfer Agreement, with effect from June 10, 2010, all assets, including goodwill, business contracts and employees of En-Tech Engineers and Contractors were transferred to the Company and the Original Owners were employed by the Company.

The Original Owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company. Further, the Original Owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the Business Transfer Agreement. The Business Transfer Agreement is governed by the laws of India.

No independent valuation was conducted by the Company in respect of this acquisition.

(g) Acquisition of Star Transformers

Pursuant to a memorandum of understanding dated April 1, 2010 (the “MoU”) among Mr. M. R. Mittal, Ms. Bimla Mittal, Mr. Ashish Mittal (collectively, the “Original Owners”) and the Company, the Company has agreed to acquire 1% profit sharing ratio in Star Transformers, a partnership firm, engaged in the business of manufacturing transformers.

Pursuant to the MoU, it is intended that Star Transformers shall be converted into a private limited company under the Companies Act and the Company shall purchase such number of equity shares which shall increase the shareholding of the Company to 51% of the paid up share capital of Star Transformers. Further, Mr. M. R. Mittal and Mr. Ashish Mittal shall have the right to nominate two directors on the board of directors of Star Transformers. Pursuant to another memorandum of understanding dated August 3, 2010 (“August MoU”) between the Original Owners and the Company, the Company has agreed to assist in the development of Star Transformers until the Company acquires 51% of the paid up share capital of Star Transformer. Further, the Original Owners and the Company shall execute a shareholders’ agreement in relation to Star Transformers on or before October 31, 2010 or such other date as may be mutually agreed.

The Company has executed a partnership deed dated August 16, 2010 and contributed Rs. 100,000 as initial partners’ capital in Star Transformers. Pursuant to such partnership deed, the Company acquired 1% profit sharing ratio in Star Transformers. The Company will acquire a 51% equity interest in Star Transformers by investing at a total value of approximately Rs. 156.10 million.

No independent valuation was conducted by the Company in respect of this acquisition.

(h) *Acquisition of IL&FS Property Management & Services Limited*

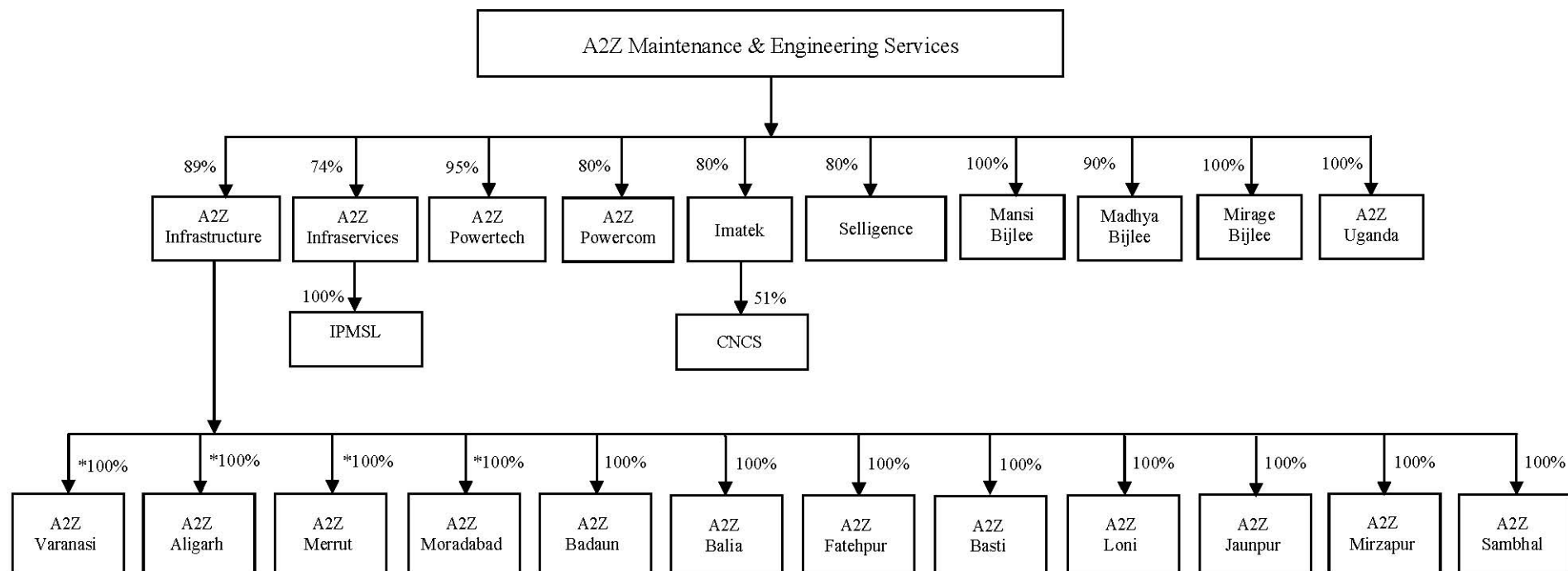
Pursuant to an amended and restated agreement dated September 27, 2010 (the “IL&FS Agreement”) among Infrastructure Leasing & Financial Services Limited (“IL&FS”), Mr. Ravi Parthasarathy, Mr. Hari Sankaran, Mr. Arun K. Saha, Mr. Vibhav Kapoor, Mr. Ramesh C. Bawa, Mr. Karunakaran Ramchand, Mr. Shahzaad Dalal and Mr. Sachin Gupta (“Trustees of IL&FS Employees Welfare Trust”), IL&FS Trust Company Limited, a trustee of IL&FS Infrastructure Equity Fund, IPMSL, the Company, A2Z Infraservices, Imatek, CNCS and Mr. Amit Mittal, A2Z Infraservices purchased 12,500,000 equity shares of IPMSL, constituting the entire equity share capital of IPMSL, from IL&FS, IL&FS Employees Welfare Trust and IL&FS Infrastructure Equity Fund. The consideration payable for the share purchase was Rs. 50.00 million to IL&FS Infrastructure Equity Fund, Rs. 20.00 million to IL&FS Employees Welfare Trust and the issue of 357,782 equity shares of A2Z Infraservices at an issue price of Rs. 503.10 per equity share to IL&FS. Further, it was agreed that IL&FS shall subscribe for 182,028 equity shares of A2Z Infraservices at an issue price of Rs. 503.10 per equity share for an aggregate consideration of Rs. 91.60 million (the “A2Z Infraservices Shares”) and 118,250 equity shares of Imatek at an issue price of Rs. 504.30 per equity share for an aggregate consideration of Rs. 59.60 million (the “Imatek Shares”). An aggregate consideration of Rs. 250,000,000 was paid for such acquisition, out of which Rs.180,000,000 was settled by way of issue of equity shares of A2Z Infraservices Limited and Rs.70,000,000 was paid through bank and funds raised from the fresh issue of equity shares of A2Z Infraservices Limited. A report dated November 18, 2010 has been obtained from S.R. Batliboi & Associates regarding the consideration paid and the source of financing such acquisition in accordance with the requirements of Schedule VIII, Part A, (IX) (B) (23) (3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended on November 12, 2010.

Pursuant to the IL&FS Agreement, Mr. Amit Mittal, the Company, A2Z Infraservices, Imatek, CNCS, IPMSL and their subsidiaries or any other affiliates shall not, without the prior written consent of IL&FS, directly or indirectly, initiate, carry or support FMS business in any other entity other than themselves or their wholly owned subsidiaries. In addition, the Company, Mr. Amit Mittal, A2Z Infraservices and IPMSL may use the “IL&FS” brand name until March 31, 2011 without any payment and IPMSL shall comply with the IL&FS policy for brand use during such period. Subsequently, IPMSL may only use the phrase “a JV with IL&FS” if IL&FS holds at least 15% of its shares and upon payment of a specified brand subscription fee.

The IL&FS Agreement specifies that, *inter alia*, (a) IL&FS shall not sell the A2Z Infraservices Shares and the Imatek Shares until two years from the completion date and after the expiry of the two years, IL&FS may sell the A2Z Infraservices Shares and the Imatek Shares to any third party other than a competitor of A2Z Infraservices or Imatek, as the case may be; (b) if Mr. Amit Mittal and the Company sell their direct or indirect shareholding in A2Z Infraservices or Imatek and/or their affiliates or subsidiaries to any third party (the “Proposed Transferee”), IL&FS may cause the Proposed Transferee to purchase such number of the A2Z Infraservices Shares or the Imatek Shares it is offering (the “IL&FS Tag Along Right”). Such IL&FS Tag Along Right shall terminate on the occurrence of: (i) an initial public offer of A2Z Infraservices or Imatek or (ii) if IL&FS shareholding in A2Z Infraservices or Imatek is less than 5% of the paid up equity share capital of A2Z Infraservices or Imatek, as the case may be; (c) any further issue of equity shares by A2Z Infraservices or Imatek shall be first offered to IL&FS to ensure that IL&FS maintains 20% shareholding in A2Z Infraservices or Imatek. Such right shall terminate upon the occurrence of the initial public offer of A2Z Infraservices or Imatek, as the case may be; (d) IL&FS has certain affirmative voting rights in each of A2Z Infraservices and Imatek, *inter alia*: (i) amendment of the memorandum and articles of association; (ii) events that affect the economic interest of IL&FS; (iii) purchase or redemption or payment of any dividend on any capital stock; (iv) creation of debt obligations in excess of Rs. 500.00 million; (v) sale, encumber, pledge or creation of a lien on the shares of Mr. Amit Mittal and the Company; (vi) any change to the board of directors; (vii) any change in the approved business plan; (viii) sale of assets if the total value of such assets exceeds Rs. 10.00 million individually or an aggregate of Rs. 20.00 million in a year; (ix) any capital expenditure in excess of 20% of capital expenditure approved under the business plan; and (x) any change in the principal business. Such affirmative voting rights shall terminate upon the occurrence of the initial public offer of A2Z Infraservices or Imatek, as the case may be or if IL&FS shareholding in A2Z Infraservices or Imatek is less than 5% of the paid up equity share capital of A2Z Infraservices or Imatek, as the case may be; (e) IF&FS has the right to nominate a director to the board of directors of A2Z Infraservices and Imatek; and (f) Mr. Amit Mittal and the Company and A2Z Infraservices or Imatek, as the case may be, shall make best efforts to achieve the initial public offer by December 31, 2015 and use best endeavours to ensure that IL&FS is not construed as a “promoter” in such initial public offer. Further, pursuant to the IL&FS Agreement, we are required to convert Imatek and CNCS into public limited companies.

The Company undertook an independent valuation in respect of this acquisition.

Corporate Organization Structure (as of the date of filing this Red Herring Prospectus)



Note: Figures in percentages appearing above the names of each company indicate the percentage shareholding held in that company by its parent company

* Pursuant to the terms and conditions of the proposals for development of integrated solid waste management facilities for the Municipal Corporations of Varanasi, Aligarh, Meerut and Moradabad and joint venture agreements dated February 6, 2008 and March 20, 2008 between A2Z Infrastructure and Bhumika Transport and A2Z Infrastructure and Burns Environmental and Technologies (P) Limited, respectively, A2Z Infrastructure, Burns Environmental and Technologies (P) Limited and Bhumika Transport will hold 80%, 10% and 10% equity shares, respectively, in each of A2Z Varanasi, A2Z Aligarh, A2Z Merrut and A2Z Moradabad.

Subsidiaries

The following are our subsidiaries as of the date of this Prospectus. Unless otherwise specifically stated, none of our subsidiaries (i) is listed on any stock exchange; (ii) has completed any public or rights issue since the date of its incorporation; (iii) has become a sick company under SICA; (iv) is under winding-up; or (v) had negative net worth as of March 31, 2010. Additionally, we have accounted for the accumulated profits and losses of all the subsidiaries in our restated consolidated summary statements for the fiscal years ended March 31, 2008, 2009 and 2010.

We have initiated steps to convert A2Z Badaun, A2Z Balia, A2Z Basti, A2Z Fatehpur, A2Z Jaunpur, A2Z Loni, A2Z Mirzapur and A2Z Sambhal into public limited companies.

1. A2Z Infrastructure Limited

A2Z Infrastructure was incorporated on March 22, 2007 as a2z Infrastructure Private Limited. With effect from August 30, 2010, A2Z Infrastructure became a public company under the Companies Act and the word “Private” was deleted from its name. A2Z Infrastructure was established to carry on the business of collection, segregation and transportation of municipal solid wastes on design, renovate, operate, maintain and transfer or on commercial basis for municipal corporations/local authorities/governmental authorities. The registered office of A2Z Infrastructure is located at 205, Laxman Palace, 19 Veer Savarkar Block, Shakarpur, New Delhi 110 092, India.

Share Capital; Shareholding Pattern

The share capital of A2Z Infrastructure as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 550,000,000 divided into 25,000,000 equity shares of Rs. 10 each and 30,000,000 0.01% non-participative cumulative redeemable preference shares of Rs 10 each
Issued Share Capital	Rs. 425,000,000
Subscribed Share Capital	Rs. 425,000,000
Paid-up Share Capital*	Rs. 402,500,000

* Re. 1.00 per equity share has been received towards 2,250,000 equity shares allotted on May 31, 2010 and Re. 1.00 per equity share has been received towards 250,000 equity shares allotted on October 1, 2010.

The shareholding pattern of A2Z Infrastructure as of date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited*	20,250,000	89.00
Mr. Amit Mittal	1,125,000	4.95
Mr. Rajneesh Mehra	900,000	3.96
Mr. Ganpat Rai Gupta	225,000	0.99
Mr. Rakesh Gupta	100,000	0.44
Mr. Ashok Kumar Saini	38,000	0.17
Mr. Manoj Gupta	38,000	0.17
Mr. Sanjeev Sharma	38,000	0.17
Mr. K.S. Viswanathan Nair	12,000	0.05
Mr. Rituraj Borah	8,000	0.04
Mr. Ajay Sengar	8,000	0.04
Mr. Onkar Nath Chaturvedi	4,000	0.01
Mr. Anil Prakash Aggarwal	4,000	0.01
Total	22,750,000	100.00

* A2Z Maintenance & Engineering Services Limited also holds 19,750,000 0.01% non-participative cumulative redeemable preference shares of Rs 10 each

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Infrastructure for the periods indicated below:

(Rs. million, unless otherwise stated)

	For the year ended March 31		
	2008	2009	2010
Total Income	0.01	2.78	46.93
Profit (Loss) after Tax	(4.64)	(19.05)	(52.43)
Earnings per share (Rs.) (basic) ⁽¹⁾	(15.34)	(15.08)	(4.67)
Earnings per share (Rs.) (diluted) ⁽¹⁾	(15.34)	(15.08)	(4.67)
Equity Share Capital	10.00	70.00	202.50
Reserves and surplus (excluding revaluation reserves) ⁽¹⁾	(4.64)	(23.69)	(94.74)
Book Value per share (Rs.) ⁽²⁾	5.36	6.62	5.32

⁽¹⁾ Net of miscellaneous expenditure not written off.

⁽²⁾ Face value of each equity share is Rs. 10.

2. A2Z Infraservices Limited

A2Z Infraservices was incorporated on April 15, 2008 as a2z Facilities Management Services Private Limited. With effect from December 23, 2008, the name of the company was changed to a2z Infraservices Private Limited and with effect from August 30, 2010, A2Z Infraservices became a public company under the Companies Act and the word “Private” was deleted from its name. A2Z Infraservices was established to provide back-end management services for efficient functioning of shopping malls, airport, multiplexes, corporate and business establishments like housekeeping services, security services etc., upkeep of railway trains and stations and to provide transportation services. The registered office of A2Z Infraservices is located at O-116, 1st Floor, DLF Shopping Mall, Gurgaon 122 002, Haryana, India.

Share Capital; Shareholding Pattern

The share capital of A2Z Infraservices as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 100,000,000 divided into 10,000,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 26,990,600
Subscribed Share Capital	Rs. 26,990,600
Paid-up Share Capital*	Rs. 25,557,350

* Re. 1.00 per equity share has been received towards 105,250 equity shares allotted on June 19, 2010 and Re. 1.00 per equity share has been received towards 54,000 equity shares allotted on September 9, 2010.

The shareholding pattern of A2Z Infraservices as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	2,000,000	74.10
Infrastructure Leasing & Financial Services Limited	539,810	20.00
Mr. Anil Soni	63,150	2.34
Mr. Alok Kumar Gupta	42,100	1.55
Mr. Rakesh Gupta	16,200	0.60
Mr. Ashok Kumar Saini	3,500	0.13
Mr. Manoj Gupta	3,500	0.13
Mr. Sanjeev Sharma	3,500	0.13
Mr. Manish Puri	2,800	0.10
Mr. Tarunesh K. Bhalla	2,800	0.10
Mr. Manoj Kumar Chauhan	2,800	0.10
Mr. Lalit Tyagi	1,400	0.05
Mr. Vijay Prakash Pandey	1,400	0.05
Mr. Abhishek Gupta	1,400	0.05
Mr. Rajesh Kumar Chopra	1,400	0.05
Mr. Shyamal K. Bhattacharjee	1,400	0.05
Mr. Kshitij Kaundal	1,400	0.05
Mr. Satyapal Gupta	1,400	0.05
Mr. Omkar Mishra	1,400	0.05
Mr. Madan Gopal Sharma	1,400	0.05
Ms. Amrita	700	0.03
Mr. Mohd. Haider Ali	700	0.03
Mr. Suresh Sharma	700	0.03
Mr. Kewal Kumar Sethi	700	0.03
Mr. Shrawan Singh Shekhawat	700	0.03
Mr. Varun Gupta	700	0.03

Name of Shareholder	Number of Equity Shares	% of Issued Capital
Mr. Bhasker Joshi	700	0.03
Mr. Banwari Lal	700	0.03
Mr. Amitabh Bhatiya	700	0.03
Total	2,699,060	100.00

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Infraservices for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008*	2009	2010
Total Income	-	494.77	760.24
Profit (Loss) after Tax	-	18.84	29.02
Earnings per share (Rs.) (basic) ⁽¹⁾	-	188.39	20.79
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	9.42	14.51
Equity Share Capital	-	1.00	20.00
Share Application Money pending allotment	-	118.54	-
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	18.67	147.40
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	196.72	83.70

* Since the company was incorporated in fiscal 2009, financial data for fiscal 2008 is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

3. A2Z Powertech Limited

A2Z Powertech was incorporated on April 28, 2008 as a2z Powertech Private Limited. With effect from August 30, 2010, A2Z Powertech became a public company under the Companies Act and the word “Private” was deleted from its name. A2Z Powertech was established to carry on the business of system integrators in the power sector using IT applications, autoreclousers with magnetic actuators, RMUs, CSS, sub-station automation, network energy management solution etc. The registered office of A2Z Powertech is located at O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, Gurgaon 122 002, Haryana, India.

Share Capital; Shareholding Pattern

The share capital of A2Z Powertech as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 20,000,000 divided into 2,000,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 14,000,000
Subscribed and Paid-up Share Capital	Rs. 14,000,000

The shareholding pattern of A2Z Powertech as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	1,329,995	95
Mr. Anil Kumar Sharma	70,000	5
Mr. Rakesh Gupta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Mr. Amit Mittal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Mrs. Dipali Mittal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Mr. Subhash Kumar Mehta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Mr. Atul Kumar Agarwal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Total	1,400,000	100

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Powertech for the periods indicated below:

	<i>(Rs. million, unless otherwise stated)</i> For the year ended March 31		
	2008*	2009	2010
Total Income	-	21.50	32.74
Profit (Loss) after Tax	-	0.01	0.18
Earnings per share (Rs.) (basic) ⁽¹⁾	-	0.15	0.14
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	0.15	0.14
Equity Share Capital	-	13.00	13.00
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	(0.01)	0.20
Book Value per share (Rs.) ⁽¹⁾	-	9.99	10.15

* Since the company was incorporated in fiscal 2009, financial data for fiscal 2008 is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

4. A2Z Powercom Limited

A2Z Powercom was incorporated on April 28, 2008 as a2z Powercom Private Limited. With effect from August 30, 2010, A2Z Powercom became a public company under the Companies Act and the word “Private” was deleted from its name. A2Z Powercom was established to manufacture, produce and distribute power transformers, transmission line conductors, establish power plants and undertake associated activities of engineering, drawing, installation and commissioning in India and abroad. The registered office of A2Z Powercom is located at O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, Gurgaon 122 002, Haryana, India.

Share Capital; Shareholding Pattern

The share capital of A2Z Powercom as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 20,000,000 divided into 2,000,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 1,250,000
Subscribed and Paid-up Share Capital	Rs. 1,250,000

The shareholding pattern of A2Z Powercom as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	99,997	80
Mr. Rakesh Aggarwal	12,500	10
Mr. Amit Mittal	6,250	5
Mr. Rajneesh Mehra	6,250	5
Mr. Rakesh Gupta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Mrs. Dipali Mittal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Mr. Subhash Kumar Mehta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Total	125,000	100

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Powercom for the periods indicated below:

	<i>(Rs. million, unless otherwise stated)</i> For the year ended March 31		
	2008*	2009	2010
Total Income	-	-	7.50
Profit (Loss) after Tax	-	(0.06)	0.58
Earnings per share (Rs.) (basic) ⁽¹⁾	-	(0.76)	5.81

	For the year ended March 31		
	2008*	2009	2010
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	(0.76)	5.81
Equity Share Capital	-	1.00	1.00
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	(0.22)	0.53
Book Value per share (Rs.) ⁽¹⁾	-	7.78	15.26

* Since the company was incorporated in fiscal 2009, financial data for fiscal 2008 is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

5. Imatek Solutions Private Limited

Imatek was incorporated on June 1, 2004. Imatek was established to carry on the business of running, hiring, operating, constructing, installing, acquiring, undertaking, promoting, owning and organizing photography and imaging laboratories, photography and imaging studios, developing and printing of photo films, computerized digital work, photography and imaging technology in India and abroad. The registered office of Imatek is located at 317, Hanuman Industrial Estate, 14 G.D. Ambedkar Marg, Wadala (East), Mumbai 400 031.

Share Capital; Shareholding Pattern

The share capital of Imatek as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 6,000,000 divided into 595,000 equity shares of Rs. 10 each and 500 6% non-cumulative redeemable preference shares of Rs. 100 each
Issued Share Capital	Rs. 5,912,500
Subscribed and Paid-up Share Capital	Rs. 5,912,500

The shareholding pattern of Imatek as of the date of filing this Prospectus is follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	472,500	79.92
Infrastructure Leasing & Financial Services Limited	118,250	20.00
Mr. Amit Mittal (as a nominee of A2Z Maintenance & Engineering Services Limited)	500	0.08
Total	591,250	100.00

Financial Performance

The following financial data has been derived from the audited financial statements of Imatek for the periods indicated below:

(Rs. million, unless otherwise stated)

	For the year ended March 31		
	2008	2009	2010
Total Income	-	-	0.17
Profit (Loss) after Tax	(0.01)	(0.01)	-
Earnings per share (Rs.) (basic) ⁽¹⁾	(0.20)	(0.33)	-
Earnings per share (Rs.) (diluted) ⁽¹⁾	(0.20)	(0.33)	-
Equity Share Capital	0.30	0.30	4.73
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	4.48	4.47	71.86
Book Value per share (Rs.) ⁽¹⁾	159.30	159.14	161.92

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

6. Selligence Technologies Services Private Limited

Selligence was incorporated on August 12, 2008. Selligence was established to provide appropriate cost-effective and efficient technological solutions to accelerate implementation of quality ERP for development, and to

provide a variety of efficient and effective services for implementation of development programs. The registered office of Selligence is located at O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, Gurgaon 122 002, Haryana, India.

Share Capital; Shareholding Pattern

The share capital of Selligence as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 10,000,000 divided into 1,000,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 10,000,000
Subscribed and Paid-up Share Capital	Rs. 10,000,000

The shareholding pattern of Selligence as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	799,999	80
Mr. Shailesh Jain	50,000	5
Mr. Amitabh Kamakhya Dubey	50,000	5
Mr. Sachin Jain	50,000	5
Mr. Pankaj Bhaskar Ragalwar	50,000	5
Mr. Manoj Gupta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Total	1,000,000	100

Financial Performance

The following financial data has been derived from the audited financial statements of Selligence for the periods indicated below:

	<i>(Rs. million, unless otherwise stated)</i>		
	For the year ended March 31		
	2008*	2009	2010
Total Income	-	10.07	10.14
Profit (Loss) after Tax	-	0.18	0.41
Earnings per share (Rs.) (basic) ⁽¹⁾	-	1.93	0.41
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	1.93	0.41
Equity Share Capital	-	9.90	10.00
Share Application Money pending allotment	-	0.10	-
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	0.06	0.60
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	10.06	10.60

* Since the company was incorporated in fiscal 2009, financial data for fiscal 2008 is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

7. A2Z Waste Management (Varanasi) Private Limited

A2Z Waste Management (Varanasi) Private Limited (“A2Z Varanasi”) was incorporated on December 4, 2009. A2Z Varanasi was established for the development of integrated solid waste management facilities in Varanasi city for the Varanasi Municipal Corporation, Uttar Pradesh. The registered office of A2Z Varanasi is located at O-116, 1st Floor, DLF Shopping Mall, DLF City Phase-I, Arjun Marg, Gurgaon 122 002, Haryana, India.

As of the date of filing this Prospectus, A2Z Infrastructure holds 100% of the equity share capital of A2Z Varanasi. Pursuant to the terms and conditions of the proposal for development of integrated solid waste management facilities for the Municipal Corporation of Varanasi and joint venture agreements dated February 6, 2008 and March 20, 2008 between A2Z Infrastructure and Bhumika Transport and A2Z Infrastructure and Burns Environmental and Technologies (P) Limited, respectively, A2Z Infrastructure, Burns Environmental and Technologies (P) Limited and Bhumika Transport will hold 80%, 10% and 10% of the equity share capital, respectively, in A2Z Varanasi.

Share Capital; Shareholding Pattern

The share capital of A2Z Varanasi as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs.10,000,000 divided into 50,000 Equity shares of Rs. 10 each and 950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The shareholding pattern of A2Z Varanasi as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	99.99
Mr. Rakesh Gupta (as a nominee of A2Z Infrastructure Limited)	1	00.01
Total	10,000	100.00

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Varanasi for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008*	2009*	2010
Total Income	-	-	0.09
Profit (Loss) after Tax	-	-	(0.04)
Earnings per share (Rs.) (basic) ⁽¹⁾	-	-	(11.45)
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	-	(11.45)
Equity Share Capital	-	-	0.10
Share application money	-	-	8.71
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	-	(0.04)
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	-	6.30

* Since the company was incorporated in fiscal 2010, financial data for the previous years is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

8. A2Z Waste Management (Aligarh) Private Limited

A2Z Waste Management (Aligarh) Private Limited ("A2Z Aligarh") was incorporated on December 4, 2009. It is a wholly-owned subsidiary of A2Z Infrastructure. A2Z Aligarh was established for the development of integrated solid waste management facilities in Aligarh city for Aligarh Municipal Corporation, Uttar Pradesh. The registered office of A2Z Aligarh is located at O-116, 1st Floor, DLF Shopping Mall, DLF City Phase-I, Arjun Marg, Gurgaon 122 002, Haryana, India.

As of the date of filing this Prospectus, A2Z Infrastructure holds 100% of the equity share capital of A2Z Aligarh. Pursuant to the terms and conditions of the proposal for development of integrated solid waste management facilities for the Municipal Corporation of Aligarh and joint venture agreements dated February 6, 2008 and March 20, 2008 between A2Z Infrastructure and Bhumika Transport and A2Z Infrastructure and Burns Environmental and Technologies (P) Limited, respectively, A2Z Infrastructure, Burns Environmental and Technologies (P) Limited and Bhumika Transport will hold 80%, 10% and 10% of the equity share capital, respectively, in A2Z Aligarh.

Share Capital; Shareholding Pattern

The share capital of A2Z Aligarh as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 10,000,000 divided into 50,000 Equity shares of Rs. 10 each and 950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each

Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The shareholding pattern of A2Z Aligarh as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	99.99
Mr. Rakesh Gupta (as a nominee of A2Z Infrastructure Limited)	1	00.01
Total	10,000	100.00

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Aligarh for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008*	2009*	2010
Total Income	-	-	0.04
Profit (Loss) after Tax	-	-	(0.09)
Earnings per share (Rs.) (basic) ⁽¹⁾	-	-	(28.64)
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	-	(28.64)
Equity Share Capital	-	-	0.10
Share Application Money	-	-	3.21
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	-	(0.09)
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	-	0.74

* Since the company was incorporated in fiscal 2010, financial data for the previous years is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

9. A2Z Waste Management (Merrut) Private Limited

A2Z Waste Management (Merrut) Private Limited (“A2Z Merrut”) was incorporated on December 4, 2009. It is a wholly-owned subsidiary of A2Z Infrastructure. A2Z Merrut was established for the development of integrated solid waste management facilities in Meerut for the Meerut Municipal Corporation, Uttar Pradesh. The registered office of A2Z Merrut is located at O-116, 1st Floor, DLF Shopping Mall, DLF City Phase-I, Gurgaon 122 002, Haryana, India.

As of the date of filing this Prospectus, A2Z Infrastructure holds 100% of the equity share capital of A2Z Merrut. Pursuant to the terms and conditions of the proposal for development of integrated solid waste management facilities for the Municipal Corporation of Meerut and joint venture agreements dated February 6, 2008 and March 20, 2008 between A2Z Infrastructure and Bhumika Transport and A2Z Infrastructure and Burns Environmental and Technologies (P) Limited, respectively, A2Z Infrastructure, Burns Environmental and Technologies (P) Limited and Bhumika Transport will hold 80%, 10% and 10% of the equity share capital, respectively, in A2Z Merrut.

Share Capital; Shareholding Pattern

The share capital of A2Z Merrut as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 10,000,000 divided into 50,000 equity shares of Rs. 10 each and 950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The equity shareholding pattern of A2Z Merrut as of the date of filing this Prospectus is follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital

A2Z Infrastructure Limited	9,999	99.99
Mr. Rakesh Gupta (as a nominee of A2Z Infrastructure Limited)	1	0.01
Total	10,000	100

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Merrut for the periods indicated below:

	<i>(Rs. million, unless otherwise stated)</i>		
	For the year ended March 31		
	2008*	2009*	2010
Total Income	-	-	0.05
Profit (Loss) after Tax	-	-	(0.08)
Earnings per share (Rs.) (basic) ⁽¹⁾	-	-	(24.82)
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	-	(28.82)
Equity Share Capital	-	-	0.10
Share Application Money	-	-	4.51
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	-	(0.08)
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	-	1.98

* Since the company was incorporated in fiscal 2010, financial data for the previous years is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

10. A2Z Waste Management (Moradabad) Private Limited

A2Z Waste Management (Moradabad) Private Limited (“A2Z Moradabad”) was incorporated on December 4, 2009. It is a wholly owned subsidiary of a2z Infrastructure. A2Z Moradabad was established for the development of integrated solid waste management facilities in Moradabad city for the Moradabad Municipal Corporation, Uttar Pradesh. The registered office of A2Z Moradabad is located at O-116, 1st Floor, DLF Shopping Mall, DLF City Phase-I, Arjun Marg, Gurgaon 122 002, Haryana, India.

As of the date of filing this Prospectus, A2Z Infrastructure holds 100% of the equity share capital of A2Z Moradabad. Pursuant to the terms and conditions of the proposal for development of integrated solid waste management facilities for the Municipal Corporation of Moradabad and joint venture agreements dated February 6, 2008 and March 20, 2008 between A2Z Infrastructure and Bhumika Transport and A2Z Infrastructure and Burns Environmental and Technologies (P) Limited, respectively, A2Z Infrastructure, Burns Environmental and Technologies (P) Limited and Bhumika Transport will hold 80%, 10% and 10% of the equity share capital, respectively, in A2Z Moradabad.

Share Capital; Shareholding Pattern

The share capital of A2Z Moradabad as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 10,000,000 divided into 50,000 equity shares of Rs. 10 each and 950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The shareholding pattern of A2Z Moradabad as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	99.99
Mr. Rakesh Gupta (as a nominee of A2Z Infrastructure Limited)	1	0.01
Total	10,000	100

Financial Performance

The following financial data has been derived from the audited financial statements of A2Z Moradabad for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008*	2009*	2010
Total Income	-	-	0.03
Profit (Loss) after Tax	-	-	(0.10)
Earnings per share (Rs.) (basic) ⁽¹⁾	-	-	(30.10)
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	-	(30.10)
Equity Share Capital	-	-	0.10
Share Application Money	-	-	2.71
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	-	(0.10)
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	-	0.27

* Since the company was incorporated in fiscal 2010, financial data for the previous years is not available.

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

11. A2Z Waste Management (Badaun) Private Limited

A2Z Waste Management (Badaun) Private Limited (“A2Z Badaun”) was incorporated on November 10, 2010. A2Z Badaun was established for the development of integrated solid waste management facilities in Badaun city for Badaun Municipal Corporation, Uttar Pradesh. The registered office of A2Z Badaun is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Badaun as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 25,000,000 divided into 50,000 equity shares of Rs. 10 each and 2,450,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Badaun as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Badaun was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

12. A2Z Waste Management (Balial) Private Limited

A2Z Waste Management (Balial) Private Limited (“A2Z Balial”) was incorporated on November 10, 2010. A2Z Balial was established for the development of integrated solid waste management facilities in Balial city for Balial Municipal Corporation, Uttar Pradesh. The registered office of A2Z Balial is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Balial as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 20,000,000 divided into 50,000 equity shares of Rs. 10 each and 1,950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Balia as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Balia was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

13. A2Z Waste Management (Basti) Private Limited

A2Z Waste Management (Basti) Private Limited (“A2Z Basti”) was incorporated on November 10, 2010. A2Z Basti was established for the development of integrated solid waste management facilities in Basti city for Basti Municipal Corporation, Uttar Pradesh. The registered office of A2Z Basti is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Basti as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 25,000,000 divided into 50,000 equity shares of Rs. 10 each and 2,450,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Basti as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Basti was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

14. A2Z Waste Management (Loni) Private Limited

A2Z Waste Management (Loni) Private Limited (“A2Z Loni”) was incorporated on November 10, 2010. A2Z Loni was established for the development of integrated solid waste management facilities in Loni city for Loni Municipal Corporation, Uttar Pradesh. The registered office of A2Z Loni is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Loni as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 30,000,000 divided into 50,000 equity shares of Rs. 10 each and 2,950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10

	each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Loni as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Loni was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

15. A2Z Waste Management (Fatehpur) Private Limited

A2Z Waste Management (Fatehpur) Private Limited (“A2Z Fatehpur”) was incorporated on November 10, 2010. A2Z Fatehpur was established for the development of integrated solid waste management facilities in Fatehpur city for Fatehpur Municipal Corporation, Uttar Pradesh. The registered office of A2Z Fatehpur is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Fatehpur as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 20,000,000 divided into 50,000 equity shares of Rs. 10 each and 1,950,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Fatehpur as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Fatehpur was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

16. A2Z Waste Management (Mirzapur) Private Limited

A2Z Waste Management (Mirzapur) Private Limited (“A2Z Mirzapur”) was incorporated on November 10, 2010. A2Z Mirzapur was established for the development of integrated solid waste management facilities in Mirzapur city for Mirzapur Municipal Corporation, Uttar Pradesh. The registered office of A2Z Mirzapur is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Mirzapur as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 25,000,000 divided into 50,000 equity shares of Rs. 10 each and 2,450,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000

Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Mirzapur as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Mirzapur was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

17. A2Z Waste Management (Jaunpur) Private Limited

A2Z Waste Management (Jaunpur) Private Limited (“A2Z Jaunpur”) was incorporated on November 9, 2010. A2Z Jaunpur was established for the development of integrated solid waste management facilities in Jaunpur city for Jaunpur Municipal Corporation, Uttar Pradesh. The registered office of A2Z Jaunpur is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Jaunpur as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 7,500,000 divided into 50,000 equity shares of Rs. 10 each and 700,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Jaunpur as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Jaunpur was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

18. A2Z Waste Management (Sambhal) Private Limited

A2Z Waste Management (Sambhal) Private Limited (“A2Z Sambhal”) was incorporated on November 10, 2010. A2Z Sambhal was established for the development of integrated solid waste management facilities in Sambhal city for Sambhal Municipal Corporation, Uttar Pradesh. The registered office of A2Z Sambhal is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase I, Gurgaon 122 002, Haryana.

Share Capital; Shareholding Pattern

The share capital of A2Z Sambhal as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 25,000,000 divided into 50,000 equity shares of Rs. 10 each and 2,450,000 0.001% non-participative redeemable cumulative preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital*	Rs. 100,000

The shareholding pattern of A2Z Sambhal as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infrastructure Limited	9,999	100
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infrastructure Limited)	1	Negligible
Total	10,000	100.00

Financial Performance

Since A2Z Sambhal was incorporated in November 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

19. CNCS Facility Solutions Private Limited

CNCS was incorporated on November 22, 2006. CNCS was established to own, maintain, set up, run, clean, service, manage, facilitate and commercialize services in all types of residential, commercial, industrial, entertainment and amusement, infrastructural, public and private utility services. The registered office of CNCS is located at 317, Hanuman Industrial Estate, 14 G.D. Ambedkar Marg, Wadala (East), Mumbai 400 031. It is currently 51% owned by Imatek.

Share Capital; Shareholding Pattern

The share capital of CNCS as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 15,000,000 divided into 1,250,000 equity shares of Rs. 10 each and 250,000 6% non-cumulative redeemable preference shares of Rs. 10 each
Issued Share Capital	Rs. 7,280,250
Subscribed and Paid-up Share Capital	Rs. 7,280,250

The shareholding pattern of CNCS as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
Imatek Solutions Private Limited	371,293	51.00
Mr. Nozer P. Daruwalla	125,232	17.20
Mr. Roomy N. Daruwalla	164,500	22.60
Mr. Vishaant D. Gala	42,700	5.86
Mr. Anand Shah	24,300	3.34
Total	728,025	100.00

Financial Performance

The following financial data has been derived from the audited financial statements of CNCS for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008	2009	2010
Total Income	273.96	336.24	356.89
Profit (Loss) after Tax	(2.47)	(49.15)	1.24
Earnings per share (Rs.) (basic) ⁽¹⁾	(5.08)	(101.27)	2.10
Earnings per share (Rs.) (diluted) ⁽¹⁾	(5.08)	(101.27)	2.10
Equity Share Capital	4.85	4.85	7.28
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	87.84	38.34	87.50
Book Value per share (Rs.) ⁽¹⁾	190.98	89.01	130.19

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

20. Mansi Bijlee & Rice Mills Private Limited

Mansi Bijlee was incorporated on June 10, 2010 as Mansi Bijlee Private Limited. With effect from October 25, 2010, the name of the company was changed to Mansi Bijlee & Rice Mills Private Limited. Mansi Bijlee was

established to carry on the business of generating, distributing, transmitting, supplying and dealing in any manner in electricity and all forms of energy and to generate power through conventional and/or non-conventional sources, including biomass and waste material. The registered office of Mansi Bijlee is located at O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase-I, Gurgaon, Haryana 122 002, India. Mansi Bijlee became our subsidiary with effect from July 20, 2010. The Company has paid a purchase consideration of Rs. 100,000 for the transfer of the equity shares of Mansi Bijlee and such acquisition was funded through the internal accruals of the Company. A report dated November 18, 2010 has been obtained from S.R. Batliboi & Associates regarding the consideration paid and the source of financing such acquisition in accordance with the requirements of Schedule VIII, Part A, (IX) (B) (23) (3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended on November 12, 2010.

Share Capital; Shareholding Pattern

The share capital of Mansi Bijlee as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 100,000,000 divided into 1,000,000 equity shares of Rs. 10 each and 9,000,000 0.01% non-participative cumulative redeemable preference shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The shareholding pattern of Mansi Bijlee as of the date of this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	9,994	99.94
Mr. Amit Mittal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	0.01
Mrs. Dipali Mittal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	0.01
Mr. Rakesh Gupta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	0.01
Mr. Rakesh Kumar Aggarwal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	0.01
Mr. Subhash Kumar Mehta (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	0.01
Mr. Atul Kumar Agarwal (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	0.01
Total	10,000	100.00

Financial Performance

Since Mansi Bijlee was incorporated in June 2010, there are no audited financial statements available for the last three fiscal years.

21. Madhya Bijlee Private Limited

Madhya Bijlee was incorporated on June 14, 2010. Madhya Bijlee was established to carry on in India or abroad the business to generate, accumulate, transmit, commission, maintain, distribute, buy, sell, supply and deal in any manner in electricity and all forms of energy and to generate power through conventional and/or non-conventional sources including biomass, waste material including municipal or industrial waste, steam, hydro, tidal, water, wind, solar, mechanical, electrical, hydel, hydrocarbon fuel, natural gas, coal or any other fuel in any form, kind or description and to deal all kinds of energy system and products, such as electric power, thermal power, hydraulic power, wind power, solar power, compressed natural gas, cooking gas, coal, petroleum, diesel, kerosene, including energy saving devices including to construct, lay down, establish, operate and maintain power/energy generating stations including buildings, structures, works, machineries, equipments, cables and to undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person(s), power plants and plants based on conventional or non-conventional energy sources. The registered office of Madhya Bijlee is O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF City Phase-I, Gurgaon, Haryana 122 001, India. Madhya Bijlee became our subsidiary with effect from October 18, 2010. The Company has paid a purchase consideration of Rs. 100,000 for the transfer of the equity shares of Madhya Bijlee and such acquisition was funded through the internal accruals of the Company. A report dated November 18, 2010 has been obtained from S.R. Batliboi & Associates regarding the consideration paid and the source of financing such acquisition in accordance with the requirements of Schedule

VIII, Part A, (IX) (B) (23) (3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended on November 12, 2010.

Share Capital; Shareholding Pattern

The share capital of Madhya Bijlee as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The shareholding pattern of Madhya Bijlee as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	9,000	90
Ms. Reena Gupta	1,000	10
Total	10,000	100.00

Financial Performance

Since Madhya Bijlee was incorporated in June 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

22. Mirage Bijlee Private Limited

Mirage Bijlee was incorporated on June 11, 2010. Mirage Bijlee was established to carry on in India or abroad the business to generate, accumulate, transmit, commission, maintain, distribute, buy, sell, supply and deal in any manner in electricity and all forms of energy and to generate power through conventional and/or non-conventional sources including biomass, waste material including municipal or industrial waste, steam, hydro, tidal, water, wind, solar, mechanical, electrical, hydel, hydrocarbon fuel, natural gas, coal or any other fuel in any form, kind or description and to deal all kinds of energy system and products, such as electric power, thermal power, hydraulic power, wind power, solar power, compressed natural gas, cooking gas, coal, petroleum, diesel, kerosene, including energy saving devices including to construct, lay down, establish, operate and maintain power/energy generating stations including buildings, structures, works, machineries, equipments, cables and to undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person(s), power plants and plants based on conventional or non-conventional energy sources. The registered office of Mirage Bijlee is O-116, First Floor, DLF Shopping Mall, DLF City, Phase-I, Arjun Marg, Gurgaon, Haryana 122 022, India. Mirage Bijlee became our subsidiary with effect from September 15, 2010. The Company has paid a purchase consideration of Rs. 100,000 for the transfer of the equity shares of Mirage Bijlee and such acquisition was funded through the internal accruals of the Company. A report dated November 18, 2010 has been obtained from S.R. Batliboi & Associates regarding the consideration paid and the source of financing such acquisition in accordance with the requirements of Schedule VIII, Part A, (IX) (B) (23) (3) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended on November 12, 2010.

Share Capital; Shareholding Pattern

The share capital of Mirage Bijlee as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 100,000 divided into 10,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 100,000
Subscribed and Paid-up Share Capital	Rs. 100,000

The shareholding pattern of Mirage Bijlee as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	9,999	100.00
Mr. Rakesh Gupta (as a nominee of A2Z Maintenance & Engineering Services)	1	Negligible

Limited)		
Total	10,000	100.00

Financial Performance

Since Mirage Bijlee was incorporated in June 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

23. A2Z Maintenance & Engineering Services (Uganda) Private Limited

A2Z Maintenance & Engineering Services (Uganda) Private Limited (“A2Z Uganda”) was incorporated on August 27, 2010 under the laws of the Republic of Uganda. A2Z Uganda was established to carry on the business to generate, accumulate, transmit, commission, maintain, distribute, purchase, sell and supply electricity power or any other energy from conventional/non-conventional energy sources on a commercial basis and to construct, laydown, establish, operate and maintain power/energy generating stations including buildings, structures, works, machineries, equipments, cables and to undertake or to carry on the business of managing, owning, controlling, erecting, commissioning, operating, running, leasing or transferring to third person/s, power plants and plants based on conventional or non-conventional energy sources, bio-mass, solar energy plants, wind energy plants, mechanical, electrical, hydel and to deal all kinds of energy systems and products. The registered office of A2Z Uganda is Plot No.2138, Bukoto, Kampala.

Share Capital; Shareholding Pattern

The share capital of A2Z Uganda as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Uganda Shillings 10,000,000 (Rs. 211,200 converted at 1 Uganda Shilling = Rs. 0.02112) divided into 100,000 ordinary shares of Uganda Shillings 100 each (Rs. 2.112)
Issued Share Capital	Uganda Shillings 10,000,000 (Rs. 211,200)
Subscribed and Paid-up Share Capital	The Company is currently in the process of remitting the subscription amount

The shareholding pattern of A2Z Uganda as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Maintenance & Engineering Services Limited	99,999	100
Mr. Ashok Kumar (as a nominee of A2Z Maintenance & Engineering Services Limited)	1	Negligible
Total	100,000	100.00

Financial Performance

Since A2Z Uganda was incorporated in August 2010, there is no financial data available for the years ended March 31, 2008, 2009 and 2010.

24. IL&FS Property Management & Services Limited

IPMSL was incorporated on November 26, 1991 as Mahindra Towers Services Limited. With effect from August 29, 1997, the name of the company was changed to Integrated Property Management & Services Limited and with effect from October 6, 2006, the name of the company was changed to IL&FS Property Management & Services Limited. IPMSL was established to carry on the business of building, property and office managers and of providing, supplying, maintaining and operating administrative, secretarial and office services, facilities, conveniences, bureau and the like and to provide or procure the provision by others of every and any service, need, want or requirement of any business nature required by any person, company, corporate body, trust, association, society or organization whatsoever in or in connection with any business carried on by them. Its registered office is located at IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India. IPMSL became our subsidiary with effect from October 1, 2010.

Share Capital; Shareholding Pattern

The share capital of IPMSL as of the date of filing this Prospectus is set forth below:

Authorized Share Capital	Rs. 150,000,000 divided into 15,000,000 equity shares of Rs. 10 each
Issued Share Capital	Rs. 125,000,000
Subscribed and Paid-up Share Capital	Rs. 125,000,000

The shareholding pattern of IPMSL as of the date of filing this Prospectus is as follows:

Name of Shareholder	Number of Equity Shares	% of Issued Capital
A2Z Infraservices Limited	12,499,928	100.00
Mr. Amit Mittal (as a nominee of A2Z Infraservices)	12	Negligible
Mrs. Dipali Mittal (as a nominee of A2Z Infraservices)	12	Negligible
Mr. Rakesh Gupta (as a nominee of A2Z Infraservices)	12	Negligible
Mr. Manoj Gupta (as a nominee of A2Z Infraservices)	12	Negligible
Mr. Subhash Kumar Mehta (as a nominee of A2Z Infraservices)	12	Negligible
Mr. Atul Kumar Agarwal (as a nominee of A2Z Infraservices)	12	Negligible
Total	12,500,000	100.00

Financial Performance

The following financial data has been derived from the audited financial statements of IPMSL for the periods indicated below:

(Rs. million, unless otherwise stated)

	For the year ended March 31		
	2008	2009	2010
Total Income	1,137.14	1,227.34	986.67
Profit (Loss) after Tax	(92.74)	(18.83)	(21.57)
Earnings per share (Rs.) (basic) ⁽¹⁾	(9.27)	(1.77)	(1.73)
Earnings per share (Rs.) (diluted) ⁽¹⁾	(9.27)	(1.77)	Not ascertainable ⁽³⁾
Equity Share Capital	100.00	125.00	125.00
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	(87.86)	(31.69)	(54.37)
Book Value per share (Rs.) ⁽¹⁾	1.21	7.46	5.65

⁽¹⁾ Net of miscellaneous expenditure not written off.

⁽²⁾ Face value of each equity share is Rs. 10.

⁽³⁾ The diluted earnings per share cannot be ascertained as the conversion price for zero coupon optionally convertible bonds has not been determined. IPMSL issued 300 0% zero coupon optionally convertible bonds of Rs. 1000,000 each aggregating to Rs. 300,000,000 to IL&FS during the year 2010. Such bonds are: (a) convertible into equity and/or preference share capital at the option of the bondholder on or after March 25, 2011 but prior to March 25, 2013 at a conversion price and on terms mutually agreed upon by IPMSL and IL&FS, but not less than the face value; (b) in the event of exercise of option by IL&FS, IPMSL irrevocably agrees to issue fully paid-up equity and/or preference shares to the bond holder; and (c) such bonds may be, at the sole discretion of IPMSL, redeemed earlier to the maturity date by exercise if call option for 100% of the principal value, in whole or in part, at any time prior to 3rd anniversary date from the date of allotment.

Shareholder Agreements

In this section, unless otherwise defined or the context requires otherwise, defined terms used in the descriptions below have the meanings given to such terms under the respective agreements.

Subscription and Shareholders' Agreement dated June 28, 2006 among Mr. Rakesh Radheyshyam Jhunjunwala, the Company, Mr. Amit Kumar (now known as Mr. Amit Mittal), Mrs. Dipali Mittal and Mr. Manoj Gupta (the "Jhunjunwala Existing Shareholders")

Pursuant to a subscription and shareholders' agreement dated June 28, 2006 (the "Jhunjunwala Agreement"), Mr. Jhunjunwala agreed to subscribe for (i) 429,898 Equity Shares at a price of Rs. 418.70 per share aggregating to Rs. 180 million and (ii) 47,766 warrants of Rs. 10 each at a price of Rs. 418.70 per warrant aggregating to Rs. 20 million. The warrants were converted into 47,766 Equity Shares pursuant to a resolution of the Board dated July 25, 2007. Currently, Mr. Jhunjunwala holds 21.03% of the Company's issued and outstanding Equity Shares.

Management: Mr. Jhunjhunwala has the right to appoint such number of Directors to the Board as represent his shareholding in the Company, provided that Mr. Jhunjhunwala always has the right to appoint at least one Director. Mr. Jhunjhunwala has the right to appoint a nominee director in the Board and such nominee director shall be a member of each committee of the Board including the compensation committee.

Board Meetings: Every notice convening a meeting of the Board shall set out the agenda and no item or business shall be resolved at such Board meeting, unless such item or business has been stated in full and in sufficient details in the notice or unless consented by Mr. Jhunjhunwala or his nominee director. No discussions or resolutions on Fundamental Issues shall be taken up at the Board without the prior written consent of Mr. Jhunjhunwala and discussions or adoption of any resolution pertaining to a Fundamental Issue will require an affirmative vote of Mr. Jhunjhunwala.

Fundamental Issues: Decisions on certain fundamental matters in any general meeting of the shareholders of the Company or any meeting of the Board or a committee of the Board requires the written consent of Mr. Jhunjhunwala or his nominee Director. These matters include the following (the “Fundamental Issues”):

1. capital expenditure or indebtedness beyond 10% of that budgeted for in the annual business plan;
2. investments in any other companies, unless the investment does not exceed Rs. 5,000,000 per year and does not exceed 14.99% of the share capital of the investee company;
3. amendments to the Memorandum and Articles of Association of the Company;
4. commencement of a new line of business;
5. commencement or settlement of litigation where the amount involved exceeds Rs. 5,000,000;
6. changes to material accounting policies;
7. grant of security, other than in the ordinary course of business;
8. appointment or removal of statutory auditors;
9. winding up or liquidation;
10. divestment or sale of assets where the aggregate consideration is greater than 5% of the aggregate sales of the Company, other than in the ordinary course of business;
11. agreement to sell or assign the intellectual property rights of the Company;
12. commencement of operations outside India;
13. grant of employee stock options or sweat equity shares; and
14. change its capital structure, including issue of additional equity.

Anti-Dilution Rights: Any future issue of any Equity Shares by the Company is required to be implemented in such a manner that all the existing shareholders shall be diluted in proportion to their shareholding in the Company. However, such pro-rata dilution of the existing shareholders shall not be applicable if Mr. Jhunjhunwala participates in any such further issue of Equity Shares.

Pledge on the Jhunjhunwala Existing Shareholder Shares: The Jhunjhunwala Existing Shareholders have undertaken that they shall not pledge, encumber or sell any Equity Shares, either directly or indirectly, nor otherwise use such Equity Shares as collateral for any purpose which could result in an involuntary transfer of such Equity Shares without the prior written consent of Mr. Jhunjhunwala.

Transfer Restrictions: Mr. Jhunjhunwala is not permitted to sell the Equity Shares subscribed by him under the Jhunjhunwala Agreement for a period of three years from the date of allotment of the Equity Shares or the listing of the Equity Shares on a stock exchange. Mr. Jhunjhunwala is further restricted from transferring any Equity Shares held by him to any competitor of the Company, provided that he is permitted to sell such Equity Shares on the floor of a stock exchange to any person, except pursuant to any negotiated trade on the stock exchange with a competitor of the Company.

Tag-Along Rights: Mr. Jhunjhunwala has a right to transfer all or any of the Equity Shares held by him if the Jhunjhunwala Existing Shareholders propose to transfer any Equity Shares held by them to a third party and if such transfer will result in the Jhunjhunwala Existing Shareholders collectively holding less than 51% of the issued share capital of the Company.

Information Rights: Under the terms of the Jhunjhunwala Agreement, the Director nominated by Mr. Jhunjhunwala to the Board is entitled to receive the following information:

1. within 15 days of the end of each quarter, unaudited statements of income and cash flows of the Company for such quarter and for the period from the beginning of the current fiscal year to the end of such quarter, and a balance sheet as of the end of such quarter;
2. within 30 days from the end of each fiscal year, audited statements of income, cash flows and shareholders' equity of the Company for such year and a balance sheet as of the end of such year;
3. within 30 days prior to the end of each financial year, an annual budget for the next financial year including operating and capital budgets;
4. within seven days after the end of each month, a monthly MIS; and
5. subject to applicable law, the Board, audit and compensation committee and shareholder minutes within 30 days of such meetings.

Termination: The Jhunjhunwala Agreement terminates if Mr. Jhunjhunwala holds less than 5% of the issued share capital of the Company. The provisions related to confidential information, dispute resolution, governing law, non-waiver, notices and power to enter into the agreement will survive the termination of the Jhunjhunwala Agreement.

Subscription and Shareholders' Agreement among the Company, Beacon, Mr. Amit Kumar (now known as Mr. Amit Mittal), Mrs. Dipali Mittal, Mr. Shiv Swaroop Gupta, Shiv Swaroop Gupta HUF, Mr. Manoj Gupta, (together the "Beacon Existing Shareholders" and Mr. Amit Mittal and Mrs. Dipali Mittal are together referred to as the "Significant Shareholders").

Pursuant to a subscription and shareholders' agreement dated August 31, 2007 (the "Beacon Agreement"), Beacon agreed to subscribe for 75,000,000 0.001% cumulative preference shares of Rs. 10 each mandatorily convertible into Equity Shares (the "Beacon Preference Shares") for a subscription amount aggregating Rs. 750 million. The Beacon Preference Shares were converted into 2,510,687 Equity Shares on July 25, 2008 pursuant to an amendment to the Beacon Agreement dated July 24, 2008, and Mrs. Babita Shivswaroop Gupta was included as a party to the Beacon Agreement. Pursuant to a share purchase agreement dated August 31, 2007, Beacon acquired 95,506 Equity Shares from Mr. Amit Mittal for an aggregate purchase consideration of Rs. 31.05 million. Further, pursuant to another share subscription agreement dated October 2, 2009, the Company issued and Beacon subscribed for 152,803 Equity Shares, for a subscription consideration of Rs. 120 million. Currently, Beacon holds 12.04% of the Company's issued and outstanding Equity Shares.

Management Rights: Beacon has the right to nominate one Director on the Board (the "Beacon Investor Director"). The Beacon Investor Director shall be a member of each committee of the Board.

Affirmative Rights: Under the terms of the Beacon Agreement, certain specified matters cannot be undertaken without the approval of the Board, and if such specified matters, in the exclusive opinion of Beacon, affect any of its rights under the terms of the Beacon Agreement or the Articles, then such specified matters can only be undertaken at a meeting of the Board of Directors with the prior written consent of the Beacon Investor Director. These specified matters include (the "Specified Matters"):

1. any amendment to the Memorandum or Articles of Association;
2. any change in the issued, subscribed or paid up share capital of the Company, or re-organization of the share capital of the Company;
3. reclassification or issue of any securities of the Company as equity-linked securities or as securities convertible into Equity Shares or other securities that have preferential or differential rights as to voting, dividend or otherwise or other assets that are senior to or rank *pari passu* with the Equity Shares or Preference Shares held by Beacon;
4. redemption, buy-back or other acquisition by the Company of any of its securities;
5. any amendment or other modification to or material deviation from the Company's strategic business plan, operating plan or budgets;
6. any sale, transfer or disposition of the Company, its subsidiaries, substantial part of assets, joint ventures (other than transfer or other dispositions in the ordinary course of the Company's business and subject to an agreed maximum limit);
7. creation by the Company of any encumbrances over any of its assets, other than in the ordinary course of the Company's business;
8. approval of draft audited financial statements of the Company;
9. affiliated or related party transactions, agreements or arrangements between the Company and the Significant Shareholders, existing shareholders or their affiliates;

10. acquisition of shares, assets etc. or creation of legal entities, joint ventures or partnerships, mergers, de-mergers, spin-offs and consolidations of amounts in excess of Rs. 100,000,000, or transaction involving a change in control over the Company;
11. conduct by the Company of any business, other than the business conducted by the Company as on the date of the investment into the Company by Beacon;
12. commencement of any new line of business by the Company;
13. declaration or payment of any dividend of 10% or more per annum or other distribution of any securities of the Company;
14. increase in the number of directors that constitute the Board of Directors;
15. dissolution, winding-up or liquidation of the Company or any of its subsidiaries, whether or not voluntary, or any restructuring or reorganization that has a similar effect;
16. capital expenditure in excess of the annual budget or business plan of the Company;
17. approval, adoption, amendment or modification of the annual budget or business plan of the Company;
18. any agreement, arrangement or transaction resulting in assignment of any assets of the Company or its subsidiaries with a value of more than Rs. 40,000,000 other than as security for financial assistance or in ordinary course of the Company's business;
19. incurrence, issuance or assumption of any form of indebtedness or liability more than Rs. 40,000,000 other than in the ordinary course of the Company's business
20. transfer of any intellectual property rights owned, leased or licensed by the Company.

The following matters require the prior written consent of the Beacon Investor Director, whenever the Board contemplates any action on such matters (the "Fundamental Specified Matters" and together with the Specified Matters, the "Beacon Specified Matters"):

1. any amendment of the Memorandum or Articles of Association of the Company;
2. any change in the share capital of the Company, or re-organization of the share capital of the Company;
3. approval, adoption amendment or modification of the annual budget/business plan of the Company;
4. any sale, transfer or other disposition of, the Company, any of its subsidiaries, substantial part of assets, joint ventures (other than transfer or other dispositions in the ordinary course of the Company's business or with a fair market value of less than Rs. 40,000,000 in any financial year);
5. mergers, de-mergers, spin-offs and consolidations or transaction involving a change in control over the Company;
6. appointment of, or any change in, statutory auditors of the Company;
7. commencement of any new line of business, which is unrelated to the business of the Company, or making of any investment (other than short-term deposits with banking institutions and investments in securities in the normal course of business);
8. dissolution, winding-up or liquidation of the Company or any of its subsidiaries, whether or not voluntary, or any restructuring or reorganization that has a similar effect.

Board Meetings: All decisions of the Board are required to be taken by a majority vote other than the Beacon Specified Matters which requires a prior written consent of the Beacon Investor Director.

Right of First Offer: If at any time Beacon proposes to transfer any Equity Shares or Preference Shares held by it (the "Offered Shares") to any third party purchaser, it is required to first notify the Significant Shareholders by delivering a transfer notice. The Significant Shareholders have the right to acquire all, but not less than all of the Offered Shares, within 60 days of such transfer notice by delivering a purchase notice, containing the terms, *inter alia*, the purchase price of the Offered Shares and the date by which the Significant Shareholders' offer must be accepted. If Beacon does not receive the purchase notice from the Significant Shareholders within 60 calendar days, it may transfer the Offered Shares to any third party purchaser other than any direct competitor. If Beacon wishes to accept an offer made by the Significant Shareholders it shall notify its acceptance by the date specified in the Significant Shareholders' purchase notice. If Beacon does not notify its acceptance within the acceptance date specified in the Significant Shareholders' purchase notice, it will be deemed to have declined the Significant Shareholders' offer. In case Beacon declines the offer made by the Significant Shareholders, it may, within 60 calendar days of the receipt of the purchase notice, offer to sell all and not less than all the Offered Shares, at a price and terms no more favourable than those contained in the Significant Shareholders' purchase notice, to a third party purchaser, whereby the rights of Beacon under the Beacon Agreement shall be transferred to such third party purchaser and the third party purchaser shall be bound by the obligations of Beacon under this agreement. The *Right of First Offer* is subject to the *Transfer Restrictions* described below.

Right of First Refusal: Under the terms of the agreement, if any Significant Shareholders proposes to transfer any Equity Shares held by it to any third party purchaser (the “Offeree”), and if such transfer will not result in a change of control of the Company, it shall first notify Beacon of its intention to transfer such Equity Shares by delivering a transfer notice setting forth the details of the proposed third party purchaser, the purchase price per Equity Share, the aggregate number of Equity Shares proposed to be sold etc. Beacon has a right to purchase all and not less than all of such Equity Shares within the acceptance date specified in the Significant Shareholders’ transfer notice by delivering an acceptance notice. A failure by Beacon to deliver such an acceptance notice shall be deemed to be a waiver of the right of first refusal. If Beacon declines the offer, the Significant Shareholders’ shall have the right to transfer all and not less than all the Equity Shares offered by it, at a price not less than and on terms and conditions not more favourable than those contained in the Significant Shareholders’ transfer notice. The *Right of First Refusal* is subject to the *Transfer Restrictions* described below.

Transfer Restrictions: Beacon is restricted from transferring all or any of the Equity Shares or Preference Shares held by it to any person who is a direct competitor of the Company, without the prior written consent of the Significant Shareholders. The Significant Shareholders are also restricted from transferring more than 1% of the equity share capital of the Company in any financial year to any other person, without the prior written consent of Beacon. However, Mr. Amit Mittal may, without the prior consent of any other party, transfer up to 5% of the equity share capital of the Company to any of his relatives, provided that he continues to control the Company following such transfer. Beacon is permitted to transfer any of the Equity Shares or the Preference Shares held by it, without the consent of the Significant Shareholders, to any of its affiliates.

Tag-Along Rights: If Beacon, as an Offeree, does not exercise its right of first refusal and the Equity Shares and the Preference Shares are sold to any other third party purchaser by the Significant Shareholders, then Beacon has the right to require such third party purchaser to simultaneously purchase from Beacon the Equity Shares or the Preference Shares held by it, at the same price, on the same terms and conditions as that of the Significant Shareholders and also proportionate to the ratio of shareholding between Beacon and the Significant Shareholders. Where the Significant Shareholders propose to transfer any Equity Shares and Preference Shares to any other third party purchaser, and such transfer will result in a change in the control of the Company, Beacon shall have the right to require such third party purchaser to purchase from Beacon all the Equity Shares and Preference Shares then held by Beacon for the same consideration and on the same terms and conditions given to the Significant Shareholders.

Qualified IPO: For a description on the Qualified IPO provisions, see the description given below under the Inter-se Agreement.

Shareholders’ Meeting: Under the terms of the agreement, all shareholder meetings are required to have a quorum of at least two shareholders and such quorum must include the Beacon Investor Director if the matter to be discussed is a Beacon Specified Matter.

Pre-emptive Rights: Any future issue of any Equity Shares or preference shares or other preference or equity related or convertible securities by the Company is required to be first offered to Beacon. Beacon may subscribe to such shares in proportion to its existing percentage of shareholding in the Company on a fully diluted basis. Beacon also has the right to purchase its pro rata share of the Company’s securities not purchased by the other shareholders of the Company.

Termination: All rights and obligations under the agreement shall continue until either: (i) the commencement of trading of the Equity Shares on any recognized stock exchange pursuant to a Qualified IPO or (ii) Beacon ceases to hold at least half the Beacon Preference Shares or the resultant Equity Shares on a fully diluted basis. The provisions related to indemnification, notices, governing law, severability, binding effect and invalidity, no partnership or agency and waiver shall survive the termination of the agreement.

Transfer Agreement dated August 31, 2007 among Beacon, Mr. Jhunhunwala, the Significant Shareholders, Mr. Shiv Swaroop Gupta, Shiv Swaroop Gupta HUF, Mr. Manoj Gupta and the Company (the “Jhunhunwala Transfer Agreement”)

The Jhunhunwala Transfer Agreement dated August 31, 2007 sets out the relationship between Beacon, Mr. Jhunhunwala and the Company and the rights and obligations in relation to any transfer of Equity Shares by Mr. Jhunhunwala and supersedes the previous agreements among Beacon, Mr. Jhunhunwala, the Company and the Promoters.

Tag Along Rights: If Mr. Jhunjhunwala proposes to transfer any Equity Shares held by him, which in the aggregate represents more than 5% of the equity share capital of the Company, to any third party purchaser, Beacon has the right to require such third party purchaser, to purchase from Beacon, such number of Equity Shares as is proportionate to the ratio of shareholding between Beacon and Mr. Jhunjhunwala for the same consideration per Equity Share and on the same terms and conditions as those offered to Mr. Jhunjhunwala.

Termination: The Jhunjhunwala Transfer Agreement shall terminate automatically on the commencement of listing and trading of the Equity Shares on any recognized stock exchange pursuant to an initial public offering of the Equity Shares.

Investment Agreement among the Company, A2Z Infrastructure, A2Z Infrservices, A2Z Powertech, A2Z Powercom, Selligence (the “Subsidiaries” and together with the Company, the “Group Entities”), the Significant Shareholders, Mrs. Babita Shivswaroop Gupta and Shiv Swaroop Gupta HUF and Lexington (Mrs. Babita Shivswaroop Gupta and Shiv Swaroop Gupta HUF are referred to as the “Other Significant Shareholders” and together with the Significant Shareholders, the “Existing Significant Shareholders”).

Pursuant to an investment agreement dated October 2, 2009 (the “Lexington Agreement”), Lexington agreed to subscribe for 1,120,555 Equity Shares at a price of Rs. 785.32 per Equity Share for an aggregate subscription amount of Rs. 880 million (the “Subscription Shares”). Pursuant to a share purchase agreement dated October 2, 2009, among the Company, Lexington Equity Holdings Limited and certain selling shareholders of the Company (listed below) (the “Lexington Share Purchase Agreement”), Lexington acquired 636,679 Equity Shares (the “Sale Shares” and together with the Subscription Shares, the “Lexington Shares”) for an aggregate purchase price of Rs. 500 million. Currently, Lexington holds 7.67% of the Company’s issued and outstanding Equity Shares.

Name of the selling shareholders	Number of Equity Shares sold to Lexington
Shiv Swaroop Gupta HUF	425,679
Manoj Gupta	13,000
Rakesh Gupta	7,000
Rekha Jhunjhunwala	50,000
Rajesh Jhunjhunwala	120,000
Manish Gupta	12,000
Naren R. Shah	6,000
Rakesh Khetan	3,000

Management: As long as Lexington holds 5% of the share capital of the Company (on a fully diluted basis), it shall have the right to appoint one non-rotational director (the “Lexington Investor Director”) on the Board. The Lexington Investor Director shall have the right to be part of any committee constituted by the Board. The quorum of the Board shall be as specified in the Companies Act, except in respect of reserved matters set out in the Lexington Agreement (the “Lexington Reserved Matters”), in which case, the presence of the Lexington Investor Director, unless waived in writing by Lexington, is mandatory. Further, no discussions or resolutions on any Lexington Reserved Matter shall be taken up at the Board without the prior written consent of Lexington. Other than the right to appoint the Lexington Investor Director, Lexington shall cease to hold all the other rights relating to management on the completion of the QIPO (as defined in the Lexington Agreement).

Shareholders’ Meetings: A general meeting may be convened upon shorter notice under the provisions of the Companies Act and subject to the prior written approval of Lexington. All such meetings shall require a quorum as specified in the Companies Act and must include, unless waived in writing, the authorized representative of Lexington. Where the matter to be discussed is a Lexington Reserved Matter, no decision or action shall be taken without the approval of Lexington.

Reserved Matters: An affirmative vote of Lexington is required for any decisions on the following matters (the “Lexington Reserved Matters”):

1. any changes, alterations and modifications in share capital, debentures or other securities of the Company;
2. any amendment, reclassification or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of, any of shares held by Lexington;
3. reclassification of any outstanding Shares into shares having differential or preferential rights as to dividends, voting or otherwise or assets senior to or at par with the shares held by Lexington;
4. direct or indirect redemption, retirement, purchase or other acquisition by the Company of any equity interest of the Company;

5. commencement of any new line of business;
6. any sale, transfer or other disposition of the Company and/or any of the Subsidiaries or any change in the capital structure of the Company and/or its Subsidiaries, except for a sale of assets in the ordinary course of the Company's business;
7. delegation of authority or any of the powers of the Board to any person or committee;
8. any action which would lead to the listing/de-listing of the Company or of any subsidiary shares on any stock-exchange, appointment of any advisers in connection with a potential sale (or flotation on any new stock exchanges) of shares or other securities of the Company or of any Subsidiary;
9. the creation, approval, issuance of any employee stock option scheme; management stock option scheme; or similar incentive compensation arrangement;
10. any arrangements, agreements, commitments, undertakings, contracts or transactions by the Company, or any Director, with any affiliates or any related party, any of the Existing Significant Shareholders, the existing investors of the Company and their respective affiliates;
11. the approval and adoption of the annual financial statements of the Company;
12. the approval, adoption or modification of the Company's business plan;
13. changes in the constitution of the Board;
14. appointment of or change in the statutory or internal auditors;
15. commencement of bankruptcy, liquidation, winding up, dissolution, composition with creditors, sale of assets, other similar or related actions, either by or of any Group Entity;
16. any change in the registered office of the Company;
17. the grant to any potential or subsequent financial or strategic investor of any rights which are more favourable than those granted to Lexington;
18. dissolution, winding-up or liquidation, commencement of bankruptcy, composition with creditors, sale of Assets, other similar or related actions by any Group Entity, whether or not voluntary, or any restructuring or reorganization which has a similar effect;
19. any declaration of dividends and/or other distributions on the Shares and other securities of the Company, whether by cash or otherwise;
20. appointment, removal or determining and modifying the remuneration and compensation of Directors, key employees and any other senior officers;
21. a material change to the Company, including the conversion of the Company from private to public in accordance with the Companies Act; and
22. any agreement or commitment to give effect to any of the foregoing.

Upon the completion of the QIPO, Lexington shall cease to have this right.

Covenants: Any changes to the following matters require the prior written consent of Lexington:

- (i) The Existing Significant Shareholders shall maintain a shareholding jointly representing at least 50.1% of the fully diluted share capital of the Company;
- (ii) Mr. Amit Mittal shall maintain a shareholding representing at least 40% of the fully diluted share capital of the Company;
- (iii) The Company shall maintain a shareholding representing at least 75% of the share capital (on a fully diluted basis) of each Subsidiary;
- (iv) The Company and the Existing Significant Shareholders shall not, and the Existing Significant Shareholders shall ensure that the Company shall not:
 - a. grant any proxy, or agree to be bound by any voting trust, with respect to any shares or other securities of any of the Group Entities, except in accordance with the Lexington Agreement;
 - b. enter into any shareholder agreements or arrangements of any kind with any person with respect to any shares or any securities of any of the Group Entities; or
 - c. take any other action, which is inconsistent with the provisions of the Lexington Agreement, the Lexington Share Purchase Agreement and the Inter-se Agreement in any manner.

Except with the prior written consent of Lexington, the Company shall not:

- (i) enter into any agreements, understandings, contracts, commitments and arrangements of any kind with any person, whether or not such person is a party to the Lexington Agreement:
 - a. with respect to any ownership interest held by the Company in each of the Subsidiaries;

- b. which effects, or purports to effect, any changes to the capital structure, including without limitation, the acquisition or disposition of any ownership interest held by the Company in each of the Subsidiaries in any manner; or
- (ii) transfer or otherwise dispose of any ownership interest held by the Company in each of the Subsidiaries.

QIPO: For a description on the QIPO provisions, see the description below QIPO under the Inter-se Agreement.

Third Party Sale: In addition to its right to participate in any QIPO, at any time not later than December 31, 2011, Lexington has the right to require the Existing Significant Shareholders to identify a bona fide third party purchaser, other than such restricted entities as set forth in the Lexington Agreement, to acquire from Lexington some or all of the Equity Shares of the Company held by it, at a price of Rs. 785.325 per Equity Share by delivering a 30 days prior written notice upon the Existing Significant Shareholders containing, *inter alia*, the price per share and the number of Equity Shares offered. The Existing Significant Shareholders are required to, within 60 days from the receipt of the date of Lexington's notice, identify a third party purchaser to acquire the Equity Shares offered by Lexington.

Pre-emptive rights: If the Company proposes to issue any additional securities (excluding employee stock options and sweat Equity Shares), it is required to first offer such securities to Lexington, pro rata to its shareholding, on the same terms and conditions on which such additional securities are offered to the proposed allottee. If Lexington does not exercise its right within 30 days of the notice, the Company may issue the additional securities to the proposed allottee at a price not less than, and on terms and conditions not more favourable than, those offered to Lexington.

Transfer Restrictions: Under the terms of the agreement, subject to the Existing Significant Shareholders' *Right of First Offer* (described below), Lexington is permitted to transfer all or any of the Equity Shares held by it to any person except to certain restricted entities as specified in the Lexington Agreement. The Significant Shareholders are restricted from transferring Equity Shares to any other person if such number of Equity Shares is more than 1% of the equity share capital of the Company in any financial year, without the prior written consent of Lexington. In the event a QIPO can not be completed, Lexington has the right to transfer all of its Equity Shares to any person, including to the restricted entities.

Right of First Refusal: Under the terms of the Lexington Agreement, if any Existing Significant Shareholder proposes to transfer any shares held by them to any third party purchaser, they shall notify Lexington, in writing, of such proposed transfer. The notice shall specify the identity of the third party purchaser, the price per share offered, the payment mechanism, and all other terms and conditions. Lexington has the right to acquire such number of shares at the specified price within 30 days of the receipt of the notice from the Existing Significant Shareholders by delivering upon the Existing Significant Shareholders an acceptance notice. Within seven days of the expiry of the notice period, the Existing Significant Shareholders shall give a written confirmation notice to Lexington specifying the number of Equity Shares to be purchased by it and the remainder shares offered but not purchased by Lexington. In the event that Beacon exercises its right to purchase the offered securities under the terms of the Beacon Agreement, Lexington and Beacon shall inter-se have the right to purchase such offered shares pro-rata to their shareholding in the share capital as on the date of the notice from the Existing Significant Shareholders. Lexington shall have a right of first refusal with respect to the remaining shares and this right is required to be exercised within 30 business days from the date of receipt of the confirmation notice. If Lexington does not offer to purchase the offered securities, then the Existing Significant Shareholders may transfer all but not less than all the offered securities to the third party purchaser at a price not less than, and on terms and conditions not more favourable than, those offered to Lexington within 60 days after the date of receipt of the Existing Significant Shareholders' offering such securities to Lexington.

Tag-Along Rights: Upon receiving a notice from the Existing Significant Shareholders proposing transfer of their shares to a third party purchaser, Lexington shall, instead of opting to acquire such offered shares, have the right to transfer its shares pro rata to its shareholding as on the date of the notice, along with the shares of the Existing Significant Shareholders on the same terms and conditions, by way of a tag along notice to be delivered within 30 days from the receipt of the notice from the Existing Significant Shareholders. In the event that the proposed transfer by the Existing Significant Shareholders to the third party purchaser results in a change in the control of the Company, Lexington shall have the right to require the Existing Significant Shareholders to ensure that such third party purchaser purchases all the shares then held by Lexington on the same terms and conditions as set out in the Existing Significant Shareholders' notice proposing the transfer of their shares. Upon completion of the QIPO, Lexington shall cease to have the tag-along right.

Right of First Offer: If at any time, Lexington proposes to transfer any of its shares to any person other than an affiliate, it shall first offer such shares to the Existing Significant Shareholders by way of a written notice. If the Existing Significant Shareholders wish to acquire all or any of such shares, they shall specify the number of shares, the price per share offered by the Existing Significant Shareholders, payment mechanism and all other terms at which the Existing Significant Shareholders are willing to purchase such shares within 30 days of receipt of the notice offering such shares from Lexington. If the Existing Significant Shareholders do not respond within the stipulated acceptance period or decline to purchase the offered shares, they shall cease to have the right of first offer. If Lexington rejects the offer made by the Existing Significant Shareholders, Lexington may transfer such offered shares to any third party purchaser, only at a price more favourable than that offered to Lexington by the Existing Significant Shareholders.

Information Rights: Under the terms of the agreement, the Group Entities are required to, and the Existing Significant Shareholders and the Company are required to ensure that the Group Entities, provide the following information to Lexington:

1. audited annual financial statements within 120 days after the end of each financial year;
2. unaudited quarterly financial statements within 30 days from the end of each calendar quarter;
3. a segment-wise annual operating and capital expenditure budget and headcount within 30 days prior to the end of each financial year for the following financial year;
4. monthly management information statements within 15 days from the end of each month;
5. any information relating to the occurrence of any event which would, or is likely to, be a Material Adverse Change, within a maximum period of 7 days;
6. any material information, including without limitation, the resignation of any of the key employees, within a maximum period of 7 days;
7. a monthly reporting package provided to the Board (which shall be provided from January, 2010); and
8. other information reasonably requested by Lexington or the Lexington Investor Director.

In addition, Lexington has the right to reasonable inspection and certain visitation rights in respect of the Group Entities. Upon completion of the QIPO, Lexington shall cease to have the information and inspection rights under the agreement.

Termination: The agreement shall terminate upon a breach by the warrantors, non-compliance with the agreement, occurrence of an event of default or a transfer of Equity Shares by Lexington in violation of the agreement. The management, reserved matters and information rights of Lexington under the agreement shall cease upon the completion of the QIPO or sale of more than 66% of the total shares held by Lexington in the fully diluted share capital of the Company.

However, Lexington's right to appoint the Lexington Investor Director shall continue so long as it continues to hold at least 5% of the fully diluted share capital of the Company. The provisions related to definitions and interpretations, representations and warranties of the group entities and the Existing Significant Shareholders, indemnification, dispute resolution, confidentiality and non-disclosure, notices, governing law and jurisdiction and costs and expenses shall survive the termination of the agreement.

Inter-se agreement dated October 2, 2009 among Beacon, Mr. Rakesh Radheyshyam Jhunjhunwala, Lexington, the Company and A2Z Infrastructure, A2Z Infraservices, A2Z Powertech, A2Z Powercom, Selligence (the "Subsidiaries") and Mr. Amit Mittal, Mrs. Dipali Mittal, Mrs. Babita Shivswaroop Gupta, Mr. Manoj Gupta and Shiv Swaroop Gupta HUF (the "Inter-se Significant Shareholders" and such inter-se agreement, the "Inter-se Agreement")

The Inter-se Agreement sets out the relationship among Mr. Jhunjhunwala, Beacon, Lexington, the Company, the Subsidiaries and the Inter-se Significant Shareholders and supercedes the previous agreements between Mr. Jhunjhunwala, Beacon, Lexington, the Company, the Subsidiaries and the Inter-se Significant Shareholders.

QIPO: A QIPO is the first bona fide fully underwritten public offering of the Equity Shares, whether by means of a fresh issue of additional Equity Shares or an offer of Equity Shares by the shareholders of the Company, and the listing of such Equity Shares and their admission to trading on the National Stock Exchange of India Limited, the Bombay Stock Exchange Limited or any internationally recognized stock exchange on which the Company's Equity Shares are listed or to be listed (the "Recognized Stock Exchange" and such public offering, the "IPO") which is approved by Mr. Jhunjhunwala, Beacon and Lexington, and which satisfies the following conditions:

- (a) The appointment of a merchant banker of international repute, registered with the Securities and Exchange Board of India as a Category-I merchant banker and acceptable to Mr. Jhunjhunwala, Beacon and Lexington, in connection with the IPO;
- (b) The IPO results in the listing of the Equity Shares on a Recognized Stock Exchange;
- (c) The proportion of a fresh issue of Equity Shares and Equity Shares listed through an offer for sale is acceptable to Mr. Jhunjhunwala, Beacon and Lexington;
- (d) The IPO is completed at a pre-money market capitalization of an amount exceeding Rs. 18,000 million or such other pre-money market capitalization as may be mutually acceptable to Mr. Jhunjhunwala, Beacon, Lexington and the Inter-se Significant Shareholders; and
- (e) The minimum number of Equity Shares offered in the IPO will constitute such percentage of the post-issue equity share capital of the Company as may be required under applicable laws;

The Company shall, and the Inter-se Significant Shareholders undertake that the Company shall, make best efforts to conduct the QIPO and the Equity Shares shall be listed on a Recognized Stock Exchange no later than December 31, 2011 or such other date as may be agreed in writing by Mr. Jhunjhunwala, Beacon and Lexington. The Company shall not conduct an IPO other than the QIPO up to December 31, 2011. The QIPO may be either through a new issue of Equity Shares or by way of an offer for sale of the Equity Shares held by the shareholders of the Company, or a combination of both.

The Recognized Stock Exchange on which the Equity Shares offered by Mr. Jhunjhunwala, Beacon and Lexington shall be listed, the timing, pricing, appointment of the lead manager, the underwriter and the appointment of an investment bank of international repute as book runner for the offering shall be mutually agreed between Mr. Jhunjhunwala, Beacon, Lexington and the Inter-se Significant Shareholders.

In the event of an offer for sale in which Mr. Jhunjhunwala, Beacon and/or Lexington offer their Equity Shares, the Company shall indemnify Mr. Jhunjhunwala, Beacon and/or Lexington against any losses damages or claims caused by any untrue statement of a fact contained in any statement or prospectus relating to such offering except losses, damages or claims caused by any such untrue statement or omission based upon information relating to Mr. Jhunjhunwala, Beacon and/or Lexington or any information furnished in writing to the Company by or on behalf of Mr. Jhunjhunwala, Beacon and/or Lexington expressly for such use.

Mr. Jhunjhunwala, Beacon and/or Lexington shall be entitled to transfer up to all of the Equity Shares held by them subsequent to the occurrence of the QIPO and consequent listing of the Equity Shares subject to applicable law.

Mr. Jhunjhunwala, Beacon and/or Lexington shall not be considered as a “promoter” of the Company or the issue, and the Equity Shares held by them shall not be subject to any statutory lock-in restrictions as shares held by a “promoter” with respect to the QIPO. In the event that any Equity Shares are to be made subject to any lock-in in connection with any QIPO, then the Inter-se Significant Shareholders shall offer their Equity Shares towards such lock-in.

Non-occurrence of QIPO: In the event that the QIPO does not occur, Mr. Jhunjhunwala and Beacon shall have the right to transfer all of their shares to any Person, including any competitor of the Company.

Rights of First Refusal: In the event that the Inter-se Significant Shareholders wish to transfer their Equity Shares, Mr. Jhunjhunwala, Beacon and Lexington shall each have the right of first refusal to purchase such Equity Shares *pro rata* to their respective shareholding in the Fully Diluted equity share capital of the Company as on the date of the notice by the Inter-se Significant Shareholders in accordance with the Jhunjhunwala Agreement, the Beacon Agreement and the Lexington Agreement.

Management: The rights of Mr. Jhunjhunwala and Beacon under the Jhunjhunwala Agreement and the Beacon Agreement, respectively, to appoint a nominee director on the board of directors shall be applicable to each Subsidiary.

Affirmative Rights/Reserved Matters: The affirmative rights of Beacon under the Beacon Agreement also extend to each Subsidiary. Prior to any meeting for consideration of a matter reserved by Lexington under the Lexington Agreement, Mr. Jhunjhunwala and Beacon shall be informed at least seven Business Days in advance and such matter shall be considered only after it has been approved by Mr. Jhunjhunwala and Beacon in writing. All

references to “Investor” under the Lexington Agreement shall be deemed to include Mr. Jhunjhunwala or Beacon.

Term and Termination: The Inter-se Agreement shall be terminated by the mutual agreement of Mr. Jhunjhunwala, Beacon and Lexington on the occurrence of the earlier of (a) the termination of any of the Inter-se Agreement, the Jhunjhunwala Agreement, the Beacon Agreement, the Lexington Agreements, any agreement supplemental to this Agreement, the Jhunjhunwala Shareholders Agreement, the Beacon Agreement, the New Beacon Agreement, the Lexington Agreement or the Lexington Share Purchase Agreement including the Transfer Agreement, any other agreement or document that the parties to the Inter-se Agreement may have agree from time to time and the Articles of Association of the Company and (b) commencement of trading of Equity Shares of the Company on any Recognized Stock Exchange pursuant to a QIPO. Provisions relating to indemnity, notices, governing law, dispute resolution and jurisdiction and deadlock survive upon termination of the Inter-se Agreement.

Investor Agreement dated July 20, 2010 among the Company, A2Z Infrastructure, A2Z Infraservices, A2Z Powertech, A2Z Powercom, Selligence (together, the “Subsidiaries”), Mr. Rakesh Radheyshyam Jhunjhunwala, Beacon, Lexington, Mr. Amit Mittal, Mrs. Dipali Mittal, Shiv Swaroop Gupta HUF, Mr. Shiv Swaroop Gupta, Mrs. Babita Shivswaroop Gupta and Mr. Manoj Gupta (together, as the “Parties”)

Pursuant to an agreement dated July 20, 2010, the Parties have agreed that other than (x) the right to appoint one director to the Board of Directors of the Company by each of (i) Mr. Jhunjhunwala, (ii) Beacon and (iii) Lexington for so long as such investor holds Equity Shares representing at least 5% (five per cent) of the share capital of the Company calculated on a Fully Diluted Basis and (y) provisions relating to Definitions and Interpretation, Representations and Warranties, Indemnities, Dispute Resolution, Confidentiality, Notices, Governing Law and Jurisdiction and Costs and Expenses under the relevant investor agreements, none of the special rights and obligations of any party shall survive and the respective investor agreements shall terminate, immediately upon the commencement of trading of the Equity Shares on the Stock Exchanges.

In addition, the Parties have agreed that the Issue shall be considered a QIPO as specified under the Inter-se Agreement, provided that the Issue is required to be completed at a pre-money market capitalization as may be mutually acceptable to Mr. Jhunjhunwala, Beacon, Lexington, Mr. Amit Mittal, Mrs. Dipali Mittal, Mrs. Babita Shivswaroop Gupta, Mr. Manoj Gupta and Shiv Swaroop Gupta HUF prior to the filing of the Prospectus with the RoC.

Guarantees

For details of the guarantees given by our Promoter, Mr. Amit Mittal, to our lenders, please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

Strategic and Financial Partners

As of the date of filing this Prospectus, the Company does not have any strategic or financial partners.

OUR MANAGEMENT

Under the Articles of Association, the Company cannot have less than three Directors and more than 12.

The following table sets forth details regarding the Board of Directors as of the date of filing this Prospectus.

Name, Designation, Occupation, Term and Director Identification Number ("DIN")	Age	Nationality	Address	Other Directorships
Mr. Surender Kumar Tuteja Non-Executive Chairman <i>Independent and Non-Executive Director</i> Occupation: Retired IAS officer Term: Liable to retire by rotation DIN: 00594076	65	Indian	S-307, II nd Floor, Panchsheel Park New Delhi 110 017	1. Abhishek Industries Limited 2. Adani Logistics Limited 3. Adani Power Limited 4. Axis Private Equity Limited 5. Havells India Limited 6. Indian Energy Exchange Limited 7. Mundra Port and Special Economic Zones Limited 8. National Bulk Handling Corporation Limited 9. Precision Pipes and Profiles Company Limited 10. Shree Renuka Infraprojects Limited 11. Shree Renuka Sugar Limited 12. Small Industries Development Bank of India 13. SVIL Mines Limited 14. Swaraj Mazda Limited 15. Capstone Capital Services Private Limited 16. Pegasus Asset Reconstruction (P) Limited 17. Tiger Cold Chain Private Limited 18. Topworth Energy Private Limited
Mr. Amit Mittal Managing Director <i>Non-Independent and Executive Director</i> Occupation: Business Term: For a period of five years DIN: 00058944	42	Indian	TG-2B/4, Garden Estate Mehrauli Gurgaon Road Gurgaon 122 002 Haryana	1. A2Z Infraseservices Limited 2. A2Z Infrastructure Limited 3. A2Z Powercom Limited 4. Mjooz Global Private Limited 5. m-Nxt Consulting and Solutions Private Limited
Mrs. Dipali Mittal Whole-time Director <i>Non-Independent and Executive Director</i> Occupation: Business Term: For a period of five years DIN: 00872628	37	Indian	TG-2B/4, Garden Estate Mehrauli Gurgaon Road Gurgaon 122 002 Haryana	1. A2Z Infraseservices Limited 2. A2Z Infrastructure Limited 3. Mjooz Global Private Limited
Mr. Rakesh Radheyshyam Jhunjhunwala <i>Non-Independent and Non-Executive Director</i> Occupation: Business Term: Liable to retire by rotation DIN: 00777064	50	Indian	16C, 16 th Floor IL Palazzo, CHS Little Gibbs Road Malabar Hill Mumbai 400 006 Maharashtra	1. Aptech Limited 2. Autoline Industries Limited 3. Geojit BNP Paribas Financial Services Limited 4. Metro Shoes Limited 5. Nagarjuna Construction Company Limited 6. Prime Focus Limited 7. Viceroy Hotels Limited 8. Hungama Digital Media Entertainment Private Limited 9. Inventurus Knowledge Solutions Private Limited 10. Delta Corp Limited
Mr. Manish Gupta <i>Non-Independent and Non-Executive Director</i> Occupation: Service	37	Indian	701, Ashtavinayak Union Park, Road Number 1, Dr Ambedkar Road,	1. Geojit Comtrade Limited 2. Alchemy Capital Management Private Limited 3. Inventurus Knowledge

Name, Designation, Occupation, Term and Director Identification Number ("DIN")	Age	Nationality	Address	Other Directorships
<i>Term: Not liable to retire by rotation</i> <i>DIN: 00604556</i>			Khar (West) Mumbai 400 052 Maharashtra	Solutions Private Limited 4. Pegasus Assets Reconstructions Private Limited 5. Inventurus Knowledge Services Private Limited
Mr. Brij Raj Singh <i>Non-Independent and Non-Executive Director</i> <i>Occupation: Business</i> <i>Term: Not liable to retire by rotation</i> <i>DIN: 01446886</i>	46	Indian	Villa No. 74, Street 14B, Jumeriah 2 Dubai	Companies Outside India: 1. Baer Capital Partners Limited 2. Baer Capital Partners International Limited 3. Beacon India Private Equity Fund, Cayman 4. Beacon India Managers Limited 5. Beacon India Managers (Cayman) Limited 6. BIPEF-VHL (Cayman) Limited 7. Beacon India Private Equity Fund II 8. Baer Capital Partners (U.K.) Limited
Mr. Gaurav Mathur <i>Non-Independent and Non-Executive Director</i> <i>Occupation: Business</i> <i>Term: Not liable to retire by rotation</i> <i>DIN: 00016492</i>	35	Singaporean	18 Marlow 62B Pochkanwala Road Worli, Mumbai 400 018 Maharashtra	1. Ocean Sparkle Limited 2. Ikya Human Capital Solutions Private Limited 3. Highbridge Investments Private Limited
Mr. Vinod Sagar Wahi <i>Independent and Non-Executive Director</i> <i>Occupation: Advocate</i> <i>Term: Liable to retire by rotation</i> <i>DIN: 01899217</i>	65	Indian	E-003, Anand Lok Apartment Mayur Vihar Phase I New Delhi 110 091	1. SVIL Mines Limited 2. SIDBI Venture Capital Limited
Mr. Rajeev Thakore <i>Independent and Non-Executive Director</i> <i>Occupation: Service</i> <i>Term: Liable to retire by rotation</i> <i>DIN: 00001732</i>	54	Indian	D-63, Defence Colony New Delhi 110 024	1. TV Today Network Limited 2. Vatika Limited 3. BVM Management Enterprises Private Limited 4. BVM Advisors Private Limited
Mr. Anshuman Goenka <i>Alternate Director to Mr. Brij Raj Singh</i> <i>Occupation: Service</i> <i>Term: Not liable to retire by rotation</i> <i>DIN: 02276712</i>	36	Indian	A 1102, Emgee Green SM Road, Wadala East Mumbai 400 037 Maharashtra	1. BCP Advisors Private Limited 2. CNCS Facility Solutions Private Limited
Mr. Supratim Banerjee <i>Alternate Director to Mr. Gaurav Mathur</i> <i>Occupation: Business</i> <i>Term: Not liable to retire by rotation</i> <i>DIN: 02052355</i>	34	Indian	Flat no-2, Sreeji Krupa 517, HR Mahajani Marg Matunga Mumbai 400 019 Maharashtra	1. Jai Balaji Industries Limited

Neither any Director nor any company in which the Director was or is a promoter, director or person in control is debarred or prohibited from accessing the capital markets by SEBI or any other authority.

Other than Mr. Rakesh Radheyshyam Jhunjunwala, Mr. Brij Raj Singh and Mr. Manish Gupta, none of the Directors are associated with the securities market.

None of the Directors were directors of any company at the time when the shares of such company were either (a) suspended from trading by the stock exchange(s) during the last five years from the date of filing the Red Herring Prospectus or (b) delisted.

Brief Profile of the Directors

Mr. Surender Kumar Tuteja, age 65 years, is the Chairman of the Company. He is an independent and non-executive Director. He was appointed as a Director on July 25, 2008. Mr. Tuteja completed his bachelor's degree in Commerce in 1964 and a master's degree in commerce in 1966 from the Shri Ram College of Commerce, University of Delhi. He is became a fellow member of the Institute of Company Secretaries of India, New Delhi in 1981. Mr. Tuteja has experience of approximately 42 years in various capacities in the Government, including as the Secretary to the Government of India in the Department of Food and Public Distribution, Secretary, Ministry of Small Scale Industries and Agro & Rural Industries, Development Commissioner, Small Scale Industries, Secretary, Public Enterprises Selection Board, Principal Secretary, Industries and Commerce, Principal Secretary, Finance, Government of Punjab, Managing Director, Punjab State Industries Development Corporation Limited and Chairman, Punjab State Electricity Board.

Mr. Tuteja has also acted as a consultant to the World Bank on a project relating to designing a data bank system for selecting candidates to the board of directors and office of the chief executive officer of different public enterprises of Uganda. Mr. Tuteja has also participated as a member of the Indian delegation to the fourth ministerial conference of WTO held at Doha, Qatar and was a member of the executive committee of the International Sugar Organization, London and the International Grain Council, London. In 1992, he was awarded the "Dayanand Munjal Award" in the category of "Manager of the Year" by the Ludhiana Management Association. Mr. Tuteja did not receive any remuneration from the Company in the year ended March 31, 2010, other than sitting fees as a member of the Board to attend meetings of the Board.

Mr. Amit Mittal, age 42 years, is the Managing Director of the Company. Mr. Mittal has been a Director of the Company since February 1, 2004. Mr. Mittal obtained his B. Tech degree in civil engineering from the Indian Institute of Technology, Roorkee in 1988 and has approximately 20 years of experience in project management and execution in the power, oil and infrastructure sectors. Mr. Mittal is responsible for the management of the overall operations of the Company and the Group. He is also the chairman and managing director of A2Z Infrastructure, the chairman and director of A2Z Infrservices and the director of A2Z Powercom. Mr. Mittal started his career with Hindustan Petroleum Corporation Limited and later joined Sapient Corporation, a multinational consulting corporation. He has recently been awarded the Ernst & Young award for the Start-up Entrepreneur of the year 2009. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Mittal was Rs. 7.76 million.

Mrs. Dipali Mittal, age 37 years, is a whole-time Director of the Company. Mrs. Mittal has been a Director since February 1, 2004. She was appointed as whole time director of the Company effective April 1, 2005 for a period of five years and was later re-appointed as a whole time director by the Board on March 18, 2010 for a further period of five years. She has completed her MBA from the Indian Institute of Finance, New Delhi in 1997. She has varied industry experience and is involved in the accounting, financial and general management of the Company. She is also a director of A2Z Infrastructure and A2Z Infrservices. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mrs. Mittal was Rs. 0.63 million.

Mr. Rakesh Radheyshyam Jhunhunwala, age 50 years, is a non-executive director of the Company and has been a Director since July 1, 2009. Mr. Jhunhunwala has approximately 25 years experience in the capital markets. Mr. Jhunhunwala completed his graduation from Sydenhem College of Commerce in 1981 and his chartered accountancy from Institute of Chartered Accountants of India in 1985. Mr. Jhunhunwala is a famous and well-respected equity investor in India and manages his own portfolio as a partner in his asset management firm, RaRe Enterprises. Mr. Jhunhunwala did not receive any remuneration from the Company in the year ended March 31, 2010, other than sitting fees as a member of the Board to attend meetings of the Board.

Mr. Manish Gupta, age 37 years, is a non-independent and non-executive director of the Company and has been a Director since August 31, 2007. Mr. Gupta is the nominee director of Mr. Jhunhunwala to the Board. Mr. Gupta has approximately 12 years of experience in strategy formulation and four years of experience in private equity and capital markets. Mr. Gupta completed his Bachelor of Engineering degree from the Birla Institute of Technology & Science in Pilani, Rajasthan in 1995, and PGDBM from Indian Institute of Management Ahmedabad in 1997. Prior to joining RaRe Enterprises, he worked at the Boston Consulting Group from June, 1997 to March 2004. He has also held management positions at Honeywell International and

Steelcase Inc. between 2004 and 2006. Mr. Gupta did not receive any remuneration from the Company in the year ended March 31, 2010.

Mr. Brij Raj Singh, age 46 years, is a non-independent and non-executive director and has been nominated by Beacon India Investors Limited to the Board. Mr. Singh was appointed as a Director on August 31, 2007. He is a graduate of St. Stephen's College, University of Delhi, and has attended the Amos Tuck School of Management at Dartmouth College. Mr. Singh also has a master in business administration (MBA) in International business from American University, Washington DC and later went on to complete the Advanced Management Program at Harvard Business School. He has approximately 22 years of private banking and investment advisory experience in India and the Middle East. Previously, he has been the chief executive officer and the managing director of Julius Baer Middle East. Prior to this, he was a managing director at Merrill Lynch & Co., where he was responsible for private banking in the Middle East and the Indian sub-continent. Mr. Singh has also been the Chairman of the Emirates chapter of the Young Presidents' Organization (YPO). Mr. Singh did not receive any remuneration from the Company in the year ended March 31, 2010. Mr. Anshuman Goenka is an alternate director to Mr. Singh on the Board.

Mr. Gaurav Mathur, age 35 years, is a non-independent and non-executive director and has been a Director since October 12, 2009. He has been nominated by Lexington to the Board. Mr. Mathur has approximately 13 years of experience in private equity and investment banking business. Mr. Mathur holds a bachelors degree in Economics from the University of Delhi in 1995 and a master's degree in Business Administration from the Indian Institute of Management, Ahmedabad in 1998. Mr. Mathur is the managing director of India Equity Partners (IEP) and prior to joining IEP, he was a principal at J. P. Morgan Partners and an analyst at the Deutsche Bank. Mr. Mathur did not receive any remuneration from the Company in the year ended March 31, 2010. Mr. Supratim Banerjee is the alternate director to Mr. Mathur on the Board.

Mr. Vinod Sagar Wahi, age 65 years, is an independent and non-executive director of the Company. Mr. Wahi was appointed to the Board as an additional director on March 18, 2010. He holds a bachelors degree in Commerce from the Shri Ram College of Commerce, University of Delhi, 1964, a bachelor's degree in law from the Faculty of Law, University of Delhi, 1966, a master's degree in Business Administration from the Faculty of Management Studies, University of Delhi, 1974 and a masters in philosophy from the Punjab University, 1993. He has approximately 36 years in the Indian Revenue Service, Government of India in various capacities, including as the Commissioner of Income Tax, the Director of Income Tax, the director, Ministry of Corporate Affairs, the secretary, Company Law Board, the Chief Commissioner of Income Tax Mumbai and Delhi and a member, Company Law Board. Mr. Wahi did not receive any remuneration from the Company in the year ended March 31, 2010.

Mr. Rajeev Thakore, age 54 years, is an independent and non-executive director of the Company and was appointed as an additional director to the Board on March 18, 2010. Mr. Thakore holds a masters degree in Business Administration from the University of Saskatchewan (Canada). Mr. Thakore has also attended a Pre-Business Program at the Kent State University, Ohio and has completed a bachelor's degree in Economics from St Stephen's College, University of Delhi. He has approximately 29 years of experience in private equity, corporate finance and the banking business. He has advised Strategic Value Partners and has been the managing director of BVM Advisors. Previously, Mr. Thakore was the co-founder and the chief executive officer of Jacob Ballas Capital and the chief executive officer of Shriram Financial Services. He has also held management positions with HSBC Bank and BNP Paribas. Mr. Thakore did not receive any remuneration from the Company in the year ended March 31, 2010, other than sitting fees as a member of the Board to attend meetings of the Board.

Alternate Directors

Under the Articles of Association, the Board may appoint an alternate director pursuant to the provisions of the Companies Act. Mr. Anshuman Goenka and Mr. Supratim Banerjee are currently alternate directors to Mr. Brij Raj Singh and Mr. Gaurav Mathur, respectively.

Mr. Anshuman Goenka, age 36 years, is an alternate director to Mr. Brij Raj Singh and was appointed as an alternate director to Mr. Brij Raj Singh on June 10, 2009. He has also been nominated to the board of directors of CNCS by Beacon. Mr. Goenka has approximately 11 years of experience in investment management, investment banking and business strategy. Mr. Goenka completed a bachelor's degree in Economics from St Stephen's College, University of Delhi in 1996, a bachelor's and master's degree from the University of Cambridge in 1996 and 2002, respectively, and a post-graduate diploma in management from the Indian School

of Business, Hyderabad in 2002. Mr. Goenka is also a CFA charter-holder from the CFA Institute, Virginia (2010).

Mr. Goenka joined BCP Advisors', Mumbai from Rabo India Finance, where he occupied the position of director in the capital markets team. He has worked in the field of management consulting for Accenture and BCG. He also managed business strategy for NDTV. Mr. Goenka did not receive any remuneration from the Company in the year ended March 31, 2010.

Mr. Supratim Banerjee, age 34 years, is an alternate director to Mr. Gaurav Mathur and was appointed as an alternate director to Mr. Gaurav Mathur on October 12, 2009. He completed his bachelor's degree in Engineering (Computers) from the University of Mumbai in 1998 and a masters in business administration from the Indian School of Business, Hyderabad in 2002. He is a Vice President in India Equity Partners. Prior to joining India Equity Partners, he worked with A.T. Kearney Private Limited as Manager. Mr. Banerjee has approximately eight years of experience in corporate finance sector. Mr. Banerjee did not receive any remuneration from the Company in the year ended March 31, 2010.

Relationship between Directors or Key Managerial Personnel

None of our Directors or key managerial personnel are related to each other, except Mrs. Dipali Mittal who is the spouse of Mr. Amit Mittal.

Arrangements and understanding with major shareholders

Other than the Directors appointed or nominated by Mr. Rakesh Radheyshyam Jhunjhunwala, Beacon and Lexington, none of the Directors or key managerial personnel have been appointed pursuant to any arrangement or understanding with the major shareholders, customers, suppliers or others, of the Company.

Details of Appointment and Compensation of the Directors

Name of Directors	Date of Board Resolution	Term	Compensation (per annum)
Mr. Surender Kumar Tuteja	July 25, 2008	Liable to retire by rotation	Sitting fees
Mr. Amit Mittal	November 14, 2009	As the Managing Director, for a period of five years commencing from January 1, 2010	Please see the section "-Payments to Executive Directors" below
Mrs. Dipali Mittal	March 18, 2010	As a whole time Director, for a period of five years commencing from April 1, 2010	Please see the section "-Payments to Executive Directors" below
Mr. Rakesh Radheyshyam Jhunjhunwala	July 1, 2009	Liable to retire by rotation	Sitting fees
Mr. Manish Gupta	August 31, 2007	Not liable to retire by rotation	Sitting fees payable to Mr. Rakesh Radheyshyam Jhunjhunwala
Mr. Brij Raj Singh	August 31, 2007	Not liable to retire by rotation	Sitting fees payable to Beacon
Mr. Anshuman Goenka (alternate director to Mr. Brij Raj Singh)	June 10, 2009	Not liable to retire by rotation	Sitting fees payable to Beacon
Mr. Gaurav Mathur	October 12, 2009	Not liable to retire by rotation	Sitting fees have been waived
Mr. Supratim Banerjee (alternate director to Mr. Gaurav Mathur)	October 12, 2009	Not liable to retire by rotation	Sitting fees have been waived
Mr. Rajeev Thakore	March 18, 2010	Liable to retire by rotation	Sitting fees
Mr. Vinod Sagar Wahi	March 18, 2010	Liable to retire by rotation	Sitting fees

Changes in the Board of Directors during the last three years

Name	Date of Appointment	Date of Cessation	Reason
Mr. Brij Raj Singh	August 31, 2007	-	Appointment
Mr. Manish Gupta	August 31, 2007	-	Appointment
Mr. Sunil Gupta	July 1, 2008	February 12, 2009	Resignation
Mr. Surender Kumar Tuteja	July 25, 2008	-	Appointment
Mr. Radhe Shyam Chaudhari	June 16, 2008	June 11, 2009	Resignation
Mr. Anshuman Goenka (alternate director to Mr. Brij Raj Singh)	June 10, 2009	-	Appointment
Mr. Rakesh Radheyshyam Jhunjhunwala	July 1, 2009	-	Appointment
Mr. Gaurav Mathur	October 12, 2009	-	Appointment
Mr. Supratim Banerjee (alternate	October 12, 2009	-	Appointment

Name	Date of Appointment	Date of Cessation	Reason
director to Mr. Gaurav Mathur)			
Mr. Amit Mittal	January 1, 2010	-	Re-appointed as the Managing Director
Mr. Rajeev Thakore	March 18, 2010	-	Appointment
Mr. Vinod Kumar Wahi	March 18, 2010	-	Appointment
Mr. Sanjeev Sharma	May 1, 2008	March 31, 2010	Resignation
Mr. Manoj Gupta	February 1, 2004	March 31, 2010	Resignation upon expiry of term
Mrs. Dipali Mittal	April 1, 2010	-	Re-appointed as a Whole-time Director

There are no service contracts entered into by the Directors providing for benefits upon termination of employment.

Payments to Non-Executive Directors

The non-executive independent Directors are paid sitting fees and any other amounts as may be decided by the Board and the shareholders of the Company, in accordance with the provisions of the Articles of Association, the Companies Act and any other applicable Indian laws and regulations.

The sitting fees paid to the non-executive independent Directors during the year ended March 31, 2010 is set forth below. Other than the sitting fees, the independent Directors did not receive any other remuneration, commission or payment from the Company during this period.

S. No.	Name of the Non-Executive Director	Sitting Fees paid (In Rs.)
1.	Mr. Surender Kumar Tuteja	340,000
2.	Mr. Rakesh Radheyshyam Jhunjhunwala	40,000
3.	Mr. Manish Gupta	160,000*
4.	Mr. Brij Raj Singh	40,000**
5.	Mr. Gaurav Mathur	Sitting fees have been waived
6.	Mr. Rajeev Thakore	20,000
7.	Mr. Vinod Sagar Wahi	Nil
8.	Mr. Anshuman Goenka (alternate director to Mr. Brij Raj Singh)	160,000**
9.	Mr. Supratim Banerjee (alternate director to Mr. Gaurav Mathur)	Sitting fees have been waived
10.	Mr. Radhe Shyam Chaudhari	20,000

* Sitting fees payable to Mr. Jhunjhunwala.

** Sitting fees payable to Beacon.

The Board of Directors convened an annual general meeting of the existing shareholders of the Company on December 7, 2010 and the shareholders approved the annual payment of up to 1% of the net profits of the Company, in the aggregate, to Directors (other than the Directors who are either in the whole-time employment of the Company or the Managing Director) for each of the three financial years commencing from fiscal 2011.

The Company has received the approval of the RoC dated September 15, 2010 granting it an extension of three months' time (from September 30, 2010) for convening the annual general meeting.

Payments to Executive Directors

The Board, pursuant to its resolution passed at its meeting held on November 14, 2009, reappointed Mr. Amit Mittal as a Managing Director of the Company for a period of five years with effect from January 1, 2010. Mr. Amit Mittal's terms of appointment were revised as follows:

Basic salary	Rs. 666,000 per month for the period between January 1, 2010 to December 31, 2010 and Rs. 732,600 per month from January 1, 2011 to December 31, 2011. Mr. Amit Mittal's basic salary for the remaining tenure of his office shall be decided in the last quarter of the calendar year 2011.
Commission	1% on net profits of the Company
Medical reimbursement	Expenses incurred for self and family subject to a ceiling of Rs. 12,000 per annum
Leave travel concession	Once a year for himself and family
Club fees	Club fees for a maximum of two clubs
Provident fund contribution	Contribution to provident fund as per the policy of the Company (i.e., 12% of salary)
House rent allowance	50% of basic salary, along with electricity and maintenance charges
Car and telephone	A car with driver, mobile phone and telephone at the residence for the Company's business

The Board, pursuant to its resolution passed at its meeting held on March 18, 2010, reappointed Mrs. Dipali Mittal as a whole time Director of the Company for a period of five years with effect from April 1, 2010. Mrs. Dipali Mittal's terms of appointment were revised as follows:

Basic salary	Rs. 100,000 per month with an annual increment of Rs. 20,000 per month from April 1, 2011.
Provident fund contribution	Contribution to provident fund as per the policy of the Company (i.e., 12% of salary)
Gratuity	15 days of salary for each completed year of service

The following table sets forth the details of the remuneration paid or payable to the Executive Directors for the year ended March 31, 2010:

	<u>Basic Salary</u>	<u>Commission</u>	<u>Super-annuation</u>	<u>Provident Fund</u>	<u>House rent allowance</u>	<u>Medical</u>	<u>Perquisites</u>	<u>Others</u>	<u>Net Remuneration</u>
<u>Name</u>	<u>(Rs. in million)</u>								
Mr. Amit Mittal	5.15	15.68	Nil	0.62	2.57	Nil	0.04	-	24.06
Mrs. Dipali Mittal	0.48	-	Nil	-	0.11	-	0.04	0	0.64
Total	5.63	15.68	Nil	0.62	2.68	Nil	0.08	0	24.70

Borrowing Powers of the Directors in the Company

The Articles of Association, subject to the provisions of the Companies Act, authorize the Board, to raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. The shareholders have, pursuant to a resolution adopted at the AGM dated September 30, 2009, authorized the Board to borrow monies from time to time, for the purpose of the business of the Company such sums or monies as they may deem requisite notwithstanding the money to be borrowed together with the money already borrowed by the Company (apart from temporary loans/facilities obtained or to be obtained from the Company's bankers in the ordinary course of business) will or may exceed an aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount up to which the money may be borrowed by the Board of Directors shall not exceed at any time Rs. 30,000 million.

The Board of Directors convened an annual general meeting of the existing shareholders of the Company on December 7, 2010 and the shareholders approved the increase the above referenced borrowing limit of the Board of Directors from Rs. 30,000 million to Rs. 50,000 million.

Shareholding of the Directors

The Articles of Association do not require the Directors to hold any qualification Equity Shares in the Company. The following table details the shareholding of the Directors, in their personal capacity, as at the date of filing this Prospectus.

<u>Shareholder</u>	<u>Equity Shares owned before the Issue</u>		<u>Equity Shares owned after the Issue</u>	
	<u>No. of shares</u>	<u>% of paid-up capital</u>	<u>No. of shares</u>	<u>% of paid-up capital</u>
Mr. Amit Mittal	27,578,735	48.13	26,884,301	36.24
Mrs. Dipali Mittal	1,170,000	2.04	1,170,000	1.58
Mr. Rakesh Radheyshyam Jhunjunwala	12,051,125	21.03	11,773,351	15.87
Mr. Manish Gupta	129,000	0.22	129,000	0.17
Total	40,928,860	71.42	39,956,652	53.86

For details regarding the options to acquire Equity Shares granted to certain Directors under the A2Z ESOP, please see the section “Capital Structure” beginning on page 23 of this Prospectus.

Interest of Promoter, Directors and Key Managerial Personnel

Except as stated in the section “Financial Statements” beginning on page 175 of this Prospectus, and to the extent of compensation and/or commission, if any, and his shareholding in the Company, the Promoter does not have any other interest in our business.

All of the Directors may be deemed to be interested to the extent of any fees payable to them for attending meetings of the Board or a committee thereof and to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association, and remuneration paid to them for services rendered as an officer or employee of the Company. Other than as disclosed in this Prospectus, none of the Directors are entitled to receive remuneration from the Company. For further details, see the paragraph “Details of Appointment and Compensation of the Directors” above.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them, any options granted to them under the A2Z ESOP, any Equity Shares that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to the Issue or any equity shares held by them in any subsidiary. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Except as disclosed in the section “Financial Statements” beginning on page 175 of this Prospectus, the Directors and the Promoter do not have any interest in any property acquired by the Company or its Subsidiaries within two years of the date of filing of the Red Herring Prospectus with the RoC.

The key managerial personnel of the Company do not have any interest in the Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them, any options granted to them under the A2Z ESOP or any equity shares held by them in any Subsidiary.

See also the section “Financial Statements” beginning on page 175 of this Prospectus.

Corporate Governance

The provisions of the listing agreements to be entered into with the Stock Exchanges with respect to corporate governance become applicable to the Company at the time of seeking in-principle approval of the Stock Exchanges.

The Board has nine Directors, of which three Directors are independent and seven Directors are non-executive Directors.

The Company has complied with the requirements of corporate governance contained in the listing agreements to be entered into with the Stock Exchanges, particularly with respect to the composition of the Board of Directors and the constitution of the following committees of the Board: the Audit Committee, the Remuneration cum Compensation Committee and the Shareholders and Investors Grievance Committee. The Company undertakes to take all necessary steps to comply with all the requirements of the guidelines on corporate governance and adopt the Corporate Governance Code as per Clause 49 of the listing agreement to be entered into with the Stock Exchanges, as would be applicable to the Company upon the listing of its Equity Shares.

Audit Committee

The Audit Committee was first constituted by the Directors at a Board meeting held on September 29, 2007. The Audit Committee was reconstituted on December 9, 2008 and again on March 18, 2010. The terms of reference of Audit Committee comply with the requirements of Clause 49 of the listing agreement to be entered into with the Stock Exchanges. Two-thirds of the members of the Audit Committee are independent directors. All the members are financially literate and at least one member has accounting or related financial management expertise.

The constitution of the Audit Committee is as follows:

S. No.	Name of the Director	Executive/Non-Executive/Independent
1.	Mr. Surender Kumar Tuteja (Chairman)	Independent
2.	Mr. Rajeev Thakore	Independent
3.	Mr. Vinod Sagar Wahi	Independent
4	Mr. Manish Gupta	Nominee Director

The Audit Committee provides directions to and reviews functions of the Company's audit department. The Committee evaluates internal audit policies, plans, procedures and performance and reviews the other functions through various internal audit reports. Quarterly and annual accounts will be placed before the Audit Committee, prior to being presented to the Board along with the recommendations of the Audit Committee.

The Audit Committee has the powers as prescribed under Clause 49 of the listing agreement including the following:

(a) *Power of Audit Committee*

- i. To investigate any activity within its terms of reference.
- ii. To seek information from any employee.
- iii. To obtain outside legal or other professional advice.
- iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(b) *Role of Audit Committee*

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
3. Reviewing with management the annual financial statements before submission to the board, focusing primarily on:
 - (a) Any changes in accounting policies and practices.
 - (b) Major accounting entries based on exercise of judgment by management.
 - (c) Qualifications in draft audit report.
 - (d) Significant adjustments arising out of audit.
 - (e) The going concern assumption.
 - (f) Compliance with accounting standards.
 - (g) Compliance with stock exchange and legal requirements concerning financial statements.
 - (h) Any related party transactions.
4. Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
5. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
6. Discussion with internal auditors any significant findings and follow up there on.
7. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
8. Discussion with external auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
9. Reviewing the company's financial and risk management policies.
10. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

(c) *Review of information by Audit Committee*

The Audit Committee shall mandatorily review the following information:

1. Financial statements and draft audit report, including quarterly/half-yearly financial information;
2. Management discussion and analysis of financial condition and results of operations;

3. Reports relating to compliance with laws and to risk management;
4. Management letters/letters of internal control weaknesses issued by statutory/internal auditors; and
5. Records of related party transactions.
6. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee met three times during the year ended March 31, 2010.

Remuneration cum Compensation Committee

The Remuneration Committee was constituted by the Directors at a Board meeting held on September 29, 2007. The Remuneration Committee was re-constituted in December 9, 2008 and again on November 14, 2009. It was renamed as the Remuneration cum Compensation Committee on March 18, 2010. The Remuneration cum Compensation Committee consists of all non-executive directors, with the Chairman being an independent director. The Remuneration cum Compensation Committee decides on specific remuneration packages (compensation, perquisite and allowances) of executive directors, including the Managing Director and the whole time director of the Company and on matters related to the Company's ESOP. The Remuneration cum Compensation Committee also has the power to alter and vary the existing terms and conditions of remuneration of the different managerial personnel of the Company.

The Remuneration cum Compensation Committee performs the functions of a remuneration committee as recommended in the listing agreement to be entered into with the Stock Exchanges. It will determine the Company's compensation policy and other benefits for executive directors. The Remuneration cum Compensation Committee also acts as the Compensation Committee as referred in Schedule XIII of the Companies Act. It comprises of:

S. No.	Name of the Director	Executive/Non-Executive/Independent
1.	Mr. Surender Kumar Tuteja (Chairman)	Independent
2	Mr. Rajeev Thakore	Independent
3.	Mr. Vinod Sagar Wahi	Independent

The Remuneration cum Compensation Committee met two times during the year ended March 31, 2010.

Shareholders and Investors Grievance Committee

The Shareholders and Investors Grievance Committee was constituted by the Directors at a Board meeting held on March 18, 2010.

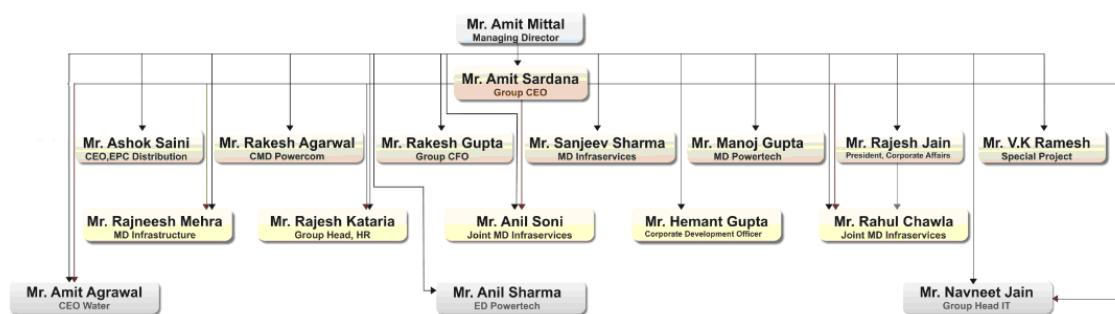
The constitution of the Shareholders and Investors Grievance Committee is as follows:

S. No.	Name of the Director	Executive/Non-Executive/Independent
1.	Mr. Vinod Sagar Wahi	Independent
2.	Mr. Amit Mittal	Executive
3.	Mrs. Dipali Mittal	Executive

The terms of reference of the Shareholders and Investors Grievance Committee are to review and look into redressal of shareholders' and investors' complaints in relation to transfer of shares, non-receipt of balance sheets or declared dividend etc.

In addition, the IPO Committee was constituted by the Directors at a Board meeting held on June 18, 2010.

Management Organization Chart (as of the date of filing this Prospectus)



Key Managerial Personnel

The key managerial personnel of the Company, other than the executive Directors mentioned above, are as follows:

Mr. Rakesh Gupta, age 48 years, is the Group Chief Financial Officer. Mr. Gupta joined the Company in May 2007 and is responsible for the overall financial operations, strategic financial planning, budgeting, fund management, finance, accounting, taxation and audit of the Group. He completed his graduation from the Punjab University in 1980. He is also a member of the Institute of Chartered Accountants of India since 1984 and has approximately 26 years of relevant industry experience. Prior to joining us, Mr. Gupta worked with Nahar Industrial Enterprises Limited as a vice president. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Gupta was Rs. 3.07 million.

Mr. Amit Sardana, age 39 years, is the Group Chief Executive Officer – Strategy & Business Development of the Company. Mr. Sardana joined the Company in July 2010 and is responsible for overall strategy planning, business development, business expansion and strategic alliances of the Group. He has approximately 17 years experience in the development sector, particularly in project management and change management. He has completed his bachelors degree from Delhi University in 1993 and post graduate degree in general management from Indian Institute of Management, Ahmedabad (one year synchronized learning with support from NIIT). Prior to joining us, Mr. Sardana was an executive director at Infrastructure Professionals Enterprise (P) Ltd. Since Mr. Sardana joined the Company in July 2010, no remuneration was paid to him in the year ended March 31, 2010.

Mr. Ashok Kumar Saini, age 41 years, is the Chief Executive Officer – Projects of the Company. Mr. Saini joined the Company in August 2006 and is responsible for managing the projects undertaken by the Company for transmission and distribution sector across the country. He has approximately 21 years of experience in the power distribution and electrical industry. He has completed his Master of Technology degree in Mechanical-Thermal from the Delhi College of Engineering, Delhi in 1999. Prior to joining us, Mr. Saini worked with ETA Engineering Private Limited. He is a member of Indian Society of Heating, Refrigerating and Air Conditioning Engineers and the Institution of Engineers (India). In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Saini was Rs. 2.85 million.

Mr. Rajesh Kataria, age 55 years, is the Group Head of Human Resources & Insurance. Mr. Kataria joined the Company in August 2009 and is responsible for human resources and insurance department of the Group. He has approximately 33 years of experience in human resources, administration and logistics in the public sector. He completed masters in science from the Punjab University in 1976 and post graduate diploma in business management from the Indian Institute of Management, Bangalore in 2009. Prior to joining us, Mr. Kataria worked with the Defence Research & Development Organization., Indian Air Force. He was awarded commendations by the Chief of Army Staff and the Chief of Air Staff for exemplary services in the Indian Air Force. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Kataria was Rs. 0.83 million.

Mr. Navneet Jain, age 47 years, is the Group Chief Information Officer of the Company. Mr. Jain joined the Company in May 2010 and is responsible for implementing IT solutions, streamlining business processes and implementing real time tools for better decision making and control. He has approximately 23 years of experience in manufacturing, pharmaceuticals, fast moving consumer goods and consumer electronics. He completed his bachelors in science degree from the University of Delhi in 1984. Prior to joining us, Mr. Jain

worked with Continental Engines Limited. Since Mr. Jain joined the Company in May 2010, no remuneration was paid to him in the year ended March 31, 2010.

Mr. Rajesh Jain, age 37 years, is the President - Corporate Affairs of the Company. Mr. Jain joined the Company in March 2010 and is responsible for coordinating corporate relations among strategic business units. He has approximately 15 years of experience in the telecommunications and power industry. He completed his Master in Business Administration from the Agra University in 1995. He became an associate member of the Institute of Companies Secretaries of India in 2010. Prior to joining us, Mr. Jain was the Vice-President Corporate Affairs at Teracom Limited. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Jain was Rs. 0.09 million.

Mr. Amit Kumar Agarwal, age 42 years, is the Chief Executive Officer-Water and Waste Water Management of the Company. Mr. Agarwal joined the Company in March 2010 and is responsible for the projects related to water and waste water management, conservation of wetlands, storm water drainage and rain water harvesting. He has approximately 15 years of experience in the field of business operations and development, marketing, accounts, consulting and engineering. His focus area has been sewerage, drainage, water supply, solid waste management and Geographical Information System. He completed his B.E (Mechanical) degree from the Kuvempu University, Karnataka in 1994. Prior to joining us, Mr. Agarwal was working with Tetra Tech India Limited as Vice President. He has contributed growth in the turnover of the Company and was awarded the “Best Performer” in the years 2007, 2008 and 2009 by the operations team of Tetra Tech India Limited. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Agarwal was Rs. 0.16 million

Mr. Rashmi Ranjan, age 50 years, is the President - Project Management of the Company. Mr. Ranjan joined the Company in May 2008 and is currently responsible for managing the EHV transmission lines projects of the Company. Mr. Ranjan had previously been responsible for managing the RGGVY projects of the Company and was additionally the head of the tender department of the Company. He has approximately 25 years of experience in the field of construction, corporate contracting, material management, quality assurance and inspection, design and engineering in power transmission and distribution industry. Mr. Ranjan completed his Bachelor of Science degree in Electrical Engineering from M.I.T, Muzaffarpur, Bihar University in 1984. Prior to joining us, Mr. Ranjan was working with the Power Grid Corporation of India as a Chief Manager (DMS) and as an Assistant Manager (Electrical) with NHPC Limited. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Ranjan was Rs. 2.32 million.

Mr. Sunil B. Chhibar, age 59 years, is the President – Projects of the Company. Mr. Chhibar joined the Company in December 2007 and is responsible for managing the transmission and distribution projects for the State of Maharashtra. He has approximately 35 years of experience in the power distribution and electrical industry. Mr. Chhibar completed his Bachelor of Engineering degree from the M. S. University of Baroda, Faculty of Technology and Engineering in 1975. He completed his diploma in Business Management from the University of Mumbai in 1976. Prior to joining us, Mr. Chhibar worked with ETA Engineering Private Limited and Antia Electricals. Mr. Chhibar has worked in the Middle East with Bahawans Engg Company (LLC), Muscat and Blue Star Limited, Mumbai. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Chhibar was Rs. 3.64 million.

Mr. Swapan Kumar Dasgupta, age 64 years, is the Senior Vice President - Transmission Lines business of the Company. Mr. Dasgupta joined the Company in December 2007 and is responsible for submitting tenders, managing and executing the transmission lines projects of the Company. He has approximately 42 years of experience in the power distribution and electrical industry. Mr. Dasgupta completed his Bachelor of Engineering (Civil) degree from the Bengal Engineering College, Calcutta University in 1967. Prior to joining us, Mr. Dasgupta has worked in East India Construction Company Private Limited, Kolkata as Senior Project Engineer, 1968-1977, Ancon Engineering Company Private Limited, Kolkata, as Project Manager, 1977-1988, TATA Power Company Limited as Senior Divisional Manager, 1998-2001 and Electrical Manufacturing Company Limited as Vice President, 2005-2007. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Dasgupta was Rs. 1.19 million.

Mr. G. P. Chaukiyal, age 64 years, is the Senior Vice President - Designs and Projects of the Company. Mr. Chaukiyal joined the Company in October 2008 and is responsible for designing and engineering various projects of the Company. He has approximately 38 years of experience in the power transmission and distribution and electrical industries. He has completed his post graduation in Master of Engineering – Electrical from the Indian Institute of Technology (formerly University of Roorkee), Roorkee in 1970. Prior to joining us, Mr. Chaukiyal has worked with Lahmeyer International Consultant and Punj Lloyd Limited. Mr. Chaukiyal was

deputed by Bharat Heavy Electricals Limited with British Electricity Council (CEGB) U.K. for more than a year for training in power transmission and distribution system. He has authored several technical papers in various conferences and journals. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Chaukiyal was Rs. 1.52 million.

Mr. Chander Parkash Khurana, age 68 years, is the Senior Vice President - Design and Engineering of the Company. Mr. Khurana joined the Company in October 2007 and is responsible for designing transmission and distribution projects. He has approximately 47 years of experience in the power distribution and electrical industry. He completed his diploma in Mechanical Engineering from the Punjab State Board of Technical Education in 1961 and A.M.I.E. in Mechanical Engineering from the Institution of Engineers (India), Calcutta in 1971. Prior to joining us, Mr. Khurana worked with Lahmeyer International India Private Limited. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Khurana was Rs. 1.50 million.

Mr. V.K. Ramesh, age 48 years, is the Senior Vice President - Business Development of the Company. Mr. Ramesh joined the Company in September 2008 and is responsible for the Company's national and international business development. He has approximately 27 years of experience in the power distribution and electrical industry. He completed his post graduation in D.E.E. from the Central Polytechnic College in 1982. Prior to joining us, Mr. Ramesh worked with Indo Asian Fuse Gear Limited. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Ramesh was Rs. 2.42 million.

Mr. Subhash Kumar Mehta, age 55 years, is the Vice-President- Finance of the Company. Mr. Mehta joined the Company in September 2006 and is responsible for banking transactions, payments to vendors, contractors, site expenses, issuance of letters of credit, bank guarantees for the projects, execution of security documents related with bank limits and managing the treasury operations. He has approximately 34 years of experience in the banking sector. He completed his Bachelors in Science degree with honours and masters in economics from the Meerut University, Meerut in 1972 and 1978, respectively. Prior to joining us, Mr. Mehta worked with the Union Bank of India as the Chief Manager. Mr. Mehta has completed the Certified Associate of Indian Institute of Bankers (both parts), conducted by the Indian Institute of Bankers. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Mehta was Rs.1.80 million.

Mr. Hemant Gupta, age 32 years, is the Corporate Development Officer of the Company. Mr. Gupta joined the Company in September 2009 and is responsible for corporate strategy, communication and strategic relations (joint ventures and alliances). He has approximately 10 years of experience in consultancy. He completed his Bachelors of Arts degree in Psychology from the Mumbai University in 2002. Prior to joining us, Mr. Gupta worked with Enarr Advisors. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Gupta was Rs. 1.75 million.

Mr. Atul Kumar Agarwal, age 35 years, is the Company Secretary and Compliance Officer of the Company. Mr. Agarwal joined the Company in February 2008 and is responsible for the secretarial and compliance functions of the Company. He has approximately 10 years of experience in legal and secretarial functions. He completed his post graduation in Commerce from the Dr. B. R. Ambedkar University, Agra in 2002 and holds a bachelors degree in law from the Dr. B. R. Ambedkar University, Agra, 1999. He is also an associate member of the Institute of Company Secretaries of India since 2004. Prior to joining us, Mr. Agarwal worked with Planman Financial Private Limited as Company Secretary and Compliance Officer. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Agarwal was Rs. 0.79 million.

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

In addition, the key managerial personnel of the subsidiaries are as follows:

Mr. Rakesh Kumar Aggarwal, age 57 years, is the Chairman and Managing Director of A2Z Powercom. Mr. Aggarwal joined A2Z Powercom in January 2010 and is responsible for managing the overall functioning of A2Z Powercom. He has approximately 32 years of experience in the power industry. Mr. Aggarwal completed his Bachelor of Science degree in Mechanical Engineering from the Delhi College of Engineering in 1975 and a post graduate diploma in Business Administration from IMT Ghaziabad in 1987. Prior to joining A2Z Powercom, Mr. Aggarwal worked with Aryan Coal Beneficiation Private Limited as president-power. In the year ended March 31, 2010, the gross remuneration paid by A2Z Powercom to Mr. Aggarwal was Rs. 1.24 million.

Mr. Sanjeev Sharma, age 37 years, is the Managing Director of A2Z Infraseservices and President-Projects of the Company. Mr. Sharma joined A2Z Infraseservices in April 2010 and is responsible for the overall management

and functioning of A2Z Infraserivices. He has approximately 15 years of experience in project management and execution. Mr. Sharma completed his post graduate diploma in Mechanical Engineering from the YMCA Institute of Engineering, Faridabad in 1995. Prior to joining A2Z Infraserivices, Mr. Sharma was an Executive Director of the Company and was responsible for the execution of the different projects undertaken by the Company. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Sharma was Rs. 3.12 million. Since Mr. Sharma joined A2Z Infraserivices in April 2010, no compensation was paid by A2Z Infraserivices to Mr. Gupta for the year ended March 31, 2010.

Mr. Alok Kumar Gupta, age 49 years, is a whole time director of A2Z Infraserivices. Mr. Gupta joined A2Z Infraserivices in August 2009 and is responsible for managing mechanized cleaning of coaches and platforms of Indian Railways and Delhi Metro. He has approximately 26 years of experience in the metals and service industries. Mr. Gupta completed his Bachelors in Science degree with honours in Mathematics from the University of Delhi in 1979 and Masters in Business Administration in finance from the M.D. University, Rohtak in 1983. Prior to joining A2Z Infraserivices, Mr. Gupta worked with Jindal Aluminium Limited from 1984 to 2006. He has prior experience in marketing, commercial, export, tendering and legal matters and has extensive knowledge of best business practices. In the year ended March 31, 2010, the gross remuneration paid by the Company and A2Z Infraserivices to Mr. Gupta was Rs. 2.88 million.

Mr. Anil Soni, age 43 years, is a whole time director of A2Z Infraserivices. Mr. Soni joined A2Z Infraserivices in August 2009 and is responsible for the business development, operations and project management of the A2Z Infraserivices. He has approximately 23 years of experience in project management related to facility management services. Mr. Soni completed his Bachelors in Science degree from the Punjab University, Chandigarh in 1990 and Masters degree in Business Administration from the Indira Gandhi National Open University in 1998. Prior to joining us, Mr. Soni worked with Galaxy Earthmovers Private Limited and Continental Earth Movers Limited. He has been an entrepreneur for approximately 10 years and involved in the import of spares and trading of machinery and road construction projects. In the year ended March 31, 2010, the gross remuneration paid by the Company and A2Z Infraserivices to Mr. Soni was Rs. 2.85 million.

Mr. Rahul Chawla, age 35 years, is a whole time director of A2Z Infraserivices. Mr. Chawla joined A2Z Infraserivices in August 2010 and is responsible for the profit centre head for security and telecom vertical of A2Z Infraserivices. He has approximately 15 years of experience in security and telecom operations. Mr. Chawla completed his bachelors degree in humanities from Delhi University in 1995 and bachelors in hotel management from Institute of Hotel Management in 1995. Prior to joining A2Z Infraserivices, Mr. Chawla was chief executive officer of Orion Securities Solutions, a proprietorship concern. Since Mr. Chawla Since joined A2Z Infraserivices in August 2010, no compensation was paid by A2Z Infraserivices to Mr. Chawla for the year ended March 31, 2010.

Mr. Manish Puri, age 40 years, is the Chief Financial Officer of A2Z Infraserivices. Mr. Puri joined the A2Z Infraserivices in April 2008 and is responsible for finance and accounting of A2Z Infraserivices. He has approximately 17 years of experience in accounting and finance. Mr. Puri completed his Bachelors in Commerce degree from the Kurukshetra University in 1990 and chartered accountancy from the Institute of Chartered Accountants of India in 1997. Prior to joining A2Z Infraserivices, Mr. Puri was the Deputy General Manager of the Company. In the year ended March 31, 2010, the gross remuneration paid by the Company and A2Z Infraserivices to Mr. Puri was Rs. 1.28 million.

Mr. Rajneesh Mehra, age 46 years, is a whole time director of A2Z Infrastructure. Mr. Mehra joined A2Z Infrastructure in July 2008 and is responsible for execution of certain projects undertaken by A2Z Infrastructure. Mr. Mehra has approximately 22 years of experience in conceptualization, implementation and management of solid wastes and power generation projects. Prior to joining A2Z Infrastructure, Mr. Mehra was engaged in the solid waste management business in his personal capacity. Mr. Mehra completed his MBBS in 1985 from the Guru Nanak Dev University, Amritsar and a MD from the Institute of Medical Education & Research in 1988. In the year ended March 31, 2010, the gross remuneration paid by A2Z Infrastructure to Mr. Mehra was Rs. 3.60 million.

Mr. K. V. S. Nair, age 63 years, is the Chief Operating Officer of A2Z Infrastructure. Mr. Nair joined A2Z Infrastructure in February 2009 and is responsible for all operations of the company in the field of solid waste management and effective and economical operations. He has approximately 40 years of experience in marketing of agricultural inputs, agro processing industries, pesticide formulations and municipal solid waste management activities. He completed his Bachelors in Mechanical Engineering degree from the Kerala University, Trivandrum, Kerala in 1968. Prior to joining us, Mr. Nair worked with M. P. State Agro Industries

Development Corporation, Bhopal, Madhya Pradesh for 25 years, Excel Industries Limited, Bombay for 12 years, Ramky Environment and Energy Limited for 2 years. He is involved in developing appropriate technologies for commercial recovery of resources from municipal solid waste in India. In the year ended March 31, 2010, the gross remuneration paid by the A2Z Infrastructure to Mr. Nair was Rs. 1.95 million.

Mr. Manoj Gupta, age 37 years, is the Managing Director of A2Z Powertech. Mr. Gupta joined A2Z Powertech on April 1, 2010 and is responsible for managing the overall functioning of A2Z Powertech. He has approximately 13 years of experience in project management and execution. Mr. Gupta completed his bachelor of Commerce degree from the Meerut University in 1993. Prior to joining us, Mr. Gupta was an Executive Director of the Company and was responsible for the execution of different projects undertaken by the Company. In the year ended March 31, 2010, the gross remuneration paid by the Company to Mr. Gupta was Rs. 3.02 million. Since Mr. Gupta joined A2Z Powertech in April 2010, no compensation was paid by A2Z Powertech to Mr. Gupta for the year ended March 31, 2010.

Mr. Anil Kumar Sharma, age 41 years, is an Executive Director of A2Z Powertech. Mr. Sharma joined A2Z Powertech in June 2008 and is responsible for procurement of orders from DISCOMS at the State level, power distribution management, loss reduction, revenue enhancement and implementation of innovative IT solutions. Mr. Sharma has approximately 17 years of experience in the power industry including power system automation, IT in power segment, network management, resource management, project management and consulting services. Mr. Sharma completed his Bachelor in Technical Engineering degree from REC Kurukshetra in 1990 and a Bachelor of Technology degree in Electrical Engineering from the Regional Engineering College, Kurukshetra in 1990. Prior to joining us, Mr. Sharma has worked with Dakshin Haryana Bijli Vitaran Nigam Limited for approximately 15 years and has undergone simulator training for the operation of thermal power station of 210 MW and more, distribution management training towards Power Management Institute training from NTPC, GIS Supported Network Planning Analysis training and Distribution Loss Reduction Training using IT Applications from National Power Training Institute. He is a member of Metering India from Indian Electronics and Electrical Employee Association responsible for framing metering protocols. In the year ended March 31, 2010, the gross remuneration paid by A2Z Powertech Limited to Mr. Sharma was Rs. 2.56 million.

Shareholding of the Key Managerial Personnel

Except in relation to the option to purchase Equity Shares pursuant to the A2Z ESOP and as set out below, none of our key managerial personnel hold any Equity Shares in the Company as of the date of filing this Prospectus.

S.No.	Name of the Shareholder	Number of Equity Shares	Pre-Issue Percentage Shareholding (%)	Post-Issue Percentage Shareholding (%)
1.	Mr. Manoj Gupta	117,750	0.21	0.16
2.	Mr. Ashok K. Saini	12,500	0.02	0.02
3.	Mr. Sanjeev Sharma	12,500	0.02	0.02
4.	Mr. Alok Kumar Gupta	5,000	0.01	0.01
5.	Mr. Anil Soni	2,500	Negligible	Negligible
6.	Mr. Atul Kumar Agarwal	1	Negligible	Negligible

For details of the shareholding of the Company's Directors, refer to the paragraph "Shareholding of the Directors" above.

Bonus or Profit Sharing Plan

Other than as disclosed in "Our Management – Payments to Executive Directors" above, there is no bonus or profit sharing plan for the Directors and the key managerial personnel.

Employee Stock Option Plan

For details regarding the A2Z ESOP, please see the section "Capital Structure" beginning on page 23 of this Prospectus.

Changes in the Key Managerial Personnel

The following are the changes in the key managerial personnel of the Company, other than the executive Directors, in the last three years preceding the date of filing the Red Herring Prospectus.

Name	Date of Appointment/ Change in Designation	Date of Cessation	Reason
Mr. A.P. Singh	October 10, 2009	October 22, 2009	Resignation
Mr. Bhawnesh Chandra Mathur	June 16, 2008	September 30, 2008	Resignation
Mr. Rajeev Charan Verma	June 5, 2008	March 31, 2010	Resignation
Mr. S.C. Nangia	December 19, 2007	January 5, 2009	Resignation
Mr. Sanjeev Kumar	August 8, 2009	January 23, 2010	Resignation
Mr. Rahul Soni	December 10, 2008	May 10, 2010	Resignation
Wing Commander Vijay Kumar Vashisht	April 1, 2010	August 31, 2010	Termination
Mr. Nand Sardana	December 23, 2009	October 13, 2010	Resignation

Payment of Benefit to Officers of the Company

Except as disclosed in this Prospectus and any statutory payments made by the Company, the Company has not paid any amounts to its officers in connection with superannuation payments, ex-gratia rewards or any non-salary amounts or benefits in the last two years.

Except as disclosed in the section “Financial Statements” beginning on page 175 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Company, the Directors or the Promoter of the Company.

OUR PROMOTER AND GROUP COMPANIES OF OUR PROMOTER

PROMOTER

Mr. Amit Mittal is the Promoter of the Company.

GROUP COMPANIES OF OUR PROMOTER

The following companies, firms and ventures have been promoted by the Promoter of the Company and are referred to in this Prospectus as the “Group Companies of our Promoter”. The Group Companies of our Promoter are companies, firms and ventures in which the Promoter (i) exercises control; or (ii) has been named as promoters by such entity in any filing with the stock exchanges in India. We define “control” as the (a) ownership directly or indirectly through subsidiaries of 50% or more of the equity share capital or voting interest of the entity; or (b) power to appoint the majority of the directors or similar governing body of such entity; or (c) power to control the management or policy decisions of the entity, directly or indirectly, including through the exercise of shareholding or management or similar rights or voting arrangements or in any other manner.

Based on the above, the Group Companies of our Promoter are set forth below:

1. Mjooz Global Private Limited;
2. JIT Logistics Private Limited; and
3. m-Nxt Consulting and Solutions Private Limited.

PROMOTER

Mr. Amit Mittal



Age	42 years
Residential Address	TG-2B/4, Garden Estate, Mehrauli Gurgaon Road, Gurgaon 122 002, Haryana
Voter ID Number	DCV1104710
Driving License Number	97/44625
Designation	Managing Director
Educational qualifications and professional experience	Mr. Mittal has completed his Bachelor of Technology in Civil Engineering from the Indian Institute of Technology, Roorkee. Mr. Mittal has been a director of the Company since February 1, 2004. Mr. Mittal has approximately 20 years of experience in project management and execution in the power, oil and infrastructure sectors.
Other Directorships	Please see the section “Our Management” beginning on page 152 of this Prospectus
Other Ventures Promoted by the Promoter	Please see under “Group Companies of our Promoter” above
Special Achievements of our Promoter	He has recently been awarded the Ernst & Young award for the Start-up Entrepreneur of the year 2009. For further details, please see the section “Our Management” beginning on page 152 of this Prospectus

Shareholding in the Company

Mr. Amit Mittal holds 27,578,735 Equity Shares, representing 48.13% of the pre-Issue equity share capital of the Company and after the completion of the Issue, he will own 36.24% of the equity share capital of the Company.

Declaration

The Company confirms that the PAN, bank account details and passport number of the Promoter were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus with such Stock Exchanges.

Our Promoter, the Group Companies of our Promoter and the relatives of the Promoter have confirmed that they have not been identified as willful defaulters by the RBI or any other governmental authority. Neither (i) the Promoter, the members of the Promoter Group and the Group Companies of our Promoter; nor (ii) the companies with which the Promoter is or was associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital market for any reason by the SEBI or any other authority.

There are no violations of securities laws committed by our Promoter and the Group Companies of our Promoter in the past or currently pending against them.

Common Pursuits

There are no common pursuits among the Promoter of the Company or among the Group Companies of our Promoter that have any conflict of interest with the Company.

Interest in Promotion of the Company

The Promoter and the Group Companies of our Promoter are interested parties to the extent of their shareholding in the Company, if any, and in any dividend and distributions which may be made by the Company in future and to the extent of the related party transactions disclosed in the sections “Financial Statements” and “Our Management- Interest of Promoter, Directors and Key Managerial Personnel” beginning on pages 175 and 159, respectively, of this Prospectus.

Related Party Transactions

For details of related party transactions, please see the section “Financial Statements” beginning on page 175 of this Prospectus.

Defunct Group Companies of our Promoter

There are no defunct Group Companies of our Promoter.

Litigation

For details relating to legal proceedings involving the Promoter and the Group Companies of our Promoter, please see the section “Outstanding Litigation and Material Developments” beginning on page 332 of this Prospectus.

Companies or firms from which the Promoter has disassociated himself in the last three years

Our Promoter has not disassociated himself from any companies, including but not limited to, through transfer of shareholding and/or resignation from the board of directors in the ordinary course of business, in the last three years preceding the date of filing the Red Herring Prospectus, other than A2Z Techno Power Limited through a transfer of shares with effect from November 3, 2010.

GROUP COMPANIES OF OUR PROMOTER

The following are the Group Companies of our Promoter.

Unless otherwise specifically stated, none of the Group Companies of our Promoter described below (i) is listed on any stock exchange; (ii) has completed any public or rights issue since the date of its incorporation; (iii) has become a sick company; (iv) is under winding-up; or (v) had a negative net worth as of the date of its last audited financial statements. No application has been made in respect of any of the Group Companies of our Promoter to the relevant Registrar of Companies in whose jurisdiction such Group Company of the Promoter is registered, for striking off its name. Further, except as disclosed below, there has been no change in the capital structure of any Group Companies of our Promoter in the last six months.

Group Companies of our Promoter

1. Mjooz Global Private Limited

Mjooz Global Private Limited (“Mjooz”) was incorporated on May 28, 2008 originally as Jiobindaas Global Private Limited. With effect from May 21, 2010, the name of the company was changed to Mjooz Global Private Limited. The principal activity of Mjooz is to carry on the business of production and development of Internet programs, products, services and applications, production, and development of computer software, online computer services and search engine services.

Shareholding Pattern

The shareholding pattern of Mjooz as of the date of filing this Prospectus was as follows:

Name of the shareholder	Number of shares	% of issued capital
Equity shares of face value Rs. 10		
Mr. Amit Mittal	824,500	82.45
Mrs. Dipali Mittal	175,500	17.55
Total	1,000,000	100.00

Board of Directors

The board of directors of Mjooz as of the date of filing this Prospectus consists of the following:

1. Mr. Amit Mittal; and
2. Mrs. Dipali Mittal

Financial Performance

The following financial data has been derived from the audited financial statements of Mjooz for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008	2009	2010
Total Income	-	-	-
Profit (Loss) after Tax	-	-	-
Earnings per share (Rs.) (basic) ⁽¹⁾	-	-	-
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	-	-
Equity Share Capital	-	5.00	10.00
Share Application Money	-	0.13	-
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	(1.00)	(3.13)
Book Value per share (Rs.) ⁽¹⁾⁽³⁾	-	8.00	6.88

⁽¹⁾ Face value of each equity share is Rs. 10.

⁽²⁾ Net of miscellaneous expenditure not written off.

⁽³⁾ Book Value per share does not include the share application money.

2. JIT Logistics Private Limited

JIT Logistics Private Limited (“JIT”) was incorporated on August 11, 2008. The principal activity of JIT is to carry on the business of providing professional services to customers, including but not limited to, small or large retail chains, small or medium enterprises or major industry verticals in any part of the world.

Shareholding Pattern

The shareholding pattern of JIT as of date of filing this Prospectus was as follows:

Name of the shareholder	Number of shares	% of issued capital
Equity shares of face value Rs. 10		
Mr. Rajendra Kumar Mittal	99,500	99.50
Mr. Atul Kumar Agarwal	500	0.50
Total	100,000	100.00

Board of Directors

The board of directors of JIT as of the date of filing this Prospectus consists of the following:

1. Mr. Rajendra Kumar Mittal; and
2. Mr. Atul Kumar Agarwal

Financial Performance

The following financial data has been derived from the audited financial statements of JIT for the periods indicated below:

	(Rs. million, unless otherwise stated)		
	For the year ended March 31		
	2008	2009	2010
Total Income	-	-	0.03
Profit (Loss) after Tax	-	(0.02)	0.00
Earnings per share (Rs.) (basic) ⁽¹⁾	-	-	-
Earnings per share (Rs.) (diluted) ⁽¹⁾	-	-	-
Equity Share Capital	-	1.00	1.00
Reserves and surplus (excluding revaluation reserves) ⁽²⁾	-	(0.08)	(0.07)
Book Value per share (Rs.) ⁽¹⁾	-	9.17	9.30

(1) Face value of each equity share is Rs. 10.

(2) Net of miscellaneous expenditure not written off.

3. m-Nxt Consulting and Solutions Private Limited

m-Nxt Consulting and Solutions Private Limited (“m-Nxt”) was incorporated on May 5, 2010. The principal activity of m-Nxt is to carry on the business of creating solution on mobile and web platform that aim to alleviate specific issues as identified by its customers.

Shareholding Pattern

The shareholding pattern of m-Nxt as of the date of filing this Prospectus was as follows:

Name of the shareholder	Number of shares	% of issued capital
Equity shares of face value Rs. 10		
Mr. Amit Mittal	9,400	94
Mr. Raghu S. Bhargava	600	6
	10,000	100

* Pursuant to a share subscription agreement dated July 29, 2010 and a shareholder agreement dated September 23, 2010 among Mr. Raghu S. Bhargava, Mr. Rajeev Joshi, Mr. Pradeep Srinivas, Mr. Aadith Rajagopalan (collectively, the “m-Nxt Promoters”), Mr. Amit Mittal and m-Nxt, the shareholding of Mr. Amit Mittal and the m-Nxt Promoters would be 59% and 41%, respectively, upon the achievements of certain targets as specified in the business plan on a quarterly basis.

Board of Directors

The board of directors of m-Nxt as of the date of filing this Prospectus consists of the following:

1. Mr. Amit Mittal; and
2. Mr. Varada Sreenivasa Pradeep

Financial Performance

Since m-Nxt was incorporated in May 2010, there are no audited financial statements available.

RELATED PARTY TRANSACTIONS

For details on the related party transactions, please see the restated unconsolidated summary statements and our restated consolidated summary statements beginning on page 175 of this Prospectus.

DIVIDEND POLICY

The Company has not paid any dividend on its Equity Shares since incorporation. In the years ended March 31, 2008 and 2009, the Company declared and paid dividend on the then outstanding 75,000,000 0.001% Cumulative Mandatorily Convertible Preference Shares. These preference shares have been converted into Equity Shares. The declaration and payment of any dividends in the future will be recommended by the Board of Directors and approved by the shareholders of the Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. The Board may also pay interim dividend.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

RESTATED FINANCIAL INFORMATION FOR A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED

RESTATED UNCONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS AT JULY 31, 2010, MARCH 31, 2010, MARCH 31, 2009, MARCH 31, 2008, MARCH 31, 2007 AND MARCH 31, 2006 AND PROFITS AND LOSSES AND CASH FLOWS FOR THE FOUR MONTHS PERIOD ENDED JULY 31, 2010 AND YEARS ENDED MARCH 31, 2010, MARCH 31, 2009, MARCH 31, 2008, MARCH 31, 2007 AND MARCH 31, 2006 FOR A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED (collectively the “Restated Unconsolidated Summary Statements”)

AND

RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS AT JULY 31 2010, MARCH 31, 2010, MARCH 31, 2009, MARCH 31, 2008 AND MARCH 31, 2007 AND PROFITS AND LOSSES AND CASH FLOWS FOR THE FOUR MONTHS PERIOD ENDED JULY 31, 2010 AND YEARS ENDED MARCH 31, 2010, MARCH 31, 2009, MARCH 31, 2008 AND MARCH 31, 2007 FOR A2Z MAINTENANCE & ENGINEERING SERVICES LIMITED (collectively the “Restated Consolidated Summary Statements”)

(The Restated Unconsolidated Summary Statements and the Restated Consolidated Summary Statements hereinafter collectively referred to as “Restated Summary Statements”)

Auditors’ Report as required by Part II of Schedule II to the Companies Act, 1956

The Board of Directors
A2Z Maintenance & Engineering Services Limited
O-116, 1st Floor
Shopping Mall,
DLF City, Phase-1
Gurgaon-122002, Haryana

Dear Sirs,

1. We have examined the restated financial information of A2Z Maintenance & Engineering Services Limited (the “Company”) annexed to this report for the purposes of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer (“IPO”). Such financial information, which has been approved by the Board of Directors of the Company, has been prepared in accordance with the requirements of:
 - a) paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (“the Act”);
 - b) relevant provisions of the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “Regulations”) issued by the Securities and Exchange Board of India (“SEBI”) on August 26, 2009, as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992;
2. We have examined such restated financial information taking into consideration:
 - a) the terms of reference received from the Company vide their letters dated March 6, 2010, July 5, 2010 and August 31, 2010 requesting us to carry out work on such financial information, proposed to be included in the offer document of the Company in connection with its proposed IPO;
 - b) the Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.
3. In respect of restated unconsolidated financial information, such restated unconsolidated financial information has been compiled by the management from:
 - a) the audited unconsolidated financial statements of the Company for the year ended March 31, 2006, which have been audited by the Company’s previous auditors Vijay K. Bansal and Company, and whose auditors’ report have been relied upon by us for the said year;

- b) the audited unconsolidated financial statements of the Company for the four months period ended July 31, 2010 and years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007, which have been audited by us.
4. In respect of restated consolidated financial information, such restated consolidated financial information has been compiled by the management from the audited consolidated financial statements of the Company and its subsidiaries (collectively hereinafter referred to as the “Group”) for the four months period ended July 31, 2010 and years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007, which have been audited by us.

We did not audit the unconsolidated financial statements of the subsidiaries – A2Z Infraservices Limited (formerly a2z Infraservices Private Limited), A2Z Powercom Limited (formerly a2z Powercom Private Limited), A2Z Powertech Limited (formerly a2z Powertech Private Limited), Selligence Technologies Services Private Limited, A2Z Waste Management (Aligarh) Private Limited, A2Z Waste Management (Merrut) Private Limited, A2Z Waste Management (Moradabad) Private Limited, A2Z Waste Management (Varanasi) Private Limited, Mansi Bijli Private Limited and consolidated financial statements of Imatek Solutions Private Limited whose financial statements include total assets of Rs. 1,239,391,099 and total revenue of Rs. 538,893,435 as at and for the four months period ended July 31, 2010. Further, we did not audit the unconsolidated financial statements of the subsidiaries - A2Z Infraservices Limited (formerly a2z Infraservices Private Limited), A2Z Powercom Limited (formerly a2z Powercom Private Limited), A2Z Powertech Limited (formerly a2z Powertech Private Limited), Selligence Technologies Services Private Limited, A2Z Waste Management (Aligarh) Private Limited, A2Z Waste Management (Merrut) Private Limited, A2Z Waste Management (Moradabad) Private Limited, A2Z Waste Management (Varanasi) Private Limited and consolidated financial statements of Imatek Solutions Private Limited, whose financial statements include total assets of Rs. 708,355,354 and total revenue of Rs. 988,585,448 as at and for the financial year ended March 31, 2010. Further, we did not audit the unconsolidated financial statements of the subsidiaries - A2Z Infraservices Limited (formerly a2z Infraservices Private Limited), A2Z Powercom Limited (formerly a2z Powercom Private Limited), A2Z Powertech Limited (formerly a2z Powertech Private Limited) and Selligence Technologies Services Private Limited whose financial statements include total assets of Rs. 295,871,396 and total revenue of Rs. 524,962,631 as at and for the financial year ended March 31, 2009. These financial statements have been audited by Mahesh Aggarwal and Associates (‘other auditors’), on which we have placed reliance and hence our audit opinion on the consolidated financial statements of these years insofar as it relates to amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.

5. The Company proposes to make an IPO for the fresh issue and for offer for sale by investors of equity shares of Rs. 10 each at such premium, arrived at by the 100% book building process (referred to as “the Issue”), as may be decided by the Board of Directors.
6. In accordance with the requirements of Schedule II of the Act, the Regulations and the terms of our engagement agreed with you, we report that :
 - a) Read with paragraph 3 above, we have examined the restated unconsolidated summary statement of assets and liabilities of the Company as at July 31, 2010, March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 and the related restated unconsolidated summary statement of profits and losses and cash flows for the four months period ended July 31, 2010 and for the year ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 and as set out in Annexure I to III; and
 - b) Read with paragraph 4 above, we have examined the restated consolidated summary statement of assets and liabilities of the Group as at July 31, 2010, March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 and the related restated consolidated summary statement of profits and losses and cash flows for the four months period ended July 31, 2010 and for the year ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 and as set out in Annexure XIX to XXI. As the Company did not have any subsidiary till year ended March 31, 2006, consolidated figures for the year ended March 31, 2006 are not applicable and hence, not furnished.
7. Based on our examination and the reliance placed on the reports of the auditors of the subsidiaries not audited by us as referred to in Paragraph 3(a) and 4 above to the extent applicable, we further confirm that
 - a) the restated unconsolidated profits and the restated consolidated profits have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure IV and Annexure XXII respectively to this report;

- b) the impact of changes in accounting policies adopted by the Company and the Group as at and for the four months period ended July 31, 2010 have been adjusted with retrospective effect in the attached Restated Summary Statements;
- c) material amounts relating to previous years have been adjusted in the attached Restated Summary Statements;
- d) there are no extraordinary items which need to be disclosed separately in the attached Restated Summary Statements, except for those already disclosed in the Annexure II and Annexure XX; and
- e) all qualifications in the auditors' reports, which require any adjustments to the Restated Summary Statements, have been adjusted as stated in Annexure IVB (3) and Annexure XXIIB (3).
- f) Our report on the unconsolidated financial statements as at and for these years ended indicated below had audit qualification as follows , the corrective adjustment for which has not been made in the financial information, since the financial effect thereof is not ascertainable:

(i) **March 31, 2008***

The Company has conducted periodic physical verification of Inventories during the year. *However, the extent of physical verification of inventories as carried out at the year-end was inadequate. Further as the Company is in the process of implementing an inventory application, we were unable to perform sufficient audit procedures as regards inventories, aggregating Rs 121,026,243 as at March 31, 2008.* Further, our report in Companies (Auditors Report) Order, 2003 (as amended) ('CARO') on the unconsolidated financial statements for the year ended March 31, 2008 was also qualified as specified in qualification to auditors' report above, which is disclosed in Note 7(a) of Annexure IVB: Notes to material adjustments.

(ii) **March 31, 2007***

The Company has represented that it has conducted periodic physical verification of inventories during the said year, however, it has not documented the results of physical verification. Further, no physical verification of inventories was carried out as at year end as the Company was in the process of further updating its inventory records in an adequate manner in respect of certain inventories. Owing to the nature of the Company's records in respect of such inventories, we are unable to satisfy ourselves as to the inventory quantities and, hence the balances, as of March 31, 2007 by other audit procedures.

Further, our report in CARO on the unconsolidated financial statements for the year ended March 31, 2007 was also qualified as specified in qualification to auditors' report above which is disclosed in Note 7(a) of Annexure IVB: Notes to material adjustments; and

*During the year ended March 31, 2009, the management identified certain project specific inventory as a part of contract costs in accordance with AS 7 'Construction Contracts' as against hitherto policy of carrying such project specific inventories also as inventories. Accordingly, the cost of materials and services and corresponding revenue has been restated while presenting these restated summary statements.

- g) Our report on the consolidated financial statements as at and for the years ended indicated below had audit qualifications as follows , the corrective adjustment for which has not been made in the financial information, since the financial effect thereof is not ascertainable:

(i) **Qualification in the auditors' report for the year ended March 31, 2007, March 31, 2008, March 31, 2009 and corresponding comparative figures in audit report for the year ended March 31, 2010**

As explained in Note a(iii) of Annexure XXIIA of the restated summary statements, as the consolidated financial statements were prepared in the current date based on the audited financial statements of the Company and its subsidiaries (which were approved by their Board of Directors at an earlier date) for the specified purpose of proposed initial public offer, these financial statements did not consider the effect of any adjustments that may have been required, for events occurring between the dates of approval by the Board of Directors of the general purpose financial statements of the Company and its subsidiaries and July 1, 2010 (being the date of approval of the consolidated financial statements for these years). Accordingly, we were unable to comment on the effect, if any, on the consolidated financial statements had subsequent events been accounted for and qualified the audit reports for the year ended March 31, 2007, year ended March 31, 2008, year ended March 31, 2009 and corresponding comparative figures in the audit report for the year ended March 31, 2010.

(ii) **March 31, 2008**

Same as f(i) above in respect of the year ended March 31, 2008

(iii) **March 31, 2007**

Same as f(ii) above in respect of the year ended March 31, 2007

- h) Other audit qualifications in the unconsolidated and consolidated financial statements for the years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 which does not require any corrective adjustments in the financial information are disclosed in Note 7(b) of Annexure IVB: Notes to material adjustments and Note 7(b) of Annexure XXII B: Notes to material adjustments.
8. We have not audited any financial statements of the Company or consolidated financial statements of the Group as of any date or for any period subsequent to July 31, 2010. Accordingly, we express no opinion on the financial position, results of operations or cash flows of the Company or the Group as of any date or for any period subsequent to July 31, 2010.
9. We have also examined the unconsolidated restated financial information of the Company listed below, as at and for the four months period ended July 31, 2010 and year ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006 which, as approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer document-
- a) Statement of Reserves and Surplus, as appearing in Annexure V
 - b) Statement of Secured and Unsecured Loans, as appearing in Annexure VI ;
 - c) Capitalization Statement, as appearing in Annexure VII ;
 - d) Statement of capital work in progress, as appearing in Annexure VIIA ;
 - e) Statement of Investments as appearing in Annexure VIII;
 - f) Statement of Sundry Debtors as appearing in Annexure IX ;
 - g) Statement of Other Current Assets as appearing in Annexure X;
 - h) Statement of Loans and Advances as appearing in Annexure XI;
 - i) Statement of Current Liabilities and Provisions as appearing in Annexure XII;
 - j) Statement of items of other Income, as appearing in Annexure XIII;
 - k) Statement of Dividend paid, as appearing in Annexure XIV;
 - l) Statement of Accounting Ratios, as appearing in Annexure XV;
 - m) Statement of Tax Shelters, as appearing in Annexure XVI;
 - n) Statement of the Related Parties and transactions with them, as appearing in Annexure XVII; and
 - o) Statement of the Segment Reporting, as appearing in Annexure XVIII

We further confirm that no dividends have been declared by the Company on equity shares during the four months period ended July 31, 2010 and for the years ended March 31, 2010, March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006.

10. We have also examined the consolidated restated financial information of the Group listed below, as at and for the four months period ended July 31, 2010 and for the years ended March 31, 2010, March 31, 2009, March 31, 2008 and March 31, 2007 which, as approved by the Board of Directors of the Company and annexed to this report, is proposed to be included in the Offer document-
- a) Statement of Reserves and Surplus, as appearing in Annexure XXIII
 - b) Statement of Secured and Unsecured Loans, as appearing in Annexure XXIV;
 - c) Capitalization Statement, as appearing in Annexure XXV ;
 - d) Statement of capital work in progress as appearing in Annexure XXVA
 - e) Statement of Investments as appearing in Annexure XXVI;
 - f) Statement of Sundry Debtors as appearing in Annexure XXVII ;
 - g) Statement of Other Current Assets as appearing in Annexure XXVIII ;
 - h) Statement of Loans and Advances as appearing in Annexure XXIX;
 - i) Statement of Current Liabilities and Provisions as appearing in Annexure XXX;
 - j) Statement of Other Income, as appearing in Annexure XXXI;
 - k) Statement of Dividend paid, as appearing in Annexure XXXII;
 - l) Statement of Accounting Ratios, as appearing in Annexure XXXIII;
 - m) Statement of the Related Parties and transactions with them, as appearing in Annexure XXXIV; and
 - n) Statement of the Segment Reporting, as appearing in Annexure XXXV
11. This report should not in any way be construed as a reissuance or redating of any of the previous audit reports issued by us nor should this be construed as a new opinion on any of the financial statements referred to herein.

12. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. This report is intended solely for your information and for inclusion in offer document prepared in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For S.R. Batliboi & Associates
Firm Registration No.: 101049W
Chartered Accountants

per Sanjay Vij
Partner
Membership No.: 95169

Place: Gurgaon
Date: November 10, 2010

ANNEXURE I: Restated Unconsolidated Summary Statement of assets and liabilities

(Rupees in Million)

		As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
1)	Fixed assets						
	Gross block	389.13	291.56	169.55	139.16	45.56	8.26
	Less: accumulated depreciation / amortisation	61.04	47.75	23.39	16.91	3.59	0.52
	Net block	328.09	243.81	146.16	122.25	41.97	7.74
	Less: revaluation reserve	-	-	-	-	-	-
	Net block after adjustment for revaluation reserve	328.09	243.81	146.16	122.25	41.97	7.74
2)	Capital work in progress including capital advances	524.15	292.61	71.16	-	-	-
3)	Investments	618.60	618.20	211.54	10.00	0.01	-
4)	Deferred tax assets (net)	100.86	47.06	24.62	11.61	7.83	-
5)	Current assets, loans and advances						
	Inventories	153.09	7.78	20.69	-	0.31	2.51
	Sundry debtors	6,037.19	7,878.12	4,697.72	3,184.89	1,255.07	205.24
	Cash and bank balances	847.15	883.96	684.40	469.39	150.16	33.28
	Other current assets	3,263.19	1,792.88	1,198.08	628.57	109.79	9.53
	Loans and advances	1,074.81	868.09	763.42	444.27	165.87	17.26
	Total	11,375.43	11,430.83	7,364.31	4,727.12	1,681.20	267.82
6)	Liabilities and provisions:						
	Secured loans	5,090.85	3,516.05	2,425.08	1,247.27	340.47	26.45
	Unsecured loans	14.50	-	200.00	1.39	157.92	24.88
	Deferred tax liability (net)	-	-	-	-	-	0.26
	Current liabilities	3,192.40	4,538.64	2,646.15	1,772.47	757.34	117.80
	Provisions	275.47	384.07	303.31	203.41	86.42	29.91
	Total	8,573.22	8,438.76	5,574.54	3,224.54	1,342.15	199.30
7)	Net worth	4,373.91	4,193.75	2,243.25	1,646.44	388.86	76.26
8)	Net worth represented by						
	Share capital						
	- Equity shares	573.01	573.01	216.47	191.36	15.44	11.14
	- Preference shares	-	-	-	750.00	-	-
	Equity share warrants	-	-	-	-	20.00	-
	Reserves & surplus						
	- Securities premium account	1,395.38	1,422.14	778.68	53.79	195.71	20.01
	- Profit and loss account	2,557.28	2,248.02	1,248.10	651.29	157.71	45.11
	- Revaluation reserve	-	-	-	-	-	-
	Less: Miscellaneous expenditure (to the extent not written off or adjusted)	(151.76)	(49.42)	-	-	-	-
	Net worth	4,373.91	4,193.75	2,243.25	1,646.44	388.86	76.26

Note:

The above statement should be read with the notes to restated unconsolidated summary statements of Assets and Liabilities, Profit and losses and Cash flows as appearing in Annexures IV A, IV B & IV C.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
 Membership No. 95169

Place: Gurgaon
 Date November 10, 2010

Annexure II: Restated Unconsolidated Summary Statement of profits and losses

(Rupees in Million)

	For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006
Income						
Income from operations						
Revenue from engineering services	3,652.56	11,227.83	6,645.74	4,536.47	1,704.32	267.49
Revenue from facility management services	-	-	15.03	253.51	102.20	84.02
Total	3,652.56	11,227.83	6,660.77	4,789.98	1,806.52	351.51
Other income	23.95	57.86	79.70	23.49	6.34	0.71
Total income	3,676.51	11,285.69	6,740.47	4,813.47	1,812.86	352.22
Expenditure						
Cost of material and services	2,468.02	8,206.91	4,617.35	3,407.13	1,383.50	208.10
Purchase of traded goods	145.31	-	-	-	-	-
Net (Increase) / Decrease in inventories	(145.31)	-	-	-	-	-
Personnel expenses	154.90	352.93	279.26	285.89	105.66	46.25
Administrative & selling expenses	273.16	694.80	511.96	209.07	117.11	22.02
Interest	176.86	465.80	386.66	124.89	24.86	8.53
Depreciation/amortisation	13.28	24.46	11.83	13.31	3.06	0.27
Total expenditure	3,086.22	9,744.90	5,807.06	4,040.29	1,634.19	285.17
Net profit before tax	590.29	1,540.79	933.41	773.18	178.67	67.05
Current tax	204.82	563.31	342.84	269.61	73.38	24.68
Deferred tax charge/(credit)	(10.62)	(22.44)	(13.00)	(3.78)	(8.09)	0.08
Fringe benefit tax	-	-	6.76	4.32	0.78	0.29
Net profit before extraordinary items	396.09	999.92	596.81	503.03	112.60	42.00
Extra-ordinary items (Gross Rs 130.02 million, net of deferred tax credit of Rs. 43.19 million) (Refer note 25 of Annexure IVC)	86.83	-	-	-	-	-
Net profit as restated	309.26	999.92	596.81	503.03	112.60	42.00
Profit & loss at the beginning of the year, as restated	2,248.02	1,248.10	651.29	157.71	45.11	3.11
Balance available for appropriation as restated	2,557.28	2,248.02	1,248.10	660.74	157.71	45.11
Appropriations						
Dividend on preference share	-	-	0.00	0.01	-	-
Tax on dividend	-	-	0.00	0.00	-	-
Transfer to general reserve (Refer note 4 of annexure IVC)	-	-	-	9.54	-	-
Amount transferred in the scheme of amalgamation in the nature of merger (Refer note 4 of annexure IVC)	-	-	-	(0.10)	-	-
Total	-	-	0.00	9.45	-	-
Balance carried forward as restated	2,557.28	2,248.02	1,248.10	651.29	157.71	45.11

Note:

The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profit and losses and cash flows as appearing in annexures IV A, IV B & IV C.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
 Membership No. 95169

Place: Gurgaon
 Date November 10, 2010

Annexure III: Restated Unconsolidated Summary Statement of Cash Flows

(Rupees in Million)

		For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006
A	CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES						
	Net profit before taxation (as restated)	590.29	1,540.79	933.41	773.18	178.67	67.05
	Adjustment for						
	Depreciation/amortisation	13.28	24.46	11.83	13.31	3.06	0.27
	Preliminary expenses written off	-	-	-	0.03	-	0.33
	Interest expense	176.86	465.80	386.66	124.89	24.86	8.53
	Loss/(profit) on sale of fixed assets	-	0.19	0.06	(0.04)	-	-
	Provision for bad and doubtful debts	10.38	73.05	19.34	11.33	26.24	-
	Provision for doubtful advances	-	-	1.86	-	0.39	-
	Amortisation of Miscellaneous expenditure (Loan processing fees)	9.70	0.93	-	-	-	-
	Advances/earnest money deposit written off	-	0.12	19.52	6.12	12.51	0.11
	Unrealised foreign exchange fluctuation loss	4.70	-	0.53	-	-	-
	Interest income	(20.88)	(48.98)	(46.85)	(19.29)	(3.35)	(0.71)
	Operating profit before working capital changes	784.33	2,056.36	1,326.36	909.53	242.38	75.58
	Movements in working capital						
	Decrease / (increase) in inventory	(145.31)	12.91	(20.69)	0.32	2.19	(2.51)
	Decrease / (increase) in sundry debtors	1,830.64	(3,253.44)	(1,622.64)	(1,931.32)	(1,076.05)	(200.14)
	Decrease / (increase) in loan and advances and other current assets	(1,670.31)	(712.66)	(937.79)	(793.64)	(255.47)	(19.89)
	Increase / (decrease) in current liabilities and provisions	(1,359.42)	1,884.83	924.64	1,006.36	640.40	109.54
	Cash flow from / (used in) operations	(560.07)	(12.00)	(330.12)	(808.75)	(446.55)	(37.42)
	Direct taxes paid (including fringe benefits tax paid)	(313.62)	(493.32)	(251.76)	(160.89)	(20.64)	(3.22)
	Net Cash flow before extraordinary items	(873.69)	(505.32)	(581.88)	(969.64)	(467.19)	(40.64)
	Extra-ordinary items (Gross of tax)	(130.02)	-	-	-	-	-
	Net cash generated from / (used in) operating activities	(1,003.71)	(505.32)	(581.88)	(969.64)	(467.19)	(40.64)
B	CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES						
	Purchase of fixed assets (including capital work in progress)	(302.93)	(344.03)	(155.33)	(87.82)	(37.24)	(4.97)
	Proceeds from sale of fixed assets	-	0.41	0.38	0.38	-	-
	Purchase of investment in subsidiaries	(0.40)	(406.66)	(83.00)	(20.03)	(0.01)	-
	Share application money given pending allotment	(2.50)	-	-	-	-	-
	Business Purchase consideration paid	(10.50)	-	-	-	-	-
	Fixed deposits placed	(35.97)	(330.27)	(369.90)	(334.94)	(179.87)	(25.59)
	Fixed deposits matured	82.92	126.01	209.60	25.65	66.28	-
	Interest received	16.08	57.02	39.54	9.61	2.02	-
	Net cash generated from / (used in) investing activities	(253.30)	(897.52)	(358.71)	(407.15)	(148.82)	(30.56)
C	CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES						
	Proceeds from issuance of equity share capital	-	12.73	-	0.35	4.30	8.75
	Proceeds from issuance of equity share warrants	-	-	-	-	20.00	-
	Proceeds from issuance of preference share capital	-	-	-	750.00	-	-
	Proceeds from securities premium	-	987.27	-	13.65	175.70	18.57
	Dividend paid	-	-	(0.01)	-	-	-
	Proceeds from long term borrowings	426.53	859.19	19.10	43.35	155.06	25.47
	Repayment of long term borrowings	(75.30)	(53.83)	(20.48)	(156.48)	(22.03)	-
	Proceeds from / (repayment of) short term borrowings (net)	1,218.30	86.72	1,383.89	866.49	308.96	22.86
	Preliminary expenses incurred	-	-	-	-	-	(0.30)

(Rupees in Million)

	For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006
Share issue expenses paid	(2.50)	-	-	-	-	-
Loan processing fees paid	(113.76)	(50.53)	-	-	-	-
Interest paid	(186.14)	(443.40)	(381.77)	(131.65)	(22.69)	(1.96)
Net cash generated from / (used in) financing activities	1,267.13	1,398.15	1,000.73	1,385.71	619.30	73.39
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	10.12	(4.69)	60.14	8.92	3.29	2.19
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	66.23	70.92	15.46	5.51	2.22	0.03
CASH AND CASH EQUIVALENTS ACQUIRED ON AMALGAMATION/ BUSINESS PURCHASE (Refer note 4 & 5 below)	0.01	-	-	1.03	-	-
CASH AND CASH EQUIVALENTS SURRENDERED ON ACCOUNT OF DEMERGER (Refer note 3 below)	-	-	(4.68)	-	-	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	76.36	66.23	70.92	15.46	5.51	2.22
Components of cash and cash equivalents*	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Cash on hand	0.55	2.05	1.98	1.48	0.03	0.33
Cheques in hand	-	-	5.30	-	-	-
Balances with scheduled banks						
In current accounts	19.22	37.02	63.64	13.98	5.48	1.89
In cash credit accounts	56.59	27.16	-	-	-	-
	76.36	66.23	70.92	15.46	5.51	2.22

Notes:

- Figures in brackets indicate cash outflow.
- The above statement should be read with the notes to restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in annexures IV A, IV B & IV C.
- The cash flow statement for the period ended July 31, 2010 is adjusted by the following amounts of assets and liabilities to give effect to the business transfer agreements with Partnership firms:
(Refer note 2 of annexure IV C)
Fixed Assets of Rs 0.9 million, Sundry debtors of Rs 0.1 million, Cash on hand of Rs 0.01 million and Unsecured Loan of Rs 14.50 million
- The cash flow statement for the year ended March 31, 2009 is adjusted by the following amounts of assets and liabilities to give effect to the demerger of Facility management services division: (Refer note 3 of annexure IV C): sundry debtors of Rs. 90.46 million, loans & advances of Rs. 34.53 million, other current assets of Rs. 0.01 million, unsecured loan of Rs. 0.38 million, current liabilities of Rs. 44.59 million, provisions of Rs. 4.51 million and secured loan of Rs. 10.60 million.
- The Cash flow statement for the year ended March 31, 2008 is adjusted by the following amounts of assets and liabilities to give effect to the merger of Sri eswara sai ltd (Refer note 4 of annexure IV C): sundry debtors of Rs. 9.83 million, cash & bank balance of Rs. 1.03 million, misc expenditure of Rs. 0.03 million, fixed assets of Rs 5.87 million, current liabilities of Rs. 16.16 million

*Difference with cash & bank balances in restated unconsolidated summary statements of asset & liabilities Rs. 770.79 million (Year 2009-10 - 817.73 million, Year 2008-09 - 613.48 million, Year 2007-08 - Rs. 453.93 million, Year 2006-07 - 144.65 million, Year 2005-06 - 31.06 million) represents fixed deposits with an original maturity of three months or more.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
 Membership No. 95169

Place: Gurgaon
 Date November 10, 2010

ANNEXURE IV: NOTES TO THE RESTATED UNCONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFITS AND LOSSES AND CASH FLOWS FOR THE PERIOD ENDED JULY 31, 2010 AND YEARS ENDED MARCH 31, 2010, 2009, 2008, 2007 and 2006

[All amounts in Indian Rupees Millions, except number of shares including share price, unless otherwise stated. The amounts have been rounded off to 'million rupees' and Rs 0.00 million represent amounts that are rounded off, being immaterial amounts]

Background

A2Z Maintenance & Engineering Services Limited (formerly A2Z Maintenance & Engineering Services Private Limited) ('A2Z or the Company') was incorporated at National Capital Territory of Delhi on January 7, 2002 for providing maintenance and engineering services. The Company commenced its business with the facility management services and entered into engineering business during the year 2005-06.

The Company's engineering business segment primarily includes supply, erection and maintenance of electrical transmission lines and allied services to power distribution companies. During the year ended March 31, 2010, the Company has also entered into collaboration with sugar mills for setting up 3 Cogeneration (Cogen) power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years.

At the extra-ordinary general meeting of the shareholders held on March 12, 2010, the shareholders approved the conversion of the Company from private limited company to a public limited company, and approved the change in the name of the Company from A2Z Maintenance & Engineering Services Private Limited to A2Z Maintenance & Engineering Services Limited. The Company has received a certificate of change in name from the Registrar of Companies on March 26, 2010.

The restated unconsolidated summary statement of assets and liabilities of the Company as at July 31, 2010, March 31, 2010, 2009, 2008, 2007 and 2006 and the related restated unconsolidated summary statement of profits and losses and cash flows for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008, 2007 and 2006 (herein collectively referred to as "Restated unconsolidated summary statements") relate to A2Z Maintenance & Engineering Services Limited ("the Company") and have been prepared specifically for the inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial public offering.

These restated unconsolidated summary statement have been prepared to comply in all material respects with the requirements of Schedule II to Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ("the Regulations").

ANNEXURE IVA: Statement of Significant Accounting Policies adopted by the Company in the preparation of financial statements as at and for the period ended July 31, 2010

a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

d) Depreciation

Depreciation is provided using the Straight Line Method rates as per the useful lives of the fixed assets as estimated by the management, which equal to the corresponding rates prescribed under Schedule XIV of the Companies Act, 1956 as below:

Particulars	Rate of Depreciation (SLM)
Building	1.63%
Office Equipment	4.75%
Plant and Machinery*	4.75% - 11.31%
Computers	16.21%
Furniture and Fixtures	6.33%
Vehicles	9.50% - 11.31%
Assets costing less than Rs. 5,000	Fully depreciated in the year/period of acquisition

*Plant & Machinery includes platform erected on lease hold land for setting up plant and machinery for manufacture of poles. The same has been depreciated on a straight line basis over the initial lease period of 2 years. Leasehold land is depreciated over the lease term of 66 years.

e) Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Intangible Assets

Computer software purchased from outside parties is amortised and charged on a Straight Line Method over lower of license period or a period of 5 to 6 years, being the estimated useful life.

Goodwill arising on acquisition and purchase of business is amortised using the straight line method over a period of five years.

g) Leases

Where the Company is the lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Where the Company is the lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

h) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investment. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

i) Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis and includes all applicable overheads in bringing the inventories to their present location and condition. Excise duty arising on stock are treated as part of the cost of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

j) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

- (i) Revenues from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

- (ii) Revenue from Construction Contracts:

Contract revenue associated with construction contracts are recognised as revenue by reference to the stage of completion of the project at the balance sheet date. The stage of completion of project is determined by the proportion that the contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs as assessed by project managers and validated by independent project managers and the management. Materials purchased specifically for the projects and identifiable to the project are considered as part of contract costs in accordance with AS-7, "Construction Contracts".

If it is expected that a contract will make a loss, the estimated loss is provided in the books of accounts. Such losses are based on technical assessments. Contract revenue earned in excess of billing has been reflected under "Other Current Assets" and billing in excess of contract revenue has been reflected under "Current Liabilities" in the Balance Sheet.

As the outcome of the contracts cannot be measured reliably during the early stages of the project, contract revenue is recognised only to the extent of costs incurred in the Profit and Loss Account unless the actual cost reaches a minimum threshold of total estimated cost of the project.

Liquidated damages/ penalties, interest, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per contractual terms and/or acceptance.

Certain expenditure namely freight & cartage expenses, subcontractor expenses, packing charges, fabrication expenses, site expenditure, labour charges, rental expenses and travelling & conveyance

expenses are incurred in cash to meet the business needs and exigencies for the services availed at the project sites by the Company based on mutually agreed terms and conditions and are authorized based on internal checks and controls.

(iii) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(iv) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from subsidiaries is recognised even if same are declared after the balance sheet date but pertains to period on or before the date of balance sheet as per the requirement of schedule VI of the Companies Act, 1956.

k) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

l) Foreign currency translation

Foreign currency transactions

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year/period, or reported in previous financial statements, are recognized as income or as expenses in the year/period in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year/period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year/period.

m) Retirement and Other Employment Benefits

i) Retirement benefits in the form of Provident Fund and Employee State Insurance is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year/period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year/period. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

iii) The Company does not allow carry forward of compensated absences to employees. Accordingly, no provision has been made for compensated absences.

iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

n) Income taxes

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year/period timing differences between taxable income and accounting income for the year/period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

o) Segment Reporting

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of services, with each segment representing a strategic business unit that offers different services to different markets. The analysis of geographical segments is based on the areas in which the Company's services are rendered.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

p) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of shares outstanding during the period are adjusted for bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

q) Derivative Instruments

As per the Institute of Chartered Accountants of India Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

r) Cash and Cash equivalents

Cash and cash equivalents for the purposes of cash flow statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

s) Deferred Revenue Expenditure

Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. This has been reflected in the restated summary statements of assets and liabilities under the head “Miscellaneous Expenditure to the extent not written off or adjusted.”

t) Accounting for joint ventures

Accounting for joint ventures undertaken by the Company has been done as follows:

<u>Type of Joint ventures</u>	<u>Accounting treatment</u>
Jointly controlled operations	The Company's share of revenues, expenses, assets and liabilities are included in the financial statements as Revenues, Expenses, Assets and Liabilities respectively

u) Employee Stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

v) Provisions

A provision is recognised when the Company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ANNEXURE IVB: Notes on material adjustments

- Below mentioned is the summary of results of restatement made in the audited financial statements for the respective year/periods and its impact on the profits of the Company.

(Rupees in Millions)							
	Particulars	For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007	For the year ended March 31, 2006
	Net profit as per audited financial statements before adjustments including extra-ordinary items	307.58	949.04	688.56	442.76	116.55	59.00
A	Changes in Accounting Policies:						
1	Increase/(Decrease) in revenue on account of re-computation of revenue as per AS 7 - Revenue recognition policy (Refer Note 2a)	-	-	-	-	(8.82)	8.82
2	Provision for Leave encashment (Refer Note 2b and Note 3a)	-	-	-	0.25	(0.25)	-
3	Provision for Gratuity (Refer Note 2b and Note 3a)	-	-	-	0.29	0.17	(0.26)
4	Increase/(Decrease) in revenue on account of re-computation of revenue for change in accounting policy of Project Specific Inventory (Refer Note 2c)	-	-	(157.44)	157.44	-	-
5	Change in Cost of materials and services for Change in accounting policy for Project Specific Inventory (Refer Note 2c)	-	-	121.03	(121.03)	-	-
B	Other Adjustments:						
1	Prior Period Revenue (Refer Note 4a)	-	43.90	(43.90)	-	-	-
2	Prior period expenses adjustment (Refer Note 4a)	-	-	-	2.01	(2.01)	-
3	Provision for Doubtful Advances written back (Refer Note 4b)	-	-	(38.00)	37.59	0.41	-
4	Unspent Liability Written Back (Refer Note 4c)	-	-	(1.17)	1.17	-	-
5	Advances/Earnest money deposit written off/written back (Refer Note 4d)	(1.63)	37.30	(19.51)	(3.53)	(12.51)	(0.12)
6	Miscellaneous Expenditure Written off (Refer Note 4e)	-	-	-	-	0.26	(0.26)
7	Service Tax Liability for earlier Years (Refer Note 4g)	-	-	-	10.45	(10.45)	-
	Total Adjustments	(1.63)	81.20	(138.99)	84.64	(33.20)	8.18
	Net Profit After Adjustment before tax impact	305.95	1,030.24	549.57	527.40	83.35	67.18
	Current Tax Impact on adjustments (Refer Note 4f)	0.55	(27.56)	34.33	(15.09)	10.61	(2.84)
	Deferred Tax Impact on adjustments (Refer Note 4f)	-	-	12.91	(12.96)	(0.11)	0.09
	Income Tax adjustment for earlier years (Refer Note 4f)	2.76	(2.76)	-	3.68	18.75	(22.43)
	Net Profit After Tax, as restated	309.26	999.92	596.81	503.03	112.60	42.00

2. Changes in accounting policies

a. REVENUE RECOGNITION

During the year ended March 31, 2007, with retrospective effect, the Company has changed its revenue recognition policy in respect of revenues arising from construction contracts entered into by it under the Engineering Services Segment. The Company followed the 'percentage of completion method' as prescribed under Accounting Standard-7, 'Construction Contracts' during the year ended March 31, 2007 in place of Accounting Standard -9 'Revenue Recognition' during the year ended March 31, 2006. The revenue unrecognised in earlier year arising out of retrospective re-computation has been recognised in the profit and loss account for the year ended March 31, 2006. Accordingly, the figures have been restated for the years ended March 31, 2007 and 2006.

b. GRATUITY AND LEAVE ENCASHMENT

During the year ended March 31, 2008, provision for gratuity and Leave encashment was made on the basis of actuarial valuation in compliance of the Accounting Standard 15 (Revised), which was earlier accounted for on cash basis. Accordingly, provision for gratuity and Leave encashment has been recomputed on actuarial valuation basis for each of the preceding years and consequently the adjustments have been made in the expenses for gratuity and Leave encashment for the years ended March 31, 2007 and 2006 and brought forward balance of restated unconsolidated profit and loss as at April 1, 2005.

c. PROJECT INVENTORY

During the year ended March 31, 2009, the management identified certain project specific inventory as a part of contract costs in accordance with AS 7 'Construction Contracts' as against hitherto policy of carrying such project specific inventories also as inventories. Accordingly, the cost of materials and services and corresponding revenue has been restated for the years ended March 31, 2009 and 2008.

3. Auditor's Qualifications (adjusting):

- a. The Company was recording gratuity benefit payable to the employees under the Payment of Gratuity Act, 1972 on a cash-basis of accounting in its books of accounts and did not accrue for any liability with respect of gratuity as at March 31, 2007. Also, the Company was following a cash basis of accounting for leave encashment and implemented the leave encashment policy effective January 1, 2007. This accounting policy was not in accordance with the AS 15 on Retirement Benefits issued by the Institute of Chartered Accountants of India and did not meet the requirement of following the accrual basis of accounting prescribed under Section 209 of the Companies Act, 1956.

The statutory auditors' had qualified their opinion on the financial statements for the year ended March 31, 2007 on account of non provision of retirement benefits, which was not in accordance with Accounting Standard 15 on Retirement Benefits.

Accordingly, adjustments are made to the restated unconsolidated summary statements for the years ended March 31, 2007 and 2006 and brought forward balance of restated unconsolidated profit and loss as at April 1, 2005 as stated in note 2b above.

4. Other Adjustments

a. PRIOR PERIOD ITEMS

In the financial statements for the years ended March 31, 2008 and March 31, 2010, certain items of income/expenses have been identified as prior period items. For the purpose of these statements, such prior period items have been appropriately adjusted in the respective years to which they pertain to.

b. PROVISION FOR DOUBTFUL ADVANCES WRITTEN BACK

Advances, which were considered doubtful and provided in the year ended March 31, 2008 and 2007 and which have been subsequently recovered during the year ended March 31, 2009, have been adjusted in the years when such advances were originally provided for. Accordingly, adjustments have been made to the restated unconsolidated summary statements for the years ended March 31, 2009, 2008 and 2007.

c. UNSPENT LIABILITIES WRITTEN BACK

In the financial statements for the year ended March 31, 2009, certain liabilities created in earlier years were written back. For the purpose of these statements, the said liabilities, wherever required, have been appropriately adjusted in the respective year in which the same were originally created. Accordingly, adjustments have been made to the restated unconsolidated summary statements for the years ended March 31, 2009 and 2008.

d. ADVANCES / EARNEST MONEY DEPOSIT WRITTEN OFF / WRITTEN BACK

Advances / Earnest money deposit, which have been written off in the year ended March 31, 2010 and 2008 and written back during the period ended July 31, 2010, have been adjusted in the years when such amounts were originally paid. Accordingly, adjustments have been made to the restated unconsolidated summary statements, for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008, 2007 and 2006.

e. MISCELLANEOUS EXPENDITURE WRITTEN OFF

The Company had incurred certain expenses which were capitalized as preliminary expenses / Deferred Revenue Expenditure and amortised over a period of 5 years. However, such expenses do not meet the criteria for recognition of intangible assets under Accounting Standard - 26 'Intangible Assets'. Consequently such expenses have been charged off in the year ended March 31, 2006.

f. INCOME TAX ADJUSTMENTS FOR EARLIER YEARS

The Profit and Loss Account of some years include amounts paid/ provided for, in respect of shortfall in income tax arising out of revised returns, assessments, appeals etc. which has now been adjusted in the restated unconsolidated summary statements for the period ended July 31, 2010 and years ended March 31, 2010, 2008, 2007 and 2006.

Further, tax expense (current tax and deferred tax) has been computed on adjustments made as detailed (in note 3 and 4) above and has been adjusted in the restated unconsolidated summary statements for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008, 2007 and 2006 and brought forward balance of restated unconsolidated profit and loss as at April 1, 2005.

g. SERVICE TAX LIABILITY FOR EARLIER YEARS

In respect of Service Tax, the Company had taken input credit of excise, which was reversed during the year ended March 31, 2008, based on a revised legal opinion and a liability has been provided in the books pertaining to year 2006-07 and 2007-08 upon clarification regarding the applicability of CENVAT Credit Rules, 2004. Accordingly, adjustments have been made to restated unconsolidated summary statements for the years ended March 31, 2008 and 2007.

5. Material Regroupings

Appropriate adjustments have been made in the restated unconsolidated summary statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the period ended July 31, 2010 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure requirements) Regulations 2009.

6. PROFIT AND LOSS ACCOUNT AS AT APRIL 01, 2005 (Restated)

Particulars	(Rupees in Millions)
Profit and Loss Account as at April 01, 2005 (Audited)	3.24
Provision for Gratuity (Refer Note 2b and 3a)	(0.20)
Deferred Tax Impact on adjustments (Refer Note 4f)	0.07
Profit and Loss Account as at April 1, 2005 (Restated)	3.11

7. Non - Adjustment Items

- a. Audit qualifications for the respective periods, the corrective adjustment for which has not been made in the financial information, since the financial effect thereof is not ascertainable:**

Financial year ended March 31, 2008

The Company had conducted periodic physical verification of inventories during the year ended March 31, 2008. However, the extent of physical verification of inventories as carried out at the yearend was inadequate. Further, as the Company was in the process of implementing an inventory application, the auditors were unable to perform sufficient audit procedure as regards inventories, aggregating Rs 121.03 million as at March 31, 2008.

CARO Qualification:

The auditors were unable to comment on discrepancies, if any between physical and book records of inventories as specified in qualification to auditor's report above.

Financial year ended March 31, 2007

The Company has represented that it has conducted periodic physical verification of inventories during the year ended March 31, 2007, however it has not documented the results of physical verification. Further, no physical verification of inventories was carried out as at year end, as the Company was in the process of further updating its inventory records in an adequate manner in respect of certain inventories. Owing to the nature of the Company's records in respect of such inventories, auditors were unable to satisfy themselves as to the inventory quantities and, hence the balances, as of March 31, 2007 by other audit procedures.

CARO Qualification:

The auditors were unable to comment on discrepancies, if any between physical and book records of inventories as specified in qualification to auditor's report above.

- b. Audit qualifications for the respective periods, which do not require any corrective adjustment in these restated unconsolidated summary statements are as follows:**

i. Year ended March 31, 2010

CARO Qualifications:

- There is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of goods and services, except that the internal control system in respect of sales of goods and services is inadequate as the Company does not formally monitor and analyze its costs incurred on projects as against the total estimated project costs on a periodical basis. This has been a continuing failure to correct major weakness in the internal control system for a portion of the year. However, this weakness has been rectified as at the balance sheet date.
- The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to the company though there has been slight delay in few cases.
- Theft of materials amounting to Rs. 4.95 million has been reported during the year. Other than this, no fraud on or by the Company has been noticed or reported during the course of the audit.

ii. Year ended March 31, 2009

During the year ended March 31, 2009, the Company entered into certain transactions namely purchases and sales of services aggregating to Rs. 35.37 million and Rs. 1.83 million respectively, with three private limited companies which are its subsidiaries, in which the directors of the Company are interested as directors, which as per the requirements of Section 297 of the Companies Act, 1956,

require prior approval of the Central Government. Subsequent to the year-end, the Company had applied to the Central Government for condonation of delay.

The statutory auditors' had qualified their opinion on the financial statements for the year ended March 31, 2009, considering the uncertainty involved regarding regulatory approval and fine / penalties for above delay.

However, subsequent to audit finalisation, the Company has received the condonation of Central Government on November 12, 2009 and paid fine / penalty of Rs. 0.08 million, hence no adjustment is required in restated unconsolidated summary statements, as the amount involved is not material.

CARO Qualifications:

- Internal Control system in respect sale of goods and services is inadequate as the Company does not formally monitor and analyse its costs incurred on projects as against the total estimated project costs on a periodical basis.
- The Company has not entered particulars of contracts or arrangements that are required to be entered in the register maintained under Section 301 of the Companies Act, 1956.
- The scope & coverage of internal audit system requires to be enlarged to be commensurate with size and nature of the business. There is continuing failure to improve the scope and coverage of internal audit.
- The Company is regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues applicable to the Company, though there has been slight delay in few cases.

iii. Financial year ended March 31, 2008

CARO Qualifications:

- The internal control system for purchase of fixed assets was inadequate, since the purchases were made without inviting quotations. In auditor's opinion, there was continuing failure to correct the major weakness in the internal control system.
- The Company had internal audit system, the scope & coverage of which requires to be enlarged to be commensurate with size and nature of the business. There is continuing failure to improve the scope and coverage of internal audit.
- The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, Sales tax, wealth tax, custom Duty, Excise Duty, Cess and other statutory dues applicable to the company though there has been slight delay in few cases.
- In respect of Service Tax, the Company had taken input credit of excise amounting to Rs 52.06 million, which was reversed during the year ended March 31, 2008, based on a revised legal opinion and a liability has been provided in the books. However, the auditors qualified their opinion as the same was yet to be deposited with the appropriate authorities.
- There were no undisputed dues in respect of wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except for undisputed dues in respect of provident fund, employees' state insurance and income-tax as follows:

<i>Name of the statute</i>	<i>Nature of the dues</i>	<i>Amount in Millions</i>	<i>Period to which the amount relates</i>	<i>Due Date</i>	<i>Date of Payment*</i>
<i>Employee Provident Fund Act, 1952</i>	<i>Provident Fund</i>	<i>0.03</i>	<i>2007-08</i>	<i>15th of following month</i>	<i>-</i>
<i>Employee State Insurance Act, 1948</i>	<i>Employee State Insurance</i>	<i>0.00</i>	<i>2007-08</i>	<i>21st of following month</i>	<i>-</i>

<i>Finance Act, 1994</i>	<i>Service Tax</i>	<i>10.45</i>	<i>2006-07</i>	<i>5th of following month</i>	<i>-</i>
<i>Finance Act, 1994</i>	<i>Service Tax</i>	<i>6.00</i>	<i>2007-08</i>	<i>5th of following month</i>	<i>-</i>
<i>Income Tax Act, 1961</i>	<i>Income Tax</i>	<i>3.68</i>	<i>2005-06</i>	<i>15th of last month of each quarter</i>	<i>-</i>

* However above outstanding dues have been subsequently deposited by the company.

iv. Financial year ended March 31, 2007

CARO Qualifications:

- The internal control system for purchases of inventory and fixed asset is inadequate in as much as purchases were made without inviting quotations and the internal control system for the sale of goods needs to be improved further considering the significant increase in operation of the Company.
- The Company had internal audit system, the scope & coverage of which requires to be enlarged to be commensurate with size and nature of the business.
- Undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, and cess have not been regularly deposited with the appropriate authorities in respect of provident fund, employee state insurance, withholding tax and income tax and there have been serious delays in large number of cases.
- There were no undisputed amounts payable in respect of wealth-tax, sales-tax, customs duty, excise duty, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except for undisputed dues in respect of provident fund, employees' state insurance, withholding tax, income tax and service tax as follows:

<i>Name of the statute</i>	<i>Nature of the dues</i>	<i>Amount in Millions</i>	<i>Period to which the amount relates</i>	<i>Due Date</i>	<i>Date of Payment**</i>
<i>Employee Provident Fund Act, 1952</i>	<i>Provident Fund</i>	<i>0.12</i>	<i>2006-07</i>	<i>15th of following month</i>	<i>-</i>
<i>Employee State Insurance Act, 1948</i>	<i>Employee State Insurance</i>	<i>0.05</i>	<i>2006-07</i>	<i>21st of following month</i>	<i>-</i>
<i>Income Tax Act, 1961</i>	<i>Income Tax</i>	<i>17.33*</i>	<i>2005-06</i>	<i>15th of last month of each quarter</i>	<i>-</i>
<i>Income-Tax Act, 1961</i>	<i>Advance Income Tax</i>	<i>9.93*</i>	<i>2006-07</i>	<i>June 15, 2006</i>	<i>-</i>
<i>Income-Tax Act, 1961</i>	<i>Advance Income Tax</i>	<i>19.87*</i>	<i>2006-07</i>	<i>September 15, 2006</i>	<i>-</i>
<i>Income Tax Act, 1961</i>	<i>Tax Deducted at Source-u/s-192</i>	<i>0.01</i>	<i>2006-07</i>	<i>7th of following month</i>	<i>-</i>
<i>Income Tax Act, 1961</i>	<i>Tax Deducted at Source-u/s-194C</i>	<i>0.00</i>	<i>2006-07</i>	<i>7th of following month</i>	<i>-</i>

* The Company has provided for the tax liabilities during the year upon clarification regarding the applicability of provisions of Section 80-IA of the Income Tax Act, 1961 under the Finance Bill, 2007.

** However above outstanding dues have been subsequently deposited by the company.

ANNEXURE IV C: Notes to the restated unconsolidated summary statements of assets and liabilities, profits and losses and cash flows for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008, 2007 and 2006

1. Interest in Joint ventures:

The Company's interest and share in joint ventures in the jointly controlled operations as at July 31, 2010 are as follows:

S.No.	Name of Joint Ventures	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
1	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 18, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited for Design, Manufacture and Supply of all materials, execution of relevant civil works, erection, testing and commissioning of new 220KV Sub-station at Airoli, Sonkhar & Vasai and 132 KV Substation at Jam, Patur, Ghatanji, Wardha, Akola, Pandharkawda, Elichpur and Kundalwadi on turnkey basis.	See Note (a) below	*
2	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 12, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Construction of 220/132KV Grid Sub-Station at Bishnah (J&K).	See Note (a) below	*
3	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 31, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Construction of 220/132KV Grid Sub-Station at Budgam (Pkg A) & Mir Bazar (Pkg B)	See Note (a) below	*
4	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 14, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Bihar State Electricity Board for Turnkey Construction of 220/132/33 KV Grid station at Begusarai.	See Note (a) below	*
5	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from January 21, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of 220kv D/C Wagoora-Budgam Zainakot Transmission Line in Kashmir Valley.	See Note (a) below	*
6	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x20 MVA, 132/33 KV Grid Sub-Station at Chandak, District Poonch (J&K).	See Note (a) below	*
7	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x50 MVA, 132/33 KV Grid Sub-Station at Battal, Manwal, District Udhampur (J&K).	See Note (a) below	*
8	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from November 15, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package for Survey, Engineering, Design, Fabrication of Lattice Type Structures Galvanisation Supply of Structures, Laying of foundation, Protection Works, Erection of Towers, laying & stringing of ACSR PANTHER Conductor, Testing and Commissioning of Transmission lines from Badampora – Bandipora and from Lassipora – Sopian.	See Note (a) below	*
9	M/s Linkwell Telesystems Private Limited	Jointly Controlled Operations	Joint Venture Agreement effective from August 9, 2008. The principal activity of the Venture is to bid jointly and enter into contract with Madhya Pradesh Poorva Kshetra Vidyut Vitaran Co. Ltd.	See Note (a) below	*

S.No.	Name of Joint Ventures	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
			(MPPKVVCL), Jabalpur for design, manufacture, supply, install, commission, operate and maintain Remote Metering of LT Consumers above 10 BHP.		
10	M/s Shyama Power (India) Private Limited	Jointly Controlled Operations	Joint Venture effective from August 22, 2008. The principal activity of the Venture is to submit a bid jointly and enter into contract with NHPC Ltd for the design manufacture, supply and erection, testing and commissioning of Equipment / Materials stipulated in the bidding documents for Rural Electrification works along with 66 KV Transmission Line each in Leh and Kargil District of Jammu & Kashmir.	See Note (a) below	*
11	M/s Cobra Instalaciones Y Servicios, S.A	Jointly Controlled Operations	Joint Venture agreement effective from December 12, 2008. The Principal activity of the venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited (MSETCL), Mumbai for Design, Manufacture and Supply of all materials execution of relevant civil works, erection, testing and commissioning for establishment of new 220 KV Sub-Station at Kudus, Talegaon, Jath, Patoda, Bhokardhan and 132 KV Sub-station at Badnapur on Turnkey basis.	See Note (a) below	*
12	M/s Karamtara Engineering Private Limited	Jointly Controlled Operations	Joint Venture agreement effective from July 10, 2009. The Principal activity of the venture is to bid for tender and enter into contract with POWERGRID Corporation of India Limited (PGCIL) for Design, Manufacture, Supply, Erection, Testing & Commissioning of Equipments/Materials for 765 KV S/C Meerut-Agra Transmission Line (Part-I) associated with 765 KV system for central part of Northern Grid.	See Note (a) below	*
13	M/S Richardson & Cruddas (1972) Limited	Jointly Controlled Operations	Joint Venture agreement effective from September 19, 2008. The Principal activity of the venture is to bid for tender and enter into contract with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPL), Jaipur for Design, Manufacture and Supply of materials for construction of 220KV/132KV transmission lines on turnkey basis.	See Note (a) below	*

*Country of Incorporation not applicable, as these are unincorporated Joint Ventures.

Note: (a) As per joint venture agreements, the scope and value of work of each partner has been clearly defined and accepted by the clients. The Company's share in Assets, Liabilities, Income and Expenses are duly accounted for in the accounts of the Company in accordance with such division of work and therefore does not require separate disclosure. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

2. During the period ended July 31, 2010, the Company had entered into following three acquisitions, details of which are as follows:

- i) Pursuant to Business Transfer Agreement dated May 1, 2010, the Company purchased as a going concern the entire business of M/s Surender Chowdhury & Brothers, a partnership firm constituted pursuant to a deed of partnership dated December 2, 2004, engaged in the business of construction of electrical substations and railway electrification work for a consideration of Rs 20,000,000.
 - a. All the assets, including goodwill, business contracts and employees of M/s Surender Chowdhury & Brothers were transferred to the Company and the original owners were employed by the Company.
 - b. The original owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company.
 - c. The original owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the business transfer agreement.
 - d. The difference between the carrying value of Investment in M/s Surender Chowdhury & Brothers and value of net assets acquired of Rs 19,012,620 has been carried as goodwill.
 - e. Further, an amount of Rs 7,500,000 was paid on the date of agreement, while an amount of Rs 12,500,000 is considered as an interest free unsecured loan to be paid post completion of financial and technical DDR in accordance with the terms of the agreement.

- ii) Pursuant to Business Transfer Agreement dated June 10, 2010, the Company purchased as a going concern the business of M/s Mohd. Rashid Contractors, a partnership firm constituted pursuant to a partnership deed dated June 10, 2003 engaged in the business of telecom cable laying, civil works and other engineering, procurement and construction business for a consideration of Rs 2,000,000.
 - a. All the assets, including goodwill, business contracts and employees of M/s Mohd. Rashid Contractors were transferred to the Company and the original owners were employed by the Company.
 - b. The original owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company.
 - c. The original owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the business transfer agreement.
 - d. The difference between the carrying values of Investment in M/s Mohd. Rashid Contractors and value of net assets acquired of Rs 1,950,251 has been carried as goodwill.
- iii) Pursuant to Business Transfer Agreement dated June 10, 2010, the Company purchased as a going concern the business of En-Tech Engineers and Contractors, a partnership firm, constituted pursuant to a partnership deed dated June 10, 2003 engaged in the business of telecom cable laying, civil works and other engineering, procurement and construction business for a consideration of Rs 3,000,000.
 - a. All the assets, including goodwill, business contracts and employees of En-Tech Engineers and Contractors were transferred to the Company and the original owners were employed by the Company.
 - b. The original owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company.
 - c. The original owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the business transfer agreement.
 - d. The difference between the carrying value of Investment in En-Tech Engineers and Contractors and value of net assets acquired of Rs 2,998,988 has been carried as goodwill.
 - e. Further, an amount of Rs 1,000,000 was paid on the date of agreement, while an amount of Rs 2,000,000 is considered as an interest free unsecured loan to be paid post completion of financial and technical DDR in accordance with the terms of the agreement.

These acquisitions have helped the Company to get pre-qualification to bid for various tenders and considering long term benefits arising to the Company by gaining eligibility for biddings, the management is of the opinion that the goodwill is not impaired as at July 31, 2010.

3. Demerger of Facilities Management Business

During the year ended March 31, 2009, the Company ('demerged company') entered into a Scheme of Demerger and Arrangement for the demerger of its Facilities Management Services (FMS) business segment on going concern basis to its wholly owned subsidiary, A2Z Infraservices Limited (formerly a2z Infraservices Private Limited) ('resulting company'), a company formed for the purpose of taking over the FMS business.

In accordance with the Scheme of Arrangement and Demerger which was approved by the Hon'ble High Court of Punjab and Haryana at Chandigarh on May 29, 2009, the Facilities Management Business of the demerged company was transferred and vested in the resulting company with effect from the appointed date i.e. April 15, 2008. The Scheme was filed with the Registrar of Companies on July 16, 2009 (the 'Effective Date') and was accordingly given effect to in the accounts of the year ended March 31, 2009.

In terms of the scheme, upon the scheme becoming effective, all the assets and liabilities of the FMS business were transferred to the resulting company at the book values on the Appointed Date i.e. April 15, 2008. In consideration of the vesting of the FMS business pursuant to the scheme, the resulting company allotted 1,900,000 fully paid equity shares of Rs 10 each on July 25, 2009 to the demerged company as a consideration for the transfer of FMS business having book value of Rs. 118.54 million as on the Appointed Date.

In terms of the scheme, on transfer of various assets and liabilities of the FMS business to the resulting company as at the appointed date, following adjustments were made in the books of account of the demerged company:

	(Rupees in Millions)
Net Block of Fixed Assets(A)	48.18
Sundry debtors	90.46
Cash and bank balances	5.43
Loans and advances	34.53
Other current assets	0.01
Assets (B)	130.43
Unsecured Loan	(0.38)
Current Liabilities	(44.59)
Provisions	(4.51)
Secured Loan	(10.59)
Liabilities (C)	(60.07)
Total Net Assets Value (A+B+C)	118.54

Under the Scheme, with effect from the appointed date i.e. April 15, 2008 and upto and including the effective date i.e. the date on which the Order of the Hon'ble High Court is filed with the Registrar of Companies, the demerged company carried the business for and on account of and in trust for the resulting company. All profits that accrued to the FMS business during the period from appointed date to March 31, 2009 and all taxes thereof or losses arising or incurred by it relating to the said business during the said period were not considered as the profits, taxes or losses, as the case may be, of the demerged company in its summary statements.

Based on discussion with solicitors / favourable decisions in similar cases and expert view, the management is of the opinion that there are no income tax or stamp duty implications arising out of the said demerger. Further, based on expert view, the Company has utilized the cenvat credit pertaining to the demerged company for discharging the service tax liability of the FMS division during the period between the Appointed Date and the Effective date and the said amount is shown as recoverable from the resulting company. Also, the Company has entered into certain transactions related to availing of security services from the resulting company between the Appointed Date and the Effective date, in respect of which, based on expert view, the management is of the opinion that this transaction is not covered under Section 297 of the Companies Act, 1956 and does not require prior approval of the Central Government.

In view of the aforesaid demerger with effect from April 15, 2008, the figures for the years ended March 31, 2009 and March 31, 2010 are not comparable with those of the earlier years.

4. During the year ended March 31, 2008, the Company had entered into a scheme of Arrangement for the Amalgamation of Sri Eswara Sai Constructions Private Limited (SESCPL) engaged in the business of erection/servicing of transmission lines and similar contracts, with the Company effective from January 1, 2008, which was approved by the High Court on March 13, 2008. The Company had filed the approved scheme with the Registrar of Companies, NCT of Delhi and Haryana, and received certificate of registration order on April 10, 2008. Accordingly, all assets and liabilities of erstwhile SESCPL are recorded by the Company under pooling of interest method effective from January 1, 2008:

- a. The difference between the carrying value of Investment in SESCPL and value of net assets acquired under the Scheme of Rs 9.54 million has been debited to Reserves and Surplus.
- b. The Company has not issued any shares to give an effect to the above Scheme.

Thus in view of aforesaid Amalgamation with effect from January 1, 2008, the figures for the years ended March 31, 2009 and March 31, 2010 are not comparable with those of the earlier years.

5. Disclosure of Open Commodity Hedging Contracts:

In order to hedge its exposure to commodity price risk in purchase of fabricated steel, fabricated aluminium and fabricated copper items used in its operations, the Company has entered into the commodity forwards for base commodities - Steel, Aluminium and Copper.

As at year end, the net open position of futures commodity contracts is as follows:

Commodity	Buy Contracts (Qty in MT.)	M2M Loss/(Gain)*	Buy Contracts (Qty in MT.)	M2M Loss/(Gain)*	Buy Contracts (Qty in MT.)	M2M Loss/(Gain)
	As at July 31, 2010		As at March 31, 2010		As at March 31, 2009**	
Aluminium	960	(2.99)	250	(0.38)	400	0.01
Steel	4,060	(4.31)	4,060	(10.87)	1,310	0.16
Total	5,020	(7.30)	4,310	(11.25)	1,710	0.17

* Net MTM gains are ignored and not accounted for.

**There no such open contracts during the years ended March 31, 2008, 2007 and 2006

6. Conversion of 75,000,000 .001% Cumulative Mandatorily Convertible Preference Shares of Rs. 10 each into 2,510,687 Fully Paid Equity Shares of Rs. 10 each

During the year ended March 31, 2008, the Company issued 75,000,000 0.001% Cumulative Mandatorily Convertible Preference Shares ("Preference Shares") of Rs 10/- each. The Preference shares were convertible at any time during the Option Period commencing on the date of approval by the Board of the Company of the Audited Financial statements for the Financial Year ended March 31, 2008 and ending on the earlier of (a) December 30, 2011; and (b) the day immediately prior to the date of filing by the Company of the Draft Red Herring Prospectus in relation to an IPO with the Securities and Exchange Board of India, by the holders into fully paid equity shares with full voting rights with a par value of Rs 10 each at the conversion ratio (as defined in the "Terms and Conditions of the Preference Shares") which is determined as percentage of equity share capital that a Preference Share holder shall receive upon conversion. The Conversion Ratio was subject to adjustment in certain circumstances.

If the holder of Preference Shares did not exercise its right to convert such preference shares into equity shares during the option period, such Preference Shares shall be mandatorily convertible into equity shares in accordance with the conversion ratio on the earlier of (a) December 30, 2011; and (b) the date immediately prior to the date of filing by the Company of the Draft Red Herring Prospectus in relation to an IPO with the Securities and Exchange Board of India.

On July 25, 2008, the Company converted 75,000,000 .001% Cumulative Mandatorily Convertible Preference Shares of Rs. 10/- each issued during the year ended March 31, 2008 into 2,510,687 fully paid Equity Shares of Rs. 10/- each at a premium of Rs. 288.72 per share pursuant to the agreement with the Preference Shareholders.

7. Contingent liabilities not provided for:

	July-2010	2009-10	2008-09	2007-08	2006-07	2005-06
Performance and Financial Bank Guarantees	7,963.92	7,910.49	5,286.91	1,306.56	498.30	41.53
Outstanding amounts against counter guarantees / corporate guarantees amounting to Rs 1,413.09 million (Year 2009-10 – Rs 1,391.80 million, Year 2008-09 – Rs 220.00 million) given to Banks on account of facilities granted by said banks to subsidiaries	1,031.19	684.18	100.00	-	-	-
Liquidated Damages deducted by customers not accepted by the Company and pending final settlement*	102.32	102.32	84.48	-	-	-
Open Letters of Credit	566.10	768.97	631.07	495.87	211.20	12.29
Litigations under Workmen Compensation Act**	1.18	1.18	-	-	-	-
Litigations with contractors and others**	3.63	3.63	-	-	-	-
	9,668.34	9,470.77	6,102.46	1,802.43	709.50	53.82

* excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. The management believes that there exist strong reasons why no liquidated damages shall be levied by these customers.

**Based on discussions with the solicitors / favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision there against is considered necessary.

8. Capital Commitments :

Estimated amount of contracts to be executed on capital account and not provided for (net of advances) Rs. 1,912.61 million as at July 31, 2010 (March 31, 2010 – Rs 2,130.21 million, March 31, 2009 – Rs 88.69 million, March 31, 2008 – Rs. 4.58 million, March 31, 2007 – Rs Nil, March 31, 2006 – Rs Nil)

9. During the year ended July 31, 2010, the Company has incurred a loss of Rs 10.76 million (Year 2009-10 – Rs 4.95 million, Year 2008-09 – Rs 45.71 million) due to theft of material at various sites of projects against which the Company has filed an insurance claim with the Insurance Company. Further, Rs 3.52 million (Year 2009-10 – Rs 4.63 million, Year 2008-09 – Rs 22.20 million) has been accounted for as advances receivable in its books, while the balance amount of Rs 6.95 million (Year 2009-10 – Rs 0.32 million, Year 2008-09 – Rs 23.52 million) has been accounted for as an expense in the summary statements. Out of the total amount of Rs. 10.49 million shown as recoverable in 2009-10 (Year 2008-09 – Rs 22.20 million), the Company has received Rs 3.13 million from insurance Company, while an amount of Rs 6.24 million has been written off and Rs 1.12 million has been accounted as recoverable as at July 31, 2010. The management believes that it has made reasonable judgement and no further adjustment is expected in the financial statements.
10. During the year ended March 31, 2009, the Company entered into certain transactions namely purchases and sales of services aggregating to Rs. 35.37 million and Rs. 1.83 million respectively, with three private limited companies which are its subsidiaries, in which the directors of the Company are interested as directors, which as per the requirements of Section 297 of the Companies Act, 1956, require prior approval of the Central Government. Subsequent to the year-end, the Company applied to the Central Government for condonation of delay and the management has received the requisite approvals from the Central Government on November 12, 2009 by paying fine / penalties of Rs 0.08 million and hence no adjustments have been required in these summary statements.

11. Employees Benefit

Defined Contribution Plans

Particulars	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Employer's contribution to Provident Fund	2.33	6.01	3.27	7.13	3.02	1.20
Employer's contribution to ESI	1.79	3.71	2.66	5.96	2.78	0.83
Insurance Premium for Basic Life Cover	0.12	0.37	0.27	0.01	-	-
Total	4.24	10.09	6.20	13.10	5.80	2.03

Defined Benefit Plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summaries the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense (recognised in Employee Cost)

Gratuity	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Current service cost	3.10	4.79	6.76	1.24	0.36	0.10
Interest cost on benefit obligation	0.44	0.39	0.87	0.07	0.03	0.01
Expected return on plan assets	(0.42)	(0.42)	(0.96)	-	-	-
Net actuarial(gain) / loss recognised in the year	(2.62)	5.34	(3.64)	1.68	0.25	0.15
Past service cost	-	-	-	-	-	-
Net benefit expense	0.50	10.10	3.03	2.99	0.64	0.26
Actual return on plan assets	0.55	1.35	0.58	0.00	-	-

Balance sheet

Gratuity	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Defined benefit obligation	(17.98)	(16.94)	(5.51)	(4.11)	(1.12)	(0.47)
Fair value of plan assets	16.78	16.24	6.07	2.75	-	-
	(1.20)	(0.70)	0.56	(1.36)	(1.12)	(0.47)
Less: Unrecognised past service cost				-	-	-
Plan asset / (liability)	(1.20)	(0.70)	0.56	(1.36)	(1.12)	(0.47)

Changes in the present value of the defined benefit obligation are as follows:

Gratuity	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Opening defined benefit obligation	16.94	5.51	4.11	1.12	0.47	0.20
Interest cost	0.44	0.39	0.87	0.06	0.03	0.02
Current service cost	3.09	4.79	6.76	1.24	0.37	0.10
Liability transferred out Pursuant to Demerger (Refer Note no 2 above)	-	-	(2.17)	-	-	-
Benefits paid	-	(0.01)	(0.04)	-	-	-
Actuarial (gains) / losses on obligation	(2.49)	6.26	(4.02)	1.69	0.25	0.15
Closing defined benefit obligation	17.98	16.94	5.51	4.11	1.12	0.47

Changes in the fair value of plan assets are as follows:

Gratuity	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Opening fair value of plan assets	16.24	6.07	2.74	-	-	-
Expected return	0.42	0.43	0.96	-	-	-
Contributions by employer	-	9.52	9.29	2.75	-	-
Benefits paid	-	(0.01)	(0.04)	-	-	-
Fund transferred out Pursuant to Demerger (Refer Note no 2 above)	-	(0.69)	(6.50)	-	-	-
Actuarial gains / (losses)	0.12	0.92	(0.38)	0.00	-	-
Closing fair value of plan assets	16.78	16.24	6.07	2.75	-	-

The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the actual rate of return during the respective year.

The Company expects to contribute Rs 8.26 million (Year 2009-10 – Rs 8.26 million, Year 2008-09 – Rs 5.35 million, Year 2007-08 – Rs 5.99 million, Year 2006-07 – Rs 8.26 million, Year 2005-06 – Rs 8.26 million) to gratuity in 2010-11.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Discount rate	8%	8%	7%	8%	7.5%	7%
Expected rate of return on assets	8%	8%	7%	8%	7.5%	7%
Expected rate of increase in compensation level	5%	5%	4%	5%	4%	4%
Expected average remaining working life of employees	27.93	28.56	25.69	31.13	32.89	35.02

Amounts for the current and previous four years are as follows:

Particulars	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Defined benefit obligation	17.98	16.94	5.51	4.11	1.12	0.47
Plan Assets	16.78	16.24	6.07	2.75	-	-
Surplus / (deficit)	(1.20)	(0.70)	0.56	(1.36)	(1.12)	(0.47)
Experience (gain)/loss on plan liabilities	(2.49)	6.18	(4.33)	-	0.36	0.15
Experience gain / (loss) on plan assets	0.12	0.92	(0.38)	-	-	-

12. Operating Leases

Company as a Lessee

The Company has entered into various short-term cancellable lease agreements, at a notice period up to three months, for leased premises. Gross rental expenses aggregate to Rs 20.51 million (Year 2009-10 – Rs 42.25 million, Year 2008-09 – Rs 30.30 million, Year 2007-08 - Rs. 17.29 million, Year 2006-07 - Rs 4.68 million, Year 2005-06 – Rs 0.99 million).

Company as a Lessor

The Company has entered into operating lease agreement for leasing its plant & machinery set up on the leasehold land at Jind (Haryana) & Cuttack (Orissa) at a consideration of Rs. 0.2 million per month and at Giridih (Jharkhand) & Medinipur (West Bengal) at a consideration of Rs. 0.2 million per annum each. The Lease agreement for Jind (Haryana) and Cuttack (Orissa) has been terminated with effect from April 1, 2009 and July 1, 2009 respectively and the Lease agreement with Giridih (Jharkhand) has been terminated with April 1, 2010. As per the arrangement, the lessee would supply its substantial portion of manufacture to the lessor at a price agreed between the parties from time to time. The Gross rental income aggregate to Rs 0.07 million (Year 2009-10 – Rs 0.89 million, Year 2008-09 – Rs 4.48 million, Year 2007-08 - Rs 2.76 million, Year 2006-07 - Rs 1.2 million and Year 2005-06 – Rs Nil).

The gross book value, accumulated depreciation and depreciation charged during the year of the above assets as at the year-end amounts to Rs 29.19 million (Year 2009-10 – Rs 29.19 million, Year 2008-09 – Rs 33.96 million, Year 2007-08 - Rs 23.63 million, Year 2006-07 - Rs 17.06 million and Year 2005-06 – Rs Nil), Rs 12.29 million (Year 2009-10 – Rs 11.21 million, Year 2008-09 – Rs 8.35 million, Year 2007-08 - Rs 5.15 million, Year 2006-07 - Rs 1.09 million and Year 2005-06 – Rs Nil) and Rs 1.07 million (Year 2009-10 – Rs 4.38 million, Year 2008-09 – Rs 3.15 million, Year 2007-08 - Rs 4.12 million, Year 2006-07 - Rs 1.09 million and Year 2005-06 – Rs Nil) respectively.

13. Deferred Tax

. Break-up of Deferred Tax Assets / (Liabilities):

Timing Difference on account of	Deferred Tax Assets/ (Liability) as at 31.07.2010	Deferred Tax Assets/ (Liability) as at 31.03.2010	Deferred Tax Assets/ (Liability) as at 31.03.2009	Deferred Tax Assets/ (Liability) as at 31.03.2008	Deferred Tax Assets/ (Liability) as at 31.03.2007	Deferred Tax Assets/ (Liability) as at 31.03.2006
Deferred Tax Liabilities						
Difference between Book and Tax Depreciation	(11.81)	(10.50)	(4.22)	(2.92)	(1.40)	(0.41)
Sub Total (A)	(11.81)	(10.50)	(4.22)	(2.92)	(1.40)	(0.41)
Deferred Tax Assets						
Expenditure debited to profit & loss account in the current year but allowable for tax purposes in the following years	65.69*	13.01	9.12	1.64	0.19	0.15
Provision of Doubtful Advances	0.62	0.63	0.63	0.13	0.13	-
Provision of Doubtful Debts	46.36	43.92	19.09	12.76	8.91	-
Sub Total (B)	112.67	57.56	28.84	14.53	9.23	0.15
Total (A+B)	100.86	47.06	24.62	11.61	7.83	(0.26)
* Including Deferred Tax Credit of Rs 43.19 million, which has been created in respect of Extraordinary item (also refer Note 25 of Annexure IVC)						

14. Earnings per share ('EPS')

The calculations of earnings per share are based on the profit and number of shares as computed below:

Particulars	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Net profit as per profit and loss excluding extra-ordinary items, as restated	396.09	999.92	596.81	503.03	112.60	42.01
Less : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-	-
Net profit for calculation of basic EPS (excluding extra-ordinary items)	396.09	999.92	596.81	503.02	112.60	42.00
Add : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-	-
Net profit for calculation of diluted EPS (excluding extra-ordinary items)	396.09	999.92	596.81	503.03	112.60	42.00
Net profit as per profit and loss including extra-ordinary items, as restated	309.26	999.92	596.81	503.03	112.60	42.01
Less : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-	-
Net profit for calculation of basic EPS (including extra-ordinary items)	309.26	999.92	596.81	503.02	112.60	42.00
Add : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-	-
Net profit for calculation of diluted EPS (including extra-ordinary items)	309.26	999.92	596.81	503.03	112.60	42.00
Weighted average number of equity shares in calculating basic EPS	57,301,125	56,624,327	55,236,729	53,475,083	53,265,146	52,371,269
Add : Weighted average number of equity shares which would be issued on conversion of Share Warrant	-	-	-	15,008	36,250	-
Add : Weighted average number of equity shares which would be issued on the conversion of preference shares	-	-	791,038	1,399,117	-	-
Weighted average number of equity shares in calculating diluted EPS	57,301,125	56,624,327	56,027,767	54,889,208	53,301,396	52,371,269
Basic Earnings Per Share						
Excluding extra-ordinary items	6.91**	17.66	10.80	9.41	2.11	0.80
Including extra-ordinary items	5.40**	17.66	10.80	9.41	2.11	0.80
Diluted Earnings Per Share*						
Excluding extra-ordinary items	6.91**	17.66	10.65	9.16	2.11	0.80
Including extra-ordinary items	5.40**	17.66	10.65	9.16	2.11	0.80

*The effect of dilutive potential equity shares are considered whereas anti-dilutive potential equity shares are ignored in calculation of Diluted Earnings per share

**Not Annualised

15. Managerial remuneration

Remuneration to Directors:

	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Salaries (including allowances)	4.40	14.29	12.76	4.11	2.06	1.92
Perquisites (including Commission to Managing Director of Rs 4.79 million (Year 2009-10 – Rs 15.68 million)	4.84	16.01	0.20	-	0.02	-
Contribution to provident fund	0.39	0.70	0.57	0.17	-	-
Sitting Fees	0.66	0.76	0.08	-	-	-
Total	10.29	31.76	13.61	4.28	2.08	1.92

As the future liability for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to the directors are not included above.

Computation of net profit under section 349 of the Companies Act 1956 for calculation of commission payable to directors:

Particulars	July-10	2009-10*
Profit before tax and extra-ordinary items (as per audited financial statements)	587.97	1,463.54
Less: Extra-ordinary items (gross of tax)	130.02	-
Net Profit before tax	457.95	1,463.54
Add:		
(i) Provision for doubtful debts / advances	10.38	73.05
(ii) Depreciation / amortisation as per books of accounts	13.29	24.46
Less:		

(i) Depreciation (to the extent specified under section 350 of the Companies Act, 1956)	13.29	24.46
(ii) Write back of provision for doubtful / advances (net)	-	-
Net Profit as per Section 349 of the Companies Act, 1956	468.33	1,536.59
Add: Remuneration paid to the Whole time Directors (including sitting fees)	10.29	31.76
Net Profit as per Section 198 of the Companies Act, 1956	478.62	1,568.35
Commission to Managing Director		
Maximum commission under Section 309 of the Companies Act, 1956 at 10% of the net profits as calculated above (after reducing remuneration paid of Rs 5.50 million (Year 2009 – 10 Rs 16.08 million), excluding commission)	42.36	140.76
Commission actually approved for payment @ 1% of profits	4.79	15.68

* Above disclosure is not applicable to the Company for the year ended March 31, 2009, 2008, 2007 and 2006, since the Company has become public limited Company as per the approval from shareholders by way of resolution on March 12, 2010 and certificate of change in name from Registrar of Companies dated March 26, 2010. No commission was payable for the years ended March 31, 2009, March 31, 2008, March 31, 2007 and March 31, 2006.

16. Derivative Instruments and Unhedged Foreign Currency Exposure:

a) Derivative Instruments

As at	Particulars of Derivatives	Purpose
	Forward Contract Outstanding as at Balance sheet Date	
	Purchase	
July 31, 2010	US \$ 5,000,000**	Hedge of Foreign Currency Loans
March 31, 2010	US \$ 2,000,000**	Hedge of Foreign Currency Loans
March 31, 2009*	US \$ 4,800,000**	Hedge of Foreign Currency Loans

*There are no hedged Foreign Currency Exposure during the years ended March 31, 2008, 2007 and 2006.

**1 USD= Rs. 46.92 as at July 31, 2010 (Year 2009-10 - 1 USD= Rs. 45.58, Year 2008-09 - 1 USD= Rs. 50.95).

b)The detail of unhedged foreign currency exposure as at balance sheet date are as under:

Particulars	Amount in Rupees millions	Amount in Foreign currency	Currency	Exchange rate as on July 31, 2010*
Advance given to foreign suppliers	2.35	51,108	USD	1 USD = INR 46.01
Advance given to foreign suppliers	1.32	22,000	EURO	1 EURO = INR 59.81
Import Creditors	142.03	3,026,997	USD	1 USD = INR 46.92
Foreign currency in hand	0.01	610	(Dirham)	1 Dirham = INR 12.28
Foreign currency in hand	0.00	15	(Riyal)	1 Riyal = INR 12.37
Foreign currency in hand	0.00	490	(Rubal)	1 Rubal = INR 1.53
Foreign currency in hand	0.04	591	EURO	1 EURO = INR 59.81
Foreign currency in hand	0.01	4,120	(Thai Bhat)	1 Thai Bhat = INR 1.436

*There are no unhedged Foreign Currency Exposures as at March 31, 2010, 2009, 2008, 2007 and 2006.

17. Provisions:

Description	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Provision for Warranty						
Opening Provision	22.24	11.07	4.37	-	-	-
Additions during the year	3.66	11.17	6.70	4.37	-	-
Utilization during the year	-	-	-	-	-	-
Unused amounts reversed during the year	-	-	-	-	-	-
Closing Provision	25.90	22.24	11.07	4.37	-	-

18. Construction Contracts

	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Contract revenue recognized as revenue during the period/year	3,652.56	11,216.06	6,634.14	4,526.58	1,703.66	267.49
Aggregate Amount of cost incurred and recognized profits up to the reporting date on contract under progress during the period/year	24,683.41	21,021.56	13,127.49	6,583.38	1,971.14	267.49
Amount of advance received on contract under progress and outstanding at period / year end	923.94	959.78	523.57	168.89	4.88	0.02
Amount of retentions on contract under progress	3,529.58	4,281.22	2,247.72	1,396.33	495.69	-
Gross amount due from customers for contract work as an asset	3,239.36	1,769.60	1,176.67	616.85	107.74	8.82
Gross amount due to customers for contract work as a liability	34.84	529.13	476.49	161.19	227.55	-

19. Disclosures under Micro, Small and Medium Enterprises Act, 2006

The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures in respect to Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 is as follows:

	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006						
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year						
- Principal amount	13.14	40.40	13.01	0.02	0.05	-
- Interest amount	0.14	0.13	-	-	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	0.14	0.13	-	-	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-	-	-	-	-

20. The Company has on certain contracts, undertaken additional supplies of material basis approval by its customers and also incurred additional cost on site erection basis the surveys undertaken by its customers. In accordance with its contracts with the customers, the quantity variation upto specified thresholds have been envisaged and accordingly, the management has reassessed the value of its contracts and accounted for additional revenue of Rs 857.10 million (Year 2009-10 – Rs 738.58 million) on these contracts.

In respect of these contracts, the quantities supplied have been approved by the customers before dispatch. The management expects that these variations shall be soon approved by these customers and no material adjustments are likely upon such approvals.

21. During the year ended March 31, 2010, the Company has formulated Employee Stock Option Scheme referred as 'A2Z Stock Option Plan 2010 ('the plan')' for all eligible employees/ directors of the Company except an employee who is promoter or belongs to the promoter group of the Company and its subsidiaries in pursuance of the special resolution duly approved by the shareholders on March 30, 2010.

The plan shall be administered and supervised by the Remuneration-cum-Compensation Committee under the powers delegated by Board. Each option shall entitle the option grantee to apply for and be transferred one (1) Equity Share of the Company. On or from the time of the listing of the Equity Shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into Equity Shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 options in the aggregate.

The Company has granted stock options on June 2, 2010, details of which are as follows:

Options granted	1,075,750																								
Date of Grant	June 2, 2010																								
Requirements of vesting, period of vesting and maximum period within which options shall be vested	The vesting schedule is set forth below: <table><tr><th><u>Vesting</u></th><th><u>Number of months from the date of grant of options</u></th><th><u>% of options vested</u></th><th><u>Cumulative % of options vested</u></th></tr><tr><td>1</td><td>12</td><td>20</td><td>20</td></tr><tr><td>2</td><td>24</td><td>20</td><td>40</td></tr><tr><td>3</td><td>36</td><td>20</td><td>60</td></tr><tr><td>4</td><td>48</td><td>20</td><td>80</td></tr><tr><td>5</td><td>60</td><td>20</td><td>100</td></tr></table>	<u>Vesting</u>	<u>Number of months from the date of grant of options</u>	<u>% of options vested</u>	<u>Cumulative % of options vested</u>	1	12	20	20	2	24	20	40	3	36	20	60	4	48	20	80	5	60	20	100
<u>Vesting</u>	<u>Number of months from the date of grant of options</u>	<u>% of options vested</u>	<u>Cumulative % of options vested</u>																						
1	12	20	20																						
2	24	20	40																						
3	36	20	60																						
4	48	20	80																						
5	60	20	100																						
Exercise price	Rs. 314.13																								
Exercise period and process of exercise	5 years; by way of application																								
Accounting method used by the Company to value its options	Intrinsic value method																								
Method of settlement	Equity																								
Vesting conditions	Eligibility based on employment																								

The details of activity under June 2010 Plan have been summarized below:

Particulars	July 31, 2010		
	Number of options	Weighted Average Exercise Price(Rs.)	Weighted average remaining contractual life of options (in years)
Outstanding at the beginning of the period	Nil		
Granted during the period	1,075,750	314.13	
Forfeited during the period	36,000	314.13	
Exercised during the period	Nil	314.13	
Expired during the period	Nil	314.13	
Outstanding at the end of the period	1,039,750	314.13	7.84
Exercisable at the end of the period	Nil	314.13	
Weighted average fair value of options granted on the date of grant	1,075,750	58.23	

The fair value of the options granted was estimated on the date of grant using the Black-Scholes valuation model with the following assumptions:

Particulars	July 31, 2010
Weighted average share price / fair value of share	Rs. 221.75
Exercise Price	Rs. 314.13
Annual Volatility (Standard Deviation – Annual)	34.93%
Time To Maturity - in years	5.51
Dividend Yield	2.25%
Risk free Rate – Annual	7.45%

AS A2Z is an unlisted company, the expected volatility was determined based on Average of Semi - annual volatility of stock price of peer group.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

Particulars	July 31, 2010
Total Employee Compensation Cost pertaining to share-based payment plans	Nil*
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	Nil
Total Liability for employee stock options outstanding as at year end	Nil

Intrinsic Value of liability as at year end for which right to cash/other assets have vested (e.g. vested stock appreciation rights)	Nil

*As the exercise price is more than the fair value of the shares, under 'Intrinsic Value' Method.

Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method

In March 2005 the ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	July 31, 2010
Profit as restated including extra-ordinary items	309.26
Add: Employee stock compensation under intrinsic value method	-
Less: Employee stock compensation under fair value method*	4.34
Pro-forma profit	304.92
Earnings Per Share	
Basic	
- As reported (including extra-ordinary items)	5.40
- Pro-forma	5.32
Diluted	
- As reported (including extra-ordinary items)	5.40
- Pro-forma	5.32

* The Company has considered an attrition / lapsing rate of 2% for the purpose of above disclosure.

22. Debtors, Advances from customers and Sundry Creditors are subject to confirmation / reconciliation as at year/period end or any time during these years. As explained, the Company follows a process of informal confirmation with its customers / suppliers and based on such informal confirmations / discussions, believes that amount recoverable appearing as outstanding at year/period end are good of recovery, while the amounts payable are due. The management believes that no material adjustments are likely on formal confirmation / reconciliation of these balances.

23. One of the subsidiaries of the Company, A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited) has net assets of Rs. 272.43 million (Year 2009-10 – Rs 323.41 million) as at the period ended July 31, 2010, against the recorded investment value of Rs. 202.50 million (Year 2009-10 – Rs 202.50 million) and preference share capital of Rs. 197.50 million (Year 2009-10 – Rs 197.50 million). Also, the Company has made investment of Rs. 76.66 million (Year 2009-10 – Rs 76.66 million) in Imatek Solutions Private Limited to acquire its 100% equity shareholding during the year ended March 31, 2010, which is also 51% shareholder in CNCS Facility Solutions Private Limited and has net worth lower than the carrying amount of the investment. Further, the Company has made investment of Rs 1.00 million (Year 2009-10 – Rs 1.00 million) in A2Z Powercom Limited (Formerly a2z Powercom Private Limited) which has net worth lower than the carrying amount of the investment.

The management has committed to provide continued operational and financial support to enable these subsidiaries meet their working capital and other financing requirements and based upon approved future projections of these subsidiaries, believes that the diminution is temporary and there is no need to carry any provision against these investments.

24. As at the period ended July 31, 2010, the Company is carrying unbilled revenue of Rs 177.62 million (Year 2009-10 – Rs 234.31 million) against certain contracts for over a year. The management is confident of recovering these amounts upon completion of surveys by the customers / third parties.

25. The Company is executing a construction contract for its customer at Leh and Kargil. Material purchased specifically for the project is invoiced to the customer basis their approved delivery instructions. In accordance with its contract with the customer, the Company has taken a joint insurance policy for the project value awarded by the customer.

Subsequent to period-end, Leh had a massive cloud burst and certain inventories at site have been damaged and are presently lying submerged inside pile of debris. Even though the exact quantum of loss is yet to be assessed by the insurance company, the management has assessed that inventories with estimated valuation of Rs.

130.02 million invoiced to the customer have been damaged. In accordance with customer's agreement, the responsibility of coordinating with the insurance company on behalf of the customer has been assigned to the Company. The management expects to recover the entire amount on behalf of its customer.

Pending determination of insurance claim, the management has, in view of the constructive obligation upon the Company to execute the project and on account of prudence, recognised the cost of replacement material of Rs 130.02 million and deferred tax credit thereon of Rs 43.19 million, thereby presenting net amount of Rs 86.83 million in the profit and loss account as an 'Extraordinary Item'.

26. During the period ended July 31, 2010, in accordance with Section 81(1A) of the Companies Act, 1956, one of the subsidiaries, A2Z Infrastructure Limited has made preferential allotment of 2,250,000 equity shares of Rs 10 each at par to two of its directors (2,025,000 shares) and others (225,000 shares) on which Rs 1 has been paid up till July 31, 2010. This has resulted in dilution of shareholding percentage of the Company in the subsidiary company from 100% to 90% (based on number of shares allotted) as at July 31, 2010. Further, two of the other subsidiaries, A2Z Powercom Limited and A2Z Powertech Limited have also made preferential allotment of 25,000 shares and 100,000 shares respectively of Rs 10 each at par to their directors and directors of holding company / a fellow subsidiary, which has resulted in dilution of shareholding percentage of the Company in the subsidiary companies from 100% to 80% (based on number of shares allotted) and from 100% to 95% (based on number of shares allotted) respectively as at July 31, 2010. Further, one of the other subsidiaries, A2Z Infraservices Limited has also made preferential allotment of 105,250 shares of Rs 10 each at premium of Rs 80 per share to its directors, on which Rs 9 has been paid up (including securities premium of Rs 8 per share) till July 31, 2010, which has resulted in dilution of shareholding percentage of the Company in this subsidiary company from 100% to 95% (based on number of shares allotted) as at July 31, 2010. The Company believes that the price at which shares have been allotted to the directors of the Company / subsidiary companies is not prejudicial to the interest of the Company and remaining calls will be made in respect of the unpaid money in due course.

27. Additional information pursuant to paragraph 3, 4C and 4D of Part II, Schedule VI to the Companies Act, 1956.

(a) Expenditure in foreign currency (on accrual basis):

Particulars	July-10	2009 – 10	2008 – 09	2007 – 08	2006 – 07	2005 – 06
Professional Charges	-	0.13	0.11	-	-	-
Fees and Subscription	0.02	0.35	0.56	-	-	-
Interest on Working Capital Demand Loan	-	13.95	11.74	-	-	-
Interest on Letter of Credit	-	0.26	-	-	-	-
Operational Expenses – Foreign Tour	1.77	4.06	1.01	-	-	-
Public issue expenses	5.40	-	-	-	-	-
Conference Expenses	-	0.29	-	-	-	-
Tender Expenses	0.02	0.01	-	-	-	-
Total	7.21	19.05	13.42	-	-	-

(b) CIF Value of Imports

Particulars	July-10	2009 – 10	2008 – 09	2007 – 08	2006 – 07	2005 – 06
Capital Goods	-	18.22	-	-	-	-
Inventory for trading	145.31	-	-	-	-	-
Total	145.31	18.22	-	-	-	-

(c) Material Consumed

These comprise of miscellaneous items meant for execution of projects. Since these items are of different nature and specifications, it is not practicable to disclose the quantitative information in respect thereof. These comprises of 100% indigenous material.

(d) Details of Trading Goods

Particulars	Quantity	Value
	Period Ended July 31, 2010*	Period Ended July 31, 2010*
Prime CRGO electrical steel sheets in Coil		
Opening Stock	-	-
Add: Purchases	1,178.97 MT	145.31
	1,178.97 MT	145.31
Less: Sales	-	-
Closing Stock (Material in transit)	1,178.97 MT	145.31

* Above disclosure is not applicable to the Company for the year ended March 31, 2010, 2009, 2008, 2007 and 2006.

For S.R. Batliboi & Associates
Firm registration number - 101049W
Chartered Accountants

per Sanjay Vij
Partner
Membership No: 95169

Place: Gurgaon
Date: November 10, 2010

Annexure V: Restated unconsolidated statement of Reserves & Surplus

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Securities premium account						
Balance as at beginning of the year	1,422.14	778.68	53.79	195.71	20.01	1.44
Add: Receipt during the year	-	987.27	724.89	33.17	175.70	18.57
Less: Utilised on issue of bonus shares (Refer Note 1 & 2 below)	-	343.81	-	175.09	-	-
Less: Utilised for share issue expenses (Refer Note 3 below)	26.76	-	-	-	-	-
	1,395.38	1,422.14	778.68	53.79	195.71	20.01
Profit and Loss Account	2,557.28	2,248.02	1,248.10	651.29	157.71	45.11
	2,557.28	2,248.02	1,248.10	651.29	157.71	45.11
General reserve						
Balance as at beginning of the year	-	-	-	-	-	-
Add: Transferred from Profit and Loss Account	-	-	-	9.54	-	-
Less: Adjustment for excess amount paid over net assets in the scheme of amalgamation (Refer Note 4 of Annexure IVC)	-	-	-	9.54	-	-
	-	-	-	-	-	-
Total	3,952.66	3,670.16	2,026.78	705.08	353.42	65.12

Note:

1. The Company has issued 17,509,481 equity shares as bonus shares to the share holders by way of capitalization of securities premium in the ratio of 11 shares for every 1 shares held, which were approved at the extraordinary general meeting of the shareholders held on August 10, 2007.
2. The Company has issued 34,380,675 equity shares as bonus shares to the share holders by way of capitalization of securities premium in the ratio of 3 shares for every 2 shares held, which were approved at the extraordinary general meeting of the shareholders held on March 18, 2010.
3. During the period ended July 31, 2010, the Company has utilised securities premium account for share issue expenses in accordance with relevant provisions of the Companies Act, 1956.
4. The figures disclosed above are based on the restated unconsolidated summary statement of Assets & Liabilities of the Company.

Annexure VI: Restated unconsolidated statement of Secured Loans and Unsecured Loans and assets charged as securities against Secured Loans

Secured loans

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
A) On Term Loan Account						
I) From banks						
Term loan from banks is secured by exclusive charge on the entire moveable assets of the pole factory at Indore and Bhubaneswar and all assets acquired out of term loan.	-	-	-	7.94	-	-
Term Loan from Banks is secured by fixed assets located at 7th floor (unit no. 701), tower - B, support area, medicity, Sector - 38, Gurgaon along with subservient charge on fixed assets, current assets, movable properties, rights under the projects agreements, rights under the insurance policies and personal guarantee of directors.	722.96	322.96	-	-	-	-
II) From a Financial Institution						
Term Loan from a financial institution is secured by fixed assets located at 8th floor (unit no. 801), tower - B, support area, medicity, Sector - 38, Gurgaon along with subservient charge on fixed assets, current assets, movable properties, rights under the projects agreements, rights under the insurance policies and personal guarantee of directors.	400.00	466.67	-	-	-	-
III) Interest Accrued & Due	6.23	1.42	-	-	-	-
B) On Foreign currency demand loan, Working capital loans, Cash Credit facilities, Bill discounting facilities and Vendor financing						
I) From banks						
Secured by First pari-passu charge on the entire current as well as fixed assets of the Company both present and future along with collateral security and personal guarantee of directors.	3,890.21	2,671.91	2,385.19	1,203.28	334.81	25.86
II) Interest Accrued & Due	4.80	4.34	6.87	-	-	-
C) On Vehicle Loans						
I) From banks						
Secured by the hypothecation of vehicles	66.65	48.75	33.02	36.05	5.66	0.59
Total	5,090.85	3,516.05	2,425.08	1,247.27	340.47	26.45
Unsecured loans						
I) From banks	-	-	-	1.39	2.85	22.26
II) From Others						
Loan from a financial institution	-	-	200.00	-	-	-
Loan from a director	-	-	-	-	-	2.62
Long term loan from a shareholder	-	-	-	-	150.00	-
Loan from others (Refer Note 2 of Annexure IVC)	14.50	-	-	-	-	-
III) Interest Accrued & Due	-	-	-	-	5.07	-
Total	14.50	-	200.00	1.39	157.92	24.88
Grand Total	5,105.35	3,516.05	2,625.08	1,248.66	498.39	51.33

Amounts due to Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Dipali Mittal	-	-	-	-	-	2.62
Rakesh Jhunjhunwala	-	-	-	-	150.00	-

Note:

1. The Loan taken from Mrs Dipali Mittal was repayable on demand and interest free.
2. The Loan taken from Mr. Rakesh Jhunjhunwala was repayable after 18 months and carried interest rate of 18%.
3. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
4. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.
5. Summary of Interest Rates:

	Rate of Interest					
Particulars	July-10	2009-10	2008-09	2007-08	2006-07	2005-06
Term Loan						
- From Bank	11.00%	11.00%	12.50% - 13.75%	12.75%	-	-
- From Financial Institution	13.25%	13.25% - 18.50%	18.50% - 21.00%	-	-	-
Working Capital Loan						
- From Bank	5.65% - 15.50%	5.51% - 15.25%	7.80% - 18.00%	9.00% - 14.75%	11.25% - 13.25%	10.25% - 14.50%
Vehicle Loan						
- From Bank	8.25% - 14.00%	8.50% - 14.00%	6.75% - 14.00%	6.75% - 13.84%	6.75% - 10.43%	6.75% - 6.90%

Annexure VII: Unconsolidated Capitalisation Statement as at July 31, 2010

(Rupees in Million)

Particulars	Pre-Issue as at July 31, 2010	Post Issue *
Long term debt	711.10	[-]
Short term debt (Including Working capital loans)	4,394.25	[-]
Total debt	5,105.35	
Shareholders' funds		
- Equity Share capital	573.01	[-]
Reserves & Surplus, as restated		
- Securities premium account	1,395.38	[-]
- Profit and Loss Account	2,557.27	[-]
-Miscellaneous Expenditure (to the extent not written off or adjusted)	(151.76)	[-]
Total shareholders' funds	4,373.90	
Long term debt : equity	0.163	[-]

* The corresponding post issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished.

1. Short term debts represents debts, which are due within twelve months from July 31, 2010.
2. Long term debt represents debt other than short-term debt, as defined above.
3. The Company has issued 34,380,675 equity shares as bonus shares to the existing share holders by way of capitalization of securities premium in the ratio of 3 shares for every 2 shares held, which were approved at the extraordinary general meeting of the shareholders held on March 18, 2010.
4. During the period ended July 31, 2010, the Company has utilised securities premium account for share issue expenses in accordance with relevant provisions of the Companies Act, 1956.
5. The figures disclosed in the above table are based on the restated unconsolidated summary statement of Assets and Liabilities of the Company.
6. Long-term debt/equity - $\frac{\text{Long-term debt}}{\text{Total Shareholders' Funds}}$

Annexure VIIA: Restated unconsolidated statement of Capital Work in Progress**(Rupees in Million)**

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Software implementation cost	-	-	19.32	-	-	-
Borrowing Cost	22.19	7.16	-	-	-	-
Capital Advances	501.96	285.45	51.84	-	-	-
Total	524.15	292.61	71.16	-	-	-

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Capital Advances						
A2Z Powercom Limited (Formerly a2z Powercom Private Limited)	261.04	44.30	-	-	-	-

1. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
2. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company

Annexure VIII: Restated unconsolidated statement of Investments*

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Long Term Investments in subsidiary companies (at cost)						
Other than trade Unquoted						
A2Z Infraservices Limited (Formerly a2z Infraservices Private Limited)	119.54	119.54	119.54	-	-	-
2,000,000 (Year 2009-10 - 2,000,000, Year 2008-09 - 2,000,000) equity shares of Rs 10/- each fully paid up						
A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited)						
20,250,000 (Year 2009-10 - 20,250,000, Year 2008- 09 - 7,000,000, Year 2007-08 - 1,000,000) equity shares of Rs 10/- each fully paid up	202.50	202.50	70.00	10.00	-	-
19,750,000 (Year 2009-10 - 19,750,000) 0.01% Non Participative Cumulative Redeemable Preference Share of Rs. 10/- each fully paid up	197.50	197.50	-	-	-	-
A2Z Powercom Limited (Formerly a2z Powercom Private Limited)	1.00	1.00	1.00	-	-	-
100,000 (Year 2009-10 - 100,000, Year 2008-09 - 100,000) equity shares of Rs 10/- each fully paid up						
A2Z Powertech Limited (Formerly a2z Powertech Private Limited)	13.30	13.00	13.00	-	-	-
1,330,000 (Year 2009-10 - 1,300,000, Year 2008-09 - 1,300,000) equity shares of Rs 10/- each fully paid up						
Imatek Solutions Private Ltd.						
473,000 (Year 2009-10 - 473,000) equity shares of Rs 10/- each fully paid up	76.66	76.66	-	-	-	-
Selligence Technologies Services Private Ltd.	8.00	8.00	8.00	-	-	-
800,000 (Year 2009-10 - 800,000, Year 2008-09 - 800,000) equity shares of Rs 10/- each fully paid up						
Share application money pending allotment of A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited) (Refer Note 1 below)	-	-	-	-	0.01	-
Mansi Bijlee Private Limited						
10,000 (Year 2009-10 - Nil) equity share of Rs 10 each fully paid up	0.10	-	-	-	-	-
Total	618.60	618.20	211.54	10.00	0.01	-
Aggregate book value of quoted investments	-	-	-	-	-	-
Aggregate market value of quoted investments	-	-	-	-	-	-
Aggregate book value of unquoted investments	618.60	618.20	211.54	10.00	0.01	-
a) Investment sold during the year - 100,000 shares of Rs. 10/- each fully paid up of a2z Powercom Private Limited	-	1.00	-	-	-	-
b) Investment purchased during the year - 100,000 shares of Rs. 10/- each fully paid up of a2z Powercom Private Limited	-	1.00	-	-	-	-

* Refer note 23 & 26 of Annexure IV C

Note:

- The Company had formed a subsidiary 'A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited)' on March 22, 2007 and had paid Rs 0.01 Million towards share application money.
- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

Annexure IX: Restated unconsolidated statement of Sundry Debtors (Unsecured)*

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Debts outstanding for a period exceeding six months						
- considered good	2,418.38	2,542.34	1,158.63	604.53	66.28	2.36
- considered doubtful	139.58	129.20	56.15	37.56	26.23	-
Other debts						
- considered good	3,618.81	5,335.78	3,539.09	2,580.36	1,188.79	202.88
- considered doubtful	-	-	-	-	-	-
Less: Provision for doubtful debts**	139.58	129.20	56.15	37.56	26.23	-
Total	6,037.19	7,878.12	4,697.72	3,184.89	1,255.07	205.24

* Sundry debtors include retention money of Rs 3,529.58 Million (Year 2009-10 - Rs 4,281.22 Million, Year 2008-09 - Rs 2,247.72 Million, Year 2007-08 - Rs 1,396.33 Million, Year 2006-07 - Rs 495.69 Million, Year 2005-06 - Rs Nil) which are due on completion of erection / contracts / final acceptance by the customers. The management is confident of recovering these amounts upon erection / contract completion.

**Provision for doubtful debts includes provision against related parties (joint ventures) of Rs. 24.79 million (Year 2009-10 – Rs 57.82 million)

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Due from Joint Venture Partners						
UB Engineering Limited	953.07	1,159.79	1,24.77	643.50	-	-
SPIC-SMO	67.61	113.87	83.84	-	-	-

Note:

1. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
2. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

Annexure X: Restated unconsolidated statement of Other Current Assets

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Interest accrued but not due:						
- on fixed deposits	14.55	11.39	19.03	11.72	2.05	0.71
- on loans given to subsidiary company	0.96	-	-	-	-	-
- on other loans & advances	0.88	-	-	-	-	-
Insurance claim recoverable*	4.64	10.49	-	-	-	-
Contract Revenue in Excess of Billing**	3,239.36	1,769.60	1,176.67	616.85	107.74	8.82
Unamortised premium on forward contract	2.80	1.40	2.38	-	-	-
TOTAL	3,263.19	1,792.88	1,198.08	628.57	109.79	9.53

* Refer note 9 of Annexure IV C

** Refer note 24 of Annexure IV C

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Contract revenue in excess of billing in respect of Joint Venture Partners						
UB Engineering Limited	69.96	98.92	304.92	-	-	-
SPIC-SMO	367.08	291.87	75.28	-	-	-

Note:

1. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
2. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company

Annexure XI: Restated unconsolidated statement of Loans and Advances

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
(Unsecured, Considered Good)						
Advances recoverable in cash or in kind or for value to be received	582.11	483.55	424.84	270.11	67.59	8.69
Security Deposits	40.75	23.79	-	-	-	-
Loan to Employees and Director	2.28	2.23	4.22	-	-	1.45
Loan to director of subsidiary	13.74	-	-	-	-	-
Earnest money deposit with customers	107.02	33.48	25.67	56.32	67.41	6.75
Advances and loans to subsidiaries	47.20	13.60	42.70	-	-	-
Share application money given to subsidiary	2.50	-	-	-	-	-
Balance with custom, excise etc	47.53	50.17	9.44	-	0.01	-
Value Added Tax input credit / Work Contract Tax recoverable	231.68	261.27	256.55	117.84	30.86	0.37
(Unsecured, Considered Doubtful)						
Advances recoverable in cash or in kind or for value to be received	1.86	1.86	1.86	0.39	0.39	-
TOTAL	1,076.67	869.95	765.28	444.66	166.26	17.26
Less: Provision for doubtful loans and advances	1.86	1.86	1.86	0.39	0.39	-
Total	1,074.81	868.09	763.42	444.27	165.87	17.26

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Mr. Amit Mittal	-	-	-	0.56	0.50	1.45
Mrs. Dipali Mittal	-	-	-	0.05	0.50	-
Mr. Sanjeev Sharma (Resigned on March 30, 2010)	0.43	6.90	1.03	-	-	-
Mr. Manoj Gupta (Resigned on March 30, 2010)	-	-	-	0.30	-	-
Mr. Atul Kumar Agarwal	-	-	0.08	-	-	-
Linkwell Telesystems Private Limited	0.01	-	-	-	-	-
Cobra Instalaciones Y Servicios, S.A	3.00	3.00	0.03	-	-	-
Richardson & Cruddas (1972) Ltd.	-	-	0.76	-	-	-
A2Z Infraserivces Limited (Formerly a2z Infraserivces Private Limited)	37.01	2.63	42.70	-	-	-
CNCS Facility Solutions Pvt. Ltd.	10.20	10.39	-	-	-	-
A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited)	-	0.58	-	-	-	-

Note:

- The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether this list is accurate and complete.
- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company

Annexure XII: Restated unconsolidated statement of Current Liabilities & Provisions

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
A. Current liabilities						
Acceptances	648.65	1,072.22	479.35	806.90	-	-
Sundry creditors						
(a) total outstanding dues of Micro and Small Enterprises (Refer note 19 of Annexure IV C)	13.28	40.53	13.01	0.02	0.05	-
(b) total outstanding dues of creditors other than Micro and Small Enterprises	1,461.58	1,807.82	1,084.68	576.50	483.64	108.06
Security deposits	-	-	-	2.13	1.48	0.61
Interest accrued but not due on loans & others	8.97	19.57	5.30	0.15	-	-
Book overdrafts	0.93	0.85	3.59	-	-	-
Advance from customers	923.94	959.78	523.57	171.29	4.88	0.02
Billing in excess of contract revenue	34.84	529.13	476.49	161.19	227.55	-
Other liabilities	100.21	108.74	60.16	54.29	39.74	9.11
TOTAL A	3,192.40	4,538.64	2,646.15	1,772.47	757.34	117.80
B. Provisions						
Provision for corporate tax*	248.37	361.13	291.29	193.49	84.82	29.23
Provision for fringe benefit tax**	-	-	0.95	0.91	0.23	0.21
Dividend on preference shares	-	-	-	0.01	-	-
Tax on dividend	-	-	-	0.00	-	-
Provision for gratuity (Refer note 11 of Annexure IV C)	1.20	0.70	-	1.36	1.12	0.47
Provision for long term compensated absences	-	-	-	3.27	0.25	-
Provision for warranty (Refer note 17 of Annexure IV C)	25.90	22.24	11.07	4.37	-	-
TOTAL B	275.47	384.07	303.31	203.41	86.42	29.91
GRAND TOTAL (A+B)	3,467.87	4,922.71	2,949.46	1,975.88	843.76	147.71
* Net of Advance Income Tax	536.42	208.94	90.75	85.37	22.36	2.07
** Net of Advance Fringe Benefit Tax	-	-	5.81	3.34	0.47	0.08

Note:

- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities of the Company.

Annexure XIII: Restated unconsolidated statement of items of Other Income

(Rupees in Million)

Particulars	For the Period Ended July 31, 2010	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007	For the Year Ended March 31, 2006
Other income	23.95	57.86	79.70	23.49	6.34	0.71
Net profit before tax, as restated	590.29	1,540.79	933.41	773.18	178.67	67.05
Other income as % of net profit before tax as restated	4.06%	3.76%	8.54%	3.04%	3.55%	1.06%

Sources of Income	For the Period Ended July 31, 2010	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007	For the Year Ended March 31, 2006	Nature (Recurring/ Non Recurring)	Related / Not Related to business activity
Interest income from fixed deposit	18.05	48.55	46.85	19.29	3.35	0.71	Recurring	Not Related
Interest income from subsidiary	1.39	0.43	-	-	-	-	Non Recurring	Not Related
Interest income on loan and advances	1.44	-	-	-	-	-	Recurring	Related
Rent income	0.07	0.89	4.48	2.76	1.20	-	Recurring	Related
Profit on Sale of Assets (net)	-	-	-	0.04	-	-	Non Recurring	Not Related
Sale of raw material	-	-	24.56	-	-	-	Non Recurring	Related
Foreign exchange fluctuation	-	1.22	0.04	-	-	-	Recurring	Not Related
Miscellaneous income	3.00	6.77	3.77	1.40	1.79	-	Non Recurring	Related
Total	23.95	57.86	79.70	23.49	6.34	0.71		

Notes:

1. The classification of income as Recurring/Non Recurring and Related / Not Related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated unconsolidated summary statement of profits and losses of the Company.

Annexure XIV: Restated unconsolidated statement of Dividend paid

(Rupees in Million)

Particulars	Face Value	For the Period Ended July 31, 2010	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007	For the Year Ended March 31, 2006
Issued, subscribed & fully paid up							
Class of Shares							
Equity Share Capital	10.00	573.01	573.01	216.47	191.36	15.44	11.14
Cumulative Mandatorily Convertible Preference Share Capital*	10.00	-	-	-	750.00	-	-
Dividend on equity shares							
Dividend in %	-	-	-	-	-	-	-
Dividend Amount	-	-	-	-	-	-	-
Dividend Tax	-	-	-	-	-	-	-
Dividend on Preference Shares							
Dividend in %	-	-	-	0.001%	0.001%	-	-
Dividend Amount	-	-	-	0.00	0.01	-	-
Dividend Tax	-	-	-	0.00	0.00	-	-

*2,510,687 Equity shares of Rs. 10 each allotted at a premium of Rs. 288.723 per share on conversion of 75,000,000 .001% Cumulative Mandatorily Convertible Preference shares of Rs. 10 each on July 25, 2008.

Notes:

1. The amounts paid as dividend in the past is not indicative of the dividend policy in the future.
2. The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities & profits and losses of the Company.

Annexure XV: Restated unconsolidated statement of Accounting Ratios

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006
Basic Earnings per share (Rs.)						
Excluding extra - ordinary items	6.91	17.66	10.80	9.41	2.11	0.80
Including extra - ordinary items	5.40	17.66	10.80	9.41	2.11	0.80
Diluted Earnings per share (Rs.)						
Excluding extra - ordinary items	6.91	17.66	10.65	9.16	2.11	0.80
Including extra - ordinary items	5.40	17.66	10.65	9.16	2.11	0.80
Return on net worth %	7.07%	23.84%	26.60%	56.11%	28.96%	55.08%
Net asset value per equity share (Rs.)	76.33	73.19	103.63	46.84	251.85	68.45
Weighted average number of equity shares outstanding during the year for (Basic)	57,301,125	56,624,327	55,236,729	53,475,083	53,265,146	52,371,269
Weighted average number of equity shares outstanding during the year for (Diluted)*	57,301,125	56,624,327	56,027,767	54,889,208	53,301,396	52,371,269
Total number of shares outstanding at the end of the year	57,301,125	57,301,125	21,647,092	19,136,405	1,544,005	1,114,107

* The effect of dilutive potential equity shares are considered whereas anti-dilutive potential equity shares are ignored in calculation of Diluted Earnings per share

Notes:

- The ratios have been computed as below:

a)	Basic Earnings per share before adjusting exceptional item (Rs.)	Net profit (after tax) as restated attributable to equity shareholders Weighted average number of equity shares outstanding during the year
	Diluted Earnings per share before adjusting exceptional item (Rs.)	Net profit (after tax) as restated attributable to equity shareholders Weighted average number of dilutive equity shares outstanding during the year
	Return on net worth (%)	Net profit after tax as restated Net worth at the end of the year (excluding preference share capital)
	Net asset value per equity share (Rs.)	Net worth at the end of the year (excluding preference share capital) Total number of equity shares outstanding at the end of the year

- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.
- Net worth = Equity Share Capital + Reserves and Surplus (including Securities Premium and Surplus in Profit & Loss account) – Miscellaneous Expenditure to the extent not written off or adjusted.
- Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings per Share" notified by Companies (Accounting Standards) Rules, 2006, (as amended). As per AS-20, in case of a bonus issue, 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. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.
 - The Company has issued 17,509,481 equity shares as bonus shares to the existing share holders by way of capitalization of securities premium in the ratio of 11 shares for every 1 shares held, which were approved at the extraordinary general meeting of the shareholders held on August 10, 2007. In accordance with AS - 20, 'Earnings Per Share' the aforesaid shares have been adjusted for the event of bonus shares in computation of the earning per share.
 - The Company has issued 34,380,675 equity shares as bonus shares to the existing share holders by way of capitalization of securities premium in the ratio of 3 shares for every 2 shares held, which were approved at the extraordinary general meeting of the shareholders held on March 18, 2010. In accordance with AS - 20, 'Earnings Per Share', the aforesaid shares have been adjusted for the event of bonus shares in computation of the earning per share.
- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and profit and losses of the Company.

Annexure XVI: Restated unconsolidated statement of Tax Shelters

(Rupees in Million)

Particulars	Period Ended July 31, 2010	Year ended March 31, 2010	Year ended March 31, 2009	Year ended March 31, 2008	Year ended March 31, 2007	Year ended March 31, 2006
Profit before current and deferred taxes excluding extra-ordinary items, as restated (a)	590.29	1,540.79	933.41	773.18	178.67	67.05
Income tax rates applicable (including surcharge & education cess) % (b)	33.22%	33.99%	33.99%	33.99%	33.66%	33.66%
Tax at notional rates (c = a*b)	196.08	523.71	317.27	262.80	60.14	22.57
Permanent Differences						
Donation disallowed	0.76	0.56	0.82	0.56	-	-
(Profit)/Loss on sale of fixed asset	-	0.19	0.06	(0.04)	-	-
Interest paid on income tax	9.50	33.24	31.98	14.36	6.85	6.57
Other disallowance	2.06	0.67	3.65	1.12	3.70	-
Total (d)	12.32	34.66	36.51	16.00	10.55	6.57
Timing Differences						
Difference between book depreciation and tax depreciation	(3.02)	(15.82)	(8.85)	(4.48)	(2.85)	(0.57)
Difference due to expenses disallowable under section 43B of the Income Tax Act, 1961.						
Provision for bonus	2.49	(0.74)	17.37	-	-	-
Provision for leave encashment	-	-	-	3.02	0.25	-
Provision for gratuity	0.50	1.26	-	(0.29)	(0.17)	0.26
Provision for doubtful debts/advances	10.38	73.05	21.21	11.33	26.62	-
Provision for warranty	3.66	11.17	6.70	-	-	-
Commission payable to director	-	15.68	-	-	-	-
Disallowance / (allowance) of 40(a)(ia)	-	(2.78)	2.30	(5.55)	4.92	-
Total (e)	14.01	81.82	38.73	4.03	28.77	(0.31)
Net adjustments (f=d+e)	26.33	116.48	75.24	20.03	39.32	6.26
Tax Expense / (savings) there on (g = f*b)	8.74	39.60	25.57	6.81	13.24	2.11
Total Tax on profits (c+g)	204.82	563.31	342.84	269.61	73.38	24.68

Notes:

1. The permanent/timing differences have been computed considering the computation of the income-tax by the Company for each of the respective years presented in the above statement.
2. The aforesaid Statement of Tax Shelters has been prepared as per the restated unconsolidated summary statement of profits and losses of the Company.

Annexure XVII: Restated unconsolidated statement of Related Party Transactions (As per Accounting Standard 18 - “Related Party Disclosures” notified by Companies (Accounting Standards) Rules, 2006, (as amended)

Relationship	Name of the Party
Subsidiary Company	A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited) (w.e.f. March 22, 2007) A2Z Infraserivces Limited (Formerly a2z Infraserivces Private Limited) (w.e.f. April 15,2008) A2Z Powertech Limited (Formerly a2z Powertech Private Limited) (w.e.f. April 28, 2008) A2Z Powercom Limited (Formerly a2z Powercom Private Limited) (w.e.f. April 28,2008) Selligence Technologies Services Private Limited (w.e.f. March 09, 2009) Imatek Solutions Private Limited (with effect from August 13, 2009) Mansi Bijlee Private Limited (with effect from July 20, 2010) Sri Eswara Sai Constructions Private Limited (Merged with the Company w.e.f. January 1, 2008) Subsidiaries of A2Z Infrastructure Limited: a) A2Z Waste Management (Aligarh) Private Limited (with effect from December 4, 2009) b) A2Z Waste Management (Merrut) Private Limited (with effect from December 4, 2009) c) A2Z Waste Management (Moradabad) Private Limited (with effect from December 4, 2009) d) A2Z Waste Management (Varanasi) Private Limited (with effect from December 4, 2009) Subsidiary of Imatek Solutions Private Limited: a) CNCS Facility Solutions Private Limited (with effect from October 21, 2009)
Joint Venture	M/s UB Engineering Limited M/s SPIC-SMO Limited M/s Shyama Power (India) Private Limited M/s Linkwell Telesystems Private Limited M/S Cobra Instalaciones Y Servicios, S.A M/S Karamtara Engineering Pvt. Ltd M/S Richardson & Cruddas (1972) Ltd
Individual having significant influence in the Company	Mr. Rakesh Jhunjhunwala
Enterprise over which Individual having significant influence in the Company have substantial control	Rare Enterprises
Relatives of Individual having significant influence in the Company	Rajesh Kumar Jhunjhunwala Rekha Jhunjhunwala
Key Management Personnel(‘KMP’)	Mr.Amit Mittal, Mrs Dipali Mittal, Mr. Manoj Gupta (Till March 30, 2010), Mr Sanjeev Sharma (Till March 30, 2010)
Relative of Key Management Personnel	Ms Priya Goel, Mrs Sudha Mittal, Mr. Manoj Gupta

(Rupees in Million)																														
Particulars	Subsidiaries						Joint Ventures						Individual having Significant Influence and their relatives						KMP / Relative of KMP						Enterprises in control of Individual having Significant control					
	Jul-10	2010	2009	2008	2007	2006	Jul-10	2010	2009	2008	2007	2006	Jul-10	2010	2009	2008	2007	2006	Jul-10	2010	2009	2008	2007	2006	Jul-10	2010	2009	2008	2007	2006
Sale of Goods / Services																														
- UB Engineering Limited	-	-	-	-	-	-	362.12	341.51	1,968.67	685.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	-	-	-	-	-	-	77.34	352.81	168.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income																														
- CNCS Facility solutions Pvt Ltd	0.44	0.43	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- AZZ Infraserivces Limited	0.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund transferred / includes expenses incurred on behalf of Related Party																														
- UB Engineering Limited	-	-	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	-	-	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	-	-	-	-	-	-	-	2.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	0.15	7.43	71.25	15.51	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infraserivces Limited	4.38	108.15	134.67	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	0.53	24.52	21.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	0.02	55.22	0.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Selligence Technologies Service Private Limited	0.02	0.72	6.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund received / includes expenses incurred on behalf of Company																														
- Cobra Instalaciones Y Servicios, S.A	-	-	-	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	10.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts expense																														
- UB Engineering Limited	-	-	-	-	-	-	-	57.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	-	-	-	-	-	-	8.91	0.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts Written Back																														
- UB Engineering Limited	-	-	-	-	-	-	41.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Bonus Shares																														
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	165.47	-	102.00	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7.02	-	4.29	-	-	-	-	-	-	-

Particulars	Subsidiaries						Joint Ventures						Individual having Significant Influence and their relatives						KMP / Relative of KMP						Enterprises in control of Individual having Significant control					
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.71	-	0.55	-	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-
- Rekha Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rajesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	0.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	72.31	-	52.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of equity shares/warrant																														
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4.00	20.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Taken/ Advances Received																														
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	150.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infraserivces Limited	-	0.65	0.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00	-	-	-
- A2Z Infrastructure Limited	65.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	-	-	0.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	-	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan/ Advances Repaid																														
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00	-	-	-
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	167.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infraserivces Limited	-	0.65	0.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	65.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	-	-	0.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	-	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given/ Advances Paid																														
- A2Z Infraserivces Limited	30.00	10.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	222.70	8.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- CNCS Facility solutions Pvt Ltd	-	10.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	-	-	3.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan/ Advances Refunded																														
- A2Z Infraserivces Limited	-	10.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	-	8.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.45	0.30	-	-	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.17	-	-	-	-	-	-	-	-	-	-	-
Purchase of Goods or Services																														
- A2Z Infraserivces Limited	3.20	8.29	5.95	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Subsidiaries						Joint Ventures						Individual having Significant Influence and their relatives						KMP / Relative of KMP						Enterprises in control of Individual having Significant control							
Interest Charged on Loan taken																																
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.71	-	-	-
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11.98	5.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest free Loans given																																
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.17	-	-	-	-	-	-	-	-	-	-	-	
Remuneration																																
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9.25	24.19	6.96	2.77	1.22	1.20	-	-	-	-	-	-	-	-	
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.04	3.04	0.91	0.26	-	-	-	-	-	-	-	-	-	
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.13	3.03	-	-	-	-	-	-	-	-	-	-	-	
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.44	0.64	0.61	0.60	0.60	-	-	-	-	-	-	-	-	-	
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.06	0.23	0.12	0.01	-	-	-	-	-	-	-	-	-	
Sitting Fees																																
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	-	-	0.10	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Balance Outstanding at the end of the year																																
Interest free Loans given																																
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.17	1.17	-	-	-	-	-	-	-	-	-	-	
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.58	1.03	-	-	-	-	-	-	-	-	-	-	-	
Interest bearing Loans given (including accrued interest)																																
- CNCS Facility solutions Pvt Ltd	10.20	10.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- A2Z Infraserivices Limited	30.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Interest accrued but not due on loan given																																
- A2Z Infraserivices Limited	0.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Advances Given																																
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.56	0.48	1.45	-	-	-	-	-	-	-	-	
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.30	-	-	-	-	-	-	-	-	-	-	
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	0.50	-	-	-	-	-	-	-	-	-	
Advance from Customer																																
- UB Engineering Limited	-	-	-	-	-	-	22.99	29.72	68.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
- SPIC-SMO	-	-	-	-	-	-	3.57	-	1.00	-	-	-	-	-	-	-	-	-	-	-	-											

Particulars	Subsidiaries						Joint Ventures						Individual having Significant Influence and their relatives						KMP / Relative of KMP						Enterprises in control of Individual having Significant control					
Share Application money given pending allotment																														
- A2Z Infrastructure Limited	2.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debtors / Advances																														
- A2Z Infraserivces Limited	7.01	2.63	42.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	-	0.58	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom Limited	261.04	44.30	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	0.51	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Linkwell Telesystems Private Limited	-	-	-	-	-	-	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- UB Engineering Limited	-	-	-	-	-	-	953.07	1,159.79	1,244.77	643.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	-	-	-	-	-	-	67.61	113.87	83.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	-	-	-	-	-	-	3.00	3.00	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	-	-	-	-	-	-	-	0.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6.32	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts																														
- UB Engineering Limited	-	-	-	-	-	-	15.58	57.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	-	-	-	-	-	-	9.21	0.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Loan																														
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Jhunjunwala	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	155.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration Payable																														
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.15	15.94	0.24	0.24	0.11	-	-	-	-	-	-	-	-
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21	0.16	0.11	0.07	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13	0.10	-	-	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.08	0.04	0.04	0.04	0.04	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.02	0.01	0.01	-	-	-	-	-	-	-
- Rakesh Jhunjunwala	-	-	-	-	-	-	-	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Creditors																														
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.46	-	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	10.55	-	-	0.90	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infraserivces Limited	3.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Selligence Technologies Service Private Limited	-	-	6.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powertech Limited	-	2.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Powercom	-	5.96	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Subsidiaries						Joint Ventures						Individual having Significant Influence and their relatives						KMP / Relative of KMP						Enterprises in control of Individual having Significant control					
Limited																														
- UB Engineering Limited	-	-	-	-	-	-	194.50	460.40	49.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Linkwell Telesystems Private Limited	-	-	-	-	-	-	-	3.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	-	-	-	-	-	6.70	14.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Karamtara Engineering Private Limited	-	-	-	-	-	-	1.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shyama Power India Limited	-	-	-	-	-	-	54.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees given on behalf of subsidiaries																														
- A2Z Infraserivces Limited	209.73	187.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Infrastructure Limited	742.58	496.63	100.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- CNCS Facility solutions Pvt Ltd	53.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Merrut) Private Limited	7.44	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- A2Z Waste Management (Moradabad) Private Limited	17.47	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees given by subsidiaries on behalf of Company																														
- A2Z Infraserivces Limited	1,800.00	1,550.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note:

- The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and profits and losses of the Company.

Restated unconsolidated statement of Segment Reporting (As per Accounting Standard 17 - “Segment Reporting” notified by Companies (Accounting Standards) Rules, 2006, (as amended))

The primary reporting of the Company has been performed on the basis of business segment. Segments have been identified and reported based on the nature of the products, the risks and returns, the organization structure and the internal financial reporting systems. Pursuant to demerger of the Facility Management Services (FMS) division effective April 15, 2008, the Company is operating into only following segments - (i) Engineering Service (ES) (ii) Power generation projects (‘PGP’) and (iii) Others represents trading of Prime CRGO electrical steel sheets in Coil. However, as required under Accounting Standard 17- ‘Segment Reporting’ as FMS was reportable segment in upto year 2008-09, hence the figures have been furnished upto year 2008-09.

(Rupees in Million)																															
Particulars	ES					FMS					PGP					Others					Elimination					Total					
	Jul-10	2010	2009	2008	2007	Jul-10	2010	2009	2008	2007	Jul-10	2010	2009	2008	2007	Jul-10	2010	2009	2008	2007	Jul-10	2010	2009	2008	2007	Jul-10	2010	2009	2008	2007	
Revenue																															
Revenue from long term contracts/Sale of services	3,652.56	11,227.83	6,645.74	4,536.47	1,704.31	-	-	15.03	253.51	102.21	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,652.56	11,227.83	6,660.77	4,789.98	1,806.52	
Other income	3.06	8.88	32.77	3.82	2.02	-	-	0.08	0.38	0.97	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.06	8.88	32.85	4.20	2.99	
Intersegment Revenue	-	-	-	-	-	-	-	0.21	0.72	-	-	-	-	-	-	-	-	-	-	-	-	-	0.21	0.72	-	-	-	-	-	-	
Total revenue	3,655.62	11,236.71	6,678.51	4,540.29	1,706.33	-	-	15.32	254.61	103.18	-	-	-	-	-	-	-	-	-	-	-	-	0.21	0.72	-	3,655.62	11,236.71	6,693.62	4,794.18	1,809.51	
Costs																															
Segment costs	(2,845.31)	(9,109.95)	(5,307.39)	(3,637.68)	(1,479.03)	-	-	(15.04)	(239.36)	(102.63)	(1.12)	(6.88)	-	-	-	-	-	-	-	-	-	-	-	(0.21)	(0.72)	-	(2,846.43)	(9,116.83)	(5,322.22)	(3,876.32)	(1,581.66)
Result																															
Segment result	810.31	2,126.76	1,371.12	902.61	227.30	-	-	0.28	15.25	0.55	(1.12)	(6.88)	-	-	-	-	-	-	-	-	-	-	-	-	-	809.19	2,119.88	1,371.40	917.86	227.85	
Interest Income																										20.89	48.98	46.85	19.29	3.35	
Financial Expense																										(239.79)	(628.07)	(484.84)	(163.97)	(52.53)	
Provision for tax																															
Income tax																															
Deferred tax (charge)/credit																										(204.82)	(563.31)	(342.84)	(269.61)	(73.38)	
Fringe benefit tax																										10.62	22.44	13.00	3.78	8.09	
Net Profit after tax before extra-ordinary items																										-	-	(6.76)	(4.32)	(0.78)	
Extra-ordinary items (Net of Tax)																										396.09	999.92	596.81	503.03	112.60	
Net Profit after tax																															
Net Profit after tax																										309.26	999.92	596.81	503.03	112.60	
Other information																															
Segment assets	12,362.18	12,495.32	7,793.17	4,690.57	1,662.45	-	-	-	168.80	60.73	338.78	90.13	-	-	-	145.31	-	-	-	-	-	-	-	-	-	12,846.27	12,585.45	7,793.17	4,859.37	1,723.18	
Unallocable corporate assets																										100.86	47.06	24.62	11.61	7.83	
Total assets	12,362.18	12,495.32	7,793.17	4,690.57	1,662.45	-	-	-	168.80	60.73	338.78	90.13	-	-	-	145.31	-	-	-	-	-	-	-	-	-	12,947.13	12,632.51	7,817.79	4,870.98	1,731.01	
Segment liabilities	7,782.30	8,178.58	5,574.54	3,173.89	1,326.96	-	-	-	50.65	15.19	653.00	260.18	-	-	-	137.92	-	-	-	-	-	-	-	-	-	8,573.22	8,438.76	5,574.54	3,224.54	1,342.15	
Unallocable corporate liabilities																										-	-	-	-	-	
Total Liabilities	7,782.30	8,178.58	5,574.54	3,173.89	1,326.96	-	-	-	50.65	15.19	653.00	260.18	-	-	-	137.92	-	-	-	-	-	-	-	-	-	8,573.22	8,438.76	5,574.54	3,224.54	1,342.15	
Capital expenditure	70.71	255.35	154.78	51.14	28.39	-	-	0.75	36.91	8.90	233.49	88.81	-	-	-	-	-	-	-	-	-	-	-	-	-	304.20	344.16	155.53	88.05	37.29	
Depreciation included in segment expenses	13.25	24.46	11.63	9.73	2.07	-	-	0.20	3.58	0.99	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13.28	24.46	11.83	13.31	3.06	
Other Non cash expenditure																										15.08	73.17	41.25	17.45	39.13	

Geographical segments

The Company has its operations only in India which is a single geographical segment.

Note:

- 1 The Company adopted the Accounting Standard 17, (AS-17) - Segment Disclosure for the first time in preparing the financial statements for the year ended March 31, 2007. Hence, for the purpose of restated summary statements, AS - 17 disclosures have not been furnished for the year ended March 31, 2006 as AS 17 was not applicable.
- 2 The figures disclosed above are based on the restated unconsolidated summary statement of assets and liabilities and profits and losses of the Company.

ANNEXURE XIX: Restated Consolidated Summary Statement of assets and liabilities

(Rupees in Million)

		As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
1)	Fixed assets					
	Gross block	1,017.80	623.76	253.97	139.16	45.56
	Less: accumulated depreciation / amortisation	104.56	75.85	35.96	16.91	3.59
	Net block	913.24	547.91	218.01	122.25	41.97
	Less: revaluation reserve	-	-	-	-	-
	Net block after adjustment for revaluation reserve	913.24	547.91	218.01	122.25	41.97
2)	Capital work in progress including capital advances	551.43	846.40	135.67	-	-
3)	Investments	0.26	0.26	-	-	-
4)	Deferred tax assets (net)	101.10	46.16	23.23	11.61	7.83
5)	Current assets, loans and advances					
	Inventories	155.79	9.88	22.15	-	0.32
	Sundry debtors	6,514.01	8,266.30	4,859.20	3,184.89	1,255.07
	Cash and bank balances	967.51	993.30	708.90	469.71	150.17
	Other current assets	3,264.09	1,793.66	1,198.65	628.57	109.79
	Loans and advances	1,448.81	1,027.51	789.23	449.05	165.84
	Total	12,350.21	12,090.65	7,578.13	4,732.22	1,681.19
6)	Liabilities and provisions:					
	Secured loans	5,699.13	4,047.82	2,442.82	1,247.27	340.47
	Unsecured loans	16.75	4.09	200.16	1.39	157.92
	Minority interest	26.05	22.45	2.04	-	-
	Current liabilities	3,650.73	4,962.77	2,775.28	1,772.20	757.37
	Provisions	247.30	351.28	302.47	203.44	86.42
	Total	9,639.96	9,388.41	5,722.77	3,224.30	1,342.18
7)	Net worth	4,276.28	4,142.97	2,232.27	1,641.78	388.81
8)	Net worth represented by					
	Share capital					
	- Equity shares	573.01	573.01	216.47	191.36	15.44
	- Preference shares	-	-	-	750.00	-
	Equity share warrants	-	-	-	-	20.00
	Reserves & surplus					
	- Securities premium account	1,395.38	1,422.14	778.68	53.79	195.71
	- Profit and loss account	2,477.46	2,215.85	1,237.12	646.63	157.66
	- Revaluation reserve	-	-	-	-	-
	Less: Miscellaneous expenditure (to the extent not written off or adjusted)	(169.57)	(68.03)	-	-	-
	Net worth	4,276.28	4,142.97	2,232.27	1,641.78	388.81

Note:

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in annexures XXII A, XXII B & XXII C.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
 Membership No. 95169

Place: Gurgaon
 Date: November 10, 2010

Annexure XX: Restated Consolidated Summary Statement of profits and losses

(Rupees in Million)

	For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
Income					
Income from operations					
Revenue from engineering services	3,659.40	11,227.83	6,644.22	4,536.47	1,704.32
Revenue from facility management services	449.41	909.81	500.65	253.51	102.21
Revenue from collection & transportation of municipal solid waste	36.10	46.27	2.17	-	-
Sales - Compost	10.69	-	-	-	-
Consultancy fees	0.01	8.94	10.06	-	-
Total	4,155.61	12,192.85	7,157.10	4,789.98	1,806.53
Other income	25.38	60.11	81.70	23.49	6.34
Total income	4,180.99	12,252.96	7,238.80	4,813.47	1,812.87
Expenditure					
Cost of material and services	2,537.05	8,327.71	4,680.28	3,407.12	1,383.50
Purchase of traded goods	145.31	-	-	-	-
Net (Increase) / Decrease in inventories	(145.31)	-	-	-	-
Personnel expenses	545.47	1,089.10	655.48	286.55	105.66
Administrative & selling expenses	327.82	768.63	552.01	213.01	117.17
Interest	193.74	493.32	388.28	124.89	24.86
Depreciation/amortisation	28.24	35.77	19.66	13.31	3.06
Total expenditure	3,632.32	10,714.53	6,295.71	4,044.88	1,634.25
Net profit before tax	548.67	1,538.43	943.09	768.59	178.62
Current tax	212.54	578.90	356.11	269.61	73.38
Deferred tax charge/(credit)	(11.76)	(22.92)	(11.62)	(3.78)	(8.09)
Fringe benefit tax	-	-	8.07	4.34	0.78
Net profit before extraordinary items	347.89	982.45	590.53	498.42	112.55
Extra-ordinary items (Gross Rs 130.02 million, net of deferred tax credit of Rs. 43.19 million) (Refer note 27 of Annexure XXIIC)	86.83	-	-	-	-
Net profit before minority interest	261.06	982.45	590.53	498.42	112.55
Less: Share of minority interest	(0.07)	3.72	0.04	-	-
Net profit as restated	261.13	978.73	590.49	498.42	112.55
Profit & loss at the beginning of the year, as restated	2,215.85	1,237.12	646.63	157.66	45.11
Balance available for appropriation as restated	2,476.98	2,215.85	1,237.12	656.08	157.66
Appropriations					
Dividend on preference share	-	-	0.00	0.01	-
Tax on dividend	-	-	0.00	0.00	-
Transfer to general reserve (Refer note 2 of annexure XXIIC)	-	-	-	9.54	-
Amount transferred in the scheme of amalgamation in the nature of merger (Refer note 2 of annexure XXIIC)	-	-	-	(0.10)	-
Total	-	-	0.00	9.45	-
Balance carried forward as restated	2,476.98	2,215.85	1,237.12	646.63	157.66

Note:

The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in annexures XXII A, XXII B & XXII C.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
 Membership No. 95169

Place: Gurgaon
 Date: November 10, 2010

Annexure XXI: Restated Consolidated Summary Statement of Cash Flows

		(Rupees in Million)				
		For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
A	CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES					
	Net profit before taxation (as restated)	548.67	1,538.43	943.09	768.59	178.62
	Adjustment for					
	Depreciation/amortisation	28.24	35.77	19.66	13.31	3.06
	Preliminary expenses written off	-	0.64	0.60	0.03	-
	Interest expense	193.74	493.32	388.28	124.89	24.86
	Amortisation of Miscellaneous expenditure (Loan processing fees)	9.93	0.93	-	-	-
	Loss/(profit) on sale of fixed assets	0.00	0.48	0.74	(0.04)	-
	Provision for bad and doubtful debts	11.11	75.69	23.61	11.33	26.23
	Provision for doubtful advances	-	0.17	1.90	-	0.39
	Advances/earnest money deposit written off/(written back)	0.01	1.29	22.11	6.12	12.51
	Unrealised foreign exchange fluctuation loss	4.23	-	0.54	-	-
	Interest income	(21.77)	(50.12)	(48.44)	(19.30)	(3.35)
	Operating profit before working capital changes	774.16	2,096.60	1,352.09	904.93	242.32
	Movements in working capital					
	Decrease / (increase) in inventory	(145.91)	14.21	(22.15)	0.31	2.19
	Decrease / (increase) in sundry debtors	1,741.29	(3,416.90)	(1,697.92)	(1,931.32)	(1,076.05)
	Decrease / (increase) in loan and advances and other current assets	(1,886.72)	(838.92)	(924.58)	(798.43)	(255.44)
	Increase / (decrease) in current liabilities and provisions	(1,050.52)	2,021.03	1,004.72	1,006.08	640.42
	Cash flow from / (used in) operations	(567.70)	(123.98)	(287.84)	(818.43)	(446.56)
	Direct taxes paid	(320.31)	(527.45)	(267.19)	(160.91)	(20.64)
	Net Cash flow before extraordinary items	(888.01)	(651.43)	(555.03)	(979.34)	(467.20)
	Extra-ordinary items (Gross of tax)	(130.02)	-	-	-	-
	Net cash generated from / (used in) operating activities	(1,018.03)	(651.43)	(555.03)	(979.34)	(467.20)
B	CASH FLOW FROM / (USED IN) INVESTING ACTIVITIES					
	Purchase of fixed assets (including capital work in progress)	(343.71)	(921.47)	(251.93)	(87.82)	(37.24)
	Intercompany deposit given	-	-	(2.50)	-	-
	Intercompany deposit received back	-	2.50	-	-	-
	Proceeds from sale of fixed assets	0.02	1.29	0.67	0.38	-
	Purchase of investment in subsidiaries	(0.10)	(26.50)	-	(10.04)	-
	Purchase consideration for business purchase	(10.50)	-	-	-	-
	Fixed deposits placed	(66.34)	(356.29)	(377.90)	(334.94)	(179.87)
	Fixed deposits matured	84.40	138.45	209.60	25.65	66.29
	Interest received	16.63	57.95	40.56	9.62	2.02
	Net cash generated from / (used in) investing activities	(319.60)	(1,104.07)	(381.50)	(397.15)	(148.80)
C	CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES					
	Proceeds from issuance of equity share capital	-	12.73	2.00	0.35	4.30
	Proceeds from issuance of equity share warrants	-	-	-	-	20.00
	Proceeds from issuance of preference share capital	-	-	-	750.00	-
	Proceeds from securities premium	-	987.27	-	13.65	175.70
	Proceeds from Minority Share holders	4.15	-	-	-	-
	Dividend paid	-	-	(0.01)	-	-
	Proceeds from long term borrowings	501.53	1,200.62	30.37	43.35	155.06
	Repayment of long term borrowings	(82.08)	(66.50)	(24.84)	(156.48)	(22.03)
	Proceeds from short term borrowings (Net)	1,224.75	224.41	1,383.89	866.49	308.96
	Share issue expenses paid	(2.50)	-	-	-	-
	Preliminary expenses incurred	-	(0.64)	(0.60)	-	-
	Loan processing fees paid	(113.76)	(69.51)	-	-	-
	Interest paid	(202.29)	(470.92)	(383.39)	(131.65)	(22.69)
	Net cash generated from / (used in) financing activities	1,329.80	1,817.46	1,007.42	1,385.71	619.30
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	(7.83)	61.96	70.89	9.22	3.30
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR/PERIOD	150.60	86.67	15.78	5.53	2.23
	CASH AND CASH EQUIVALENTS ACQUIRED ON ACQUISITION OF SUBSIDIARY (Refer note 25 of schedule XXII C)	0.09	1.97	-	-	-
	CASH AND CASH EQUIVALENTS ACQUIRED ON AMALGAMATION/ BUSINESS PURCHASE (Refer note 3 & 4	0.01	-	-	1.03	-

	below)					
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR/PERIOD	142.87	150.60	86.67	15.78	5.53
	Components of cash and cash equivalents*	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
	Cash on hand	2.11	3.41	2.40	1.48	0.04
	Cheques in hand	-	-	5.30	-	-
	Balances with scheduled banks					
	In cash credit accounts	62.06	27.16	-	-	-
	In current accounts	78.70	120.03	78.97	14.30	5.49
		142.87	150.60	86.67	15.78	5.53

Notes:

1. Figures in brackets indicate cash outflow.
2. The above statement should be read with the notes to restated consolidated summary statements of assets and liabilities, profits and losses and cash flows as appearing in annexures XXII A, XXII B & XXII C.
3. The cash flow statement for the period is adjusted by the following amounts of assets and liabilities to give effect to the business transfer agreements with Partnership firms (Refer Note 6 of Annexure XXIIC): Fixed Assets of Rs 0.93 million, Sundry debtors of Rs 0.1 million, Cash on hand of Rs 0.01 million and Unsecured Loan of Rs 14.50 million
4. The cash flow statement for the year ended March 31, 2008 is adjusted by the following amounts of assets and liabilities to give effect to the merger of Sri eswara sai ltd (Refer note no. 2 of Annexure XXIIC): sundry debtors of Rs. 9.83 million, cash & bank balance of Rs. 1.03 million, miscellaneous expenditure of Rs. 0.03 million, fixed assets of Rs 5.87 million and current Liabilities of Rs. 16.16 million

*Difference with cash & bank balances in restated consolidated summary statements of assets & liabilities Rs. 824.64 million (Year 2009-10 - 842.70 million, Year 2008-09 - 622.23 million, Year 2007-08 - Rs. 453.93 million and Year 2006-07 - 144.64 million) represents fixed deposits with an original maturity of three months or more.

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
 Membership No. 95169

Place: Gurgaon
 Date: November 10, 2010

ANNEXURE XXII: NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFITS AND LOSSES AND CASH FLOWS FOR THE PERIOD ENDED JULY 31, 2010 AND YEARS ENDED MARCH 31, 2010, 2009, 2008 and 2007

[All amounts in Indian Rupees Millions, except number of shares including share price, unless otherwise stated. The amounts have been rounded off to 'million rupees' and Rs 0.00 million represent amounts that are rounded off, being immaterial amounts]

Background

A2Z Maintenance & Engineering Services Limited (formerly A2Z Maintenance & Engineering Services Private Limited) ('A2Z or the Company') was incorporated at National Capital Territory of Delhi on January 7, 2002 for providing maintenance and engineering services. The Company commenced its business with the facility management services and entered into engineering business during the year 2005-06.

The Company's engineering business segment primarily includes supply, erection and maintenance of electrical transmission lines and allied services to power distribution companies. During the year ended March 31, 2010, the Company has also entered into collaboration with sugar mills for setting up 3 Cogeneration (Cogen) power plants on Built, Own, Operate and Transfer (BOOT) basis for a period of 15 years.

At the extra-ordinary general meeting of the shareholders held on March 12, 2010, the shareholders approved the conversion of the Company from private limited company to a public limited company, and approved the change in the name of the Company from A2Z Maintenance & Engineering Services Private Limited to A2Z Maintenance & Engineering Services Limited. The Company has received a certificate of change in name from the Registrar of Companies on March 26, 2010.

The restated consolidated summary statement of assets and liabilities of the group as at July 31, 2010, March 31, 2010, 2009, 2008 and 2007 and the related restated consolidated summary statement of profits and losses and cash flows for the period ended July 31, 2010 and year ended March 31, 2010, 2009, 2008 and 2007 (herein collectively referred to as "Restated consolidated summary statements") relate to A2Z Maintenance & Engineering Services Limited and its subsidiaries ("the Group") and have been prepared specifically for the inclusion in the offer document to be filed by the Company with the Securities and Exchange Board of India ("SEBI") in connection with its proposed Initial public offering.

These restated consolidated summary statement have been prepared to comply in all material respects with the requirements of Schedule II to Companies Act, 1956 ("the Act") and the Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2009, as amended ("the Regulations").

ANNEXURE XXII A: Statement of Significant Accounting Policies adopted by the Group in the preparation of financial statements as at and for the period ended July 31, 2010

a. Basis of preparation

- (i) These consolidated financial statements have been prepared to comply in all material respects with notified accounting standards by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 to reflect the financial position and the results of operations of the Group, except as stated in sub-paragraph (iii) below. These consolidated financial statements are prepared under the historical cost convention on the accrual basis of accounting and reporting requirements of Accounting Standard ('AS') 21 'Consolidated Financial Statements' and Accounting Standard (AS) 27, 'Financial Reporting of Interests in Joint Ventures' notified by Companies (Accounting Standards) Rules, 2006, (as amended) and consolidated as per sub-point (b) below for the period ended July 31, 2010. The accounting policies have been consistently applied by the Group.
- (ii) The consolidated financial statements for the years ended March 31, 2007, March 31, 2008 and March 31, 2009 have been prepared by the Group solely for the purpose of use in preparation of restated consolidated summary statement of assets and liabilities, profits and losses and cash flows as at March 31, 2007, March 31, 2008 and March 31, 2009 to be included in offer document in connection with its proposed initial public offering, and have been prepared based on the audited general purpose financial statements of the Company and its subsidiaries for the respective years, except for one of the subsidiaries, whose audited financial statements were available for the period from March 22, 2007 to March 31, 2008. Hence, for the purpose of the consolidation, the information for the period ended March 31, 2007 and year ended March 31, 2008 for the subsidiary have been extracted by the management from the audited financial statements of the subsidiary prepared for the period ended March 31, 2008. Further, for the year ended March 31, 2010, in respect of one of the subsidiaries - Imatek Solutions Private Limited acquired on August 13, 2009, the same has been consolidated based on information extracted by the management for the period from August 13, 2009 to March 31, 2010 from the audited consolidated financial statements of Imatek Solutions Private Limited for the year ended March 31, 2010. Further, for the period ended July 31, 2010, in respect of one of the subsidiaries - Mansi Bijlee Private Limited acquired on July 20, 2010, the same has been consolidated based on information extracted by the management for the period from July 20, 2010 to July 31, 2010 from the audited financial statements of Mansi Bijlee Private Limited for the four months period ended July 31, 2010.
- (iii) As the consolidated financial statements for the years ended March 31, 2007, March 31, 2008 and March 31, 2009 have been prepared for a specified purpose as mentioned above, these financial statements do not consider the effect of any adjustments that may be required, for events occurring between the dates of approval by the Board of Directors of the general purpose unconsolidated financial statements of the Company and its subsidiaries and July 1, 2010 (being the date of approval of the consolidated financial statements for these years).
- (iv) As the Company did not have any subsidiary till year ended March 31, 2006, consolidated figures for the year ended March 31, 2006 are not applicable and hence, not furnished.

b. Principles of Consolidation

These accounts represent consolidated accounts of the Group and its majority owned subsidiaries as follows:

Entity	Country of Incorporation	Principal Service	Relationship	Shareholding as at July 31, 2010***
A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited) *(March 22, 2007)	India	Solid Waste Management Services	Subsidiary	98.90%
A2Z Infraserivces Limited (Formerly a2z Infraserivces Private Limited) *(April 15, 2008)	India	Facility Management Services	Subsidiary	99.48%
A2Z Powercom Limited (Formerly a2z Powercom Private Limited) *(April 28, 2008)	India	Power Equipment Manufacturing	Subsidiary	80%
A2Z Powertech Limited (Formerly a2z Powertech Private Limited) *(April 28, 2008)	India	System Integration Services in Power Sector	Subsidiary	95%

Selligence Technologies Services Private Ltd *(August 12, 2008)	India	ERP Implementation Services	Subsidiary	80%
Imatek Solutions Private Limited **(August 13, 2009)	India	Consultancy Services	Subsidiary	100%
Mansi Bijlee Private Limited **July 20, 2010	India	Power generation through biomass, waste material , etc.	Subsidiary	100%
A2Z Waste Management (Aligarh) Private Limited *(December 4, 2009)	India	Solid Waste Management Services	Subsidiary of A2Z Infrastructure Limited	100%
A2Z Waste Management (Moradabad) Private Limited *(December 4, 2009)	India	Solid Waste Management Services	Subsidiary of A2Z Infrastructure Limited	100%
A2Z Waste Management (Merrut) Private Limited *(December 4, 2009)	India	Solid Waste Management Services	Subsidiary of A2Z Infrastructure Limited	100%
A2Z Waste Management (Varanasi) Private Limited *(December 4, 2009)	India	Solid Waste Management Services	Subsidiary of A2Z Infrastructure Limited	100%
CNCS Facility Solutions Private Limited ***(October 21, 2009)	India	Facility Management Services	Subsidiary of Imatek Solutions Private Limited	51%

*Date of Incorporation

** Date of purchase of majority stake

*** Based on voting rights

The consolidated financial statements have been prepared on the following basis:

- i) For the purpose of this consolidation, jointly owned entities, where A2Z or its subsidiaries own directly or indirectly more than 50 percent of voting rights of a Company's share capital, have been accounted for as subsidiaries.
- ii) Subsidiary companies are consolidated on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses after eliminating all significant intra-group balances and intra-group transactions and also unrealized profits or losses, except where cost cannot be recovered. The results of operations of a subsidiary are included in the consolidated financial statements from the date on which the parent subsidiary relationship came into existence.
- iii) The difference between the cost to the Group of investment in subsidiaries and the proportionate share in the equity of the investee company as at the date of the acquisition of stake is recognized in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be. Goodwill arising on consolidation is disclosed under Fixed Assets – Intangible Assets and is not amortised but tested for impairment annually.
- iv) Minority Interest in the net profit of consolidated subsidiaries for the period is identified and adjusted against the income in order to arrive at the net income attributable to the share holders of the Company. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of the contractual obligation on the minorities, the same is accounted for by the holding Company.
- v) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's stand alone financial statements.
- vi) The financial statements of the entities used for the purpose of consolidation are of the same reporting date as that of the Company.

c. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

d. Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be) less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Assets acquired under contract on BOOT basis (net of contribution against capital cost received) have been capitalised as fixed assets.

e. Depreciation

Depreciation is provided using the Straight Line Method rates as per the useful lives of the fixed assets as estimated by the management, which equal to the corresponding rates prescribed under Schedule XIV of the Companies Act, 1956 as below:

Particulars	Rate of Depreciation (SLM)
Building	1.63% - 3.34%
Office Equipment	4.75% - 10.34%
Plant and Machinery*	4.75% - 11.31%
Computers	4.75%- 16.21%
Furniture and Fixtures	6.33%
Vehicles	7.07% - 16.21%
Tools & Equipments	4.75% - 11.31%
Assets costing less than Rs. 5,000	Fully depreciated in the year/period of acquisition

*Plant & Machinery includes platform erected on lease hold land for setting up plant and machinery for manufacture of poles. The same has been depreciated on a straight line basis over the initial lease period of 2 years. Leasehold land is depreciated over the lease term of 66 years.

f. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

g. Intangible Assets

Computer software purchased from outside parties is amortised and charged on a Straight Line Method over lower of license period or a period of 5 to 6 years, being the estimated useful life.

Goodwill arising on acquisition and purchase of business is amortised using the straight line method over a period of five years.

h. Leases

Where the Group is the lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight-line basis over the lease term.

Where the Group is the lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

i. Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investment. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are stated at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

j. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost is determined on a first-in-first-out basis and includes all applicable overheads in bringing the inventories to their present location and condition. Excise duty arising on raw materials in stock are treated as part of the cost of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

The Group treats the consumables to have been consumed as and when purchased.

k. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(i) Revenues from maintenance contracts

Revenues from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

(ii) Revenue from service contracts

Revenue from service contracts are recognised pro-rata over the period of the contract as and when services are rendered.

(iii) Revenue from Construction contracts

Contract revenue associated with construction contracts are recognised as revenue by reference to the stage of completion of the project at the balance sheet date. The stage of completion of project is determined by the proportion that the contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs as assessed by project managers and validated by independent project managers and the management. Materials purchased specifically for the projects and identifiable to the project are considered as part of contract costs in accordance with AS-7, "Construction Contracts".

If it is expected that a contract will make a loss, the estimated loss is provided in the books of accounts. Such losses are based on technical assessments. Contract revenue earned in excess of billing has been reflected under "Other Current Assets" and billing in excess of contract revenue has been reflected under "Current Liabilities" in the Balance Sheet.

As the outcome of the contracts cannot be measured reliably during the early stages of the project, contract revenue is recognised only to the extent of costs incurred in the Profit and Loss Account unless the actual cost reaches a minimum threshold of total estimated cost of the project.

Liquidated damages/ penalties, interest, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per contractual terms and/or acceptance.

Certain expenditure namely freight & cartage expenses, subcontractor expenses, packing charges, fabrication expenses, site expenditure, labour charges, rental expenses and travelling & conveyance expenses are incurred in cash to meet the business needs and exigencies for the services availed at the

project sites by the Group based on mutually agreed terms and conditions and are authorized based on internal checks and controls.

(iv) Revenue from sale of goods (Compost and MPhos)

Revenue in respect of sale of goods is recognised when the significant risks and rewards of ownership of goods have passed to the buyer which generally coincides with delivery.

(v) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(vi) Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

l. Foreign currency translation

Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Group at rates different from those at which they were initially recorded during the year/period, or reported in previous financial statements, are recognized as income or as expenses in the year/period in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the year/period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year/period.

m. Retirement and Other Employment Benefits

i) Retirement benefits in the form of Provident Fund and Employee State Insurance is a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year/period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

ii) Gratuity liability is defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year/period. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

iii) The Group does not allow carry forward of compensated absences to employees. Accordingly, no provision has been made for compensated absences.

iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

n. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

o. Income taxes

Tax expense comprises of current, deferred and fringe benefit tax. Current income tax and fringe benefit tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. Deferred income taxes reflects the impact of current year/period timing differences between taxable income and accounting income for the year/period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

p. Segment Reporting

Identification of segments:

The Group's operating businesses are organized and managed separately according to the nature of services, with each segment representing a strategic business unit that offers different services to different markets. The analysis of geographical segments is based on the areas in which the Group's services are rendered.

Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

q. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of shares outstanding during the period is adjusted for bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

r. Derivative Instruments

As per the Institute of Chartered Accountants of India Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

s. Cash and Cash equivalents

Cash and cash equivalents for the purposes of consolidated cash flow statements comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

t. Deferred Revenue Expenditure

Costs incurred in raising funds are amortised equally over the period for which the funds are acquired. This has been reflected in the restated consolidated summary statements of assets and liabilities under the head "Miscellaneous Expenditure to the extent not written off or adjusted."

u. Accounting for joint ventures

Accounting for joint ventures undertaken by the group has been done as follows:

Type of Joint ventures

Jointly controlled operations

Accounting treatment

The Group's share of revenues, expenses, assets and liabilities are included in the financial statements as Revenues, Expenses, Assets and Liabilities respectively

v. Employee Stock compensation cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by the Institute of Chartered Accountants of India. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

w. Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

When the grant or subsidy relates to an expense item, it is recognized as income over the periods necessary to match them on a systematic basis to the costs, which it is intended to compensate.

Where the grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

x. Provisions

A provision is recognised when the Group has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

ANNEXURE XXII B: Notes on material adjustments

- Below mentioned is the summary of results of restatement made in the audited consolidated financial statements for the respective years/period and its impact on the profits of the Group.

(Rupees in Millions)						
	Particulars	For the period ended July 31, 2010	For the year ended March 31, 2010	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
	Net profit as per audited financial statements before adjustments including extra-ordinary items	259.45	923.40	686.68	438.17	116.49
A	Change in accounting policy					
1	Increase/(Decrease) in revenue on account of re-computation of revenue as per AS 7- Revenue recognition policy (Refer Note 2a)	-	-	-	-	(8.82)
2	Provision for Leave encashment (Refer Note 2b and 3a)	-	-	-	0.25	(0.25)
3	Provision for Gratuity (Refer Note 2b and 3a)	-	0.16	(0.16)	0.29	0.17
4	Increase/(Decrease) in revenue on account of re-computation of revenue for change in accounting policy of Project Specific Inventory (Refer Note 2c)	-	-	(157.44)	157.44	-
5	Change in Cost of materials and services for Change in accounting policy for Project Specific Inventory (Refer Note 2c)	-	-	121.03	(121.03)	-
B	Other Adjustments:					
1	Prior Period Revenue (Refer Note 4a)	-	43.90	(43.90)	-	-
2	Prior period expenses adjustment (Refer Note 4a)	-	-	0.02	1.99	(2.01)
3	Provision for Doubtful Advances written back (Refer Note 4b)	-	-	(38.00)	37.59	0.41
4	Unspent Liability Written Back (Refer Note 4c)	-	-	(1.17)	1.17	
5	Advances/Earnest money deposit written off / written back (Refer Note 4d)	(1.63)	37.29	(19.51)	(3.53)	(12.50)
6	Miscellaneous Expenditure Written off (Refer Note 4e)	-	-	-	-	0.26
7	Service Tax Liability for earlier Years (Refer Note 4g)	-	-	-	10.45	(10.45)
	Total Adjustments	1.63	81.35	(139.13)	84.62	(33.19)
	Net Profit After Adjustment before tax impact	257.82	1,004.75	547.55	522.79	83.30
	Current Tax Impact on adjustments (Refer Note 4f)	0.55	(27.55)	34.32	(15.09)	10.61
	Deferred Tax Impact on adjustments (Refer Note 4f)	-	(0.06)	12.97	(12.96)	(0.11)
	Income Tax adjustment for earlier years (Refer Note 4f)	2.76	1.57	(4.33)	3.68	18.75
	Fringe Benefit Tax adjustment for earlier years (Refer Note 4f)	-	0.02	(0.02)	-	-
	Net Profit After Tax, as restated	261.13	978.73	590.49	498.42	112.55

2. Changes in accounting Policies

a. REVENUE RECOGNITION

During the year ended March 31, 2007, with retrospective effect, the Company has changed its revenue recognition policy in respect of revenues arising from construction contracts entered into by it under the Engineering Services Segment. The Company followed the 'percentage of completion method' as prescribed under Accounting Standard-7, 'Construction Contracts' during the year ended March 31, 2007 in place of Accounting Standard -9 'Revenue Recognition' during the year ended March 31, 2006. The revenue unrecognised in earlier year arising out of retrospective re-computation has been recognised in the profit and loss account for the year ended March 31, 2006. Accordingly, the figures have been restated for the year ended March 31, 2007 and brought forward balance of restated consolidated profit and loss as at April 1, 2006.

b. GRATUITY AND LEAVE ENCASHMENT

During the year ended March 31, 2008, provision for gratuity and Leave encashment was made on the basis of actuarial valuation in compliance of the Accounting Standard 15 (Revised), which was earlier accounted for on cash basis. Accordingly, provision for gratuity and Leave encashment has been recomputed on actuarial valuation basis for each of the preceding years and consequently the adjustments have been made in the expenses for gratuity and Leave encashment for the years ended March 31, 2007 and brought forward balance of restated consolidated profit and loss as at April 1, 2006.

c. PROJECT INVENTORY

During the year ended March 31, 2009, the management identified certain project specific inventory as a part of contract costs in accordance with AS 7 'Construction Contracts' as against hitherto policy of carrying such project specific inventories also as inventories. Accordingly, the cost of materials and services and corresponding revenue has been restated for the years ended March 31, 2009 and 2008.

3. Auditor's Qualifications (adjusting):

- a. The Company was recording gratuity benefit payable to the employees under the Payment of Gratuity Act, 1972 on a cash-basis of accounting in its books of accounts and did not accrue for any liability with respect of gratuity as at March 31, 2007. Also, the Company was following a cash basis of accounting for leave encashment and implemented the leave encashment policy effective January 1, 2007. This accounting policy was not in accordance with the AS 15 on Retirement Benefits issued by the Institute of Chartered Accountants of India and did not meet the requirement of following the accrual basis of accounting prescribed under Section 209 of the Companies Act, 1956.

The statutory auditors' had qualified their opinion on the financial statements for the year ended March 31, 2007 on account of non provision of retirement benefits, which was not in accordance with Accounting Standard 15 on Retirement Benefits.

Accordingly, adjustments are made to the restated consolidated summary statements for the years ended March 31, 2007 and brought forward balance of restated consolidated profit and loss as at April 1, 2006 as stated in note 2b above.

4. Other Adjustments

a. PRIOR PERIOD ITEMS

In the Consolidated Financial statements for the years ended March 31, 2010, 2009 and 2008 certain items of income/expenses have been identified as prior period items. For the purpose of these statements, such prior period items have been appropriately adjusted in the respective years to which they pertain to.

b. PROVISION FOR DOUBTFUL ADVANCES WRITTEN BACK

Advances, which were considered doubtful and provided in the year ended March 31, 2008 and 2007 and which have been subsequently recovered during the year ended March 31, 2009, have been adjusted in the years when such advances were originally provided for. Accordingly, adjustments have been

made to the restated consolidated summary statements for the years ended March 31, 2009, 2008 and 2007.

c. **UNSPENT LIABILITIES WRITTEN BACK**

In the Consolidated Financial statements for the year ended March 31, 2009 certain liabilities created in earlier years were written back. For the purpose of these statements, the said liabilities, wherever required, have been appropriately adjusted in the respective year in which the same were originally created. Accordingly, adjustments have been made to the restated consolidated summary statements for the years ended March 31, 2009 and 2008.

d. **ADVANCES / EARNEST MONEY DEPOSIT WRITTEN OFF / WRITTEN BACK**

Advances / Earnest money deposit, which have been written off in the year ended March 31, 2010 and 2008 and written back during the period ended July 31, 2010, have been adjusted in the years when such amounts were originally paid. Accordingly, adjustments have been made to the restated consolidated summary statements, for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008 and 2007 and brought forward balance of restated consolidated profit and loss as at April 1, 2006.

e. **MISCELLANEOUS EXPENDITURE WRITTEN OFF**

The group had incurred certain expenses which were capitalized as preliminary expenses / Deferred Revenue Expenditure and amortised over a period of 5 years. However such expenses do not meet the criteria for recognition of intangible assets under Accounting Standard - 26 'Intangible Assets'. Consequently brought forward balance of restated consolidated profit and loss as at April 1, 2006 has been adjusted.

f. **INCOME TAX ADJUSTMENTS FOR EARLIER YEARS**

The Profit and Loss Account of some years include amounts paid/ provided for, in respect of shortfall in income tax arising out of revised returns, assessments, appeals etc. which has now been adjusted in the restated consolidated summary statements for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008 and 2007 and brought forward balance of restated consolidated profit and loss as at April 1, 2006.

Further, tax expense (current tax and deferred tax) has been computed on adjustments made as detailed (in note 3 and 4) above and has been adjusted in the restated consolidated profits and losses for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008 and 2007 and brought forward balance of restated consolidated profit and loss as at April 1, 2006.

g. **SERVICE TAX LIABILITY FOR EARLIER YEARS**

In respect of Service Tax, the Company, had taken input credit of excise, which was reversed during the year ended March 31, 2008, based on a revised legal opinion and a liability has been provided in the books pertaining to year 2006-07 and 2007-08 upon clarification regarding the applicability of CENVAT Credit Rules, 2004. Accordingly, adjustments have been made to the restated consolidated summary statements for the years ended March 31, 2008 and 2007.

5. Material Regroupings

Appropriate adjustments have been made in the restated consolidated summary statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the group for the year ended March 31, 2010 and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure requirements) Regulations 2009.

6. PROFIT AND LOSS ACCOUNT AS AT APRIL 01, 2006 (Restated)

Particulars	(Rupees in Millions)
Profit and Loss Account as at April 01, 2006 (Audited)*	62.24
Change in accounting policy - Revenue recognition policy (Refer Note 2a)	8.82
Provision for Gratuity (Refer Note 2b and 3a)	(0.47)
Advances/Earnest money deposit written off (Refer Note 4d)	(0.11)
Miscellaneous Expenditure Write off (Refer Note 4e)	(0.26)
Current Tax Impact on adjustments (Refer Note 4f)	(2.84)
Deferred Tax Impact on adjustments (Refer Note 4f)	0.16
Income Tax adjustment for earlier years (Refer Note 4f)	(22.43)
Profit and Loss Account as at April 1, 2006 (Restated)	45.11

*As per audited unconsolidated financial statements of the Company, as there was no subsidiary till March 31, 2006.

7. Non - Adjustment Items

- a. **Audit qualifications for the respective periods, the corrective adjustment for which has not been made in the financial information, since the financial effect thereof is not ascertainable:**

i. Financial year ended March 31, 2008

The extent of physical verification of inventories as carried out by the Company at the end of the year was inadequate. Further, as the Company is in the process of implementing an inventory application, the auditors were unable to perform sufficient audit procedure as regards inventories, aggregating Rs 121.03 million as at March 31, 2008.

ii. Financial year ended March 31, 2007

The Company has represented that it has conducted periodic physical verification of inventories during the year; however, it has not documented the results of physical verification. Further, no physical verification of inventories was carried out as at year end, as the Company was in the process of further updating its inventory records in an adequate manner in respect of certain inventories. Owing to the nature of the Company's records in respect of such inventories, auditors were unable to satisfy themselves as to the inventory quantities and, hence the balances, as of March 31, 2007 by other audit procedures.

iii. Financial year ended March 31, 2007, financial year ended March 31, 2008, financial year ended March 31, 2009 and comparative figures for financial year ended March 31, 2010

As explained in Note (a) (iii) of Annexure XXIIA of the restated summary statements, as the consolidated financial statements were prepared in the current date based on the audited financial statements of the Company and its subsidiaries (which were approved by their Board of Directors at an earlier date) for the specified purpose of proposed initial public offer, these financial statements did not consider the effect of any adjustments that may have been required, for events occurring between the dates of approval by the Board of Directors of the general purpose financial statements of the Company and its subsidiaries and July 1, 2010 (being the date of approval of the consolidated financial statements for these years). Accordingly, the statutory auditors were unable to comment on the effect, if any, on the consolidated financial statements had subsequent events been accounted for and qualified the audit reports for the year ended March 31, 2007, year ended March 31, 2008, year ended March 31, 2009 and corresponding comparative figures in the audit report for the year ended March 31, 2010.

- b. **Audit qualifications for the respective periods, which do not require any corrective adjustment in these restated consolidated summary statements are as follows:**

i. Year ended March 31, 2009

During the year ended March 31, 2009, the Company has entered into certain transactions namely purchases and sales of services aggregating to Rs. 35.37 million and Rs. 1.83 million respectively, with three private limited companies which are its subsidiaries, in which the directors of the Company are interested as directors, which as per the requirements of Section 297 of the Companies Act, 1956, require prior approval of the Central Government. Subsequent to the year-end, the Company had applied to the Central Government for condonation of delay.

The statutory auditors' have qualified their opinion on the financial statements for the year ended March 31, 2009, considering the uncertainty involved regarding regulatory approval and fine / penalties for above delay.

However, subsequent to audit finalisation the Company received the condonation of central government on November 12, 2009 and paid fine / penalty of Rs 0.08 million, hence no adjustment is required in restated consolidated summary statements, as the amount involved is not material.

ANNEXURE XXII C: Notes to the restated consolidated summary statements of assets and liabilities, profits and losses and cash flows for the period ended July 31, 2010 and years ended March 31, 2010, 2009, 2008 and 2007

1. Interest in Joint ventures:

The Group's interest and share in joint ventures in the jointly controlled operations as at March 31, 2010 are as follows:

S.No.	Name of Joint Ventures	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
1	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 18, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited for Design, Manufacture and Supply of all materials, execution of relevant civil works, erection, testing and commissioning of new 220KV Sub-station at Airoli, Sonkhar & Vasai and 132 KV Substation at Jam, Patur, Ghatanji, Wardha, Akola, Pandharkawda, Elichpur and Kundalwadi on turnkey basis.	See Note (a) below	*
2	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 12, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Construction of 220/132KV Grid Sub-Station at Bishnah (J&K).	See Note (a) below	*
3	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from December 31, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Construction of 220/132KV Grid Sub-Station at Budgam (Pkg A) & Mir Bazar (Pkg B)	See Note (a) below	*
4	M/s UB Engineering Limited (UBEL)	Jointly Controlled Operations	A Joint Venture Agreement effective from June 14, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Bihar State Electricity Board for Turnkey Construction of 220/132/33 KV Grid station at Begusarai.	See Note (a) below	*
5	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from January 21, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of 220kv D/C Wagoora-Budgam Zainakot Transmission Line in Kashmir Valley.	See Note (a) below	*
6	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x20 MVA, 132/33 KV Grid Sub-Station at Chandak, District Poonch (J&K).	See Note (a) below	*
7	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from February 15, 2008. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package of Construction of 1x50 MVA, 132/33 KV Grid Sub-Station at Battal, Manwal, District Udhampur (J&K).	See Note (a) below	*
8	M/s Southern Petrochemical Industries Corporation Limited (SPIC-SMO)	Jointly Controlled Operations	A Joint Venture Agreement effective from November 15, 2007. The principal activity of the Venture is to bid for tender and enter into contract with Power Development Department, J & K for Turnkey Package for Survey, Engineering, Design, Fabrication of Lattice Type Structures Galvanisation Supply of Structures, Laying of foundation, Protection Works, Erection of Towers, laying & stringing of ACSR PANTHER Conductor, Testing and Commissioning of Transmission lines from Badampora – Bandipora and from Lassipora – Sopian.	See Note (a) below	*
9	M/s Linkwell Telesystems Private Limited	Jointly Controlled Operations	Joint Venture Agreement effective from August 9, 2008. The principal activity of the Venture is to bid jointly and enter into contract with Madhya Pradesh Poorva Kshetra Vidyut Vitaran Co. Ltd. ('MPPKVVCL'), Jabalpur for design, manufacture, supply, install, commission, operate and maintain Remote Metering of LT Consumers above 10 BHP.	See Note (a) below	*
10	M/s Shyama Power	Jointly	Joint Venture effective from August 22, 2008. The	See Note (a)	*

S.No.	Name of Joint Ventures	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
	(India) Private Limited	Controlled Operations	principal activity of the Venture is to submit a bid jointly and enter into contract with NHPC Ltd for the design manufacture, supply and erection, testing and commissioning of Equipment / Materials stipulated in the bidding documents for Rural Electrification works along with 66 KV Transmission Line each in Leh and Kargil District of Jammu & Kashmir.	below	
11	M/s Cobra Instalaciones Y Servicios, S.A	Jointly Controlled Operations	Joint Venture agreement effective from December 12, 2008. The Principal activity of the venture is to bid for tender and enter into contract with Maharashtra State Electricity Transmission Company Limited (MSETCL), Mumbai for Design, Manufacture and Supply of all materials execution of relevant civil works, erection, testing and commissioning for establishment of new 220 KV Sub-Station at Kudus, Talegaon, Jath, Patoda, Bhokardhan and 132 KV Sub-station at Badnapur on Turnkey basis.	See Note (a) below	*
12	M/s Karamtara Engineering Private Limited	Jointly Controlled Operations	Joint Venture agreement effective from July 10, 2009. The Principal activity of the venture is to bid for tender and enter into contract with POWERGRID Corporation of India Limited (PGCIL) for Design, Manufacture, Supply, Erection, Testing & Commissioning of Equipments/Materials for 765 KV S/C Meerut-Agra Transmission Line (Part-I) associated with 765 KV system for central part of Northern Grid.	See Note (a) below	*
13	M/S Richardson & Cruddas (1972) Limited	Jointly Controlled Operations	Joint Venture agreement effective from September 19, 2008. The Principal activity of the venture is to bid for tender and enter into contract with Rajasthan Rajya Vidyut Prasaran Nigam Ltd. (RRVPL), Jaipur for Design, Manufacture and Supply of materials for construction of 220KV/132KV transmission lines on turnkey basis.	See Note (a) below	*

One of the subsidiaries, A2Z Infrastructure Limited had entered into the following Joint Venture agreements:

S.No.	Name of Joint Ventures	Description of Interest	Nature of Project	Ownership Interest	Country of Incorporation
14	M/s Ram Engineering & Construction Co., M/s Bhumika Transport, M/s Karnataka Compost Development Corporation	Jointly Controlled Operations	Joint Venture Agreement with M/s Ram Engineering & Construction Co. and M/s Bhumika Transport effective from February 6, 2008 and M/s Karnataka Compost Development Corporation effective from March 6, 2008. The principal activity of the venture is Collection, segregation, storage, transportation of solid waste to site, construction of waste processing system, composting, treatment of leachate and integrated landfill facility including supply and installation of all equipments and accessories required to handle municipal solid waste in various cities of U.P. on turnkey basis as well Build, Own, Operate, Transfer contract for Operation & Maintenance	See Note (a) below	*
15	M/s Burns Environmental & Technologies Pvt. Ltd	Jointly Controlled Operations	Support in technical, plant engineering, installation, operations, maintenance and management of various municipal solid waste to compost projects in state of Uttar Pradesh	See Note (a) below	*
16	M/s Maccaferri Environmental Solutions Pvt. Ltd	Jointly Controlled Operations	Collection, segregation, storage, transportation of solid waste to site, construction of waste processing system, composting, treatment of leachate and integrated landfill facility including supply and installation of all equipments and accessories required to handle municipal solid waste on National Level on turnkey basis as well Build, Own, Operate, Transfer contract for Operation & Maintenance	See Note (a) below	*

*Country of Incorporation not applicable, as these are unincorporated Joint Ventures.

Note (a): As per joint venture agreements, the scope and value of work of each partner has been clearly defined and accepted by the clients. The Group's share in Assets, Liabilities, Income and Expenses are duly accounted for in the accounts of the Group in

accordance with such division of work and therefore does not require separate disclosure. However, joint venture partners are jointly and severally liable to clients for any claims in these projects.

2. During the year ended March 31, 2008, the Company had entered into a scheme of Arrangement for the Amalgamation of Sri Eswara Sai Constructions Private Limited (SESCPL) engaged in the business of erection/servicing of transmission lines and similar contracts, with the Company effective from January 1, 2008, which has been approved by the High Court on March 13, 2008. The Company had filed the approved scheme with the Registrar of Companies, NCT of Delhi and Haryana, and received certificate of registration order on April 10, 2008. Accordingly, all assets and liabilities of erstwhile SESCPL are recorded by the Company under pooling of interest method effective from January 1, 2008:
 - a. The difference between the carrying value of Investment in SESCPL and value of net assets acquired under the Scheme of Rs 9.54 million has been debited to Reserves and Surplus.
 - b. The Company has not issued any shares to give an effect to the above Scheme.

Thus, in view of aforesaid Amalgamation with effect from January 1, 2008, the figures for the years ended March 31, 2009 and March 31, 2010 are not comparable with those of the earlier years.

3. During the year ended March 31, 2009, one of the subsidiaries, A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited) was awarded a project under a tender floated by C&DS, UP Jal Nigam ('UPJN') for executing municipal solid waste ('MSW') management works on BOOT basis at Kanpur, Muzaffarnagar and Firozabad for a period of 30 years. This will primarily involve the following activities:
 - a) Supply, erection and commissioning of integrated MSW processing facility to process MSW;
 - b) Construction and development of Sanitary Land Fill ('SLF'); and
 - c) Operation and Maintenance ('O&M') of sanitary land fill for which subsidiary company will get O&M fee on per tonne basis.

Further, in consideration of subsidiary company undertaking to perform & discharge its obligation as mentioned in a) to c) above, UPJN has agreed to share a portion of capital costs & subsidiary company will be provided an amount of Rs 255.90 million for Kanpur Project and Rs 41.90 million and Rs 50.00 million for Muzaffarnagar and Firozabad respectively for construction of compost processing plant & sanitary landfill.

The subsidiary company has set up the municipal solid waste plant at Kanpur and has capitalised the same on May 5, 2010 being the date of approval of factory license for Kanpur. Against this, the subsidiary Company has received an amount of Rs 238.13 million (Year 2009 -10- Rs 140.04 million) as contribution against capital costs. Also, the subsidiary Company has incurred Rs 122.52 million (Year 2009 -10- Rs 110.86 million) till July 31, 2010 for sanitary land fill at Kanpur which is under development and against which Rs 4.41 million (Year 2009 -10- Rs Nil) has been received from UPJN. The expense incurred for sanitary land fill has been disclosed under the head "Capital work in progress including Capital advances" under Annexure XXVA, while the amount received from UPJN against sanitary landfill has been disclosed under the head "Current liabilities" under Annexure XXX of the restated consolidated summary statements.

Muzaffarnagar plant is under construction against which the subsidiary Company has received an amount of Rs 14.52 million (Year 2009 -10- Rs 14.52 million) as contribution against capital costs. Also, the work for Firozabad is yet to be started due to delay in getting approvals / allotment for land. Pending the execution of the formalised agreements with the municipal corporations in this regard, the expenses incurred have been disclosed under the head "Capital work in progress including Capital advances" under Annexure XXVA, while the amount received from UPJN has been disclosed under the head "Current liabilities" under Annexure XXX of the restated consolidated summary statements.

Also, the subsidiary company has been awarded an exclusive right to primary / secondary collection and transportation of MSW upto processing plant / site for a period of 7 years (extendable for another 5 years) for the cities of Indore & Patna.

4. During the year ended March 31, 2010, a consortium comprised of A2Z Maintenance & Engineering Services Limited, the parent company of A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited), M/s Bhumika Transport and Burns Environmental and Technologies (P) Ltd., Sri Lanka has been awarded projects under tenders floated by C&DS, U. P. Jal Nigam ('UPJN') inviting proposals for Development of Integrated Solid Waste Management Facilities on Develop, Build,

Finance, Operate and transfer basis for a concession period of 30 years for the cities of Aligarh, Moradabad, Meerut and Varanasi in the state of Uttar Pradesh.

The scope of work for the Projects includes:

- (a) Door-to-door collection of MSW;
- (b) Primary storage of collected door-to-door MSW;
- (c) Secondary collection and transportation of MSW including street sweeping waste & drain silt;
- (d) Development, construction and operation & maintenance of the MSW Processing Facility with composting as one of the main processes including segregation;
- (e) Development, construction and operation and maintenance of the Landfill Facility;
- (f) Collection of the User Charges, on behalf of Urban Local body (ULB), as determined by the respective ULBs from time to time.

For the execution of the projects, tri-partite agreements have been entered into among respective SPVs (incorporated as subsidiaries of A2Z Infrastructure Limited as A2Z Waste Management (Aligarh) Private Limited, A2Z Waste Management (Merrut) Private Limited, A2Z Waste Management (Moradabad) Private Limited and A2Z Waste Management (Varanasi) Private Limited), respective ULBs and C&DS (a unit of U.P. Jal Nigam).

In respect of Varanasi project, it has been proposed to provide the concessionaire with a capital grant of Rs 486.77 million for the project to the company to meet part of the financial requirements for setting up the facilities. The subsidiary company has incurred an amount of Rs. 5.00 million (Year 2009 -10- Rs. 0.35 million) and received an amount of Rs 73.02 million (Year 2009 -10- Rs. Nil) in respect of project till July 31, 2010.

In respect of Moradabad project, it has been proposed to provide the concessionaire with a grant of Rs 116.47 million for the project to the company to meet part of the financial requirements for setting up the facilities. The subsidiary company has incurred an amount of Rs. 5.84 million (Year 2009 -10- Rs 0.17 million) and received an amount of Rs 17.47 million (Year 2009 -10- Rs. Nil) in respect of project till July 31, 2010.

In respect of Aligarh project, it has been proposed to provide the concessionaire with a grant of Rs 133.28 million for the project to the company to meet part of the financial requirements for setting up the facilities. The subsidiary company has incurred an amount of Rs. 5.86 million (Year 2009 -10- Rs. 0.37 million) and received an amount of Rs 19.57 million (Year 2009 -10- Rs. Nil) in respect of project till July 31, 2010.

In respect of Merrut project, it has been proposed to provide the concessionaire with a grant of Rs 182.84 million for the project to the company to meet part of the financial requirements for setting up the facilities. The subsidiary company has incurred an amount of Rs. 4.26 million (Year 2009 -10 - Rs. 0.76 million) and received an amount of Rs 25.26 million (Year 2009 -10 - Rs. Nil) in respect of project till July 31, 2010.

Pending the execution of the work as per signed agreement with the municipal corporation in this regard, the expenses incurred have been disclosed under the head "Capital work in progress including Capital advances" under Annexure XXVA, while the amount received from UPJN has been disclosed under the head "Current liabilities" under Annexure XXX of the restated consolidated summary statements.

5. During the year ended March 31, 2010, A2Z Powercom Limited (Formerly a2z Powercom Private Limited) has been awarded EPC contract for Supply, Erection and Commissioning of bagasse based 3x15 MW power plants at Fazilka, Nakodar & Morinda from A2Z Maintenance & Engineering Services Limited, the holding company. It has also been awarded work for Supply, Erection and Commissioning of RDF based 1x15 MW power plant at Kanpur by one of fellow subsidiaries, A2Z Infrastructure Limited (Formerly a2z Infrastructure Private Limited).

6. During the period ended July 31, 2010, the Company had entered into following three acquisitions, details of which are as follows:

- i) Pursuant to Business Transfer Agreement dated May 1, 2010, the Company purchased as a going concern the entire business of M/s Surender Chowdhury & Brothers, a partnership firm constituted pursuant to a deed of partnership dated December 2, 2004, engaged in the business of construction of electrical substations and railway electrification work for a consideration of Rs 20,000,000.
 - a. All the assets, including goodwill, business contracts and employees of M/s Surender Chowdhury & Brothers were transferred to the Company and the original owners were employed by the Company.
 - b. The original owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company.
 - c. The original owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the business transfer agreement.
 - d. The difference between the carrying value of Investment in M/s Surender Chowdhury & Brothers and value of net assets acquired of Rs 19,012,620 has been carried as goodwill.
 - e. Further, an amount of Rs 7,500,000 was paid on the date of agreement, while an amount of Rs 12,500,000 is considered as an interest free unsecured loan to be paid post completion of financial and technical DDR in accordance with the terms of the agreement.
- ii) Pursuant to Business Transfer Agreement dated June 10, 2010, the Company purchased as a going concern the business of M/s Mohd. Rashid Contractors, a partnership firm constituted pursuant to a partnership deed dated June 10, 2003 engaged in the business of telecom cable laying, civil works and other engineering, procurement and construction business for a consideration of Rs 2,000,000.
 - a. All the assets, including goodwill, business contracts and employees of M/s Mohd. Rashid Contractors were transferred to the Company and the original owners were employed by the Company.
 - b. The original owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company.
 - c. The original owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the business transfer agreement.
 - d. The difference between the carrying values of Investment in M/s Mohd. Rashid Contractors and value of net assets acquired of Rs 1,950,251 has been carried as goodwill.
- iii) Pursuant to Business Transfer Agreement dated June 10, 2010, the Company purchased as a going concern the business of En-Tech Engineers and Contractors, a partnership firm, constituted pursuant to a partnership deed dated June 10, 2003 engaged in the business of telecom cable laying, civil works and other engineering, procurement and construction business for a consideration of Rs 3,000,000.
 - a. All the assets, including goodwill, business contracts and employees of En-Tech Engineers and Contractors were transferred to the Company and the original owners were employed by the Company.
 - b. The original owners have agreed not to compete with, and solicit the employees of, the Company for a period of ten years from the date of termination of their employment with the Company.
 - c. The original owners have agreed to indemnify the Company from and against any loss and damages as a result of breach of the terms and conditions of the business transfer agreement.
 - d. The difference between the carrying value of Investment in En-Tech Engineers and Contractors and value of net assets acquired of Rs 2,998,988 has been carried as goodwill.
 - e. Further, an amount of Rs 1,000,000 was paid on the date of agreement, while an amount of Rs 2,000,000 is considered as an interest free unsecured loan to be paid post completion of financial and technical DDR in accordance with the terms of the agreement..

These acquisitions have helped the Company to get pre- qualification to bid for various tenders and considering long term benefits arising to the Company by gaining eligibility for biddings, the management is of the opinion that the goodwill is not impaired as at July 31, 2010.

7. **Disclosure of Open Commodity Hedging Contracts:**

In order to hedge its exposure to commodity price risk in purchase of fabricated steel, fabricated aluminium and fabricated copper items used in its operations, the Company has entered into the commodity forwards for base commodities - Steel, Aluminium and Copper.

As at year end, the net open position of futures commodity contracts is as follows:

Commodity	Buy Contracts (Qty in MT.)	M2M Loss/(Gain)*	Buy Contracts (Qty in MT.)	M2M Loss/(Gain)*	Buy Contracts (Qty in MT.)	M2M Loss/(Gain)
	As at July 31, 2010		As at March 31, 2010		As at March 31, 2009**	
Aluminium	960	(2.99)	250	(0.38)	400	0.01
Steel	4,060	(4.31)	4,060	(10.87)	1,310	0.16
Total	5,020	(7.30)	4,310	(11.25)	1,710	0.17

* Net MTM gains are ignored and not accounted for.

**There no such open contracts during the years ended March 31, 2008 and 2007.

8. **Conversion of 75,000,000 .001% Cumulative Mandatorily Convertible Preference Shares of Rs. 10 each into 2,510,687 Fully Paid Equity Shares of Rs. 10 each**

During the year ended March 31, 2008 the Company issued 75,000,000 0.001% Cumulative Mandatorily Convertible Preference Shares ("Preference Shares") of Rs 10/- each. The Preference shares were convertible at any time during the Option Period commencing on the date of approval by the Board of the Company of the Audited Financial statements for the Financial Year ended March 31, 2008 and ending on the earlier of (a) December 30, 2011; and (b) the day immediately prior to the date of filing by the Company of the Draft Red Herring Prospectus in relation to an IPO with the Securities and Exchange Board of India, by the holders into fully paid equity shares with full voting rights with a par value of Rs 10 each at the conversion ratio (as defined in the "Terms and Conditions of the Preference Shares") which is determined as percentage of equity share capital that a Preference Share holder shall receive upon conversion. The Conversion Ratio was subject to adjustment in certain circumstances.

If the holder of Preference Shares did not exercise its right to convert such preference shares into equity shares during the option period, such Preference Shares shall be mandatorily convertible into equity shares in accordance with the conversion ratio on the earlier of (a) December 30, 2011; and (b) the date immediately prior to the date of filing by the Company of the Draft Red Herring Prospectus in relation to an IPO with the Securities and Exchange Board of India.

On July 25, 2008, the Company converted 75,000,000 .001% Cumulative Mandatorily Convertible Preference Shares of Rs. 10/- each issued during the year ended March 31, 2008 into 2,510,687 fully paid Equity Shares of Rs. 10/- each at a premium of Rs. 288.72 per share pursuant to the agreement with the Preference Shareholders.

9. **Contingent liabilities not provided for:**

	July-2010	2009-10	2008-09	2007-08	2006-07
Performance and Financial Bank Guarantees	8,396.98	8,182.85	5,421.39	1,308.56	498.30
Outstanding amounts against counter guarantees / corporate guarantees amounting to Rs 3,119.00 million (year 2009-10 – Rs. 3,115.00 million, year 2008-09 – Rs. 220.00 million) given to Banks on account of facilities granted by said banks to subsidiaries	2,737.10	2,157.91	100.00	-	-
Liquidated damages deducted by customers not accepted by the Company and pending final settlement*	102.32	102.32	84.48	-	-
Open Letters of Credit	568.18	771.26	631.07	495.87	211.20
Litigations under Workmen Compensation Act**	1.18	1.18	-	-	-
Litigations with contractors and others**	3.63	3.63	-	-	-
	11,809.39	11,219.15	6,236.94	1,804.43	709.50

* excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. The management believes that there exist strong reasons why no liquidated damages shall be levied by these customers.

** Based on discussions with the solicitors / favourable decisions in similar cases/legal opinions taken by the Company, the management believes that the Company has a good chance of success in above-mentioned cases and hence, no provision there against is considered necessary.

The management of one of the subsidiary, A2Z Infrastructure Limited (formerly a2z Infrastructure Private Limited), based upon expert legal inputs, believes that the subsidiary company is in compliance with the regulatory requirements in respect of indirect tax matters and accordingly, believes that no adjustments are necessary at this stage.

10. **Capital Commitments :**

Estimated amount of contracts to be executed on capital account and not provided for (net of advances) Rs 523.68 million as at July 31, 2010 (March 31, 2010 – Rs 91.52 million, March 31, 2009 – Rs 239.44 million , March 31, 2008 - Rs. 4.58 million and March 31, 2007 – Rs Nil)

11. During the year ended July 31, 2010, the Company has incurred a loss of Rs 10.76 million (Year 2009-10 – Rs 4.95 million, Year 2008-09 – Rs 45.71 million) due to theft of material at various sites of projects against which the Company has filed an insurance claim with the Insurance Company. Further, Rs 3.52 million (Year 2009-10 – Rs 4.63 million, Year 2008-09 – Rs 22.20 million) has been accounted for as advances receivable in its books, while the balance amount of Rs 6.95 million (Year 2009-10 – Rs 0.32 million, Year 2008-09 – Rs 23.52 million) has been accounted for as an expense in the summary statements. Out of the total amount of Rs. 10.49 million shown as recoverable in 2009-10 (Year 2008-09 – Rs 22.20 million), the Company has received Rs 3.13 million from insurance Company, while an amount of Rs 6.24 million has been written off and Rs 1.12 million has been accounted as recoverable as at July 31, 2010. The management believes that it has made reasonable judgement and no further adjustment is expected in the summary statements.
12. During the year ended March 31, 2009, the Company has entered into certain transactions namely purchases and sales of services aggregating to Rs. 35.37 million and Rs. 1.83 million respectively, with three private limited companies which are its subsidiaries, in which the directors of the Company are interested as directors, which as per the requirements of Section 297 of the Companies Act, 1956, require prior approval of the Central Government. Subsequent to the year-end, the Group has applied to the Central Government for condonation of delay and the management has received the requisite approvals from the Central Government on November 12, 2009 by paying fine / penalties of Rs 0.08 million and hence no adjustments have been required in these summary statements.

13. Employees Benefit

Defined Contribution Plans

Particulars	July-2010	2009-10	2008-09	2007-08	2006-07
Employer's contribution to Provident Fund	21.88	51.99	18.74	7.13	3.02
Employer's contribution to ESI	11.78	26.00	12.90	5.96	2.78
Insurance Premium for Basic Life Cover	0.12	0.37	0.27	0.01	-
Total	33.78	78.36	31.91	13.10	5.80

Defined Benefit Plans

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

As the number of employees did not exceed the minimum number of employees for the applicability of 'The Payment of Gratuity Act, 1972', no provision was made in respect of retirement benefits under the said Act for following subsidiaries –

- (i) a2z Infrastructure limited for the year ended March 31, 2007 and 2008
- (ii) a2z Powercom Limited for the year ended March 31, 2009.
- (iii) Selligence Technologies Services Private Limited & Imatek Solutions Private Limited for the year ended March 31, 2010

The following tables summaries the components of net benefit expense recognised in the profit and loss account and the funded status and amounts recognised in the balance sheet for the respective plans.

Profit and Loss account

Net employee benefit expense (recognised in Employee Cost)

Gratuity	July-2010	2009-10	2008-09	2007-08	2006-07
Current service cost	17.26	14.59	13.08	1.26	0.36
Interest cost on benefit obligation	0.86	1.01	0.87	0.07	0.03
Expected return on plan assets	(0.69)	(0.91)	(0.96)	-	-
Net actuarial (gain)/ loss recognised in the year	(13.15)	2.78	(5.71)	1.68	0.25
Past service cost	-	(0.00)	-	-	-
Net benefit expense*	4.28	17.47	7.28	3.01	0.64
Actual return on plan assets	0.58	1.38	0.58	0.00	-

*Includes Rs 0.07 million (Year 2009-10 Rs 0.02 million) which has been carried under capital work in progress

Balance sheet

Gratuity	July-2010	2009-10	2008-09	2007-08	2006-07
Defined benefit obligation	(37.88)	(33.03)	(11.93)	(4.12)	(1.12)
Fair value of plan assets	27.46	26.68	12.57	2.74	-
	(10.42)	(6.35)	0.64	(1.38)	(1.12)
Less: Unrecognised past service cost	-	-	-	-	-
Plan asset / (liability)	(10.42)	(6.35)	0.64	(1.38)	(1.12)

Changes in the present value of the defined benefit obligation are as follows:

Gratuity	July-2010	2009-10	2008-09	2007-08	2006-07
Opening defined benefit obligation	33.03	11.93	4.12	1.12	0.47
Addition on account of acquisition of subsidiary	-	2.22	-	-	0.03
Interest cost	0.86	1.01	0.87	0.06	0.37
Current service cost	17.26	14.59	13.08	1.25	-
Benefits paid	-	(0.01)	(0.04)	-	-
Actuarial (gains)/losses on obligation	(13.26)	3.29	(6.10)	1.69	0.25
Closing defined benefit obligation	37.89	33.03	11.93	4.12	1.12

Changes in the fair value of plan assets are as follows:

Gratuity	July-2010	2009-10	2008-09	2007-08	2006-07
Opening fair value of plan assets	26.68	12.57	2.74	-	-
Addition on account of acquisition of subsidiary	-	0.37	-	-	-
Expected return	0.69	0.91	0.96	-	-
Contributions by employer	0.20	12.33	9.29	2.74	-

Benefits paid	-	(0.01)	(0.04)	-	-
Actuarial gains / (losses)	(0.11)	0.51	(0.38)	0.00	-
Closing fair value of plan assets	27.46	26.68	12.57	2.74	-

The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the actual rate of return during the respective year.

The Group expects to contribute Rs. 21.46 million (Year 2009-10 – Rs 20.44 million, Year 2008-09 – Rs 17.66 million, Year 2007-08 – Rs 5.99 million, Year 2006-07 – Rs 8.26 million) to gratuity in 2010-11.

The principal assumptions used in determining gratuity for the Group's plans are shown below:

	July-2010	2009-10	2008-09	2007-08	2006-07
Discount rate	8%	8%	7%	8%	7.5%
Expected rate of return on assets	8%	8% - 9%	7%	8%	7.5%
Expected rate of increase in compensation level	5%	3% - 5%	1% - 4%	5%	4%
Expected average remaining working life of employees	24.43 - 31.29	23.41 - 34.59	25.69 - 30.60	31.13	32.89

Amounts for the current and previous four years are as follows:

Particulars	July-2010	2009-10	2008-09	2007-08	2006-07
Defined benefit obligation	37.88	33.03	11.93	4.12	1.12
Plan Assets	27.46	26.68	12.57	2.74	-
Surplus / (deficit)	(10.42)	(6.35)	0.64	(1.38)	(1.12)
Experience (gain) / loss on plan liabilities	(14.67)	3.13	(6.40)	-	0.36
Experience gain / (loss) on plan assets	(0.11)	0.51	(0.38)	-	-

14. Operating Leases

Group as a Lessee

The Group has entered into various short-term cancellable lease agreements, at a notice period up to three months, for leased premises. Gross rental expenses aggregate to Rs 28.26 million (Year 2009-10 – Rs 65.06 million, Year 2008-09 – Rs 51.37 million, Year 2007-08 – Rs 17.29 million and Year 2006-07 – Rs 4.68 million).

Group as a Lessor

The Company has entered into operating lease agreement for leasing its plant & machinery set up on the leasehold land at Jind (Haryana) & Cuttack (Orissa) at a consideration of Rs. 0.2 million per month and at Giridih (Jharkhand) & Medinipur (West Bengal) at a consideration of Rs. 0.2 million per annum each. The Lease agreement for Jind (Haryana) and Cuttack (Orissa) has been terminated with effect from April 1, 2009 and July 1, 2009 respectively and the Lease agreement with Giridih (Jharkhand) has been terminated with April 1, 2010. As per the arrangement, the lessee would supply its substantial portion of manufacture to the lessor at a price agreed between the parties from time to time. The Gross rental income aggregate to Rs 0.07 million (Year 2009-10 – Rs 0.89 million, Year 2008-09 – Rs 4.48 million, Year 2007-08 – Rs 2.76 million, Year 2006-07 – Rs 1.2 million and Year 2005-06 – Rs Nil).

The gross book value, accumulated depreciation and depreciation charged during the year of the above assets as at the year-end amounts to Rs 29.19 million (Year 2009-10 – Rs 29.19 million, Year 2008-09 – Rs 33.96 million, Year 2007-08 – Rs 23.63 million, Year 2006-07 – Rs 17.06 million and Year 2005-06 – Rs Nil), Rs 12.29 million (Year 2009-10 – Rs 11.21 million, Year 2008-09 – Rs 8.35 million, Year 2007-08 – Rs 5.15 million, Year 2006-07 – Rs 1.09 million and Year 2005-06 – Rs Nil) and Rs 1.07 million (Year 2009-10 – Rs 4.38 million, Year 2008-09 – Rs 3.15 million, Year 2007-08 – Rs 4.12 million, Year 2006-07 – Rs 1.09 million and Year 2005-06 – Rs Nil) respectively.

15. Deferred Tax

Break-up of Deferred Tax Assets / (Liabilities):

Timing Difference on account of	Deferred Tax Assets / (Liability) as at 31.07.2010	Deferred Tax Assets / (Liability) as at 31.03.2010	Deferred Tax Assets / (Liability) as at 31.03.2009	Deferred Tax Assets / (Liability) as at 31.03.2008	Deferred Tax Assets / (Liability) as at 31.03.2007
Deferred Tax Liabilities					
Difference between Book and Tax Depreciation	(25.84)	(23.80)	(7.16)	(2.92)	(1.40)
Sub Total (A)	(25.84)	(23.80)	(7.16)	(2.92)	(1.40)
Deferred Tax Assets					
Expenditure debited to profit & loss account in the current year but allowable for tax purposes in the following years	70.56*	16.96	9.16	1.64	0.18
Provision of Doubtful Advances	0.82	0.69	0.70	0.13	0.13
Provision of Doubtful Debts	49.14	44.81	20.53	12.76	8.92
Unabsorbed Business Loss and Depreciation	6.42	7.50	-	-	-
Sub Total (B)	126.94	69.96	30.39	14.53	9.23
Total (A+B)	101.10	46.16	23.23	11.61	7.83

The Group follows Accounting Standard (AS-22) "Accounting for taxes on Income" as notified by the Companies (Accounting Standards) Rules, 2006, (as amended). Due to loss during the current and previous years, one of the subsidiaries - a2z Infrastructure Private Limited (together with its further four subsidiaries) have deferred tax asset with loss as a major component. Since there is no convincing evidence which demonstrates virtual certainty of realization of such deferred tax asset in the near future, the subsidiary company has not recognized deferred tax asset on such timing differences.

* Including Deferred Tax Credit of Rs 43.19 million, which has been created in respect of Extraordinary item (also refer Note 27 of Annexure XXIIC)

16. Earnings per share

The calculations of earning per share are based on the profit and number of shares as computed below:

Particulars	July-2010	2009-10	2008-09	2007-08	2006-07
Net profit as per profit and loss excluding extra ordinary items, as restated	347.96	978.72	590.49	498.42	112.55
Less : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-
Net profit for calculation of basic EPS (excluding extra-ordinary items)	347.96	978.72	590.49	498.41	112.55
Add : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-
Net profit for calculation of diluted EPS (excluding extra-ordinary items)	347.96	978.72	590.49	498.42	112.55
Net profit as per profit and loss including extra ordinary items, as restated	261.13	978.72	590.49	498.42	112.55
Less : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-
Net profit for calculation of basic EPS (including extra-ordinary items)	261.13	978.72	590.49	498.41	112.55
Add : Dividends on convertible preference shares & tax thereon	-	-	0.00	0.01	-
Net profit for calculation of diluted EPS (including extra-ordinary items)	261.13	978.72	590.49	498.42	112.55
Weighted average number of equity shares in calculating basic EPS	57,301,125	56,624,327	55,236,729	53,475,083	53,265,146
Add : Weighted average number of equity shares which would be issued on conversion of Share Warrant	-	-	-	15,008	36,250
Add : Weighted average number of equity shares which would be issued on the conversion of preference shares	-	-	791,038	1,399,117	-
Weighted average number of equity shares in calculating diluted EPS	57,301,125	56,624,327	56,027,767	54,889,208	53,301,396
Basic Earnings Per Share					
Excluding extra-ordinary items	6.07**	17.28	10.69	9.32	2.11
Including extra-ordinary items	4.56**	17.28	10.69	9.32	2.11
Diluted Earnings Per Share*					
Excluding extra-ordinary items	6.07**	17.28	10.54	9.08	2.11
Including extra-ordinary items	4.56**	17.28	10.54	9.08	2.11

*The effect of dilutive potential equity shares are considered whereas anti-dilutive potential equity shares are ignored in calculation of Diluted Earnings per share

**Not annualised

17. Managerial remuneration

Remuneration to Directors:

	July-2010	2009-10	2008-09	2007-08	2006-07
Salaries (including allowances)	4.40	14.29	12.76	4.11	2.06
Perquisites (including Commission to Managing Director of Rs 4.79 million (Year 2009-10 – Rs 15.68 million)	4.84	16.01	0.20	-	0.02
Contribution to provident fund	0.39	0.70	0.57	0.17	-
Sitting Fees	0.66	0.76	0.08	-	-
Total	10.29	31.76	13.61	4.28	2.08

As the future liability for gratuity is provided on an actuarial basis for the group as a whole, the amount pertaining to the directors are not included above.

18. During the year ended March 31, 2010, the Company has formulated Employee Stock Option Scheme referred as 'A2Z Stock Option Plan 2010 ('the plan')' for all eligible employees/ directors of the Company except an employee who is promoter or belongs to the promoter group of the Company and its subsidiaries in pursuance of the special resolution duly approved by the shareholders on March 30, 2010.

The plan shall be administered and supervised by the Remuneration-cum-Compensation Committee under the powers delegated by Board. Each option shall entitle the option grantee to apply for and be transferred one (1) Equity Share of the Company. On or from the time of the listing of the Equity Shares of the Company, the maximum number of options that can be granted to any employee in any year under the A2Z ESOP shall be less than 5% of the issued share capital of the Company (excluding any outstanding warrants or other securities convertible into Equity Shares) at the time of grant of options, subject to the overall ceiling of 2,865,056 options in the aggregate.

The Company has granted stock options on June 2, 2010, details of which are as follows:

Options granted	1,075,750																											
Date of Grant	June 2, 2010																											
Requirements of vesting, period of vesting and maximum period within which options shall be vested	The vesting schedule is set forth below: <table><tr><th><u>Vesting</u></th><th><u>Number of months from the date of grant of options</u></th><th><u>% of options vested</u></th><th><u>Cumulative % of options vested</u></th></tr><tr><td>1</td><td>12</td><td>20</td><td>20</td></tr><tr><td>2</td><td>24</td><td>20</td><td>40</td></tr><tr><td>3</td><td>36</td><td>20</td><td>60</td></tr><tr><td>4</td><td>48</td><td>20</td><td>80</td></tr><tr><td>5</td><td>60</td><td>20</td><td>100</td></tr></table>				<u>Vesting</u>	<u>Number of months from the date of grant of options</u>	<u>% of options vested</u>	<u>Cumulative % of options vested</u>	1	12	20	20	2	24	20	40	3	36	20	60	4	48	20	80	5	60	20	100
<u>Vesting</u>	<u>Number of months from the date of grant of options</u>	<u>% of options vested</u>	<u>Cumulative % of options vested</u>																									
1	12	20	20																									
2	24	20	40																									
3	36	20	60																									
4	48	20	80																									
5	60	20	100																									
Exercise price	Rs. 314.13																											
Exercise period and process of exercise	5 years; by way of application																											
Accounting method used by the Company to value its options	Intrinsic value method																											
Method of settlement	Equity																											
Vesting conditions	Eligibility based on employment																											

The details of activity under June 2010 Plan have been summarized below:

Particulars	July 31, 2010		
	Number of options	Weighted Average Exercise Price(Rs.)	Weighted average remaining contractual life of options (in years)
Outstanding at the beginning of the period	Nil		
Granted during the period	1,075,750	314.13	
Forfeited during the period	36,000	314.13	
Exercised during the period	Nil	314.13	
Expired during the period	Nil	314.13	
Outstanding at the end of the period	1,039,750	314.13	
Exercisable at the end of the period	Nil	314.13	
Weighted average fair value of options granted on the date of grant	1,075,750	58.23	7.84

The fair value of the options granted was estimated on the date of grant using the Black-Scholes valuation model with the following assumptions:

Particulars	July 31, 2010
Weighted average share price / fair value of Share	Rs. 221.75
Exercise Price	Rs. 314.13
Annual Volatility (Standard Deviation – Annual)	34.93%
Time To Maturity - in years	5.51
Dividend Yield	2.25%
Risk free Rate – Annual	7.45%

AS A2Z is an unlisted company, the expected volatility was determined based on Average of Semi - annual volatility of stock price of peer group.

Effect of the employee share-based payment plans on the profit and loss account and on its financial position:

Particulars	July 31, 2010
Total Employee Compensation Cost pertaining to share-based payment plans	Nil*
Compensation Cost pertaining to equity-settled employee share-based payment plan included above	Nil
Total Liability for employee stock options outstanding as at year end	Nil
Intrinsic Value of liability as at year end for which right to cash/other assets have vested (e.g. vested stock appreciation rights)	Nil

*As the exercise price is more than the fair value of the shares, under 'Intrinsic Value' Method.

Since the enterprise used the intrinsic value method the impact on the reported net profit and earnings per share by applying the fair value based method

In March 2005 the ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after April 1, 2005. The said guidance note requires the Proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements. Applying the fair value based method defined in the said guidance note, the impact on the reported net profit and earnings per share would be as follows:

Particulars	July 31, 2010
Profit as restated including extra-ordinary items	261.14
Add: Employee stock compensation under intrinsic value method	-
Less: Employee stock compensation under fair value method*	4.34
Pro-forma profit	256.80
Earnings Per Share	
Basic	
- As reported (including extra-ordinary items)	4.56
- Pro-forma	4.48
Diluted	
- As reported (including extra-ordinary items)	4.56
- Pro-forma	4.48

* The Company has considered an attrition / lapsing rate of 2% for the purpose of above disclosure.

19. Debtors, Advances from customers and Sundry Creditors of the Company and one of its subsidiaries, a2z Infrastructure Private Limited, are subject to confirmation / reconciliation as at year/period end or any time during these years. As explained, the Group follows a process of informal confirmation with its customers / suppliers and based on such informal confirmations/ discussions, believes that amount recoverable appearing as outstanding at year/period end are good of recovery, while the amounts payable are due. The management believes that no material adjustments are likely on formal confirmation / reconciliation of these balances.

20. **Construction Contracts**

	July-2010	2009-10	2008-09	2007-08	2006-07
Contract revenue recognized as revenue during the period/year	3,652.56	11,216.06	6,634.14	4,526.58	1,703.66
Aggregate Amount of cost incurred and recognized profits up to the reporting date on contract under progress during the period/year	24,683.41	21,021.56	13,127.49	6,583.38	1,971.14
Amount of advance received on contract under progress and outstanding at period / year end	923.94	959.78	523.57	168.89	4.88
Amount of retentions on contract under progress	3,529.58	4,281.22	2,247.72	1,396.33	495.69
Gross amount due from customers for contract work as an asset	3,239.36	1,769.60	1,176.67	616.85	107.74
Gross amount due to customers for contract work as a liability	34.84	529.13	476.49	161.19	227.55

21. **Derivative Instruments and Unhedged Foreign Currency Exposure:**

a) **Derivative Instruments**

As at	Particulars of Derivatives	Purpose
	Forward Contract Outstanding as at Balance sheet Date	
	Purchase	
July 31, 2010	US \$ 5,000,000**	Hedge of Foreign Currency Loans
March 31, 2010	US \$ 2,000,000**	Hedge of Foreign Currency Loans
March 31, 2009*	US \$ 4,800,000**	Hedge of Foreign Currency Loans

*There is no hedged foreign currency exposure during the years ended March 31, 2008 and 2007.

**1 USD= Rs. 46.92 as at July 31, 2010 (Year 2008-09 - 1 USD= Rs. 45.58, Year 2008-09 - 1 USD= Rs. 50.95).

b) The detail of unhedged foreign currency exposure as at balance sheet date are as under:

Particulars	Amount in Rupees millions	Amount in Foreign currency	Currency	Exchange rate as on July 31, 2010*
Advance given to foreign suppliers	220.44	4,791,108	USD	1 USD = INR 46.01
Advance given to foreign suppliers	1.32	22,000	EURO	1 EURO = INR 59.81
Import Creditors	142.03	3,026,997	USD	1 USD = INR 46.92
Foreign currency in hand	0.02	480	USD	1 USD = INR 46.01
Foreign currency in hand	0.01	610	(Dirham)	1 Dirham = INR 12.28
Foreign currency in hand	0.00	15	(Riyal)	1 Riyal = INR 12.37
Foreign currency in hand	0.00	490	(Rubal)	1 Rubal = INR 1.53
Foreign currency in hand	0.14	2,321	EURO	1 EURO = INR 59.81
Foreign currency in hand	0.01	4,120	(Thai Bhat)	1 Thai Bhat = INR 1.436

*There are no unhedged Foreign Currency Exposures as at March 31, 2010, 2009, 2008 and 2007.

22. **Disclosures under Micro, Small and Medium Enterprises Act, 2006**

The Micro, Small and Medium Enterprises have been identified by the Company from the available information, which has been relied upon by the auditors. According to such identification, the disclosures in respect to Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 is as follows:

	July-2010	2009-10	2008-09	2007-08	2006-07
Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006					
the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year					
- Principal amount	19.79	76.72	13.01	0.02	0.05
- Interest amount	0.87	0.17	-	-	-
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-	-

	July-2010	2009-10	2008-09	2007-08	2006-07
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	0.87	0.17	-	-	-
the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-	-	-
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-	-	-	-

23. Provisions:

Description	July-2010	2009-10	2008-09	2007-08	2006-07
Provision for Warranty					
Opening Provision	22.24	11.07	4.37	-	-
Additions during the year	3.66	11.17	6.70	4.37	-
Utilization during the year	-	-	-	-	-
Unused amounts reversed during the year	-	-	-	-	-
Closing Provision	25.90	22.24	11.07	4.37	-

24. The Company has on certain contracts, undertaken additional supplies of material basis approval by its customers and also incurred additional cost on site erection basis the surveys undertaken by its customers. In accordance with its contracts with the customers, the quantity variation upto specified thresholds have been envisaged and accordingly, the management has reassessed the value of its contracts and accounted for additional revenue of Rs 857.10 million (Year 2009-10 – Rs 738.58 million) on these contracts.

In respect of these contracts, the quantities supplied have been approved by the customers before dispatch. The management expects that these variations shall be soon approved by these customers and no material adjustments are likely upon such approvals.

25. During the period ended July 31, 2010, the Company has made investment in Mansi Bijlee Private Limited of Rs 0.10 million on July 20, 2010 to acquire its 100% equity shareholding and has recorded goodwill of Rs 0.01 million on such acquisition, computed based on management approved financial statements. The management of the Company, based on the approved future projections of the subsidiary, believes that the goodwill is not impaired as at the balance sheet date.

The Company has made investment of Rs. 76.66 million in Imatek Solutions Private Limited ('Imatek') on August 13, 2009 to acquire its 100% equity shareholding during the year ended March 31, 2010, which has further purchased 51% shares in CNCs Facility Solutions Private Limited on October 21, 2009 and recorded goodwill of Rs. 59.08 million on such acquisition, computed based on management approved financial statements. The management of the Company, based on the approved future projections of the subsidiary, believes that the goodwill is not impaired as at the balance sheet date.

26. As at the period ended July 31, 2010, the Company is carrying unbilled revenue of Rs 177.62 million (Year 2009-10 – Rs 234.31 million) against certain contracts for over a year. The management is confident of recovering these amounts upon completion of surveys by the customers / third parties.

27. The Company is executing a construction contract for its customer at Leh and Kargil. Material purchased specifically for the project is invoiced to the customer basis their approved delivery instructions. In accordance with its contract with the customer, the Company has taken a joint insurance policy for the project value awarded by the customer.

Subsequent to period-end, Leh had a massive cloud burst and certain inventories at site have been damaged and are presently lying submerged inside pile of debris. Even though the exact quantum of loss is yet to be assessed by the insurance company, the management has assessed that inventories with estimated valuation of Rs. 130.02 million invoiced to the customer have been damaged. In accordance with customer's agreement, the responsibility of coordinating with the insurance company on behalf of

the customer has been assigned to the Company. The management expects to recover the entire amount on behalf of its customer.

Pending determination of insurance claim, the management has, in view of the constructive obligation upon the Company to execute the project and on account of prudence, recognised the cost of replacement material of Rs 130.02 million and deferred tax credit thereon of Rs 43.19 million, thereby presenting net amount of Rs 86.83 million in the profit and loss account as an 'Extraordinary Item'.

28. During the period ended July 31, 2010, in accordance with Section 81(1A) of the Companies Act, 1956, one of the subsidiaries, A2Z Infrastructure Limited has made preferential allotment of 2,250,000 equity shares of Rs 10 each at par to two of its directors (2,025,000 shares) and others (225,000 shares) on which Rs 1 has been paid up till July 31, 2010. This has resulted in dilution of shareholding percentage of the Company in the subsidiary company from 100% to 90% (based on number of shares allotted) as at July 31, 2010. Further, two of the other subsidiaries, A2Z Powercom Limited and A2Z Powertech Limited have also made preferential allotment of 25,000 shares and 100,000 shares respectively of Rs 10 each at par to their directors and directors of holding company / a fellow subsidiary, which has resulted in dilution of shareholding percentage of the Company in the subsidiary companies from 100% to 80% (based on number of shares allotted) and from 100% to 95% (based on number of shares allotted) respectively as at July 31, 2010. Further, one of the other subsidiaries, A2Z Infraservices Limited has also made preferential allotment of 105,250 shares of Rs 10 each at premium of Rs 80 per share to its directors, on which Rs 9 has been paid up (including securities premium of Rs 8 per share) till July 31, 2010, which has resulted in dilution of shareholding percentage of the Company in this subsidiary company from 100% to 95% (based on number of shares allotted) as at July 31, 2010. The Company believes that the price at which shares have been allotted to the directors of the Company / subsidiary companies is not prejudicial to the interest of the Company and remaining calls will be made in respect of the unpaid money in due course.
29. One of the subsidiary companies, A2Z Infrastructure Limited (formerly a2z Infrastructure Private Limited) has started executing a project related to Collection and Transportation of Municipal Solid Waste in Patna since January, 2010. However, the debtors against the said project (amounting to Rs. 24.27 million as at July 31, 2010) are outstanding till date.

The management understands that the Central Vigilance Commission (the "CVC") has filed an FIR against the Commissioner, Municipal Corporation of Patna and others, on July 21, 2010 under Sections 467, 468, 420, 406, 409, 477A, 120B/201 of the Indian Penal Code, 1860 for alleged corrupt practices with respect to contracts executed by the Commissioner, of which one of the contracts referred to in the FIR includes the Collection and Transportation contract awarded to the subsidiary Company for the city of Patna. The matter is currently under investigation by the CVC. The subsidiary Company has also filed a detailed reply refuting all allegations raised in the said FIR in relation to the subsidiary Company and are currently continuing operations at Patna. The management believes that the debtors are fully recoverable and no adjustments are deemed necessary in the financial statements in this regard.

As per our report of even date

For S.R. Batliboi & Associates
Firm registration number: 101049W
Chartered Accountants

per Sanjay Vij
Partner
Membership No: 95169

Place: Gurgaon
Date: November 10, 2010

Annexure XXIII: Restated consolidated statement of Reserves & Surplus

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Securities premium account					
Balance as at beginning of the year	1,422.14	778.68	53.79	195.71	20.01
Add: Receipt during the year	-	987.27	724.89	33.17	175.70
Less: Utilised on issue of bonus shares (Refer Note 1 & 2 below)	-	343.81	-	175.09	-
Less: Utilised for share issue expenses (Refer Note 3 below)	26.76	-	-	-	-
	1,395.38	1,422.14	778.68	53.79	195.71
Profit and Loss Account	2,476.98	2,215.85	1,237.12	646.63	157.66
Less: share of Profit/(Loss) of minority interest (Refer Note 28 of Annexure XXIIC)	(0.48)	-	-	-	-
	2,477.46	2,215.85	1,237.12	646.63	157.66
General reserve					
Balance as at beginning of the year	-	-	-	-	-
Add: Transferred from Profit and Loss Account	-	-	-	9.54	-
Less: Adjustment for excess amount paid over net assets in the scheme of amalgamation (Refer Note 2 of Annexure XXIIC)	-	-	-	9.54	-
	-	-	-	-	-
Total	3,872.84	3,637.99	2,015.80	700.42	353.37

Note:

1. The Company has issued 17,509,481 equity shares as bonus shares to the share holders by way of capitalization of securities premium in the ratio of 11 shares for every 1 shares held, which were approved at the extraordinary general meeting of the shareholders held on August 10, 2007.
2. The Company has issued 34,380,675 equity shares as bonus shares to the share holders by way of capitalization of securities premium in the ratio of 3 shares for every 2 shares held, which were approved at the extraordinary general meeting of the shareholders held on March 18, 2010.
3. During the period ended July 31, 2010, the Company has utilised securities premium account for share issue expenses in accordance with relevant provisions of the Companies Act, 1956.
4. The figures disclosed above are based on the restated consolidated summary statement of Assets & Liabilities of the Company.

Annexure XXIV: Restated consolidated statement of Secured Loans and Unsecured Loans and assets charged as securities against Secured Loans

Secured loans

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
A) On Term Loan Account					
I) From banks					
Term loan from banks is secured by exclusive charge on the entire moveable assets of the pole factory at Indore and Bhubaneswar and all assets acquired out of term loan.	-	-	-	7.94	-
Term Loan from Banks is secured by fixed assets located at 7th floor (unit no. 701), tower - B, support area, medicity, Sector - 38, Gurgaon along with subservient charge on fixed assets, current assets, movable properties, rights under the projects agreements, rights under the insurance policies and personal guarantee of directors.	722.96	322.96	-	-	-
Term Loan from Banks is secured by Escrow on the: (i) Subsidy receivables from U.P. Jal Nigam, (ii) Tipping fee for MSW collection from Municipal Corporation of Kanpur and Firozabad, (iii) Charges from U.P. Jal Nigam for disposal in SLF at Kanpur and Firozabad, (iv) Escrow on the Patna project receivables and hypothecation of Patna project assets. Further secured by first charges on entire movable and current assets of the company (both present and future) and further secured by corporate guarantee of the parent company A2Z Maintenance & Engineering Services Ltd and an irrevocable and unconditional personal guarantee(s) from Managing director and director of the Company.	252.50	252.50	-	-	-
Term Loan from Banks is secured by first charges over all present and future movable and immovable fixed assets & current assets of the 15 MW power project at Kanpur, assignment of all material project contracts, consent, trade documents and approvals, relating to the project (having value above Rs 100 million) to the extent permissible by Law, further secured by an irrevocable and unconditional personal guarantee(s) of Managing director and director of the company & A2Z Maintenance & Engineering Services Ltd., the Holding Company	150.00	75.00	-	-	-
Term Loan from Banks is secured by hypothecation of machineries purchased/acquired out of term loan.	-	0.49	-	-	-
II) From a Financial Institution					
Term Loan from a financial institution is secured by fixed assets located at 8th floor (unit no. 801), tower - B, support area, medicity, Sector - 38, Gurgaon along with subservient charge on fixed assets, current assets, movable properties, rights under the projects agreements, rights under the insurance policies and personal guarantee of directors.	400.00	466.67	-	-	-
III) Interest Accrued & Due	6.22	1.42	-	-	-
B) On Foreign currency demand loan, Working capital loans, Cash Credit facilities, Bill discounting facilities and Vendor financing					
I) From banks					
Secured by First pari-passu charge on the entire current as well as fixed assets of the Company both present and future along with collateral security and personal guarantee of Directors.	4,077.23	2,852.48	2,385.19	1,203.28	334.81
II) Interest Accrued & Due	4.80	4.34	6.88	-	-
C) On Vehicle & Equipment Loans					
I) From banks					
Secured by the hypothecation of vehicles and equipments	85.42	71.96	50.75	36.05	5.66
Total	5,699.13	4,047.82	2,442.82	1,247.27	340.47
Unsecured loans					
I) From banks	2.09	3.74	0.16	1.39	2.85
II) From Others					
Loan from a financial institution	-	-	200.00	-	-
Loan from a director	0.16	0.35	-	-	-

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Long term loan from a shareholder	-	-	-	-	150.00
Long term loan from others (Refer Note 6 of Annexure XXIIIC)	14.50	-	-	-	-
III) Interest accrued & Due	-	-	-	-	5.07
Total	16.75	4.09	200.16	1.39	157.92
Grand Total	5,715.88	4,051.91	2,642.98	1,248.66	498.39

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Roomy Daruwalla	0.16	0.35	-	-	-
Rakesh Jhunjhunwala	-	-	-	-	155.07

Note:

1. The Loan taken from Mr Roomy Daruwalla was repayable on demand and interest free.
2. The Loan taken from Mr. Rakesh Jhunjhunwala was repayable after 18 months and carried interest rate of 18%.
3. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
4. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.
5. Summary of Interest Rates:

Particulars	Rate of Interest				
	July-10	2009-10	2008-09	2007-08	2006-07
Term Loan					
- From Bank	11.00% - 17.00%	11.00% - 17.00%	12.50% - 13.75%	12.75%	-
- From Financial Institution	13.25%	13.25% - 18.50%	18.50% - 21.00%	-	-
Working Capital Loan					
- From Bank	5.65% - 15.50%	5.51% - 15.25%	7.80% - 18.00%	9.00% - 14.75%	11.25% - 13.25%
Vehicle Loan& Equipment Loans					
- From Bank	8.25% - 16.00%	8.50% - 14.00%	6.75% - 14.00%	6.75% - 13.84%	6.75% - 10.43%

Annexure XXV: Consolidated Capitalisation Statement as at July 31, 2010

(Rupees in Million)		
Particulars	Pre-Issue as at July 31, 2010	Post Issue *
Long term debt	1,121.49	[-]
Short term debt (Including working capital loans)	4,594.39	[-]
Working capital loans	-	[-]
Total debt	5,715.88	[-]
Shareholders' funds		
- Equity Share capital	573.01	[-]
Reserves & Surplus, as restated		
- Securities premium account	1,395.38	[-]
- Profit and Loss Account	2,477.46	[-]
Miscellaneous Expenditure (to the extent not written off or adjusted)	(169.57)	[-]
Total shareholders' funds	4,276.28	[-]
Long term debt : equity	0.262	[-]

* The corresponding post issue capitalization data is not determinable at this stage pending the completion of the Book Building process and hence have not been furnished.

Notes :

- Short term debts represents debts, which are due within twelve months from July 31, 2010.
- Long term debt represents debt other than short-term debt, as defined above.
- The Company has issued 34,380,675 equity shares as bonus shares to the existing share holders by way of capitalization of securities premium in the ratio of 3 shares for every 2 shares held, which were approved at the extraordinary general meeting of the shareholders held on March 18, 2010.
- During the period ended July 31, 2010, the Company has utilised securities premium account for share issue expenses in accordance with relevant provisions of the Companies Act, 1956.
- The figures disclosed in the above table are based on the restated consolidated summary statement of Assets and Liabilities of the Company.
- Long-term debt/equity $\frac{\text{Long-term debt}}{\text{Total Shareholders' Funds}}$

Annexure XXV A: Restated consolidated statement of Capital Work in Progress**(Rupees in Million)**

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Building under construction	196.21	325.54	4.67	-	-
Plant & machinery under erection	14.46	206.19	29.07	-	-
Software implementation cost	-	-	19.32	-	-
Personnel expenses	7.87	19.49	3.26	-	-
Depreciation	0.60	1.56	0.18	-	-
Borrowing Cost	22.00	2.64	-	-	-
Other directly attributable expenses	54.98	47.03	5.12	-	-
Capital advances for building & others	255.31	243.95	74.05	-	-
Total	551.43	846.40	135.67	-	-

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies	-	-	-	-	-

Note:

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

Annexure XXVI: Restated consolidated statement of Investments**(Rupees in Million)**

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Investment in Shares (at Cost)					
Other than trade, Unquoted					
The Greater Bombay Co-operative Bank Ltd					
10,200 Shares of Rs 25/- each fully paid up	0.26	0.26	-	-	-
Total	0.26	0.26	-	-	-
Aggregate book value of quoted investments	-	-	-	-	-
Aggregate market value of quoted investments	-	-	-	-	-
Aggregate book value of unquoted investments	0.26	0.26	-	-	-

Note:

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

Annexure XXVII: Restated consolidated statement of Sundry Debtors (Unsecured)***(Rupees in Million)**

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Debts outstanding for a period exceeding six months					
- considered good	2,466.09	2,578.12	1,168.98	604.53	66.28
- considered doubtful	140.61	130.25	57.92	37.56	26.23
Other debts					
- considered good	4,047.92	5,688.18	3,690.22	2,580.36	1,188.79
- considered doubtful	7.34	6.60	3.24	-	-
Less: Provision for doubtful debts**	147.95	136.85	61.16	37.56	26.23
Total	6,514.01	8,266.30	4,859.20	3,184.89	1,255.07

* Sundry debtors include retention money of Rs 3529.58 million (Year 2009-10 - Rs 4,281.22 million, Year 2008-09 - Rs 2,247.72 million, Year 2007-08 - Rs 1,396.33 million, Year 2006-07 - Rs 495.69 million) which are due on completion of erection / contracts / final acceptance by the customers. The management is confident of recovering these amounts upon erection / contract completion.

** Provision for doubtful debts includes provision against related parties (joint ventures) of Rs 24.79 million (Year 2009-10 – Rs 57.82 million)

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Due from Joint Venture Partners					
UB Engineering Limited	953.07	1,159.79	1,244.77	643.50	-
SPIC-SMO	67.61	113.87	83.84	-	-

Note:

1. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
2. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

Annexure XXVIII: Restated consolidated statement of Other Current Assets

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Interest accrued but not due					
- on fixed deposits	16.41	12.16	19.60	11.72	2.05
- on other loans & advances	0.88	-	-	-	-
Insurance claim recoverable*	4.64	10.49	-	-	-
Contract revenue in excess of billing**	3,239.36	1,769.60	1,176.67	616.85	107.74
Unamortised premium on forward contract	2.80	1.41	2.38	-	-
TOTAL	3,264.09	1,793.66	1,198.65	628.57	109.79

* Refer note 11 of Annexure XXII C

** Refer note 26 of Annexure XXII C

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Contract revenue in excess of billing in respect of Joint Venture Partners					
UB Engineering Limited	69.96	98.92	304.92	-	-
SPIC-SMO	367.08	291.87	75.28	-	-

Note:

1. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors, the auditors have not performed any procedure to determine whether this list is accurate and complete.
2. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

Annexure XXIX: Restated consolidated statement of Loans and Advances

(Rupees in Million)

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
(Unsecured, Considered Good)					
Advances recoverable in cash or in kind or for value to be received	942.27	599.40	467.17	270.36	67.56
Loan to Employees and Directors (including interest accrued and due of Rs 0.24 (Year 2009-10 - Rs Nil))	16.02	2.23	4.51	-	-
Security Deposits	68.95	34.10	-	-	-
Earnest money deposit with customers	127.33	72.64	48.95	60.85	67.41
Intercompany deposits	-	-	2.50	-	-
Advance Fringe Benefit Tax (Net of Provisions)	0.06	0.06	-	-	-
Balance with custom, excise etc	52.88	57.81	9.48	-	0.01
Value Added Tax input credit / Work Contract Tax recoverable	241.30	261.27	256.62	117.84	30.86
(Unsecured, Considered Doubtful)					
Advances recoverable in cash or in kind or for value to be received	2.46	2.46	2.29	0.39	0.39
TOTAL	1,451.27	1,029.97	791.52	449.44	166.23
Less: Provision for doubtful loans and advances	2.46	2.46	2.29	0.39	0.39
Total	1,448.81	1,027.51	789.23	449.05	165.84

Amounts due from Promoters / Promoter Group Companies / Directors / Relatives of Directors / Subsidiary Companies / Joint Ventures / Associate Companies

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Mr. Amit Mittal	-	-	-	0.56	0.50
Mrs. Dipali Mittal	-	-	-	0.05	0.50
Mr. Sanjeev Sharma (Resigned on March 30, 2010)	0.43	6.90	1.03	-	-
Mr. Manoj Gupta (Resigned on March 30, 2010)	-	-	-	0.30	-
Mr. Rajneesh Mehra	-	0.16	-	-	-
Mr. Atul Kumar Agarwal	-	-	0.08	-	-
Linkwell Telesystems Private Limited	0.01	-	-	-	-
Cobra Instalaciones Y Servicios, S.A	3.00	3.00	0.03	-	-
Richardson & Cruddas (1972) Ltd.	-	-	0.76	-	-

Note:

1. The list of persons / entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the management and relied upon by the auditors. The auditors have not performed any procedure to determine whether this list is accurate and complete.
2. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

Annexure XXX: Restated consolidated statement of Current Liabilities & Provisions

(Rupees in Million)					
Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
A. Current liabilities					
Acceptances	648.65	1,072.22	479.35	806.90	-
Sundry creditors					
(a) total outstanding dues of Micro and Small Enterprises (Refer note 22 of Annexure XXII C)	20.66	76.89	13.01	0.02	0.05
(b) total outstanding dues of creditors other than Micro and Small Enterprises	1,661.75	1,973.76	1,106.48	575.79	483.67
Security deposits	0.79	0.89	1.40	2.13	1.48
Interest accrued but not due on loans & others	9.70	19.57	5.30	0.15	-
Book overdrafts	1.67	1.38	3.59	-	-
Share Application Money Pending Allotment	0.05	0.05	-	-	-
Advance from customers (Refer note 3 of Annexure XXII C)	1,092.48	1,114.73	576.11	171.29	4.88
Billing in excess of contract revenue	34.84	529.13	476.49	161.19	227.55
Other liabilities	180.14	174.15	113.55	54.73	39.74
TOTAL A	3,650.73	4,962.77	2,775.28	1,772.20	757.37
B. Provisions					
Provision for corporate tax*	210.98	322.69	289.23	193.49	84.82
Provision for fringe benefit tax **	-	-	2.17	0.92	0.23
Dividend on preference shares	-	-	-	0.01	-
Tax on dividend	-	-	-	-	-
Provision for gratuity (Refer note 13 of Annexure XXII C)	10.42	6.35	-	1.38	1.12
Provision for long term compensated absences	-	-	-	3.27	0.25
Provision for Bonus	-	-	-	-	-
Provision for warranty (Refer note 23 of Annexure XXII C)	25.90	22.24	11.07	4.37	-
TOTAL B	247.30	351.28	302.47	203.44	86.42
GRAND TOTAL (A+B)	3,898.03	5,314.05	3,077.75	1,975.64	843.79

* Net of Advance Income Tax 610.22 270.97 97.18 85.37 22.36

** Net of Advance Fringe Benefit Tax - - 5.82 3.35 0.47

Note:

The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities of the Company.

Annexure XXXI: Restated consolidated statement of items of Other Income**(Rupees in Million)**

Particulars	For the Period Ended July 31, 2010	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007
Other income	25.38	60.11	81.70	23.49	6.34
Net profit before tax, as restated	548.67	1,538.43	943.09	768.59	178.62
Other income as % of net profit before tax as restated	4.63%	3.91%	8.66%	3.06%	3.55%

Sources of Income	For the Period Ended July 31, 2010	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007	Nature (Recurring / Non Recurring)	Related / Not Related to business activity
Interest income from fixed deposit	19.58	50.12	48.44	19.30	3.35	Recurring	Not Related
Interest received on income Tax refund	0.72	-	-	-	-	Non Recurring	Not Related
Interest income on loans and advances	1.47	-	-	-	-	Non Recurring	Related
Rent income	0.07	0.89	4.48	2.76	1.20	Recurring	Related
Profit on Sale of Assets (net)	-	-	-	0.04	-	Non Recurring	Not Related
Sale of raw material	-	-	24.56	-	-	Non Recurring	Related
Foreign exchange fluctuation	0.47	1.21	0.04	-	-	Recurring	Not Related
Miscellaneous income	3.07	7.89	4.18	1.39	1.79	Non Recurring	Related
Total	25.38	60.11	81.70	23.49	6.34		

Notes:

1. The classification of income as Recurring/Non Recurring and Related / Not Related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated consolidated summary statement of profits and losses of the Company.

Annexure XXXII: Restated consolidated statement of Dividend paid

(Rupees in Million)

Particulars	Face Value	For the Period Ended July 31, 2010	For the Year Ended March 31, 2010	For the Year Ended March 31, 2009	For the Year Ended March 31, 2008	For the Year Ended March 31, 2007
Issued, subscribed & fully paid up						
Class of Shares						
Equity Share Capital	10.00	573.01	573.01	216.47	191.36	15.44
Cumulative Mandatorily Convertible Preference Shares*	10.00	-	-	-	750.00	-
Dividend on equity shares						
Dividend in %	-	-	-	-	-	-
Dividend Amount	-	-	-	-	-	-
Dividend Tax	-	-	-	-	-	-
Dividend on Preference Shares						
Dividend in %	-	-	-	0.001%	0.001%	-
Dividend Amount	-	-	-	0.00	0.01	-
Dividend Tax	-	-	-	0.00	0.00	-

*2,510,687 (Previous year Nil) Equity shares of Rs. 10 each allotted at a premium of Rs. 288.723 per share on conversion of 75,000,000 .001% Cumulative Mandatorily Convertible Preference shares of Rs. 10 each on July 25, 2008.

Notes:

1. The amounts paid as dividend in the past is not indicative of the dividend policy in the future.
2. The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities & profits and losses of the Company.

Annexure XXXIII: Restated consolidated statement of Accounting Ratios

Particulars	As at July 31, 2010	As at March 31, 2010	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007
Basic Earnings per share (Rs.)					
Excluding extra - ordinary items	6.07	17.28	10.69	9.32	2.11
Including extra - ordinary items	4.56	17.28	10.69	9.32	2.11
Diluted Earnings per share (Rs.)					
Excluding extra - ordinary items	6.07	17.28	10.54	9.08	2.11
Including extra - ordinary items	4.56	17.28	10.54	9.08	2.11
Return on net worth %	6.11%	23.62%	26.45%	55.89%	28.95%
Net asset value per equity share (Rs.)	74.63	72.30	103.12	46.60	251.82
Weighted average number of equity shares outstanding during the year for (Basic)	57,301,125	56,624,327	55,236,729	53,475,083	53,265,146
Weighted average number of equity shares outstanding during the year for (Diluted)*	57,301,125	56,624,327	56,027,767	54,889,208	53,301,396
Total number of shares outstanding at the end of the year	57,301,125	57,301,125	21,647,092	19,136,405	1,544,005

* The effect of dilutive potential equity shares are considered whereas anti-dilutive potential equity shares are ignored in calculation of Diluted Earnings per share

Notes:

- The ratios have been computed as below:

a)	Basic Earnings per share before adjusting exceptional item (Rs.)	Net profit (after tax) as restated <u>attributable to equity shareholders</u> Weighted average number of equity shares outstanding during the year
b)	Diluted Earnings per share before adjusting exceptional item (Rs.)	Net profit (after tax) as restated <u>attributable to equity shareholders</u> Weighted average number of dilutive equity shares outstanding during the year
c)	Return on net worth (%)	<u>Net profit after tax as restated</u> Net worth at the end of the year (excluding preference share capital)
d)	Net asset value per equity share (Rs.)	Net worth at the end of the year (<u>excluding preference share capital</u>) Total number of equity shares outstanding at the end of the year

- Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year, adjusted by the number of equity shares issued during the year multiplied by the time-weighting factor. The time-weighting factor is the number of days for which the specific shares are outstanding as a proportion of the total number of days during the year.
- Net worth = Equity Share Capital + Reserves and Surplus (including Securities Premium and Surplus in Profit & Loss account) - Miscellaneous Expenditure to the extent not written off or adjusted.
- Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings per Share" notified by Companies (Accounting Standards) Rules, 2006, (as amended). As per AS-20, in case of a bonus issue, 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. Weighted average number of equity shares outstanding during all the previous years have been considered accordingly.
 - The Company has issued 17,509,481 equity shares as bonus shares to the existing share holders by way of capitalization of securities premium in the ratio of 11 shares for every 1 shares held, which were approved at the extraordinary general meeting of the shareholders held on August 10, 2007. In accordance with AS - 20, 'Earnings Per Share' the aforesaid shares have been adjusted for the event of bonus shares in computation of the earning per share.
 - (ii) The Company has issued 34,380,675 equity shares as bonus shares to the existing share holders by way of capitalization of securities premium in the ratio of 3 shares for every 2 shares held, which were approved at the extraordinary general meeting of the shareholders held on March 18, 2010. In accordance with AS - 20, 'Earnings Per Share', the aforesaid shares have been adjusted for the event of bonus shares in computation of the earning per share.
- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profit and losses of the Company.

Annexure XXXIV: Restated consolidated statement of Related Party Transactions (As per Accounting Standard 18 - “Related Party Disclosures” notified by Companies (Accounting Standards) Rules, 2006, (as amended))

Relationship	Name of the Party
Joint Venture	M/s UB Engineering Limited M/s SPIC-SMO Limited M/s Shyama Power (India) Private Limited M/s Linkwell Telesystems Private Limited M/s Burns Environmental & Technologies Private Limited M/S Cobra Instalaciones Y Servicios, S.A M/S Karamtara Engineering Pvt. Ltd M/S Richardson & Cruddas (1972) Ltd M/s Bhumika Transport M/s Ram Engineering & Construction Company M/s Karnataka Compost Development Corporation Limited M/s Meccafferri Environmental Solutions Private Limited
Individual having significant influence in the Company	Mr. Rakesh Jhunjunwala
Enterprise over which Individual having significant influence in the Company have substantial control	Rare Enterprises
Relatives of Individual having significant influence in the Company	Rajesh Kumar Jhunjunwala, Rekha Jhunjunwala
Key Management Personnel(‘KMP’)	Mr. Amit Mittal, Mrs Dipali Mittal, Mr. Manoj Gupta, Mr. Sanjeev Sharma, Mr. Rajneesh Mehra, Mr. Anil Soni, Mr. Alok Gupta, Mr. Rakesh Gupta, Mr. Rakesh Kumar Aggarwal, Mr. Anil Kumar, Mr. Shailesh Jain, Mr. Sandip Garg, Mr. Nozer P. Daruwalla, Mr. Roomy Daruwalla, Mr. Vishaant Gala, Mr. Anand Shah, Mr. Shishir Verma
Relative of Key Management Personnel	Ms Priya Goel, Mrs Marukh Nozer Daruwalla, Mrs Meera Anand Shah, Mrs Nikita Vishaant Gala, Mr. Pinak Gala, Mrs Jagruti Pinak Gala, Mrs Sudha Mittal
Enterprise over which KMP and their Relatives exercise significant influence	Clean Care Products (Till November 12, 2009) Premium Care Products Anand Investments

(Rs Million)																									
Particulars	Joint Ventures					Individual having Significant Influence					KMP / Relative of KMP					Enterprises in control of Individual having Significant control					Enterprise over which KMP and their Relatives exercise significant influence				
	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007
Sale of Goods / Services																									
- UB Engineering Limited	362.12	341.51	1,968.67	685.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	77.34	352.81	168.41	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Burns Environmental and Technologies (P) Ltd	-	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchase of Goods or Services																									
- UB Engineering Limited	-	19.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Linkwell Telesystems Private Limited	4.24	38.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	23.22	91.43	3.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Karamtara Engineering private Limited	1.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shyama Power India Limited	60.25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	1.64	8.59	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Clean care products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.55	-	-	-
- Premium care products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.12	-	-	-
- Anand Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.54	-	-	-
- Bhumika Transport	0.11	0.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	0.12	0.21	-	-	-	-	-	-	-	-	-	-	-	-	-
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	0.10	0.30	-	-	-	-	-	-	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	0.30	0.87	0.45	-	-	-	-	-	-	-	-	-	-	-	-
- Meera Anand Shah	-	-	-	-	-	-	-	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sudha Mittal	-	-	-	-	-	-	-	-	-	-	0.10	0.30	0.30	0.10	-	-	-	-	-	-	-	-	-	-	-
Fund transferred/includes expenses incurred on behalf of Related Party																									
- UB Engineering Limited	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Bhumika Transport	-	-	-	0.39	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	-	2.10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fund received / includes expenses incurred on behalf of Company																									
- Cobra Instalaciones Y Servicios, S.A	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts Expense																									
- UB Engineering Limited	-	57.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	8.91	0.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts Written Back																									
- UB Engineering Limited	41.94	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of equity shares/warrant																									
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	4.00	20.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Bonus Shares																									
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	-	165.47	-	102.00	-	-	-	-	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	7.02	-	4.29	-	-	-	-	-	-	-	-	-	-	-
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	-	0.71	-	0.55	-	-	-	-	-	-	-	-	-	-	-

Particulars	Joint Ventures					Individual having Significant Influence					KMP / Relative of KMP					Enterprises in control of Individual having Significant control					Enterprise over which KMP and their Relatives exercise significant influence				
	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007
- Rakesh Jhunjhunwala	-	-	-	-	-	-	72.31	-	52.24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rekha Jhunjhunwala	-	-	-	-	-	-	0.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rajesh Jhunjhunwala	-	-	-	-	-	-	0.75	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issue of Equity Share Capital in Subsidiary Companies																									
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	1.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rajneesh Mehra	-	-	-	-	-	-	-	-	-	-	0.90	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Anil Sharma	-	-	-	-	-	-	-	-	-	-	0.70	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Kumar Aggarwal	-	-	-	-	-	-	-	-	-	-	0.13	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Anil Soni	-	-	-	-	-	-	-	-	-	-	0.57	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Alok Gupta	-	-	-	-	-	-	-	-	-	-	0.38	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share Application Money Received																									
- Bhumika Transport	-	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Taken/ Advances Received																									
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	150.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00	-	-	-	-	-	-	-
Loan/ Advances Repaid																									
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	200.00	-	-	-	-	-	-	-
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	167.69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan Given / Advances Paid																									
- Cobra Instalaciones Y Servicios, S.A	-	3.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Loan/ Advances Refunded																									
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	0.45	0.30	-	-	-	-	-	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	1.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Charged on Loan taken																									
- Rare Enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	21.71	-	-	-	-	-	-	-
- Roomy Daruwalla	-	-	-	-	-	-	-	-	-	-	0.02	0.11	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	11.98	5.71	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest free Loans given																									
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	1.17	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration																									
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	9.25	24.19	6.96	2.77	1.22	-	-	-	-	-	-	-	-	-	-
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	1.25	3.04	3.04	0.91	0.26	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	3.13	3.03	-	-	-	-	-	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	0.44	0.64	0.61	0.60	0.60	-	-	-	-	-	-	-	-	-	-
- Rajneesh Mehra	-	-	-	-	-	-	-	-	-	-	1.44	3.54	2.64	-	-	-	-	-	-	-	-	-	-	-	-
- Anil Soni	-	-	-	-	-	-	-	-	-	-	1.00	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-
- Alok Gupta	-	-	-	-	-	-	-	-	-	-	1.00	2.00	-	-	-	-	-	-	-	-	-	-	-	-	-
- M.N. Daruwalla	-	-	-	-	-	-	-	-	-	-	0.20	0.60	-	-	-	-	-	-	-	-	-	-	-	-	-
- Nikita Vishaant Gala	-	-	-	-	-	-	-	-	-	-	-	0.42	-	-	-	-	-	-	-	-	-	-	-	-	-
- Jagruti Pinak Gala	-	-	-	-	-	-	-	-	-	-	-	0.42	-	-	-	-	-	-	-	-	-	-	-	-	-
- Roomy Daruwalla	-	-	-	-	-	-	-	-	-	-	0.50	0.90	-	-	-	-	-	-	-	-	-	-	-	-	-
- N.P. Daruwalla	-	-	-	-	-	-	-	-	-	-	-	0.53	-	-	-	-	-	-	-	-	-	-	-	-	-
- Anand Shah	-	-	-	-	-	-	-	-	-	-	0.40	0.30	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Joint Ventures					Individual having Significant Influence					KMP / Relative of KMP					Enterprises in control of Individual having Significant control					Enterprise over which KMP and their Relatives exercise significant influence				
	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007
- Vishaant Gala	-	-	-	-	-	-	-	-	-	-	0.40	0.78	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pinak Gala	-	-	-	-	-	-	-	-	-	-	0.20	0.60	-	-	-	-	-	-	-	-	-	-	-	-	-
- Anil Sharma	-	-	-	-	-	-	-	-	-	-	0.83	2.49	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shishir Verma	-	-	-	-	-	-	-	-	-	-	0.83	0.44	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Kumar Aggarwal	-	-	-	-	-	-	-	-	-	-	1.89	0.95	-	-	-	-	-	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	0.06	0.23	0.12	0.01	-	-	-	-	-	-	-	-	-	-
Sitting Fees																									
- Rakesh Jhunjhunwala	-	-	-	-	-	0.10	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Outstanding at the end of the year																									
Interest free Loans given																									
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	1.17	1.17	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	0.58	1.03	-	-	-	-	-	-	-	-	-	-	-	-
Advances Given																									
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	0.56	0.48	-	-	-	-	-	-	-	-	-	-
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.30	-	-	-	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	0.50	-	-	-	-	-	-	-	-	-	-
Advance from Customer																									
- UB Engineering Limited	22.99	29.72	68.12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	3.57	-	1.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Current Assets(Accrued Revenue)																									
- UB Engineering Limited	69.96	98.92	304.92	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	367.08	291.87	75.28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debtors / Advances																									
- UB Engineering Limited	953.07	1,159.79	1,244.77	643.50	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	67.61	113.87	83.84	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Cobra Instalaciones Y Servicios, S.A	3.00	3.00	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Linkwell Telesystems Private Limited	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	-	-	0.76	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	6.32	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rajneesh Mehra	-	-	-	-	-	-	-	-	-	-	-	0.16	0.08	-	-	-	-	-	-	-	-	-	-	-	-
Provision for Doubtful Debts																									
- UB Engineering Limited	15.58	57.53	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- SPIC-SMO	9.21	0.29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured Loan																									
- Rakesh Jhunjhunwala	-	-	-	-	-	-	-	-	-	155.07	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Roomy Daruwalla	-	-	-	-	-	-	-	-	-	-	0.16	0.35	-	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration Payable																									
- Amit Mittal	-	-	-	-	-	-	-	-	-	-	21.15	15.94	0.24	0.24	0.11	-	-	-	-	-	-	-	-	-	-
- Manoj Gupta	-	-	-	-	-	-	-	-	-	-	0.24	0.21	0.16	0.11	0.07	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	0.13	0.10	-	-	-	-	-	-	-	-	-	-	-	-
- Dipali Mittal	-	-	-	-	-	-	-	-	-	-	0.08	0.04	0.04	0.04	0.04	-	-	-	-	-	-	-	-	-	-
- Rajneesh Mehra	-	-	-	-	-	-	-	-	-	-	0.54	0.39	-	-	-	-	-	-	-	-	-	-	-	-	-
- M.N. Daruwalla	-	-	-	-	-	-	-	-	-	-	0.05	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-
- Nikita Vishaant Gala	-	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-
- Jagruti Pinak Gala	-	-	-	-	-	-	-	-	-	-	-	0.04	-	-	-	-	-	-	-	-	-	-	-	-	-
- Roomy Daruwalla	-	-	-	-	-	-	-	-	-	-	0.13	0.08	-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Joint Ventures					Individual having Significant Influence					KMP / Relative of KMP					Enterprises in control of Individual having Significant control					Enterprise over which KMP and their Relatives exercise significant influence				
	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007	July-10	2010	2009	2008	2007
- Meera Anand Shah	-	-	-	-	-	-	-	-	-	-	-	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-
- Anand Shah	-	-	-	-	-	-	-	-	-	-	0.10	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-
- Vishaant Gala	-	-	-	-	-	-	-	-	-	-	0.10	0.07	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pinak Gala	-	-	-	-	-	-	-	-	-	-	0.05	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-
- Anil Sharma	-	-	-	-	-	-	-	-	-	-	0.16	0.17	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shishir Verma	-	-	-	-	-	-	-	-	-	-	0.16	0.20	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Kumar Aggarwal	-	-	-	-	-	-	-	-	-	-	0.43	0.95	-	-	-	-	-	-	-	-	-	-	-	-	-
- Priya Goel	-	-	-	-	-	-	-	-	-	-	-	-	0.02	0.01	0.01	-	-	-	-	-	-	-	-	-	-
Creditors																									
- UB Engineering Limited	194.50	460.40	49.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Linkwell Telesystems Private Limited	-	3.33	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Richardson & Cruddas (1972) Ltd.	6.70	14.55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Karamtara Engineering Pvt Ltd	1.15	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Shyama Power India Ltd	54.22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Clean care products	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.55	-	-	-
- Anand Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.05	-	-	-
- Bhumika Transport	0.11	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Rakesh Jhunjunwala	-	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sanjeev Sharma	-	-	-	-	-	-	-	-	-	-	-	-	0.46	-	-	-	-	-	-	-	-	-	-	-	-

Note:

- The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the Company.

Annexure XXXV

(Rupees in Million)

Geographical segments

Note:

- 1 The figures disclosed above are based on the restated consolidated summary statement of assets and liabilities and profits and losses of the Company.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our consolidated financial condition and results of operations together with our restated consolidated summary statements included in this Prospectus. You should also read the section "Risk Factors" beginning on page xii of this Prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion is based on our restated consolidated summary statements which have been derived from our audited consolidated financial statements prepared in accordance with Indian GAAP and restated in accordance with the ICDR Regulations. We have not provided a reconciliation of our audited consolidated financial statements to IFRS or U.S. GAAP and have not otherwise quantified or identified the impact of the differences between Indian GAAP and IFRS or U.S. GAAP as applied to our financial statements. As there are significant differences between Indian GAAP and IFRS and U.S. GAAP, there may be substantial differences in the results of our operations, cash flows and financial position if we were to prepare our financial statements in accordance with IFRS or U.S. GAAP.

Our fiscal year ends on March 31, so, unless otherwise stated, all references to a particular fiscal year are to the twelve-month period ended March 31 of such year.

Overview

We primarily provide EPC services to the power transmission and distribution sector with a focus on the distribution segment. We are diversifying this business to provide EPC services to power generation companies and companies in other sectors, including roads and telecommunications. In addition, our other businesses include the following: (i) the Renewable Energy Generation business; (ii) the MSW business; (iii) the FMS business; and (iv) the Power IT Solutions business. Our business operations are geographically spread across India and conducted through the Company and its direct and indirect subsidiaries.

We have experienced high growth in recent years. In fiscal 2007, 2008, 2009 and 2010, our total income, as per our restated consolidated summary statements, was Rs. 1,812.87 million, Rs. 4,813.47 million, Rs. 7,238.80 million and Rs. 12,252.96 million, respectively, and grew at a CAGR of 89.07% over these four years, and our net profit, as per our restated consolidated summary statements, was Rs. 112.55 million, Rs. 498.42 million, Rs. 590.49 million and Rs. 978.73 million, respectively, and grew at a CAGR of 105.64% over these four years. In the four month period ended July 31, 2010, our total income, as per our restated consolidated summary statements, was Rs. 4,180.99 million and our net profit, as per our restated consolidated summary statements, was Rs. 261.13 million. Our net profit margin as per our restated consolidated summary statements (which is the net profit, as per our restated consolidated summary statements, as a percentage of total income, as per our restated consolidated summary statements) in fiscal 2007, 2008, 2009, 2010 and in the four month period ended July 31, 2010 was 6.21%, 10.35%, 8.16%, 7.99% and 6.25%, respectively.

In fiscal 2007, 2008 and 2009, we derived income primarily from the EPC business (referred to as the Engineering Services Segment in our restated summary statements) and to some extent, from the FMS business. In fiscal 2010, income from the EPC business, the FMS business (referred to as the Facility Management Services in our restated consolidated summary statements) and the MSW business (referred to as collection & transportation of municipal solid waste and sale-compost in our restated consolidated summary statements) represented 91.63%, 7.43% and 0.38%, respectively, of our total income, as per our restated consolidated summary statements. In the four month period ended July 31, 2010, income from the EPC business, the FMS business and the MSW business represented 87.52%, 10.75% and 1.12%, respectively, of our total income, as per our restated consolidated summary statements. We expect that the projects in our MSW and Renewable Energy Generation businesses, once operational, will increasingly contribute to our results of operations and financial condition.

Factors affecting our results of operations

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section "Risk Factors" beginning on page xii of this Prospectus. The following is a discussion of certain factors that have had, and could continue to have, a significant effect on our financial results:

- *Ability to manage growth:* We have experienced high growth in recent years primarily due to an increase in the scale of our business, diversification and acquisitions. Our EPC business has grown significantly as we have diversified into installation of substations and transmission lines and increased our geographic presence. The EPC business may continue to grow, including from projects in other sectors such as roads, telecommunications and water infrastructure. In our MSW business we are expanding to cover additional cities, increasing the amount of tonnage we expect to process and undertake a wider range of activities, from collection and transportation to processing and disposal. We have also recently made acquisitions which we believe will assist us in meeting pre-qualification criteria for certain projects. Our employees numbers have increased from 5,822 as of March 31, 2008 to 16,170 as of March 31, 2010, primarily due to the addition of a significant number of employees in our FMS business (from 4,888 employees as of March 31, 2008 to 12,314 employees as of March 31, 2010) and we expect that there will continue to be a significant increase in the number of employees in the FMS business. Such growth and diversification has presented and may continue to present challenges such as the recruitment, training, management and retention of a large number of employees and the development and improvement of our internal administrative infrastructure, particularly our financial, operational, communications and other internal systems.
- *Ability to execute, operate and generate revenues from the Renewable Energy Generation business:* We have recently entered the Renewable Energy Generation business and expect to significantly increase the generation capacity in this business. We have achieved financial closure for projects that are expected to generate capacity of 135 MW and have also received or applied for awards or letters of registration, pre-registrations or in-principle sanctions to generate capacity of an additional 272 MW. Our results of operations will depend significantly on our ability to obtain final approvals, enter into definitive agreements (as needed), execute these projects in a timely manner, manage expectations and conclude off-take arrangements for these projects. These projects are expected to generate power from renewable energy sources, primarily biomass fuel such as bagasse, RDF, crop residue and rice husk. We have not operated such projects before and the technology has not been tested by us. There can also be no assurance that we will have sufficient biomass fuel to operate our proposed power projects, or that we will be adequately compensated for any delay or failure in the supply of biomass, which could be delayed due to a number of factors including a poor agricultural produce.

We also propose to operate ten rice mills (custom milling rice) at certain locations in the State of Punjab and use the rice husk as fuel for power generation.

We also have no prior experience in the new businesses and our results of operations could be materially and adversely affected if we are unable to execute or manage these new businesses. Our entry into new businesses which are yet to be profitable has, in part, resulted in a decrease in our net profit margin as per our restated consolidated summary statements.

- *Ability to source and manage cost effective funding and working capital requirements:* Our business requires a significant amount of working capital. We have experienced negative net cash flow from operating activities. For our working capital, banks fund up to 75% of our gross current assets (with reductions for outstanding sundry creditors) with the remaining 25% provided by us from long-term sources such as fresh share capital, internal accruals and borrowings. The requirement for funds in our EPC business, in particular, is high due to, among others, the requirement that a portion of the EPC contract value (which may range up to 40%) is withheld by the client as retention money and released after completion of the project (which period may be for more than a year after completion). We actively manage our working capital requirements. Any inability to maintain limits required under our working capital facilities or the non-payment or delayed collection of the receipt of our retention money could materially and adversely affect our liquidity, financial condition and results of operations. Our operating results and future growth will depend on our ability to optimize the working capital cycle time and to continue to source adequate working capital commensurate with the size of our business. Our debt service costs as well as overall cost of funds depend on many factors, including developments in the Indian credit markets and, in particular, interest rate movements and the existence of adequate liquidity in the equity and debt markets.
- *Variations on assumptions underlying our fixed-price or fixed-rate contracts:* We undertake a substantial portion of our business on a fixed-price basis with certain EPC contracts being

subject to very limited variations in the quantity and the ex-works component of the contract. The cost of bought-out items, raw materials, sub-contract and labor expenses, and other inputs constitutes a significant part of our operating expenses and we rely on third parties to supply us such items. We bear the risk of increases in costs due to delays caused due to an inability to obtain land or rights of way to commence construction, suppliers' or subcontractors' failure to perform their obligations, inflation, inefficiency, faulty estimates, and labor productivity, unless otherwise provided for in the contract. Our actual expenses in executing a contract may vary substantially from the assumptions underlying our bid for several reasons, including unanticipated increases in the cost of equipment, raw materials, fuel, labor and other inputs, unforeseen construction conditions, including inability of the client to obtain requisite government, environment and other approvals, delays caused by local weather conditions and suppliers or subcontractors' failures to perform. Increases in costs not anticipated by us in our bid may adversely affect our results of operations. We track information about the bid process and the historical results of prior fixed-price contracts, evaluate the availability of materials and labor and other factors on an ongoing basis. We use our best judgment to predict the impact to the profitability on the work. A significant change in one or more of these estimates could affect the reported or future profitability of one or more of our contracts.

- *Changes in our order book:* Our order book represents business that is based on contracts entered into with our customers, but cancellations or scope or schedule adjustments may occur in the future. Occasionally, clients change (increase) the size of the order after the project has commenced resulting in recognizing expenses immediately while the income from such increased order may be recognized only after the approval of the relevant authority of the client is obtained. Our results of operations will be affected by any delay, reduction in scope, cancellation, execution difficulty, payment postponement or payment default with respect to the projects included in the order book or any other uncompleted projects, or disputes with customers in respect of any of the foregoing.
- *Government policies and budgetary allocations:* Our business and revenues are substantially dependent on projects awarded by government authorities, including central, state and local authorities and agencies and public sector undertakings (Government-owned companies). Any adverse changes in government policies and budgetary allocation for the infrastructure sector could materially and adversely affect our financing, capital expenditure, revenues, development or operations relating to our existing and proposed projects as well as our ability to participate in competitive bidding or negotiations for our future projects.
- *Dependence on small number of customers and ability to win business:* We derive a high proportion of our revenues from a small number of customers, although our significant customers have varied on a year to year basis. The top ten clients contributed 98.61%, 94.52%, 84.73%, 88.43% and 83.29% of our total income in fiscal 2007, 2008, 2009 and 2010 and in the four month period ended July 31, 2010, respectively, as per our restated consolidated summary statements. In a given fiscal year, a single client may contribute significantly to our total income as per our restated consolidated summary statements. For example, in fiscal 2010, we derived Rs. 3,807.91 million, or 31.08% of our total income from the Haryana HVDS project. We may not be successful in winning significant business each year from our existing or future clients as the award of project is dependent on various factors, with the lowest price being a major factor. Since our revenues are derived primarily from these contracts, our results of operations and cash flows could be adversely affected or fluctuate materially from period to period depending on our ability to win new contracts.
- *Competition:* Our business is subject to intense price competition. We compete against various multi-national, national and regional companies. Our competition varies depending on the size, nature and complexity of the project and on the geographical region in which the project is to be executed. In selecting contractors for major projects, clients generally limit the tender to contractors they have pre-qualified based on technical and financial criteria. The technical criteria includes experience, technical ability, past performance, reputation for quality, safety record and the size of previous contracts executed in similar projects with them or otherwise. Additionally, while these are important considerations, price is a major factor in most tender awards and negotiated contracts.
- *Ability to integrate and manage strategic acquisitions:* We have in the past and may continue to in future expand our existing business and enter into new businesses through acquisitions, joint ventures and investments in India and abroad. For example, in fiscal 2008, we acquired

the business of Sri Eswara Sai Constructions (an EPC service provider), in fiscal 2010, we acquired a majority equity interest in CNCS Facility Solutions Private Limited (an FMS company) and in the first quarter of fiscal 2011, we have acquired the businesses of Surendar Chowdhury & Brothers (a partnership firm engaged in the business of construction of electrical sub-stations and railway electrification work), Mohd. Rashid Contractors (a partnership firm engaged in the business of telecommunications cable laying, civil works and other EPC services) and En-Tech Engineers and Contractors (a partnership firm engaged in the business of telecommunications cable laying, civil works and other EPC services) on a going concern basis. In August 2010, we acquired a 1% profit sharing ratio in Star Transformers (a partnership firm manufacturing transformers), which interest is intended to be increased to 51% after the entity is converted into a company and in October 2010, we acquired the entire equity share capital of IL&FS Property Management & Services Limited (a company engaged in the FMS business). For further details, please see the section “History and Certain Corporate Matters” beginning on page 116 of this Prospectus. Acquisitions involve inherent risks and challenges. There can be no assurance that we will be able to achieve the strategic purpose of such acquisition or joint venture or operational integration or a return on our investment.

- *Exchange rate fluctuations:* Our planned capital expenditure includes projects in the Renewable Energy Generation business which is capital intensive and wherein we have placed large orders for plant and machinery from foreign suppliers. As a result, we are exposed to risks relating to the fluctuation of exchange rates.
- *Interest rate fluctuations:* Certain of our borrowings are subject to floating rates of interest, which exposes us to the risk of interest rate fluctuations and increased cost of funds.
- *Ability to attract, recruit and retain skilled personnel:* A significant number of our employees are skilled engineers and we face strong competition to attract, recruit and retain these and other skilled and professionally qualified staff. The loss of any of the members of our senior management or other key personnel or an inability to manage the attrition levels in different employee categories may materially and adversely impact our business and results of operations.
- *General economic and business conditions:* We are affected by general global and Indian economic conditions. India’s GDP, and the GDP and economic and other conditions of the States in which we operate or intend to operate has been and will continue to be of importance in determining our operating results and future growth.
- *Availability of tax benefits and subsidies:* We may be eligible to certain tax benefits such as a deduction under Section 80-IA of the Income Tax Act for projects in our Renewable Energy Generation business completed before March 31, 2011 and claim a deduction under Sections 80-IA and 80 JJA of the Income Tax Act for the MSW business. In our MSW business, we also receive subsidies from the urban local body. We cannot assure you that such tax incentives or subsidies will continue to be available in the future. Changes in or elimination of such tax incentives or subsidies could adversely affect our competitive position, profitability, financial condition and results of operations.

Critical Accounting Policies

Preparation of financial statements in accordance with Indian GAAP, the applicable accounting standards notified by Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act require our management to make judgments, estimates and assumptions regarding uncertainties that affect the reported amounts of our assets and liabilities, disclosures of contingent liabilities and the reported amounts of income and expenditure. Certain key accounting policies relevant to our business and operations have been described below. Our significant accounting policies are more fully described in Annexure XXII A of our restated consolidated summary statements included in the section “Financial Statements” beginning on page 175 of this Prospectus.

Revenue recognition

We recognize revenue to the extent that the revenue can be reliably measured and that it is probable that the economic benefits will flow to us.

Revenue from maintenance contracts and service contracts: We recognize revenues from maintenance contracts and service contracts pro-rata over the period of the contract as and when services are rendered.

Revenue from Construction Contracts: We recognize revenue from construction contracts by reference to the stage of completion of each project at the balance sheet date. The stage of completion of project is determined by the proportion that the contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs as assessed by project managers and validated by independent project managers and the management. Materials purchased specifically for the projects and identifiable to the project are considered as part of contract costs in accordance with Accounting Standard 7 on Construction Contracts.

If it is expected that a contract will make a loss, the estimated loss is provided in the books of accounts. Such losses are based on technical assessments. Contract revenue earned in excess of billing is reflected under "Other Current Assets" and billing in excess of contract revenue is reflected under "Current Liabilities" in the balance sheet.

As the outcome of the contracts cannot be measured reliably during the early stages of the project, we recognize contract revenue only to the extent of costs incurred in the profit and loss account unless the actual cost reaches a minimum threshold of the total estimated cost of the project.

We provide for liquidated damages or penalties, interest, warranties and contingencies based on management's assessment of the estimated liability, in accordance with the terms of the contract and/or acceptance.

Certain expenditure such as freight and cartage expenses, subcontractor expenses, packing charges, fabrication expenses, site expenditure, labour charges, rental expenses and travelling & conveyance expenses are incurred in cash to meet the business needs and exigencies for the services availed at the project sites by us based on mutually agreed terms and conditions and are authorized based on internal checks and controls.

Revenue from sale of goods (Compost): We recognize revenue from the sale of goods when the significant risks and rewards of ownership of goods have passed to the buyer which generally coincides with delivery.

Interest: We recognize revenue from interest on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends: We recognize revenue when the shareholders' right to receive payment is established by the balance sheet date.

Investments

We classify investments that are readily realizable and intended to be held for not more than a year as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are stated at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

Inventories

We value the inventories at the lower of cost and net realizable value. We determine cost on a first-in-first-out basis and include all applicable overheads in bringing the inventories to their present location and condition. Excise duty arising on raw materials in stock is treated as part of the cost of inventories. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale. We treat the consumables to have been consumed as and when purchased.

Foreign currency translation

Initial Recognition

We record foreign currency transactions in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

We report foreign currency monetary items using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences

We recognize exchange differences arising on the settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year/period, or reported in previous financial statements, as income or as expenses in the year/period in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes

We amortize the premium or discount arising at the inception of forward exchange contracts as expense or income over the life of the contract. We recognize exchange differences on such contracts in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of the forward exchange contract is recognized as income or as expense for the year/period.

Retirement and Other Employment Benefits

Retirement benefits in the form of provident fund and employee state insurance is a defined contribution scheme and the contributions are charged to the profit and loss account of the year/period when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year/period. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with insurance companies in the form of qualifying insurance policies.

We do not allow carry forward of compensated absences to employees. Accordingly, we have not made any provision for compensated absences.

Actuarial gains or losses are immediately taken to the profit and loss account and are not deferred.

Income taxes

Tax expense consists of current, deferred and fringe benefit tax. We measure current income tax and fringe benefit tax at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act. Deferred income taxes reflects the impact of current year/period timing differences between taxable income and accounting income for the year and reversal of timing differences of previous years.

We measure deferred tax based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and deferred tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. We recognize deferred tax assets only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where we have unabsorbed depreciation or carry forward tax losses, we

recognize all deferred tax assets only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date, we re-assess unrecognized deferred tax assets. We recognize unrecognized deferred tax assets to the extent that we have become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

We review the carrying amount of deferred tax assets at each balance sheet date. We write-down the carrying amount of a deferred tax asset to the extent that we are no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that we become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Derivative Instruments

In accordance with the ICAI announcement, accounting for derivative contracts, other than those covered under Accounting Standard 11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

Summary Results of Operations

The table below provides our statement of profit and loss as per our Restated Consolidated Summary Statements for fiscal 2007, 2008, 2009 and 2010 and for the four month period ended July 31, 2010.

(Rs. in million)

	Fiscal 2007	%age of Total Income	Fiscal 2008	%age of Total Income	Fiscal 2009	%age of Total Income	Fiscal 2010	%age of Total Income	Four Month period ended July 31, 2010	%age of Total Income
Income										
Income from Operations										
Revenue from Engineering Service	1,704.32	94.01%	4,536.47	94.25%	6,644.22	91.79%	11,227.83	91.63%	3,659.40	87.52%
Revenue from Facility Management Services	102.21	5.64%	253.51	5.27%	500.65	6.92%	909.81	7.43%	449.41	10.75%
Revenue from collection and transportation of municipal solid waste	-	-	-	-	2.17	0.03%	46.27	0.38%	36.10	0.86%
Sales - Compost	-	-	-	-	-	-	-	-	10.69	0.26%
Consultancy Fees	-	-	-	-	10.06	0.14%	8.94	0.07%	0.01	0.00%
Other Income	6.34	0.35%	23.49	0.49%	81.70	1.13%	60.11	0.49%	25.38	0.61%
Total Income	1,812.87	100.00%	4,813.47	100.00%	7,238.80	100.00%	12,252.96	100.00%	4,180.99	100.00%
Expenditure										
Cost of Material and Service	1,383.50	76.32%	3,407.12	70.78%	4,680.28	64.66%	8,327.71	67.96%	2,537.05	60.68%
Purchase of traded goods	-	-	-	-	-	-	-	-	145.31	3.48%
Net (increase)/decrease in inventories	-	-	-	-	-	-	-	-	(145.31)	(3.48%)
Personnel Expenses	105.66	5.83%	286.55	5.95%	655.48	9.06%	1,089.10	8.89%	545.47	13.05%
Administrative and Selling Expenses	117.17	6.46%	213.01	4.43%	552.01	7.63%	768.63	6.27%	327.82	7.84%
Interest	24.86	1.37%	124.89	2.59%	388.28	5.36%	493.32	4.03%	193.74	4.63%
Depreciation/Amortization	3.06	0.17%	13.31	0.28%	19.66	0.27%	35.77	0.29%	28.24	0.68%
Total Expenditure	1,634.25	90.15%	4,044.88	84.03%	6,295.71	86.97%	10,714.53	87.44%	3,632.32	86.88%
Net Profit Before Tax	178.62	9.85%	768.59	15.97%	943.09	13.03%	1,538.43	12.56%	548.67	13.12%
Current Tax	73.38		269.61		356.11		578.90		212.54	
Deferred tax charge/(credit)	(8.09)		(3.78)		(11.62)		(22.92)		(11.76)	
Fringe Benefit Tax	0.78		4.34		8.07		-		-	
Share of Minority Interest	-		-		0.04		3.72		(0.07)	
Extraordinary items	-		-		-		-		86.83	2.08%
Net Profit as restated	112.55	6.21%	498.42	10.35%	590.49	8.16%	978.73	7.99%	261.13	6.25%

Adjustments

The financial information for fiscal 2007, 2008, 2009 and 2010 and the four month period ended July 31, 2010 has been restated in compliance with the ICDR Regulations. The effects of restatement are shown as a restatement of individual line items in our profit and loss statement.

Set out below is the summary of the result of the restatement of the audited consolidated financial statements for the respective years/period and its impact on us:

						(Rs. in millions)
		For the Year ended March 31,				For the four month period ended July 31
	Particulars	2007	2008	2009	2010	2010
	Net profit as per audited financial statements before adjustments	116.49	438.17	686.68	923.40	259.45
A	Change in accounting policy	-	-	-	-	-
1	Increase/(Decrease) in revenue on account of re-computation of revenue as per AS 7- revenue recognition policy	(8.82)	-	-	-	-
2.	Provision for Leave Encashment	(0.25)	0.25	-	-	-
3	Provision for Gratuity	0.17	0.29	(0.16)	0.16	
4	Increase/(Decrease) in revenue on account of re-computation of revenue for change in accounting policy of Project Specific Inventory	-	157.44	(157.44)	-	-
5	Change in Cost of materials and services for change in accounting policy for Project Specific Inventory	-	(121.03)	121.03	-	-
B	Other Adjustments:					
1	Prior Period Revenue	-	-	(43.90)	43.90	-
2	Prior period expenses adjustment	(2.01)	1.99	0.02	-	-
3	Provision for Doubtful Advances written back	0.41	37.59	(38.00)	-	-
4	Unspent Liability Written Back	-	1.17	(1.17)	-	-
5	Advances/Earnest money deposit written off/back	(12.50)	(3.53)	(19.51)	37.29	(1.63)
6	Miscellaneous Expenditure Written off	0.26	-	-	-	-
7	Service Tax Liability for earlier Years	(10.45)	10.45	-	-	-
	Total Adjustments	(33.19)	84.62	(139.13)	81.35	1.63
	Net Profit After Adjustment before tax impact	83.30	522.79	547.55	1,004.75	257.82
	Current Tax Impact on adjustments	10.61	(15.09)	34.32	(27.55)	0.55
	Deferred Tax Impact on adjustments	(0.11)	(12.96)	12.97	(0.06)	-
	Income Tax adjustment for earlier years	18.75	3.68	(4.33)	1.57	2.76
	Fringe Benefit Tax adjustment for earlier years	-	-	(0.02)	0.02	-
	Net Profit After Tax, as restated	112.55	498.42	590.49	978.73	261.13

The principal adjustments to our financial statements are described below:

- **Changes in accounting Policies**

- (a) *Revenue Recognition:* During fiscal 2007, the Company changed its revenue recognition policy, with retrospective effect, in respect of revenues arising from construction contracts entered into by it for the EPC business (referred to as the Engineering Services Segment in our financial statements). During fiscal 2007, the Company followed the “percentage of completion method” as prescribed under Accounting Standard 7 (AS-7) on Construction Contracts issued by the ICAI whereas it followed Accounting Standard 9 on Revenue Recognition during fiscal 2006. The revenue unrecognized in the previous year arising out of retrospective re-computation was recognized in the profit and loss account for fiscal 2006. Accordingly, the figures have been restated for fiscal 2007 and brought forward balance of profit and loss account as of April 1, 2006.
- (b) *Gratuity and Leave Encashment:* During fiscal 2008, provision for gratuity and leave encashment was made on the basis of actuarial valuation in compliance with Accounting Standard 15 (Revised), which was earlier accounted for on cash basis. Accordingly, provision

for gratuity and leave encashment has been recomputed on actuarial valuation basis for each of the preceding years and consequently, the adjustments have been made in the expenses for gratuity and leave encashment for fiscal 2007 and brought forward balance of profit and loss account as of April 1, 2006.

- (c) *Project Inventory*: During fiscal 2009, management identified certain project-specific inventory as a part of contract costs in accordance with AS-7 on Construction Contracts instead of its earlier policy of carrying such project-specific inventories also as inventories. Accordingly, the cost of materials and services and corresponding revenue has been restated for fiscal 2008 and fiscal 2009.

- **Auditor's Qualifications (adjusting)**

The Company recorded gratuity benefit payable to the employees under the Payment of Gratuity Act, 1972 on a cash-basis of accounting in its books of accounts and did not accrue for any liability with respect of gratuity as of March 31, 2007. Also, the Company was following a cash basis of accounting for leave encashment and implemented the leave encashment policy effective January 1, 2007. This accounting policy was not in accordance with Accounting Standard 15 on Retirement Benefits issued by ICAI and did not meet the requirement of following the accrual basis of accounting prescribed under Section 209 of the Companies Act. The statutory auditors had qualified their opinion on the financial statements for fiscal 2007 on account of non-provision of retirement benefits, which was not in accordance with Accounting Standard 15 on Retirement Benefits. Accordingly, adjustments have been made to our restated consolidated summary statements for fiscal 2007 and brought forward balance of restated consolidated profit and loss as of April 1, 2006 to make provision for gratuity and leave encashment on accrual basis as stated above.

- **Other Adjustments**

- (a) *Prior Period Items*: For fiscal 2008, 2009 and 2010, certain items of income/expenses were identified as prior period items. For the purpose of the restatement, such prior period items have been appropriately adjusted in the respective years to which they pertain to.
- (b) *Provision For Doubtful Advances Written Back*: Advances, which were considered doubtful and provided in fiscal 2007 and 2008 and which have been subsequently recovered during fiscal 2009, have been adjusted in the years when such advances were originally provided for. Accordingly, adjustments have been made to our restated consolidated summary statements for fiscal 2007, 2008 and 2009.
- (c) *Unspent Liabilities Written Back*: For fiscal 2009, certain liabilities created in earlier years were written back. For the purpose of the restatement, such liabilities, wherever required, have been appropriately adjusted in the relevant year in which they were originally created. Accordingly, adjustments have been made to our restated consolidated summary statements for fiscal 2008 and 2009.
- (d) *Advances / Earnest Money Deposit Written Off*: Advances or earnest money deposit, which were written off in fiscal 2008 and 2010 and written back during the four period ended July 31, 2010, have been adjusted in the years when such amounts were originally paid. Accordingly, adjustments have been made to our restated consolidated summary statements, for fiscal 2007, 2008, 2009 and 2010 and the four period ended July 31, 2010 and brought forward balance of restated consolidated profit and loss as of April 1, 2006.
- (e) *Miscellaneous Expenditure Written Off*: We had incurred certain expenses which were capitalized as preliminary expenses or Deferred Revenue Expenditure and amortized over a period of five years. However such expenses did not meet the criteria for recognition of intangible assets under Accounting Standard 26 on Intangible Assets. Consequently, brought forward balance of restated consolidated profit and loss as of April 1, 2006 has been adjusted.
- (f) *Income Tax Adjustments for Earlier Years*: The profit and loss account for some years included amounts paid or provided for, in respect of shortfall in income tax arising out of revised returns, assessments, appeals etc. which has now been adjusted in our restated consolidated summary statements for fiscal 2007, 2008, 2009 and 2010 and brought forward balance of restated consolidated profit and loss as of April 1, 2006.

Further, tax expense (current tax and deferred tax) has been computed on adjustments made as detailed above and has been adjusted in our restated consolidated profits and losses for fiscal 2007, 2008, 2009 and 2010 and brought forward balance of restated consolidated profit and loss as of April 1, 2006.

- (g) *Service Tax Liability for Earlier Years:* In respect of service tax, the Company had taken input credit of excise, which was reversed during fiscal 2008, based on a revised legal opinion and a liability was provided in the books relating to fiscal 2007 and fiscal 2008 upon clarification regarding the applicability of the CENVAT Credit Rules, 2004. Accordingly, adjustments have been made to the restated summary statements for fiscal 2007 and 2008.

Principal Components of our Statement of Profit and Loss Account

Income

Our income consists of income from operations and other income. Income from operations is comprised of revenue from engineering services, revenue from FMS, revenue from the collection and transportation of MSW, sale of compost and consultancy fees.

Revenue from Engineering Services

Revenue from engineering services consists of the revenue received from clients in our EPC business.

Revenue from Facility Management Services

Revenue from our FMS business consists of the fees paid by our customers to A2Z Infraserivces and CNCS.

Revenue from Collection and Transportation of Municipal Solid Waste

The revenue from our C&T operations in our MSW projects consists of the tipping fees received from the urban local bodies.

Sales – Compost

The revenue from the sale of compost consists of the proceeds of the sale of compost generated through the processing operations in our MSW business.

Consultancy Fees

Consultancy fees primarily consist of the revenue generated by the software consultancy and other services provided by Selligence and by Imatek.

Other Income

Other income consists primarily of income from interest on fixed deposits, rent income, foreign exchange fluctuation and other miscellaneous income. We typically place a high amount in fixed deposits since our working capital requirements are funded through bank facilities which require us to place a certain percentage of the limit as fixed deposits.

Expenditure

Our expenditure comprises cost of material and services, personnel expenses, administrative and selling expenses, interest and depreciation and amortization

Cost of Material and Services

Cost of material and services consist of raw materials consumed, freight and cartage expenses, sub-contractor and erection expenses, labour charges, packing charges, fabrication expenses, site expenditure, deduction and demurrage, technical consultancy charges for projects, fuel (diesel) charges, royalty expenses and other direct costs. These costs are currently being incurred in our EPC, FMS and MSW businesses.

Raw materials consumed include the cost of materials and bought-out items such as cement, poles, conductors, insulators, structures, cables, energy meters, distribution transformers, lightning arrestors, gas insulated and stay sets, vacuum circuit breakers, control and relay panels, capacitor banks, isolators and other items, net of adjustments of opening and closing stock of raw materials. In our FMS business, we also incur expenses on cleaning materials and disinfectants.

Personnel Expenses

Personnel expenses consist of salaries and bonus, contributions to provident and other funds, gratuity expense and staff welfare expenses.

Administrative and Selling Expenses

Administrative and selling expenses includes loan processing fees and bank charges, provision for doubtful debt (for debts outstanding for more than 180 days, whether or not such debts are finally determined bad and written-off), legal and professional charges, rent for offices, insurance charges, expenditure on electricity, repair and maintenance, travelling and conveyance charges, payment to auditors, sitting fees paid to the Directors, the commission paid to the Managing Director, printing and stationery expenses, business promotion costs, advance/earnest money written off, provision for warranty, tender expenses, premium on forward contracts, loss on commodity forwards and other miscellaneous expenses.

Interest

Interest expenses include the interest paid on term loans, bank loans and interest on income tax, service tax and others.

Depreciation/Amortization

Depreciation/amortization expenses are generated by the depreciation of our office equipment, plant and machinery, computers, furniture and fixtures, vehicles and other equipment. Depreciation is provided using the straight line method rates as per useful lives of fixed assets as estimated by the management, which is equal to the corresponding rates prescribed under Schedule XIV of the Companies Act. Assets costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

Results of Operations

Four month period ended July 31, 2010

We have not prepared and presented financial information as of and for the four month period ended July 31, 2009. Our revenues and expenses vary during interim periods in our EPC business and may also vary in other businesses as a result of various factors during such interim periods. Due to the seasonal nature of our business, you should not place undue reliance on our interim period financial information and it is not representative of our results of operations over a full year financial period.

Income

Our total income was Rs. 4,180.99 million for the four month period ended July 31, 2010 and primarily consisted of the revenue from engineering services (the EPC business) and the FMS business, which represented 87.52% and 10.75%, respectively, of the total income for the period. Revenues from our MSW business represented 1.12% of the total income. We also commenced generating revenue from the sale of compost during this period.

Revenue from Engineering Services

Revenue from engineering services was Rs. 3,659.40 million or 87.52% of the total income for the period. The main projects from which we derived revenues during the period were the Haryana HVDS project, the WBSEDCL project and Leh and Kargil projects.

Revenue from Facility Management Services

Revenue from our FMS business was Rs. 449.41 million and represented 10.75% of the total income for the period. We derived revenues primarily from projects undertaken for the Indian Railways and other government entities and certain private sector clients such as BSLI.

Revenue from Collection and Transport of Municipal Solid Waste

Revenue from collection and transport of MSW was Rs. 36.10 million or 0.86% of the total income for the period. We derived revenues from the C&T activities in Indore and in one circle in Patna during this period.

Sales – Compost

Revenue from sale of compost was Rs. 10.69 million or 0.26% of the total income for the period. This represented the sale of compost from the P&D operations at our Kanpur MSW project, which became operational during this period.

Consultancy Fees

Consultancy fees were Rs. 0.01 million for the period from the consultancy services provided by Imatek.

Other Income

Other income was Rs. 25.38 million, constituting 0.61% of the total income for the period. Other income for the period comprised interest income of Rs. 19.58 million from fixed deposit, interest income of Rs. 1.47 million on loans and advances, foreign exchange fluctuation of Rs. 0.47 million, interest received on income tax refund of Rs. 0.72 million and miscellaneous income of Rs. 3.07 million.

Expenditure

Our total expenditure was Rs. 3,632.32 million for the period. This expenditure comprised primarily of cost of material and services and personnel expenses. Expenditure as a percentage of total income for the period was 86.88%.

Cost of Material and Services

Cost of materials and services was Rs. 2,537.05 million. The significant constituents of cost of materials and services in this period were materials purchased for execution of projects, sub-contractor expenses and freight and cartage expenses. Cost of materials and services as a percentage of total income was 60.68% during this period.

Purchase of Traded Goods/ Increase in Inventory

During the period, we purchased certain goods (Prime CRGO electric steel sheets in coil) for an amount of Rs. 145.31 million for trading purposes. There was a net increase in inventories of Rs. 145.31 million during this period since the goods purchased for trading were in transit.

Personnel Expenses

Personnel expenses were Rs. 545.47 million. Personnel expenses as a percentage of total income for the period was higher at 13.05%. This increase was due to the increase in the number of employees in the FMS business and salaries from the beginning of the fiscal year and revenues are generally lower during this interim period.

Administrative and Selling Expenses

Administrative and selling expenses were Rs. 327.82 million. The significant constituents of administrative and selling expenses were travelling and conveyance expenses, legal and professional charges, rent, and miscellaneous expenses. Administrative and selling expenses as a percentage of total income for the period was 7.84%.

Interest

Interest expenses were Rs. 193.74 million, primarily on loans and cash credit facilities. Interest expenses as a percentage of total income for the period was 4.63%.

Depreciation

We incurred Rs. 28.24 million as depreciation expenses in this period. This was due to depreciation of the fixed assets in our EPC and MSW businesses. Depreciation as a percentage of total income for the period was 0.68%.

Net Profit before Tax

The net profit before tax was Rs. 548.67 million due to the above mentioned reasons. As a percentage of total income for the period, our net profit before tax was 13.12%.

Tax

Our current tax was Rs. 212.54 million which was commensurate with our taxable income and we recorded a deferred tax credit of Rs. 11.76 million.

Extraordinary Items

Subsequent to the four month period ended July 31, 2010, the city of Leh in Ladakh, faced a massive cloud burst and flash floods, which resulted in inventories at site getting buried under debris. The Company has taken a joint insurance policy for the project value awarded by the customer. Even though the exact quantum of loss is yet to be assessed by the insurance company, our management has, assessed that inventories with estimated valuation of Rs. 130.02 million invoiced to customer have been damaged. Pending determination of insurance claim, our management, has in view of the constructive obligation upon the Company to execute the project and on account of prudence, recognized the cost of replacement material of Rs. 130.02 million and deferred tax credit thereon of Rs. 43.19 million, thereby presenting net amount of Rs. 86.83 million in the profit and loss account as an "Extraordinary Item" for the four month period ended July 31, 2010.

Net Profit, as restated

As a result of the foregoing factors, our net profit, as restated, was Rs. 261.13 million for the period ended July 31, 2010. As a percentage of total income, our net profit, as restated, was 6.25%.

Results of Operations for Fiscal 2010 compared to Fiscal 2009

Income

Our total income increased by 69.27% from Rs. 7,238.80 million in fiscal 2009 to Rs. 12,252.96 million in fiscal 2010. This increase was primarily due to an increase in the size of operations in the EPC business and the FMS business. We acquired a majority equity interest in CNCS in October 2009, which also contributed to an increase in the revenue from the FMS business in fiscal 2010.

Revenue from Engineering Services

Revenue from engineering services increased by 68.99% from Rs. 6,644.22 million in fiscal 2009 to Rs. 11,227.83 million in fiscal 2010. This increase was primarily due to the execution of short-duration projects, such as the Haryana HVDS, which alone resulted in revenue of Rs. 3,807.91 million in fiscal 2010. This increase in revenue was also due to an increase in the size of the business.

Revenue from Facility Management Services

Revenue from our FMS business increased by 81.73% from Rs. 500.65 million in fiscal 2009 to Rs. 909.81 million in fiscal 2010. This increase was primarily due to an increase in the size of operations of the FMS business, including through addition of new clients, and the inclusion of the revenue generated by CNCS, in which we acquired a majority equity interest in October 2009.

Revenue from Collection and Transport of Municipal Solid Waste

Revenue from our MSW business increased by 2,032.26% from Rs. 2.17 million in fiscal 2009 to Rs. 46.27 million in fiscal 2010. This increase was primarily due to the revenue generated by the full year operations of C&T activities in Indore and the commencement of C&T operations in one circle in Patna from January 2010.

Consultancy Fees

Consultancy fees decreased by 11.13% from Rs. 10.06 million in fiscal 2009 to Rs. 8.94 million in fiscal 2010. This decrease was primarily due to the decrease in the size of operations of Selligence and the closure of its office at Pune.

Other Income

Other income decreased by 26.43% from Rs. 81.70 million in fiscal 2009 to Rs. 60.11 million in fiscal 2010. This decrease was primarily due to a decrease in rent income in fiscal 2010.

Expenditure

Expenditure increased by 70.19% from Rs. 6,295.71 million in fiscal 2009 to Rs. 10,714.53 million in fiscal 2010. This increase was primarily due to the increase in the cost of material and services and personnel expenses resulting from increased growth in our business. Expenditure as a percentage of total income was 87.44% in fiscal 2010 compared to 86.97% in fiscal 2009.

Cost of Material and Services

Cost of material and services increased by 77.93% from Rs. 4,680.28 million in fiscal 2009 to Rs. 8,327.71 million in fiscal 2010. The increase was primarily due to an increase in the size of our operations, primarily from the EPC and FMS businesses. In fiscal 2010, the significant constituents of cost of material and services were materials consumed and sub-contractor/labour expenses. Cost of material and services as a percentage of total income was 67.96% in fiscal 2010 compared to 64.66% in fiscal 2009.

Personnel Expenses

Personnel expenses increased by 66.15% from Rs. 655.48 million in fiscal 2009 to Rs. 1,089.10 million in fiscal 2010. The increase was primarily due to an increase in employee remuneration and benefit costs arising from an increase in the total number of employees from 8,644 employees as of March 31, 2009 to 16,170 employees as of March 31, 2010 as well as increase in annual salaries across our businesses. The increase in employees was primarily in our FMS business, where the number of employees increased from 7,515 as of March 31, 2009 to 12,314 as of March 31, 2010, including due to the addition of employees from the CNCS acquired business. Personnel expenses as a percentage of total income was 8.89% in fiscal 2010 compared to 9.06% in fiscal 2009.

Administrative and Selling Expenses

Administrative and selling expenses increased by 39.24% from Rs. 552.01 million in fiscal 2009 to Rs. 768.63 million in fiscal 2010. This increase was primarily due to an increase in loan processing fees and bank charges, provision for doubtful debt, professional charges for hiring consultants, advances and earnest money deposit written off, rent and miscellaneous expenses, offset in part by a decrease in the loss on commodity forwards. Administrative and selling expenses as a percentage of total income was 6.27% in fiscal 2010 compared to 7.63% in fiscal 2009.

Interest

Interest expenses increased by 27.05% from Rs. 388.28 million in fiscal 2009 to Rs. 493.32 million in fiscal 2010. The increase was primarily due to an increase in our short-term and long-term borrowings, used primarily for the expansion of our existing business and entry into new businesses. Interest expenses as a percentage of total income was 4.03% in fiscal 2010 compared to 5.36% in fiscal 2009.

Depreciation

We incurred Rs. 19.66 million and Rs. 35.77 million as depreciation expenses in fiscal 2009 and fiscal 2010, respectively. The increase was because of increase in the fixed assets in our EPC and MSW

businesses. Depreciation as a percentage of total income was 0.29% in fiscal 2010 compared to 0.27% in fiscal 2009.

Net Profit before Tax

The net profit before tax increased from Rs. 943.09 million in fiscal 2009 to Rs. 1,538.43 million in fiscal 2010 due to the above mentioned reasons. As a percentage of total income, our net profit before tax decreased to 12.56% in fiscal 2010 from 13.03% in fiscal 2009.

Tax

Our current tax increased from Rs. 356.11 million in fiscal 2009 to Rs. 578.90 million in fiscal 2010 commensurate with increase in our taxable income. Fringe benefit tax decreased from Rs. 8.07 million to nil in fiscal 2010 as it was abolished in fiscal 2010. We recorded a deferred tax credit of Rs. 22.92 million in fiscal 2010 as compared to a deferred tax credit of Rs. 11.62 million in fiscal 2009.

Net Profit, as restated

As a result of the foregoing factors, our net profit, as restated, increased from Rs. 590.49 million in fiscal 2009 to Rs. 978.73 million in fiscal 2010. As a percentage of total income, our net profit, as restated, decreased from 8.16% in fiscal 2009 to 7.99% in fiscal 2010.

Results of Operations for Fiscal 2009 compared to Fiscal 2008

Income

Total income increased by 50.39% from Rs. 4,813.47 million in fiscal 2008 to Rs. 7,238.80 million in fiscal 2009. This increase was driven primarily by the increase in the size of operations in the EPC business.

Revenue from Engineering Services

Revenue from engineering services increased by 46.46% from Rs. 4,536.47 million in fiscal 2008 to Rs. 6,644.22 million in fiscal 2009. This increase was primarily due to the execution of large orders, including for NHPC, Jammu and Kashmir Power Development Department and Maharashtra State Electricity Transmission Company Limited.

Revenue from Facility Management Services

Revenue from our FMS business increased by 97.49% from Rs. 253.51 million in fiscal 2008 to Rs. 500.65 million in fiscal 2009. This increase was primarily due to an increase in the size of operations through the addition of new clients and contracts for additional train stations for the Indian Railways.

Revenue from Collection and Transport of Municipal Solid Waste

Revenue from our MSW business was Rs. 2.17 million in fiscal 2009 compared to nil in fiscal 2008. This business commenced in February 2009 with C&T operations in Indore.

Consultancy Fees

Consultancy fees were Rs. 10.06 million in fiscal 2009 compared to nil in fiscal 2008. These fees were derived from the software consultancy operations of Selligence which commenced in fiscal 2009.

Other Income

Other income increased by 247.81% from Rs. 23.49 million in fiscal 2008 to Rs. 81.70 million in fiscal 2009. This increase was due to the increase in the interest income from fixed deposits and the sale of raw material.

Expenditure

Expenditure increased by 55.65% from Rs. 4,044.88 million in fiscal 2008 to Rs. 6,295.71 million in fiscal 2009. This increase was primarily due to a significant increase in personnel expenses as well as

an increase in cost of material and services. Expenditure as a percentage of total income was 86.97% in fiscal 2009 compared to 84.03% in fiscal 2008.

Cost of Material and Services

Cost of material and services increased by 37.37% from Rs. 3,407.12 million in fiscal 2008 to Rs. 4,680.28 million in fiscal 2009. The increase was primarily due to increased demand for materials commensurate with the increase in the size of our EPC and FMS businesses. Cost of material and services as a percentage of total income was 64.66% in fiscal 2009 compared to 70.78% in fiscal 2008.

Personnel Expenses

Personnel expenses increased by 128.75% from Rs. 286.55 million in fiscal 2008 to Rs. 655.48 million in fiscal 2009. The increase was primarily due to an increase in the number of employees from 5,822 employees as of March 31, 2008 to 8,644 employees as of March 31, 2009, primarily in our FMS business, where the number of employees increased from 4,888 as of March 31, 2008 to 7,515 as of March 31, 2009. Personnel expenses also increased because of annual salary increases across our businesses. Personnel expenses as a percentage of total income was 9.06% in fiscal 2009 compared to 5.95% in fiscal 2008.

Administrative and Selling Expenses

Administrative and selling expenses increased by 159.15% from Rs. 213.01 million in fiscal 2008 to Rs. 552.01 million in fiscal 2009. Administrative and selling expenses as a percentage of total income was 7.63% in fiscal 2009 compared to 4.43% in fiscal 2008. This increase was due to increase in professional charges, loan processing fees and bank charges, theft of raw materials, travelling and conveyance, loss on commodity forward, rent and miscellaneous expenses.

Interest

Interest expenses increased by 210.90% from Rs. 124.89 million in fiscal 2008 to Rs. 388.28 million in fiscal 2009. The increase was primarily due to an increase in our short-term borrowings and a significant increase in the rate of interest on our borrowings in fiscal 2009 resulting from the economic slowdown. Interest as a percentage of total income was 5.36% in fiscal 2009 compared to 2.59% in fiscal 2008.

Depreciation

We incurred Rs. 13.31 million and Rs. 19.66 million as depreciation expenses in fiscal 2008 and fiscal 2009, respectively, resulting from addition in the fixed assets. Depreciation as a percentage of total income was 0.27% in fiscal 2009 compared to 0.28% in fiscal 2008.

Net Profit before Tax

The net profit before tax increased from Rs. 768.59 million in fiscal 2008 to Rs. 943.09 million in fiscal 2009. The increase in the net profit before tax was mainly due to the above mentioned reasons. As a percentage of total income, our net profit before tax decreased to 13.03% in fiscal 2009 from 15.97% in fiscal 2008.

Tax

Our current tax increased from Rs. 269.61 million in fiscal 2008 to Rs. 356.11 million in fiscal 2009. This increase in our current tax was due to an increase in the taxable income. Our fringe benefit tax expenses increased from Rs. 4.34 million in fiscal 2008 to Rs. 8.07 million in fiscal 2009. Our fringe benefit tax increased as a result of increased expenses by our employees. We had a deferred tax credit of Rs. 11.62 million in fiscal 2009 as compared to a deferred tax credit of Rs. 3.78 million in fiscal 2008.

Net Profit, as restated

As a result of the foregoing factors, our net profit, as restated, increased from Rs. 498.42 million in fiscal 2008 to Rs. 590.49 million in fiscal 2009. As a percentage of total income, our net profit, as restated, decreased from 10.35% in fiscal 2008 to 8.16% in fiscal 2009.

Results of Operations for Fiscal 2008 compared to Fiscal 2007

Income

Total income increased by 165.52% from Rs. 1,812.87 million in fiscal 2007 to Rs. 4,813.47 million in fiscal 2008. This increase was largely due to the increase in the EPC business. In fiscal 2007 and 2008, we generated revenue primarily from the EPC business and the FMS business.

Revenue from Engineering Services

Revenue from our EPC business increased by 166.17% from Rs. 1,704.32 million in fiscal 2007 to Rs. 4,536.47 million in fiscal 2008. This increase was primarily due to the diversification of the EPC business of distribution lines in the States of Punjab, Himachal Pradesh, Madhya Pradesh, Orissa, Maharashtra and additional contracts in the State of Rajasthan and provision of EPC services for the construction of sub-stations in Maharashtra.

Revenue from Facility Management Services

Revenue from our FMS business increased by 148.03% from Rs. 102.21 million in fiscal 2007 to Rs. 253.51 million in fiscal 2008. This increase was primarily due to an increase in the size of operations of the FMS business, including due to a higher number of contracts awarded by the Indian Railways in fiscal 2008 compared to fiscal 2007.

Other Income

Other income increased by 270.50% from Rs. 6.34 million in fiscal 2007 to Rs. 23.49 million in fiscal 2008. This increase was primarily due to an increase in the interest income received from fixed deposits.

Expenditure

Expenditure increased by 147.51% from Rs. 1,634.25 million in fiscal 2007 to Rs. 4,044.88 million in fiscal 2008. This increase was primarily due to the increase in cost of material and services and personnel expenses. Expenditure as a percentage of total income was 84.03% in fiscal 2008 compared to 90.15% in fiscal 2007.

Cost of Material and Services

Cost of material and services increased by 146.27% from Rs. 1,383.50 million in fiscal 2007 to Rs. 3,407.12 million in fiscal 2008. Cost of material and services as a percentage of total income was 70.78% in fiscal 2008 compared to 76.32% in fiscal 2007.

Personnel Expenses

Personnel expenses increased by 171.20% from Rs. 105.66 million in fiscal 2007 to Rs. 286.55 million in fiscal 2008. The increase was primarily due to an increase in the number of our employees in our EPC business and FMS business as well as annual increase in salaries. Personnel expenses as a percentage of total income was 5.95% in fiscal 2008 compared to 5.83% in fiscal 2007.

Administrative and Selling Expenses

Administrative and selling expenses increased by 81.80% from Rs. 117.17 million in fiscal 2007 to Rs. 213.01 million in fiscal 2008. Administrative and selling expenses as a percentage of total income was 4.43% in fiscal 2008 compared to 6.46% in fiscal 2007. This increase was due to increase in rent, travelling and conveyance charges, professional charges and loan processing and bank charges.

Interest

Interest expenses increased by 402.37% from Rs. 24.86 million in fiscal 2007 to Rs. 124.89 million in fiscal 2008. The increase was primarily due to a significant increase in our short-term borrowings and an unsecured loan granted by Mr. Jhunjhunwala at an interest rate of 18% per annum. Interest as a percentage of total income was 2.59% in fiscal 2008 compared to 1.37% in fiscal 2007.

Depreciation/Amortization

We incurred Rs. 3.06 million and Rs. 13.31 million towards depreciation in fiscal 2007 and fiscal 2008, respectively. This was commensurate with an increase in our operations. Depreciation as a percentage of total income was 0.28% in fiscal 2008 compared to 0.17% in fiscal 2007.

Net Profit before Tax

The net profit before tax increased from Rs. 178.62 million in fiscal 2007 to Rs. 768.59 million in fiscal 2008. The increase in the net profit before tax was mainly due to the above mentioned reasons. As a percentage of total income, our net profit before tax increased from 9.85% in fiscal 2007 to 15.97% in fiscal 2008.

Tax

Our current tax increased from Rs. 73.38 million in fiscal 2007 to Rs. 269.61 million in fiscal 2008. This increase was due to a significant increase in our taxable income. Our fringe benefit tax expenses increased from Rs. 0.78 million in fiscal 2007 to Rs. 4.34 million in fiscal 2008. We had a deferred tax credit of Rs. 3.78 million in fiscal 2008 compared to Rs. 8.09 million in fiscal 2007.

Net Profit, as restated

The net profit, as restated, increased from Rs. 112.55 million in fiscal 2007 to Rs. 498.42 million in fiscal 2008 due to the above mentioned reasons. As a percentage of total income, our net profit increased to 10.35% in fiscal 2008 from 6.21% in fiscal 2007.

Liquidity and Capital Resources

Historically, our primary liquidity requirements have been to finance our working capital requirements for our operations and our capital expenditures. We have met these requirements from funds generated from our operations, equity issuances and borrowings.

Cash Flows

The table below summarizes the statement of cash flows, as per our restated consolidated summary statements, for the period indicated:

Particulars	Fiscal			(Rs. in millions) For the period ended July 31,
	2008	2009	2010	2010
Net Cash generated from (used in) operating activities	(979.34)	(555.03)	(651.43)	(1,018.03)
Net Cash generated from (used in) investing activities	(397.15)	(381.50)	(1,104.07)	(319.60)
Net Cash generated from (used in) financing activities	1,385.71	1,007.42	1,817.46	1,329.80
Net increase in cash and cash equivalents	9.22	70.89	61.96	(7.83)

Operating Activities

Net cash used in operating activities in the four month period ended July 31, 2010 was Rs. 1,018.03 million. We have experienced negative cash flow from operating activities as our profit margins are typically lesser than the amount of retention money kept by clients for completed projects and the margin for working capital that banks require from us as a condition to sanctioning our credit limit for our working capital. For our working capital, banks fund up to 75% of our gross current assets as reduced by sundry creditors with the remaining 25% to be provided by us from sources such as internal accruals, borrowings and issue of fresh equity. Our net profit before taxation was Rs. 548.67 million in

the period ended July 31, 2010. Certain adjustments have been made to the net profit before taxation. These include an increase in interest expense of Rs. 193.74 million, working capital adjustments such as an increase in loan and advances and other current assets of Rs. 1,886.72 million, a decrease in sundry debtors of Rs. 1,741.29 million, direct taxes paid of Rs. 320.31 million and a decrease of Rs. 130.02 million on account of an extraordinary item (gross of tax). The increase in loans and advances was primarily due to advances from customers. The decrease in the extra-ordinary item is on account of the recent cloudburst and flash floods in Leh. The sundry debtors include retention money by customers of Rs. 3,529.58 million as of July 31, 2010 compared to retention money by customers of Rs. 4,281.22 million as of March 31, 2010, representing a decrease of Rs. 751.64 million.

In fiscal 2010, our net cash used in operating activities was Rs. 651.43 million. Our net profit before taxation was Rs. 1,538.43 million in fiscal 2010. Certain adjustments have been made to the net profit before taxation. These include an increase in interest expense of Rs. 493.32 million, working capital adjustments such as an increase in the current liabilities and provisions of Rs. 2,021.03 million, an increase in sundry debtors of Rs. 3,416.90 million and an increase in loan and advances and other current assets of Rs. 838.92 million and direct taxes paid of Rs. 527.45 million. The increase in the current liabilities and provisions were due to the increase in sundry creditors, advances from customers and provisions. The increase in sundry debtors includes an increase in the retention money by customers of Rs. 2,033.50 million.

In fiscal 2009, our net cash used in operating activities was Rs. 555.03 million. Our net profit before taxation was Rs. 943.09 million in fiscal 2009. Certain adjustments have been made to the net profit before taxation. These include, among others, an unrealized foreign exchange fluctuation loss of Rs. 0.54 million and working capital adjustments such as an increase in sundry debtors of Rs. 1,697.92 million, an increase in the current liabilities and provisions of Rs. 1,004.72 million and an increase in loan and advances and other current assets of Rs. 924.58 million. The increase in sundry debtors includes an increase in the retention money of Rs. 851.39 million.

In fiscal 2008, our net cash used in operating activities was Rs. 979.34 million. Our net profit before taxation was Rs. 768.59 million in fiscal 2008. Certain adjustments have been made to the net profit before taxation. These include working capital adjustments such as an increase in sundry debtors of Rs. 1,931.32 million, an increase in loan and advances and other current assets of Rs. 798.43 million and an increase in the current liabilities and provisions of Rs.1,006.08 million. The increase in sundry debtors includes an increase in the retention money of Rs. 900.64 million.

For further details, please refer to our restated consolidated summary statements in the section "Financial Statements" beginning on page 175 of this Prospectus.

Investing Activities

Our net cash used in investing activities was Rs. 319.60 million in the four month period ended July 31, 2010. This reflected expenditure incurred towards purchase of fixed assets (including capital work in progress) of Rs. 343.71 million, purchase of equity shares in a subsidiary of Rs. 0.10 million, payment of total purchase consideration of Rs. 10.50 million in respect of the purchase of the businesses, sale proceeds from the sale of fixed assets of Rs. 0.02 million, investment in fixed deposits of Rs. 66.34 million, maturity of fixed deposits in an amount of Rs. 84.40 million and receipt of Rs. 16.63 million as interest income. We purchased equity shares in our subsidiary, Mansi Bijlee. The businesses purchased during the four month period ended July 31, 2010 include the acquisition of Surendar Chowdhury & Brothers (a partnership firm engaged in the business of construction of electrical sub-stations and railway electrification work), Mohd. Rashid Contractors (a partnership firm engaged in the business of telecommunications cable laying, civil work and other EPC services) and En-Tech Engineers and Contractors (a partnership firm engaged in the business of telecommunications cable laying, civil work and other EPC services). Our expenditure on fixed assets primarily included expenses for our MSW projects and the power generation project at Kanpur.

Our net cash used in investing activities was Rs. 1,104.07 million in fiscal 2010. This reflected expenditure incurred towards purchase of fixed assets (including capital work in progress) of Rs. 921.47 million, sale proceeds from the sale of fixed assets of Rs. 1.29 million, maturity of fixed deposits in an amount of Rs. 138.45 million and receipt of Rs. 57.95 million as interest income offset in part by the purchase of equity shares in a subsidiary of Rs. 26.50 million, investment in fixed deposits of Rs. 356.29 million and an inter-corporate deposit of Rs. 2.50 million received back. Our expenditure on fixed assets primarily included expenses for the new corporate office and the MSW

projects in Kanpur, Muzaffarnagar and Firozabad where the expenditure was Rs. 566.74 million, Rs. 24.33 million and Rs. 0.79 million, respectively.

Our net cash used in investing activities was Rs. 381.50 million in fiscal 2009. This reflected expenditure incurred towards purchase of fixed assets (including capital work in progress) of Rs. 251.93 million, sale proceeds from the sale of fixed assets of Rs. 0.67 million, maturity of fixed deposits in an amount of Rs. 209.60 million and receipt of Rs. 40.56 million as interest income, offset in part by investment in fixed deposits of Rs. 377.90 million and an inter-corporate deposit of Rs. 2.50 million. Our expenditure on purchase of fixed assets (including capital work in progress) in fiscal 2009 was primarily for the Kanpur MSW project.

Our net cash used in investing activities was Rs. 397.15 million in fiscal 2008. This reflected expenditure incurred towards purchase of fixed assets (including capital work in progress) of Rs. 87.82 million, investment in subsidiaries of Rs. 10.04 million and investment in fixed deposits of Rs. 334.94 million offset in part by Rs. 0.38 million in sale proceeds from the sale of fixed assets, maturity of fixed deposits in an amount of Rs. 25.65 million and receipt of Rs. 9.62 million as interest income. Our expenditure on purchase of fixed assets (including capital work in progress) in fiscal 2008 was primarily for the acquisition of vehicles and machinery.

For further details, please refer to our restated consolidated summary statements in the section “Financial Statements” beginning on page 175 of this Prospectus.

Financing Activities

Our net cash generated from financing activities was Rs. 1,329.80 million in the four month period ended July 31, 2010. The proceeds from minority shareholders were Rs. 4.15 million. This included payment of partly-paid up shares in two of the subsidiaries. We borrowed Rs. 501.53 million as long-term borrowings and Rs. 1,224.75 million as short-term borrowings. We repaid Rs. 82.08 million of long-term borrowings, incurred Rs. 2.50 million as share issue expenses and paid interest and loan processing fees of Rs. 202.29 million and Rs. 113.76 million, respectively. The share issue expenses were in connection with the proposed initial public offering of the Company.

In fiscal 2010, our net cash generated from financing activities was Rs. 1,817.46 million. We raised Rs. 12.73 million from equity issuances, the proceeds from securities premium were Rs. 987.27 million and we borrowed Rs. 1,200.62 million as long-term borrowings and Rs. 224.41 million as short-term loans. We repaid Rs. 66.50 million of long-term borrowings, incurred Rs. 0.64 million as preliminary expenses and paid interest and loan processing fees of Rs. 470.92 million and Rs. 69.51 million, respectively.

In fiscal 2009, our net cash from financing activities was Rs. 1,007.42 million. We raised Rs. 2.00 million from an equity issuance and borrowed Rs. 30.37 million as long-term borrowings and Rs. 1,383.89 million as short-term loans. We paid a dividend of Rs. 0.01 million, repaid Rs. 24.84 million of long-term borrowings, incurred Rs. 0.60 million as preliminary expenses and paid interest of Rs. 383.39 million. The dividend was paid on the Preference Shares issued to Beacon

In fiscal 2008, our net cash from financing activities was Rs. 1,385.71 million. We raised Rs. 0.35 million from an equity issuance and Rs. 750.00 million from the issue of Preference Shares, the proceeds from securities premium was Rs. 13.65 million and borrowed Rs. 43.35 million as long term borrowings and Rs. 866.49 million as short-term loans. We repaid Rs. 156.48 million of long term borrowings and paid interest of Rs. 131.65 million.

For further details, please refer to our restated consolidated summary statements in the section “Financial Statements” beginning on page 175 of this Prospectus.

Financial Condition

As per our restated consolidated summary statements, as of March 31, 2010, our net worth was Rs. 4,142.97 million compared to Rs. 2,232.27 million as of March 31, 2009. As of July 31, 2010, our net worth was Rs. 4,276.28 million.

Assets

The following table sets forth the principal components of our assets for the periods indicated as per our restated consolidated summary statements:

Particulars	As of March 31,			(Rs. in millions) As of July 31,
	2008	2009	2010	2010
Fixed Assets Net Block	122.25	218.01	547.91	913.24
Capital work in progress including capital advances	-	135.67	846.40	551.43
Investments	-	-	0.26	0.26
Deferred tax asset/(liability) (net)	11.61	23.23	46.16	101.10
Current assets, loans and advances:				
Inventories	-	22.15	9.88	155.79
Sundry Debtors	3,184.89	4,859.20	8,266.30	6,514.01
Cash and Bank Balances	469.71	708.90	993.30	967.51
Other current assets	628.57	1,198.65	1,793.66	3,264.09
Loans and advances	449.05	789.23	1,027.51	1,448.81

As at July 31, 2010, our fixed assets were Rs. 913.24 million. This included the capitalization of the Kanpur P&D plant on May 5, 2010. We also received an amount of Rs. 238.13 million as contribution against capital cost for the Kanpur P&D plant. As of March 31, 2008, 2009 and 2010, our fixed assets were Rs. 122.25 million, Rs. 218.01 million and Rs. 547.91 million. This increase was primarily due to increase in the asset base due to the acquisition of a majority equity interest in CNCS, the purchase of vehicles and implementation of the SAP software in fiscal 2010.

As of July 31, 2010, our capital work in progress, including capital advances, was Rs. 551.43 million. As of March 31, 2010, our capital work in progress, including capital advances, was Rs. 846.40 million as compared to Rs. 135.67 million as of March 31, 2009. This increase was primarily due to the expenses incurred in the construction activities in the power project at Kanpur and the MSW projects in the State of Uttar Pradesh in fiscal 2010.

As of July 31, 2010, our inventories were Rs. 155.79 million. This was primarily due to the purchase of traded goods (Prime CRGO electric steel sheets in coil) during the period ended July 31, 2010 which were in transit as of such date. The amount of such goods was in an amount of Rs. 145.31 million. Our inventories decreased from Rs. 22.15 million as of March 31, 2009 to Rs. 9.88 million as of March 31, 2010. We had no inventories as of March 31, 2008 since management identified certain project specific inventory as part of contract costs instead of inventories.

Current Assets, Loans and Advances

Current assets, loans and advances consist of inventories, sundry debtors, cash and bank balances, other current assets and loans and advances. Total current assets, loans and advances as per our restated consolidated summary statements as of March 31, 2008, 2009 and 2010 were Rs. 4,732.22 million, Rs. 7,578.13 million and Rs. 12,090.65 million, respectively and as of July 31, 2010 was Rs. 12,350.21 million.

As of July 31, 2010, the significant components of the total current assets were sundry debtors and contract revenue in excess billing. The increase in our total current assets as of March 31, 2010, as compared to March 31, 2009, was primarily due to an increase in sundry debtors (includes retention money by customers) and loans and advances. The increase in our total current assets as of March 31, 2009, as compared to March 31, 2008, was primarily due to the increase in the cash and bank balances.

Loans and advances primarily consist of advances recoverable in cash or in kind or for value to be received from our suppliers, value added tax recoverable, service tax input credit and earnest money deposit with customers. As of March 31, 2008, 2009 and 2010 and July 31, 2010, loans and advances as per our restated consolidated summary statements totaled Rs. 449.05 million, Rs. 789.23 million, Rs. 1,027.51 million and Rs. 1,448.81 million, respectively, of which advances recoverable were Rs. 270.36 million, Rs. 467.18 million, Rs. 599.40 million and Rs. 942.27 million, respectively.

Liabilities and Provisions

Liabilities and provisions consist primarily of secured and unsecured loans, minority interest, current liabilities and provisions. As of March 31, 2008, 2009 and 2010 and July 31, 2010, liabilities and provisions as per our restated consolidated summary statements were Rs. 3,224.30 million, Rs. 5,722.77 million, Rs. 9,388.41 million and Rs. 9,639.96 million, respectively. The following table sets forth the principal components of our liabilities and provisions for the period indicated:

(Rs. in million)

Particulars	As of March 31,			As of July 31,
	2008	2009	2010	2010
Secured Loans	1,247.27	2,442.82	4,047.82	5,699.13
Unsecured Loans	1.39	200.16	4.09	16.75
Minority Interest	-	2.04	22.45	26.05
Current Liabilities	1,772.20	2,775.28	4,962.77	3,650.73
Provisions	203.44	302.47	351.28	247.30

We have included the capital grant received by us from the Uttar Pradesh Jal Nigam under “current liabilities”.

Secured and Unsecured Loans

As of July 31, 2010, our total secured and unsecured loans as per our Restated Consolidated Summary Statements was Rs. 5,715.88 million. The following table sets forth our repayment obligations under the terms of our indebtedness as of July 31, 2010.

(Rs. in million)

	Payments due during the year ending March 31,			
	2011	2012	2013	After 2013
Indebtedness				
Secured	3,866.94	752.39	286.84	792.97
Unsecured	16.75	-	-	-
Total	3,883.69	752.39	286.84	792.97

Many of our financing agreements include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions such as making capital expenditures and investments, declaring dividends, merging with other entities, incurring further indebtedness and incur liens on, or dispose of, our assets, undertaking new projects, changing our management and board of directors, materially amending or terminating any material contract or document and modifying our capital structure. Some of our credit facilities are repayable on demand by the lenders. Further, under certain financing arrangements, we are required to assign all the material project contracts, land documents, insurance policies, permits and approvals and all our other rights and interests related to certain projects in favor of the lenders. In addition, certain loans require the cash inflows from projects to be deposited in escrow accounts opened with our lenders and the proceeds to be utilized in a manner as agreed between such lender and us. Please see the section “Financial Indebtedness” beginning on page 310 of this Prospectus.

Capital Commitments

As of July 31, 2010, our estimated amount of contracts to be executed on capital account and not provided for (net of advances) as per our restated consolidated summary statements were Rs. 523.68 million. As of March 31, 2010, our capital commitments to be executed and not provided for (net of advances) as per our restated consolidated summary statements were Rs. 91.52 million, compared to Rs. 239.44 million and Rs. 4.58 million as of March 31, 2009 and 2008, respectively. Our current capital commitments are in respect of setting up of our new corporate office, purchase of equipment and vehicles for our Kanpur biomass-based power generation project and the setting up of the MSW projects through our subsidiaries.

Contingent Liabilities

The following table sets forth the principal components of our contingent liabilities not provided for as of March 31, 2008, 2009 and 2010 and as of July 31, 2010 as per our restated consolidated summary statements:

(Rs. in million)

Particulars	As of March 31,	As of July 31,

	2008	2009	2010	2010
Performance and Financial Bank Guarantees	1,308.56	5,421.39	8,182.85	8,396.98
Outstanding amounts against counter guarantees / corporate guarantees amounting to Rs. 3,119.00 million (year 2009-10 – Rs. 3,115.00 million, year 2008-09 – Rs. 220.00 million) given to Banks on account of facilities granted by said banks to subsidiaries	-	100.00	2,157.91	2,737.10
Liquidated damages deducted by customers not accepted by the Company and pending final settlement*	-	84.48	102.32	102.32
Open Letters of Credit	495.87	631.07	771.26	568.18
Litigation under the Workmen's Compensation Act, 1923, as amended (the "Workmen's Compensation Act")	-	-	1.18	1.18
Litigation with contractors and others	-	-	3.63	3.63
Total	1,804.43	6,236.94	11,219.15	11,809.39

* Excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. See also, Note 9 in Annexure XXIIIC of our restated consolidated summary statements in the section "Financial Statements" beginning on page 175 of this Prospectus.

Commodity Hedging Contracts

In order to hedge our exposure to commodity price risk associated with the purchase of fabricated steel, fabricated aluminium and fabricated copper items for our operations, we enter into commodity contracts for base commodities such as steel, aluminium and copper. The net open position of futures commodity contracts for the period indicated below is set forth below:

Commodity	Buy Contracts (Quantity in Metric Tons)	Mark to Market Loss/(Gain) (Rs. in million)	Buy Contracts (Quantity in Metric Tons)	Mark to Market Loss/(Gain) (Rs. in million)	Buy Contracts (Quantity in Metric Tons)	Mark to Market Loss/(Gain) (Rs. in million)
	As of March 31, 2009**		As of March 31, 2010		As of July 31, 2010	
Aluminium	400	0.01	250	(0.38)	960	(2.99)
Steel	1,310	0.16	4,060	(10.87)	4,060	(4.31)
Total	1,710	0.17	4,310	(11.25)	5,020	(7.30)

* Net mark to market gains are not accounted for.

**There were no open contracts in fiscal 2007 and 2008.

Derivative Instruments and Unhedged Foreign Currency Exposure

We hedge our exposure to foreign currency loans. As of July 31, 2010, we had outstanding forward contracts for USD 5.00 million ((1 USD= Rs 46.92 as at July 31, 2010). As of March 31, 2010, we had outstanding forward contracts for USD 2.00 million compared to USD 4.80 million as of March 31, 2009 (1 USD= Rs 45.58 as at March 31, 2010 (Year 2008-09 - 1 USD= Rs. 50.95)). There was no hedged foreign currency exposure as of March 31, 2007 and 2008.

The detail of unhedged foreign currency exposure as at July 31, 2010 are set forth below:

Particulars	Amount in Rupees millions	Amount in foreign currency	Currency	Exchange Rate as at July 31, 2010
Advance given to foreign suppliers	220.44	4,791,108	USD	1 USD = INR 46.01
Advance given to foreign suppliers	1.32	22,000	EURO	1 EURO = INR 59.81
Import Creditors	142.03	3,026,997	USD	1 USD = INR 46.92
Foreign currency in hand	0.02	480	USD	1 USD = INR 46.01
Foreign currency in hand	0.01	610	(Dirham)	1 Dirham = INR 12.28
Foreign currency in hand	0.00	15	(Riyal)	1 Riyal = INR 12.37
Foreign currency in hand	0.00	490	(Rubal)	1 Rubal = INR 1.53
Foreign currency in hand	0.14	2,321	EURO	1 EURO = INR 59.81
Foreign currency in hand	0.01	4,120	(Thai Bhat)	1 Thai Bhat = INR 1.436

There was no unhedged foreign currency exposure as of March 31, 2007, 2008, 2009 and 2010.

Historical and Planned Capital Expenditures

For fiscal 2008, 2009 and 2010 and for the four month period ended July 31, 2010, the cash flow from purchase of fixed assets (including capital work in progress) as per our restated consolidated summary statement was Rs. 87.82 million, Rs. 251.93 million, Rs. 921.47 million and Rs. 343.71 million, respectively. The higher expenditure in fiscal 2010 was primarily due to our MSW projects and three biomass (bagasse)-based cogeneration projects of 15 MW each in Punjab. Our expenditure on the Kanpur MSW and power project was Rs. 42.29 million, Rs. 566.74 million and Rs. 178.93 million in fiscal 2009 and 2010 and in the four month period ended July 31, 2010, respectively.

We intend to use Rs. 3,577.05 million from the Net Proceeds of the Fresh Issue for, *inter alia*, investment in (i) the three biomass (bagasse)-based cogeneration projects of 15 MW each in the State of Punjab, (ii) five biomass-based projects of 15 MW each in the State of Rajasthan, (iii) A2Z Infrastructure for the 15 MW biomass-based power project in Kanpur, (iv) A2Z Infrastructure and its subsidiaries for the MSW projects at Muzaffarnagar, Aligarh, Moradabad, Meerut, Varanasi and Patna and (v) Mansi Bijlee that will implement one rice mill and associated rice-husk based biomass project in the State of Punjab. Please see the section “Objects of the Issue” beginning on page 38 of this Prospectus for further information on our proposed deployment of funds.

Market risk

We have market risk when we are exposed to changes in the fair value of any traded equity instruments that we may hold due to changes in equity and debt markets. Our exposure to changes in equity prices is currently not material to our financial condition or results of operations on a consolidated basis.

We are exposed to credit losses in the event of non-performance by the counterparties to our financial and derivative instruments. This is currently not material to our financial condition or results of operations on a consolidated basis.

Interest Rate Risk

Since the interest rates of certain of our borrowings are subject to floating rates of interest based on changes in the prime lending rate of the respective lenders, which are subject to renegotiation on a yearly basis, movements in domestic interest rates constitute the main source of interest rate risk. If the interest rates for our existing or future borrowings increase significantly, our cost of funds will increase. This may adversely affect our results of operations, planned capital expenditures and cash flows.

Unusual or Infrequent Events or Transactions

Except as described in this Prospectus, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as mentioned under the paragraph “Factors affecting our Results of Operations” in the section “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 285 of this Prospectus, to our knowledge, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Known Trends or Uncertainties

Except as described in “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages xii and 285, respectively, of this Prospectus, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations, on a consolidated basis.

Future Relationship between Cost and Income

Except as described in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages xii, 83 and 285, respectively, of this Prospectus, to our knowledge there are no known factors that will have a material adverse impact on our operations and finances, on a consolidated basis.

Seasonality of Business

Our revenues and expenses vary on a quarterly basis in our EPC business and we typically record higher revenues and expenses in the last quarter of the fiscal year. Our operations are also adversely affected by difficult working conditions, including high temperature during summer months and wet conditions during monsoon season, which restrict our ability to carry on activities and fully utilize our resources. We record revenues from construction contracts on percentage completion method, after we receive certification from the client that such stage has been successfully completed. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses, but our revenues from operations may be delayed or reduced.

Any significant dependence on a single or few suppliers or customers

We may depend on generating revenues from a few significant customers in a fiscal year. See also “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages xii, 83 and 285, respectively, of this Prospectus.

Competitive Conditions

We operate in a competitive environment. Please refer to the sections “Our Business”, “Industry Overview” and “Risk Factors” beginning on pages 83, 66 and xii, respectively, of this Prospectus.

Related Party Transactions

For details in relation to the related party transactions of the Company, please see Annexure XVII of the restated unconsolidated summary statements of the Company beginning on page 175 of this Prospectus.

Significant developments after July 31, 2010 that may affect our future results of operations

Except as stated in this Prospectus, to our knowledge, no circumstances have arisen since the date of the last restated summary statements as disclosed in this Prospectus which materially and adversely affects or is likely to affect, our trading or profitability, or the value of our assets or our ability to pay our liabilities within the next twelve months of the date of the last restated summary statements as disclosed in this Prospectus.

Directorships of the Directors

None of the Directors were directors of any company at the time when the shares of such company were either (a) suspended from trading by the stock exchange(s) during the last five years from the date of filing the Red Herring Prospectus or (b) delisted. For the current directorships of the Directors, please see the section “Our Management” beginning on page 152 of this Prospectus.

FINANCIAL INDEBTEDNESS

Set forth below is a brief summary of the long term, short term and working capital facilities of the Company and the subsidiaries as of October 15, 2010 together with a brief description of certain material covenants of the relevant financing agreements:

The Company

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
YES Bank Limited ^(A)	Facility letter dated March 15, 2010 for a long term loan of Rs. 1,780.00 million ("Limit A") with a sub limit of a term loan of Rs. 500.00 million ("Limit B") and loan agreement dated March 18, 2010 for Rs. 500.00 million for setting up three biomass (bagasse) based cogeneration projects of 15 MW each at Nakodar, Morinda and Fazilka in Punjab Pursuant to a sanction letter dated June 29, 2010, Limit B was increased to Rs. 750.00 million. (Pursuant to a sanction letter dated October 18, 2010, Limit B was increased from Rs. 750.00 million to Rs. 1,000.00 million.)	Rs. 650.00 million	YES Bank's PLR minus 5.50% p.a.	Repayment in 28 quarterly installments after 24 months from first date of disbursement or after 12 months from the date of actual completion of the project as certified by the lender's independent engineer, whichever is later. However, the repayment should not be delayed beyond March 31, 2013	First charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill pertaining to the project First charge on the escrow account opened with YES Bank Limited where all cash inflows from the project shall be deposited and all proceeds shall be utilized in a manner and in the priority as ascribed in the escrow agreement Assignment/substitution/ mortgage of all project contracts, rights, titles, permits/approvals, clearances and interest of the borrower related to the project Personal guarantee of Mr. Amit Mittal
L&T Infrastructure Finance Company Limited ^(B)	Letter dated July 6, 2009 and Facility Agreement dated July 23, 2009 for Rupee Term Loan of Rs. 500.00 million to part finance various projects in the power transmission and distribution sector under implementation by the Company and part finance the new corporate office at 8 th Floor, Tower B, Medicity, Sector-38, Gurgaon 122 001	Rs. 366.67 million	L&T Infra PLR minus 0.25%	30 equal monthly installments of Rs. 16.67 million to be paid on the first of every month after a moratorium of 6 months from the date of the first disbursement	First charge by way of mortgage on the Company's office located at 8th Floor, Tower B, Medicity, Sector-38, Gurgaon 122 001 Subservient charge by way of hypothecation on all the borrower's movable fixed assets and current assets including cash, bank balance, receivables etc. of the borrower, present and future Personal Guarantees of Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Mr. Sanjeev Sharma
AXIS Bank ^(C)	Letter dated January 28, 2010 for corporate Term Loan of Rs. 100.00 million for setting up of office at Gurgaon	Rs. 72.96 million	BPLR minus 3.75%	16 equal quarterly installments beginning one year from date of first disbursement	First charge by way of equitable mortgage on the commercial office at 7 th Floor, Tower B, Medicity, Gurgaon

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
	Pursuant to a sanction letter dated June 17, 2010, this facility was increased to Rs. 150.00 million				Post dated cheques Personal Guarantees of Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Mrs. Suman Goel
IndusInd Bank ^(D)	Sanction letter dated January 22, 2010 for purchase bill discounting for Rs. 500.00 million Pursuant to a letter dated February 26, 2010, this facility was reduced to Rs. 350.00 million	Rs. 291.93 million	8%	Repayable on demand	Bill of exchange/invoice drawn by vendors Post dated cheques
Standard Chartered Bank ^(E)	Sanction letter dated April 8, 2010 for non-fund based facility of bonds and guarantees of Rs. 250.00 million with a sub limit of Import letter of credit of Rs. 250.00 million	Not applicable	Not applicable	Not applicable	Cash margin 5% on the non-fund based limit in the form of fixed deposit
Standard Chartered Bank	Sanction letters dated January 28, 2009, March 20, 2009, April 21, 2009 and March 11, 2010 for purchase invoice discounting (insurance backed) of Rs. 200.00 million	Rs. 12.02 million	10.50%	Maximum up to 120 days	Personal guarantees of Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Ms. Suman Goyal
YES Bank Limited ^(F)	Sanction letter dated June 29, 2010 for a long term loan of Rs. 2,800.00 million ("Limit A") with sub limits of letter of credit (sight/usance) of Rs. 1,700.00 million ("Limit B") and buyer's credit of Rs. 1,700.00 million ("Limit C") for setting up five biomass based power plants of 15 MW each at Bhadra (Hanuman Garh), Shiv (Barmer), Kolayat (Bikaner), Lunkaransar (Bikaner) and Fatehpur (Sikar), Rajasthan	Nil	Limit A: YES Bank's PLR minus 5.50% p.a. Limit B: Commission of 1.50% p.a. Limit C: to be decided at the time of arrangement of buyer's credit	Limit A: Repayment in 28 equal quarterly installments after 24 months from first date of disbursement or after 12 months from the date of actual completion of the project as certified by the lenders independent engineer, whichever is later. The estimated date of actual completion is September 30, 2011 Limit B: Tenor is 36 months Limit C: Tenor of maximum 36 months	First charge over all present and future movable and immovable fixed assets of the project First charge over all present and future current assets of the project Assignment of all material project contracts, trade documents and approvals, relating to the project (having value above Rs. 100.00 million) Personal guarantee of Mr. Amit Mittal First charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill pertaining to the project

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
					First charge on the escrow account opened with YES Bank Limited where all cash inflows from the project shall be deposited and all proceeds shall be utilized in a manner and in the priority as ascribed in the escrow agreement Assignment/substitution/ mortgage of all project contracts, rights, titles, permits/approvals, clearances and interest of the borrower related to the project
IndusInd Bank ^(G)	Sanction letter dated August 9, 2010 for the following facilities: (i) Cash credit of Rs. 200.00 million ("Limit A") with a sub-limits of a working capital demand loan of Rs. 200.00 million ("Limit B") and line of credit for short term loan of Rs. 200.00 ("Limit C") (ii) Bank guarantee of Rs. 650.00 million ("Limit D") with a sub limit of letter of credit (Inland) of Rs. 500.00 million ("Limit E") Agreement for line of credit by way of short term loans dated August 10, 2010 for Rs. 200.00 million	Rs. 200.00 million	Limits A, B and C: 9.75% Limits D and E: At rates quoted by the lender from time to time	Repayable on demand Limit C: Bullet repayment on maturity of each short term loan	Hypothecation of the entire current assets of the Company, existing and future, excluding corporate office at Medicity Equitable mortgage over certain properties owned by Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Mrs. Suman Goel Pledge of shares as under the Consortium Agreement Corporate guarantee of A2Z Infraservices and personal guarantees of Mr. Amit Mittal, Mrs. Dipali Mittal and Mrs. Suman Goel Post dated cheques
SREI BNP Paribas (Srei Equipment Finance Private Limited)	Sanction letter dated September 6, 2010 for a loan of Rs. 250.00 million for agri equipment (harvester and others), information technology, furniture and fixtures and commercial vehicles	Rs. 70.90 million	11.50%	12 equal quarterly installments with a moratorium of 90 days	Specific charge to be filed with the RoC of the assets financed under this facility Certified invoice copy to be in possession of the financial institution Asset invoices to specify "Hypothecated to Srei Equipment Finance Private Limited"
L&T Infrastructure Finance Company Limited ^(H)	Sanction letter dated August 20, 2010 and facility agreement dated September 4, 2010 for a rupee term loan of Rs. 750.00 million to part finance the execution of ongoing projects in the power	Rs. 750.00 million	L&T Infra PLR minus 2.50% p.a. payable monthly	Door to door tenor of 24 months including a moratorium of six months; repayment in 18 equal monthly installments	Extension of the first charge by way of mortgage on the Company's office located at 8th Floor, Tower B, Medicity, Sector-38, Gurgaon 122 001 Subservient charge by

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
	transmission and distribution segment				way of hypothecation on all the borrower's movable assets and current assets including cash, bank balance, receivables etc. of the borrower, present and future Personal Guarantee of Mr. Amit Mittal Extension of existing shares pledged amounting to 10% of the paid up capital of the Company Demand promissory note
RaRe Enterprises	Loan Agreement dated August 2, 2010 of Rs. 350.00 million to fund business requirements	Rs. 350.00 million	12% p.a. payable quarterly	8 months, i.e., up to March 31, 2011	Duly executed promissory note for the principal amount Post dated cheques
ICICI Bank Limited ⁽¹⁾	Credit arrangement letters dated April 12, 2010 and July 23, 2010 for a rupee term loan of Rs. 880.00 million ("Limit A") with sub-limits of letter of credit of Rs. 500.00 million ("Limit B") and buyer's credit of Rs. 500.00 million ("Limit C") for part financing the cost of three cogeneration power plants in Punjab	Nil	Limit A: 2.75% below IBAR plus liquid premia Limit B: Commission of 0.75% p.a. Limit C: As quoted by the lender	Limit A: 28 equal quarterly installments after 24 months from the date of first disbursement Limit B: Maximum usance period of 360 days Limit C: Three years or maximum period prescribed by the RBI, whichever is higher	First <i>pari passu</i> charge on (i) all fixed assets of power project (except land and building) both present and future; and (ii) all present and future current assets (including receivables and inventory) of the power project First charge on (i) the project book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangible, goodwill, pertaining to the project, to the extent permissible by Punjab State Sugar Co-operative Sugar Mills it being understood that all cash flows must be paid through the escrow account; and (ii) the escrow and DSR accounts Assignment of leasehold rights of land/creation of mortgage over land and building to the extent permissible by law and as advised by the lender on <i>pari passu</i> basis Assignment/substitution/ mortgage of (i) all project contracts, documents, and insurance policies relating to the project, rights, titles, permits/approvals, clearances and interest of

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
					the borrower related to the project, to the extent permissible by Punjab State Sugar Co-operative Sugar Mills and (ii) all material project contracts, consents, trade documents and approvals relating to the project (value above Rs. 100.00 million) to the extent permissible by law Substitution of assignment order for setting up the power plant Personal guarantee of Mr. Amit Mittal Assignment/substitution of all the borrowers rights and interest related to the project under letter of credit, guarantee or performance bond provided by any party for any contract related to the project in favour of the borrower Post dated cheques for principal and interest payments

- A. Under the loan documentation, Mr. Amit Mittal is required to furnish a non-disposal undertaking of 35% of the paid up capital of the Company. The Company shall not without the prior consent of YES Bank Limited make any change to its share capital, the consent for which shall not be reasonably withheld. Further, the Company is required to provide preferential rights for arranging buyers for carbon credits in respect of the future projects to the lender. In the event the Company decides to abandon the project or the project is delayed by more than 6 months after the disbursement under Limit B, the Company is required to prepay Limit B out of the proceeds of the initial public offer or internal accruals. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) permit any change in the ownership or control of the Company; (b) effect material change in the management of the business of the Company; (c) agree or contract to incur any indebtedness; (d) make any amendments in the Company's Memorandum and Articles of Association; and (e) declare any dividend if any instalments towards principal or interest remains unpaid.
- B. Under the loan documentation, the promoters are required to furnish a non-disposal undertaking of 51% of the paid up capital of the Company. Further, as a security, 10% of the paid up capital of the Company was pledged by Mr. Amit Mittal in favor of the lender pursuant to a pledge agreement dated July 23, 2009 and demand promissory note. In addition, Mr. Amit Mittal also agreed to pledge 10% of any additional securities acquired by him by way of subscription, purchase, conversion, redemption, substitution, exchange, rights, bonus, preference, stock, splits, option or otherwise. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) undertake any new project, diversification, any substantial expansion or engage in any new business or activities; (b) agree or contract to incur any indebtedness; (c) prepay any such indebtedness without proportionally prepaying this facility; (d) declare or pay any dividend; (e) issue any further share capital or change its capital structure; and (e) create any subsidiary or a joint venture.
- C. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) undertake any expansion of fresh project or acquire fixed assets, while normal capital expenditure may be incurred; (b) invest by way of share capital in or lend or advance to or place deposits with any other concern (normal trade credit or security deposit in the routine course of business or advances to employees can, however, be extended); and (c) make any change in the management set up of the Company.
- D. The Company shall, *inter alia*, disclose to the bank any change in capital structure, shareholding, management, take over by another company or event likely to substantially affect the production, sales or profits of the Company.
- E. The Company shall not, *inter alia*, without prior written notice to the bank: (i) permit any change in the ownership or control or constitution of the Company and or make any change in the shareholding or the management or majority of directors and not make any change to the general nature of the business of the

Company from that carried on at the date hereof and (ii) make any material amendments to the Memorandum of Association and Articles of Association of the Company.

- F. Under the loan documentation, Mr. Amit Mittal is required to furnish a non-disposal undertaking of 35% of the paid up capital of the Company. The Company shall not without the prior consent of YES Bank Limited make any change to its share capital (the consent for which shall not be reasonably withheld) and to set up new subsidiaries.
- G. Under the loan documentation, the lender shall withdraw the facilities if the lender is not made party to the consortium arrangement within six months from the date of the first disbursement. The lender has a right to demand prepayment of the facilities under the following circumstances, *inter alia*, (i) any change in the existing ownership and management of the Company; (ii) any default under any other facility; and (iii) any material adverse change affecting the business/financial position of the Company. Further, the Company shall not, *inter alia*, without prior written notice to the bank (i) effect any change in the capital structure; (ii) pledge shares held by the promoters, group beyond 10% for raising any loan or for securitization any loans or advances availed by the Company; (iii) undertake any new projects; (iv) invest by way of share capital in or lend or advance funds to or place deposits with any other concern; (v) enter into borrowing arrangements either secured or unsecured with any other bank or financial institution other than for working capital facilities granted or to be granted under the consortium arrangement; (vi) undertake guarantee obligations on behalf of other companies, associates or affiliates; (vii) declare dividends for any year except out of the profits relating to that year; (viii) make any material changes in the management set up; and (ix) create charges on any properties or assets during the currency of the facility.
- H. Under the loan documentation, the promoters shall maintain management control of the Company and the Company shall not, *inter alia*, without the approval of the financial institution: (i) appoint/re-appoint/remove any person having substantial powers of management; (ii) undertake any new project or diversification or any substantial expansion or engage in any new business; (iii) make or permit any material amendments or termination of any material contracts; (iv) contract, incur or agree to any indebtedness of any manner whatsoever other than trade guarantees in the normal course of business or create any security interest in favour of any other person; (v) prepay any indebtedness without offering to proportionally prepay this facility; (vi) declare or pay any dividends or make any distribution of profits or otherwise to any person; (vii) buy back, cancel or reduce in any manner its share capital or issue any further share capital or change its capital structure; (viii) permit any disposal or transfer of shares by any person; (ix) amend or alter its constitutional documents in any manner that would affect the obligations of the Company under this facility; and (x) create any subsidiary or joint venture company. If the Company defaults in the payment of any three consecutive installments of the principal amount of this facility or interest or any combination thereof, the bank shall have a right to convert at its option the whole or part of the defaulted amount of this facility into fully paid-up equity shares of the Company. The Company shall not without the prior written consent of the bank: (a) issue any debentures, raise any loans, accept any deposits from public, make any unfavourable change in the capital structure; (b) prepay any subordinate loans; (c) sell/dispose any assets in excess of Rs. 250.00 million in any financial year and Rs. 400.00 million during this facility; and (d) create any security interest in favour of any other persons.
- I. Under the loan documentation, the Company shall, *inter alia*, provide certain undertakings in relation to: (a) security and negative pledge; (b) its indebtedness; (c) disposal of assets; (d) changes in its share capital; (e) assignment or transfer of any rights or obligations under the project agreements; (f) entry into partnership, profit sharing, royalty or other such arrangement by which the income or profits from the operation of the projects would be shared with any third party other than in the normal course of business; and (g) abandonment of the project. Mr. Amit Mittal is required to furnish a non-disposal undertaking of 35% of the paid up capital of the Company.

Consortium Arrangement

As of October 15, 2010, the aggregate amount of the working capital facilities provided to the Company was Rs. 14,740.00 million under the consortium arrangement described below.

On June 28, 2010 the State Bank of Patiala (the "Lead Bank"), The Hongkong and Shanghai Banking Corporation Limited ("HSBC"), ICICI Bank Limited, IDBI Bank Limited, State Bank of India, Standard Chartered Bank, State Bank of Indore, Union Bank of India, ING Vysya Bank Limited, YES Bank Limited, DBS Bank Limited, AXIS Bank, State Bank of Hyderabad, State Bank of Mysore and Allahabad Bank (collectively, the "Consortium Banks") entered into a working capital consortium agreement (the "Consortium Agreement").

Under the Consortium Agreement, the Company shall not, without obtaining the prior written consent of the Lead Bank, *inter alia*, (i) declare any dividend on its share capital; (ii) effect any change in its capital structure; (iii) implement any scheme of expansion/diversification/modernization, other than incurring routine capital expenditure; and (iv) make any corporate investment or investments by way of share capital or debentures or lend or advance funds to, or place deposits with, any other concern, except give normal trade credits or place on security deposits in the normal course of business or make advances to employees. The Company shall, as soon as any call in respect of its shares has been resolved upon by the Directors or as soon as it shall have been resolved to issue any unissued share capital or to create any new shares, immediately give notice of such call to all the Banks or give notice to the Banks of the intention of the Company to issue or create any such share capital as aforesaid and the proposed amount thereof and shall not, until the expiration of seven days from the time when such

notice shall have been sent to the Banks, issue any notice to the members of the Company in respect of the payment of any call or issue or create any such existing or new shares. If the Banks require, every notice, prospectus, application form or allotment letter sent out by the Company in pursuance of any such resolution shall direct the members or applicants for allotment of the shares of the Company to pay the call so made or the moneys into the joint account of the Company and the Banks or in such manner as the Banks may direct and the Banks shall be entitled to require all such calls or moneys received by the Company to be applied either wholly or partly in or towards the payment or satisfaction of the principal amount, interest and other moneys due to the Banks but in default of the Banks requiring such calls or moneys to be applied within one month of their being paid, the Company may without the consent of the Banks apply the whole or balance thereof over and above what shall be required by the Banks apply to be otherwise applied to the general purposes of the Company as it shall think fit provided also that all moneys to be received by the Company from its members in advance of calls upon the shares shall be held by the Company upon trust for the Banks and so as to form part of the security and shall be dealt with in the manner above mentioned in the case of calls or other moneys received by the Company.

The Consortium Agreement is secured by: (i) a first *pari passu* charge by way of hypothecation and/or pledge of the Company's current assets, namely, raw materials, semi-finished or finished goods, stores and spares not relating to plant and machinery (consumable stores and spares), bills receivables and book debts and all other movables of the Company; (ii) first *pari passu* charge over the fixed assets of the Company; (iii) pledge of 10% shares of the Company held by the promoter directors in favor of the Lead Bank; (iv) personal guarantees of Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Mrs. Suman Goel and (v) equitable mortgage over certain properties owned by Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Mrs. Suman Goel.

Pursuant to the Consortium Agreement, a pledge agreement dated June 28, 2010 was entered into among Mr. Amit Mittal, the Lead Bank and the Company (the "Pledge Agreement"). Under the Pledge Agreement, Mr. Amit Mittal and Mrs. Dipali Mittal have pledged 5,730,113 Equity Shares of the Company in favor of the Lead Bank. Further, Mr. Amit Mittal and Mrs. Dipali Mittal are required to pledge any additional shares of the Company acquired by way of bonus, rights issue or otherwise. Mr. Amit Mittal, Mrs. Dipali Mittal and the Company have agreed that the Equity Shares shall not be listed on or delist from any stock exchange without the prior written consent of the Lead Bank.

The terms and conditions under the respective sanction letters from the Consortium Banks form a part of the Consortium Agreement. A brief description of certain terms of each sanction letter from the Consortium Banks is set out below.

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
State Bank of Patiala ⁽¹⁾	Sanction letter dated March 31, 2010 for the following facilities: (i) Cash Credit (Book Debts limit) of up to Rs. 600.00 million (with sub limit for stocks of Rs. 200.00 million) ("Limit A"); (ii) Overdraft of up to Rs. 120.00 million ("Limit B"); (iii) Letter of Credit of Rs. 300.00 million ("Limit C"); and (iv) Bank Guarantee of Rs. 1,600.00 million ("Limit D") Pursuant to the Consortium Agreement, Rs. 2,500.00 million of this facility is within the consortium arrangement.	Rs. 672.75 million	Limit A: At 0.25% below BPLR Limit B: At BPLR Limit C: Commission of 25% discount on normal applicable charges Limit D: Commission of 1.25% p.a.	Limit A: On demand Limit B: On demand Limit C: Usance period shall be maximum 180 days Limit D: The validity period of the bank guarantees shall be maximum 36 months
HSBC ⁽²⁾	Letter dated May 5, 2010 for the following facilities:	Rs. 342.38 million	Limit K: BPLR Limit L: BPLR	Limits A, F and N: at sight Limits B, G: Usance period of

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	(i) Combined limit of Rs. 250.00 million with the following sub limits: (a) Import Documentary Credits of Rs. 250.00 million ("Limit A") with a sub limit of Import Deferred Payment Credits of Rs. 250.00 million ("Limit B") (b) Performance guarantee of Rs. 250.00 million ("Limit C") (c) Advance payment guarantee of Rs. 250.00 million ("Limit D") (d) Open ended guarantees of Rs. 200.00 million ("Limit E") (ii) Combined limit of Rs. 447.50 million with the following sub limits: (a) Import Documentary Credits of Rs. 447.50 million ("Limit F") (b) Import Deferred Payment Credits of Rs. 447.50 million ("Limit G") (c) Performance guarantee of Rs. 447.50 million ("Limit H") (d) Guarantees (Bid Bonds/EMD) of Rs. 185.00 million ("Limit I") (e) Advance payment guarantee of Rs. 447.50 million ("Limit J") (iii) Combined limit of Rs. 50.00 million with the following sub limits: (a) Working Capital Loan of Rs. 50.00 million ("Limit K") (b) Overdraft of Rs. 50.00 million ("Limit L") (iv) Vendor financing of Rs. 50.00 million ("Limit M") (v) Combined limit of Rs. 180.00 million with following sub limits: (a) Import Documentary Credits (adhoc) of Rs. 180.00 million ("Limit N") (b) Import Deferred Payment Credits (adhoc) of Rs. 180.00 million ("Limit O") Pursuant to sanction letter dated September 8, 2010 and factoring agreement dated September 14, 2010, an additional limit of cash flow finance of Rs. 270.00 million ("Limit P") was sanctioned for financing of progress payments from NHPC for Leh and Kargil		Limit P: 9.85%	90 days Limits C, E and H: Tenor of 36 months Limits D, J: Tenor of 24 months Limit I: Tenor of 12 months Limit K: 6 months Limit L: On demand Limit M: 3 months Limit P: Tenor of maximum of 12 months with a put/call option after six months from the date of drawdown

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	projects Pursuant to the Consortium Agreement, Rs. 500.00 million of this facility is within the consortium arrangement.			
ICICI Bank Limited ⁽³⁾	Credit arrangement letter dated April 8, 2010 for Rs. 1,800.00 million as set out below. (i) Cash Credit of Rs. 300.00 million ("Limit A") with sub limits of: (a) Inland bill discounting of Rs. 300.00 million for discounting of bills ("Limit B"); (b) Working capital demand loan of Rs. 300.00 million ("Limit C"); (ii) Performance Guarantee of Rs. 1,500.00 million ("Limit D") with sub limits of: (a) Letter of credit of Rs. 1,000.00million ("Limit E"); (b) Financial guarantee of Rs. 1,000.00 million ("Limit F") Pursuant to the Consortium Agreement, Rs. 1,250.00 million of this facility is within the consortium arrangement.	Rs. 77.71 million	Limit A: 3.25% p.a. below the sum of I-BAR and the cash credit risk premia prevailing on each day, plus applicable interest tax Limit B: Commission at 2.41% p.a. below the sum of I-BAR, Liq. premia and 6 month term premium prevailing as on date plus applicable interest tax Limit C: Commission to be stipulated by ICICI at each withdrawal and payable monthly	Limit A and Limit B: Valid until March 10, 2011 Limit C: Principal amount of each tranche, i.e., minimum of Rs. 1 million per draw down, is to be repaid as bullet payment on the maturity date Limit D and Limit F: Maximum period of bank guarantee (including claim period, if any) to be restricted to 36 months Limit E: Maximum usance period of 120 days from the date of shipment/dispatch
IDBI Bank Limited ⁽⁴⁾	Sanction letter dated February 5, 2010 for credit facilities up to Rs. 2,280.00 million: (i) Cash Credit of Rs. 400.00 million ("Limit A"); (ii) Bank Guarantee of Rs. 1,670.00 million ("Limit B"); and (iii) Letters of Credit of Rs. 210.00 million for buying raw material ("Limit C") Pursuant to a sanction letters dated September 28, 2010 and November 12, 2010, Limit A was increased to Rs. 870.00 million with a sub-limit of working capital demand loan of Rs. 600.00 million ("Limit A1"), Limit B was increased to Rs. 2,130.00 million and Limit C was increased to Rs. 300.00 million Pursuant to the Consortium Agreement, Rs. 2,280.00 million of this facility is within the consortium arrangement.	Rs. 291.82 million	Limit A: BBR plus 500 bps Limit A1: BBR plus 450 bps Limit B: Commission at 1.25% p.a. (1.50% p.a. for joint ventures or subsidiaries) Limit C: Usance Charges of 1.25% p.a.	Limit A: Tenure of one year Limit A1: Tenure of maximum 180 days Limit B: Maximum 36 months; repayment date is the return of original guarantee on or before the date of expiry Limit C: Tenure of maximum 180 days
State Bank of India ⁽⁵⁾	Sanction letter dated December 15, 2008 for the facilities of Rs. 700.00 million:	Rs. 223.80 million	Limit A: SBAR	Limit A: On demand Limit B: Usance period of 90 days

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	(i) Cash Credit (Book Debts) of Rs. 250.00 million with a sub limit of Cash Credit (Stocks) of Rs. 30.00 million ("Limit A"); (ii) Letters of Credit of Rs. 200.00 million ("Limit B"); (iii) Bank Guarantee of Rs. 250.00 million ("Limit C") with a sub limit of ad-hoc BG limit of Rs. 450.00 million Pursuant to the Consortium Agreement, Rs. 570.00 million of this facility is within the consortium arrangement.			Limit C: The validity period of the bank guarantees shall be maximum 36 months
Standard Chartered Bank ⁽⁶⁾	Sanction letter dated March 20, 2009 for: (i) Performance guarantee of Rs. 250.00 million ("Limit A") with sub limits of: (a) Letter of credit of Rs. 150.00 million ("Limit B") (b) Overdraft of Rs. 150.00 million ("Limit C") (ii) Performance guarantee of Rs. 97.50 million ("Limit D") (iii) Performance guarantee of Rs. 152.50 million ("Limit E") (iv) Purchase invoice discounting (Insurance backed) of Rs. 100.00 million ("Limit F") (v) Performance guarantee of Rs. 562.50 million ("Limit G") (vi) Letter of credit of Rs. 250.00 million ("Limit H") (vii) Short term loan of Rs. 500.00 million for working capital requirements of the NHPC project with a sub limit of overdraft of Rs. 100.00 million ("Limit I") Sanction letter dated October 12, 2009 for: (i) Guarantee of Rs. 453.00 million to issue guarantees for projects awarded by Uttar Haryana Bijli Vitran Nigam Limited to the Company ("Limit J") (ii) Letter of credit of Rs. 500.00 million ("Limit K") (iii) Short term loan of Rs. 500.00 million* with a sub limit of overdraft of Rs. 150.00 million ("Limit L")	Rs. 931.29 million	Limit L: 12.75% Limit M: 9%	Limit C: On demand Limit I: As of October 15, 2010, this facility has been repaid. Limit L: Maximum of 9 months with 3 months moratorium followed by repayment in 6 equal monthly installments Limit M: Maximum of 24 months with 6 months moratorium followed by repayment in 18 equal monthly installments starting from the seventh month

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	Facility letter dated April 13, 2010 for a short term money market loan of Rs. 1,000.00 million for financing of receivables due to the Company and meeting requirements under the contracts awarded to the Company from Power Grid Corporation of India Limited ("Limit M") *As of October 15, 2010, Rs. 100.00 million of Limit M and Limit F were outside the consortium arrangement.			
State Bank of Indore ⁽⁷⁾	Sanction letter dated December 14, 2009 for the following facilities: (i) Letter of credit (inland/(DA/DP)(Docy)) of Rs. 50.00 million ("Limit A") (ii) Bank guarantee of Rs. 150.00 million ("Limit B") (iii) Cash credit limit of Rs. 100.00 million with a sub limit for stocks of Rs. 10.00 million ("Limit C")	Rs. 60.53 million	Limit A: Commission at 25% discount on applicable charges as per the approval of the Lead Bank Limit B: At 1.50% p.a. Limit C: 0.50% below BPLR The interest rate will be charged at par with the State Bank of Patiala	Limit A: Maximum usance period of 180 days Limit B: Validity period of maximum 36 months Limit C: Period of sanction is one year
Union Bank of India ⁽⁸⁾	Letter dated May 22, 2010 for working capital facilities of Rs. 350.00 million: (i) Cash credit (hypothecation) of Rs. 100.00 million; and (ii) Bank guarantee/letter of credit of Rs. 250.00 million	Rs. 25.98 million	BPLR plus 0.25%	On demand
ING Vysya Bank Limited ⁽⁹⁾	Credit arrangement letter dated March 6, 2010 for Rs. 750.00 million with the following sub limits: (i) Cash credit of Rs. 200.00 million for working capital purposes ("Limit A") (ii) Short term loan (Revolving) of Rs. 200.00 million for working capital purposes ("Limit B") (iii) Import/Inland letter of credit of Rs. 550.00 million for domestic purchase and import ("Limit C") (iv) Bank guarantee (Financial) of Rs. 550.00 million ("Limit D") (v) Bank guarantee (Performance) of Rs. 350.00 million ("Limit E") Pursuant to credit arrangement letter dated September 10, 2010, the facilities were increased to Rs. 1,250.00 million as follows: (i)	Rs. 188.71 million	Limit A: IVRR plus 5.25% p.a. payable monthly Limit B: At mutually agreed rate at the time of disbursement Limit C: Commission at 75% of Bank/FEDAI rates Limits D and E: Commission at 0.60% p.a.	Limit A: Maturity date is August 31, 2011 Limit B and Limit C: Maturity date is February 28, 2012 Limit D: Maturity by February 28, 2013 Limit E: Maturity by August 31, 2014

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	Limit A is Rs. 300.00 million; (ii) Limit B is Rs. 300.00 million; (iii) Limit C is Rs. 300.00 million; (iv) Limit D is Rs. 750.00 million; and (v) Limit E is Rs. 1,250.00 million Pursuant to the Consortium Agreement, Rs. 510.00 million of this facility is within the consortium arrangement.			
YES Bank Limited ⁽¹⁰⁾	Amendment Facility Letter dated November 19, 2009 for the following facilities: (i) Bank guarantee (Performance) of Rs. 350.00 million ("Limit A") with the following sub limits: (a) Bank guarantee (Performance) of Rs. 200.00 million ("Limit B") (b) Letter of credit (Sight/Usance)(Import/Local) of Rs. 100.00 million ("Limit C") (ii) Working Capital Demand Loan of Rs. 150.00 million ("Limit D") with a sub limit of: (a) Cash credit of Rs. 120.00 million ("Limit E")	Rs. 109.53 million	Limits A, B: Commission at 0.80% p.a. payable upfront Limit C: Commission at 1% p.a. payable upfront Limit D: To be decided at the time of disbursement Limit E: YES Bank PLR minus 3.50% p.a.	Limit A: Tenor is 36 months Limit B: Tenor is 48 months Limit C: Validity and usance up to 3 months Limit D: Tenor is 3 months
DBS Bank Limited ⁽¹¹⁾	Letter dated February 17, 2010 for facilities up to Rs. 750.00 million: (i) Short Term Loan of Rs. 100.00 million ("Limit A") (ii) Multiline of Rs. 650.00 million ("Limit B") with the following sub limits: (a) Letter of credit/Buyers Credit Undertaking of Rs. 650.00 million ("Limit C") (b) Bank guarantee of Rs. 650.00 million ("Limit D") Pursuant to a sanction letter dated August 27, 2010, the facilities were revised as follows: Limit A of Rs. 350.00 million with a sub limit of cash credit/overdraft of Rs. 50.00 million; Limit B, including sub-limits Limits C and D, each of Rs. 900.00 million Pursuant to the Consortium Agreement, Rs. 750.00 million of this facility is within the consortium arrangement.	Rs. 300.00 million	Limits A and B: 8.25% Limit C: For letter of credit: 1% p.a.; for Buyers Credit Undertaking: Six months' LIBOR + 150 basis points Limit D: 1% p.a.	Limit A: Repayment on demand
AXIS Bank ⁽¹²⁾	Letter dated January 28, 2010 for working capital credit facilities. (i) Cash credit of Rs. 150.00 million* for working capital	Rs. 61.71 million	Limit A: Base rate plus 3.50% Limit B: Commission for performance	Limit A: On demand Limit B: Maximum period of 60 months

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	requirements ("Limit A") (ii) Bank guarantee of Rs. 1,750.00 million ("Limit B") with the sub limit of letter of credit (inland/import) of Rs. 300.00 million ("Limit C") _____ *Pursuant to a letter dated June 17, 2010, Limit A was modified to include the following sub limits: (a) Working capital demand loan of Rs. 150.00 million ("Limit D") (b) Foreign currency short term loan of US\$3.00 million ("Limit E") (c) Loan equivalent risk for forward contracts only of Rs. 10.00 million Pursuant to a letter dated September 9, 2010 and a demand/short term credit facility agreement dated September 28, 2010, such working capital credit facilities were increased as follows: Limits A, D and E is Rs. 250.00 million and Limit B is Rs. 2,500.00 million^(12A) Pursuant to the Consortium Agreement, Rs.1,900.00 million of this facility is within the consortium arrangement.		guarantee at 1.00% p.a. and financial guarantee at 1.15% p.a. plus applicable tax Limit C: Commission at 1% p.a. plus applicable taxes Limit D: To be determined on the date of disbursement Limit E: Minimum 200 bps spread to be maintained over cost of funds at the time of disbursement	Limit C: Usance period of maximum 180 days
State Bank of Hyderabad ⁽¹³⁾	Sanction letter dated February 11, 2009 for the following facilities: (i) Cash credits (Book debts) of Rs. 130.00 million with a sub limit of cash credit (hypothecation) of Rs. 65.00 million ("Limit A") (ii) Bank guarantee of Rs. 220.00 million with a sub limit of letter of credit of Rs. 220.00 million ("Limit B")	Rs. 56.00 million	Limit A: SBH PLR minus 0.25%	Limit A: As mutually agreed Limit B: Period of usance is maximum 180 days
State Bank of Mysore	Sanction letter dated May 8, 2010 for the following facilities. (i) Cash credit (book debts) of Rs. 100.00 million (ii) Letter of credit of Rs. 50.00 million for procurement of material required to execute the order of the State power distribution companies by way of erection and maintenance for renovation works of 11 KV feeders and other electrical contracts for usance period of 180 days (iii) Bank guarantee of Rs. 150.00	Rs. 21.16 million	State Bank of Mysore's PLR minus 0.50%	Repayable on demand

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule
	million Pursuant to the Consortium Agreement, Rs. 210.00 million of this facility is within the consortium arrangement.			
Allahabad Bank	Sanction letter dated December 21, 2009 for Rs. 2,000 million: (i) Cash credit of Rs. 300.00 million (ii) Bank guarantee of Rs. 1,700.00 million Letter dated March 2, 2010 amending the terms of the sanction letter dated December 21, 2009 to include a letter of credit of Rs. 200.00 million as a sub limit of the bank guarantee of Rs. 1,700.00 million for purchase of raw materials Pursuant to the Consortium Agreement, Rs. 600 million of this facility is within the consortium arrangement.	Rs. 62.84 million	PLR minus 0.50% p.a.	On demand

- Under the loan documentation, the Company shall inform the bank before undertaking any reconstitution/diversification/expansion/modernisation plans of business/investment in joint venture/associate. In addition to the security to be shared with the other consortium members, the following security has been created: a first charge on the assets of A2Z Infraseservices; a corporate guarantee of A2Z Infraseservices; and an omnibus counter-guarantee of the Company. The bank has a right to withhold disbursement and withhold disbursed facilities (fund based and non-fund based) without any prior notice.
- The sanction letter specifies, *inter alia*, the following conditions: (a) any change in the capital structure, schemes of amalgamation/re-construction must be agreed by the bank prior to being undertaken and (b) the Company shall obtain keyman insurance policy for Mr. Amit Mittal for Rs. 200 million. In addition to the security to be shared with the other consortium members, there shall be a *pari passu* charge on current assets and plant machinery for Rs. 800 million. In addition to the security to be shared with the other consortium members, a security of 5% deposits under lien has been created.
- Under the loan documentation, the Company shall not issue letter of credit in favor of certain sister concerns/associate concerns/group companies, namely, A2Z Infrastructure, A2Z Facilities Management Services Private Limited (now known as A2Z Infraseservices), A2Z Powertech and A2Z Powercom. In addition to the security to be shared with the other consortium members, a corporate guarantee of A2Z Infraseservices is required to be provided.
- The sanction letter specifies that the Company shall not raise any equity from the market without the prior approval of the bank. In addition to the security to be shared with the other consortium members, a corporate guarantee of A2Z Infraseservices is required to be provided. The bank reserves the right to withdraw the facilities in the event of any change in circumstances including but not limited to a material change in ownership, shareholding pattern or management of the firm. For the enhanced limits, a demand promissory note, post dated cheques, an undertaking to debit the cash credit account in the event of default and personal guarantees of Mr. Amit Mittal and Mrs. Dipali Mittal as interim security is required to be provided.
- The Company shall not, *inter alia*, without the prior approval of the bank (i) effect any change in the Company's capital structure; (ii) undertake any new project, implement any scheme of expansion or acquire fixed assets, except those indicated in the funds flow statement submitted to the bank from time to time and approved by the bank; (iii) invest by way of capital in or lend or advance funds to or place deposits with any other concern (including group companies) other than in normal course of business or advances to employees can however be extended; and (vi) permit any transfer of the controlling interest or make any drastic change in the management set-up of the Company. The bank reserves the right to amend, alter, stipulate new conditions, cancel or withdraw all or any of the terms and conditions of the limits sanctioned at anytime at the bank's sole discretion without giving any notice or assigning any reason.
- The Company shall not, *inter alia*, without prior written notice to the bank (i) permit any change in the ownership or control or constitution of the Company and or make any change in the shareholding or the management or majority of directors and not make any change to the general nature of the business of the Company from that carried on at the

date hereof and (ii) make any material amendments to the Memorandum of Association and Articles of Association of the Company. In addition to the security to be shared with the other consortium members, the following security has been created: a first *pari passu* charge over the entire fixed assets of the Company excluding the fixed assets at Indore and Bhubaneswar which have been exclusively financed by the State Bank of Indore and vehicles charged to other banks/financial institutions; a first charge by way of lien on the amount in the blocked account.

All receivables from the EPC contracts with NHPC shall be deposited in a blocked account and utilized towards repayment of Limits H and I. All receivables from projects awarded by Uttar Haryana Bijli Vitran Nigam shall be deposited in a blocked account and utilized towards repayment of Limits K and L. All receivables from the projects awarded by Power Grid Corporation of India Limited shall be deposited in a blocked account and utilized towards repayment of Limit M.

7. The Company shall not, *inter alia*, without the prior approval of the bank (i) effect any change in the Company's capital structure; (ii) undertake any new project or implement any scheme of expansion or acquire fixed assets; (iii) invest by way of capital in or lend or advance funds to or place deposits with any other concern other than in normal course of business or advances to employees can however be extended; and (iv) permit any transfer of the controlling interest or make any drastic change in the management set-up of the Company. In addition to the security to be shared with the other consortium members, bills/DD/invoices and documents of title to goods and an omnibus counter-guarantee of the Company are required to be provided for Limit A and Limit B, respectively.
8. In addition to the security to be shared with the other consortium members, the following security is required, (i) for the letter of credit facility: (a) documents of title to goods, (b) hypothecation of stocks purchased under the letter of credit, (c) pledge of FDR/DRC and (ii) for the bank guarantee: (a) counter indemnity and (b) pledge of FDR/DRC.
9. The Company shall intimate the bank, without delay, any changes that may take place in the constitution or the composition of the management irrespective of whether it has any impact on the risk profile of the Company. The Company shall not, *inter alia*, without the prior consent of the bank: (a) make any change to its management/board; permit any transfer of controlling interest; (b) incur major capital expenditures or make any investments either directly or through its subsidiaries during the currency of this facility; (c) invest/lend/extend advances to the group or subsidiaries; (d) extend corporate/financial/performance guarantees on behalf of its subsidiaries or group concerns or third parties; (e) undertake any new expansion, modernization, diversification scheme; and (f) declare any dividend on its share capital. The Company shall inform the bank of any changes in the senior management. The bank shall have first charge/*pari passu* charge on the profits of the Company, after the provision of taxation, for repayment of term loan installments under the term loans/deferred payment guarantees executed by the bank or other repayment obligations, if any, due from the Company to the bank. In addition to the security to be shared with the other consortium members, the following security has been created: a counter guarantee of the Company; a lien on margin money deposit; document of title to goods and hypothecation of such goods purchased under the letter of credit facility.
10. The Company shall not, *inter alia*, without the prior consent of the bank: (a) alter the shareholding pattern and (b) not make fresh advances/investments in Group Companies/Subsidiaries/firms. Further, any change in material ownership structure of the Company and cross default to other material agreements and other indebtedness are events of default. In addition to the security to be shared with the other consortium members, a demand promissory note for Rs. 150 million is required.
11. In addition to the security to be shared with the other consortium members, a post dated cheque of Rs. 350 million is required to be provided. The bank shall have the right at its absolute discretion and without prior notice to the Company to vary, terminate, reduce, suspend or cancel this facility.
12. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) undertake any expansion of fresh project or acquire fixed assets, while normal capital expenditure may be incurred; (b) invest by way of share capital in or lend or advance to or place deposits with any other concern (normal trade credit or security deposit in the routine course of business or advances to employees can, however, be extended); (c) make any change in the management set up of the Company; (d) conclude any fresh borrowing, either secured or unsecured with any other bank or financial institution; and (e) permit any change in the ownership or control of the Company or any amendments to the memorandum and articles of association of the Company. In addition to the security to be shared with the other consortium members, the following security has been created: an omnibus counter guarantee of the Company; an LC application cum indemnity letter duly signed by the Company; and post dated cheques.
- 12A. In addition to the security to be shared with the other consortium members, Limits A, D and E are secured by: (i) a first *pari passu* charge by way of hypothecation on the Company's current assets, both present and future, excluding three biomass (bagasse)-based cogeneration projects in Punjab; (ii) first *pari passu* charge over the movable fixed assets of the Company, both present and future, excluding three biomass (bagasse)-based cogeneration projects in Punjab; (iii) a first *pari passu* charge on fixed deposit of Rs. 5.50 million; (iv) a second *pari passu* charge on fixed and current assets related to three biomass (bagasse)-based cogeneration projects in Punjab; and (v) demand promissory note of Rs. 250.00 million. Additionally, Limit C is secured by hypothecation of goods purchased/imported under such Limit C.
13. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) effect any change in the capital structure of the Company; (b) implement any scheme of expansion or acquire fixed assets; (c) invest by way of share capital in or lend or advance funds to or place deposits with any other concerns except in normal course of business or as advances to employees and (d) make any drastic change in the management set up of the Company. In addition to the security to be shared with the other consortium members, an omnibus counter-guarantee of the Company and a corporate guarantee of A2Z InfraserVICES are required. The bank reserves the right to cancel or withdraw the credit facilities to the Company without assigning any reason.

Subsidiaries

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
A2Z Infraservices					
State Bank of Patiala ⁽ⁱ⁾	Sanction letter dated October 15, 2009 for: (i) Term loan of Rs. 20.00 million for the purpose of cleaning equipment to be required for undertaking facility management services such as vacuum cleaners, scrubbers, high pressure pumps, machines like DG sets etc. ("Limit A") and (ii) Working capital facility of Rs. 210.00 million (with cash credit limit of Rs. 150.00 million and bank guarantee of Rs. 60.00 million) ("Limit B"). Pursuant to a letter dated September 23, 2010, Limit B was renewed and increased to Rs. 340.00 million, as follows: (a) cash credit (hypothecation) of Rs. 220.00 million ("Limit C"); (b) bank guarantee of Rs. 90.00 million ("Limit D"); (c) LC/FLC of Rs. 10.00 million ("Limit E"); and (d) term loan of Rs. 20.00 million ("Limit F") Agreement of Loan for Overall Limit/MoU dated October 21, 2009	Rs. 154.45 million	BPLR Limits C and F: Bank's base rate plus 4.50% Limit D: Commission of 1.50% p.a. Limit E: 25% concession on normal bank's charges	Limits A, C and F: Door to door tenure of 4 years including one year moratorium period. Repayment is to be made in 12 equal quarterly installments commencing from one year from the date of first disbursement Limit D: Up to three years Limit E: Usance period of maximum 90 days	Mortgage of all borrower's immovable properties both present and future First charge by way of hypothecation and/or pledge of the borrower's entire goods, movables and other assets present and future, including documents of title to the goods and other assets, such as book debts outstanding moneys, receivables, including receivables by way of cash assistance and/or cash incentives under the Cash Incentive Scheme or any other Schemes, claims, including claims by way of refund of customs/excise duties under the Duty Drawback Credit Scheme or any other Scheme, bills, invoices, documents, contracts, insurance, policies, guarantees, engagements, securities, investments and rights uncalled capital and all machinery present and future of such form satisfactory to the bank First charge on the current assets of the borrower including book debts and other receivables Extension of charge on the fixed assets of the borrower (other than vehicles financed by other banks) Corporate guarantee of the Company; personal guarantees of Mr. Amit Mittal and Mrs. Dipali Mittal Counter guarantee of the borrower for Limit D Documents of title to goods along with insurance and other usual documents for Limit E First charge on the fixed assets of the borrower (other than vehicles financed by other banks) and extension of charge

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
					on the current assets of the borrower including book debts and other receivables for Limit F
A2Z Infrastructure					
IDBI Bank Limited ^(K)	Sanction letters dated June 17, 2009, December 1, 2009 and January 4, 2010 and facility agreement dated September 10, 2009 for: (i) Cash credit facility up to Rs. 100.00 million ("Limit A") (ii) Bank guarantee of Rs. 300.00 million	Rs. 24.53 million	Limit A: BPLR	Pursuant to the sanction letter dated January 4, 2010, Limit A shall be repaid before December 28, 2010	Escrow on the (1) subsidy receivables from Uttar Pradesh Jal Nigam; (2) tipping fee for MSW collection from Municipal Corporation of Kanpur and Ferozabad; and (3) charges from Uttar Pradesh Jal Nigam for disposal in SLF at Kanpur and Ferozabad First charge on the project movable/current assets of the company DSRA account to be maintained for interest payment of quarter dues to IDBI Demand promissory note; corporate guarantee of the Company; personal guarantees of Mr. Amit Mittal and Mrs. Dipali Mittal
IDBI Bank Limited ^(K)	Sanction letter dated January 4, 2010 and loan agreement dated January 19, 2010 for a rupee term loan of Rs. 124.00 million for project finance Patna project	Rs. 80.00 million	BPLR	Five years including a moratorium of one year	Escrow on the project receivables both present and future. All future revenues to be routed through this account. DSRA account to be opened for interest payment Hypothecation of project assets First charge on the current assets of the Company Corporate guarantee of the Company and personal guarantees of Mr. Amit Mittal and Mrs. Dipali Mittal; Demand promissory note
IDBI Bank Limited ^(K)	Sanction letter dated June 17, 2009 and loan agreement dated September 10, 2009 for rupee term loan of Rs. 285.00 million for project finance	Rs. 222.50 million	BPLR	48 equal monthly installments	First charge on entire movable and current assets of the borrower, both current and future Escrow on the (1) subsidy receivables from Uttar Pradesh Jal Nigam; (2) tipping fee for MSW collection from Municipal Corporation of Kanpur and Ferozabad; and (3) charges from Uttar Pradesh Jal Nigam for

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
					disposal in SLF at Kanpur and Ferozabad DSRA account to be opened and maintained with IDBI against payment of one quarter dues in advance to IDBI Demand promissory note; corporate guarantee of the Company and personal guarantees of Mr. Amit Mittal and Mrs. Dipali Mittal
YES Bank Limited ^(L)	Facility letter dated March 23, 2010 for long term loan of Rs. 600.00 million for a sub-limit of term loan of Rs. 150.00 million and loan agreement dated March 27, 2010 for Rs. 150.00 million for setting up 15 MW solid waste based power plant in Kanpur	Rs. 150.00 million	YES Bank's PLR plus applicable tax minus 5.50% p.a.	Repayment in 28 quarterly installments after 24 months from first date of disbursement or after 12 months from the date of actual date of completion of the project as certified by the Lender Independent Engineer, whichever is later. However, the repayment should not be delayed beyond March 31, 2013	First charge over all present and future (i) movable and immovable fixed assets of the project; (ii) current assets of the project; (iii) project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill pertaining to the project; and (iv) escrow account opened with the bank where all cash inflows from the project shall be deposited and all proceeds shall be utilized in a manner and in the priority as ascribed in the escrow agreement Personal guarantee of Mr. Amit Mittal and corporate guarantee of the Company Assignment/substitution/ mortgage of all project contracts, rights, titles, permits/approvals, clearances and interest of the borrower related to the project
IDBI Bank Limited ^(M)	Sanction letter dated August 30, 2010, for project finance, for the following: (i) Rupee term loan of Rs. 35.00 million ("Limit A") (ii) Cash credit of Rs. 6.50 million ("Limit B") (iii) Bank guarantee of Rs. 10.00 million ("Limit C")	Nil	Limits A and B: IDBI Base rate plus 500 bps Limit C: 1.25% p.a.	Limit A: Door to door tenor of six years including a moratorium of one year; 60 equal monthly installments Limit B: tenor of one year Limit C: tenor of maximum 36 months	Limit A: Designated account for the Muzaffarnagar project receivables both present and future First charge on the movable/current assets of the borrower Personal guarantee of Mr. Amit Mittal and Mrs. Dipali Mittal and corporate guarantee of the Company Demand Promissory Note DSRA for two quarter

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
					dues to be kept in the form of fixed deposit with the lender Limits B and C: First charge on the Muzaffarnagar project movable/current assets of the borrower Escrow on the Muzaffarnagar project receivables both present and future
AXIS Bank ^(N)	Sanction letter dated August 12, 2010 and letter dated November 6, 2010, for part funding the MSW based 15 MW power project at Kanpur under a consortium arrangement led by Yes Bank for the assessed loan requirement of Rs. 600.00 million, for the following: (i) Rupee term loan/foreign currency term loan of Rs. 300.00 million ("Limit A") with a sub-limit of capex letter of credit of Rs. 300.00 ("Limit B") (ii) Loan equivalent risk of Rs. 15.00 million ("Limit C")	Nil	Limit A: For rupee term loan: Base rate plus 4% payable monthly; for foreign currency term loan: minimum spread of 300 bps Limit B: Commission of 1.10% p.a.	Limit A: Tenor of 9.5 years including a moratorium of 2.5 years; repayment in 28 equal quarterly installments Limit B: Maximum usance period of 36 months	Pari passu first charge by way of equitable mortgage on land and building and hypothecation on plant and machinery and all other fixed assets related to the MSW based 15 MW power project at Kanpur Pari passu first charge by way of hypothecation on entire current assets related to the MSW based 15 MW power project at Kanpur Corporate guarantee of the Company and personal guarantee of Mr. Amit Mittal
CNCS					
Development Credit Bank Limited	Sanction letter dated April 6, 2010 for the following: (i) Cash credit of Rs. 47.00 million ("Limit A") (ii) Term loan of Rs. 75.80 million ("Limit B") (iii) Bank guarantee of Rs. 10.00 million ("Limit C")	Rs. 56.29 million	Limits A and B: BPLR minus 2%	On demand or annual review	Hypothecation of entire book debts and all current assets of the Company Hypothecation of plant and machinery to be purchased out of Limit B Counter guarantee Equitable mortgage over certain property, insurance policies of Rs. 1.08 million, lien of fixed deposit receipts of Rs. 0.89 million and guarantees of Mr. Nozar Phiroze Daruwalla, Mr. Roomy Nozar Daruwalla, Mrs. M.N. Daruwalla and the Company
A2Z Aligarh					
Standard Chartered Bank ^(O)	Sanction letter dated August 13, 2010 for the	Rs. 15.00 million	Limit A: 10.50% p.a.	Limit A: Door to door tenor of not exceeding five	Unconditional corporate guarantee from the Company

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
	following: (i) Term loan of Rs. 115.00 million ("Limit A") (ii) Overdraft of Rs. 20.00 million ("Limit B") with sublimits of (a) working capital demand loan of Rs. 20.00 million ("Limit C"); (b) letter of credit (unsecured) of Rs. 20.00 million ("Limit D"); (c) letter of credit (secured) of Rs. 20.00 million ("Limit E"); and (d) guarantee of Rs. 20.00 million ("Limit F")		Limits B to F: To be determined at the time of disbursement	years; Repayment in equal monthly installments after 12 months from the date of the first drawdown Limit B: Tenor of maximum up to one day Limit C: Tenor of maximum up to 180 days Limits D and E: Usance and validity not exceeding 180 days Limit F: Tenor of maximum up to one year	Exclusive charge on all movable fixed assets of A2Z Waste Management (Aligarh) Private Limited Exclusive charge on receivables, including cash received and available in a specified blocked account, under the MSW project at Aligarh
A2Z Merrut					
Standard Chartered Bank ^(O)	Sanction letter dated August 16, 2010 for the following: (i) Term loan of Rs. 200.00 million ("Limit A") (ii) Overdraft of Rs. 40.00 million ("Limit B") with sublimits of (a) working capital demand loan of Rs. 40.00 million ("Limit C"); (b) letter of credit (unsecured) of Rs. 40.00 million ("Limit D"); (c) letter of credit (secured) of Rs. 40.00 million ("Limit E"); and (d) guarantee of Rs. 40.00 million ("Limit F")	Nil	To be determined at the time of disbursement	Limit A: Door to door tenor of not exceeding five years; Repayment in equal monthly installments after 12 months from the date of the first drawdown Limit B: Tenor of maximum up to one day Limit C: Tenor of maximum up to 180 days Limits D and E: Usance and validity not exceeding 180 days Limit F: Tenor of maximum up to one year	Unconditional corporate guarantee from the Company Exclusive charge on all movable fixed assets of A2Z Waste Management (Merrut) Private Limited Exclusive charge on receivables, including cash received and available in a specified blocked account, under the MSW project at Meerut
A2Z Moradabad					
Standard Chartered Bank ^(O)	Sanction letter dated August 16, 2010 for the following: (i) Term loan of Rs. 115.00 million ("Limit A") (ii) Overdraft of Rs. 20.00 million ("Limit B") with sublimits of (a) working capital demand loan of Rs. 20.00 million	Rs. 11.00 million	Limit A: 10.50% p.a. Limits B to F: To be determined at the time of disbursement	Limit A: Door to door tenor of not exceeding five years; Repayment in equal monthly installments after 12 months from the date of the first drawdown Limit B: Tenor of maximum up to one day Limit C: Tenor of maximum up to 180	Unconditional corporate guarantee from the Company Exclusive charge on all movable fixed assets of A2Z Waste Management (Moradabad) Private Limited Exclusive charge on receivables, including cash received and available in a specified blocked account, under the MSW project at

Lender	Loan Documentation	Amount outstanding as of October 15, 2010 (for fund based facilities)	Interest Rate	Repayment Schedule	Security Created/Guarantees Provided
	("Limit C"); (b) letter of credit (unsecured) of Rs. 20.00 million ("Limit D"); (c) letter of credit (secured) of Rs. 20.00 million ("Limit E"); and (d) guarantee of Rs. 20.00 million ("Limit F")			days Limits D and E: Usance and validity not exceeding 180 days Limit F: Tenor of maximum up to one year	Moradabad
A2Z Varanasi					
Standard Chartered Bank ^(O)	Sanction letter dated August 16, 2010 for the following: (i) Term loan of Rs. 200.00 million ("Limit A") (ii) Overdraft of Rs. 40.00 million ("Limit B") with sublimits of (a) working capital demand loan of Rs. 40.00 million ("Limit C"); (b) letter of credit (unsecured) of Rs. 40.00 million ("Limit D"); (c) letter of credit (secured) of Rs. 40.00 million ("Limit E"); and (d) guarantee of Rs. 40.00 million ("Limit F")	Rs. 50.00 million	Limit A: 10.50% p.a. Limits B to F: To be determined at the time of disbursement	Limit A: Door to door tenor of not exceeding five years; Repayment in equal monthly installments after 12 months from the date of the first drawdown Limit B: Tenor of maximum up to one day Limit C: Tenor of maximum up to 180 days Limits D and E: Usance and validity not exceeding 180 days Limit F: Tenor of maximum up to one year	Unconditional corporate guarantee from the Company Exclusive charge on all movable fixed assets of A2Z Waste Management (Varanasi) Private Limited Exclusive charge on receivables, including cash received and available in a specified blocked account, under the MSW project at Varanasi
IPMSL					
Infrastructure Leasing & Financial Services Limited	Amended and restated agreement dated September 27, 2010 for term loan of up to Rs. 218.80 million for general corporate purposes	Rs. 218.80 million	14.00% p.a. payable quarterly	16 quarterly installments of Rs. 13.675 million commencing from the 15 th month from the date of the first drawdown	Corporate guarantee of the Company Demand promissory note Post dated cheques for the principal and interest

- J. Under the loan documentation, A2Z Infraservices shall not, *inter alia*, without the prior written consent of the bank: (a) implement a new scheme of expansion or take up allied line of business or manufacture; (b) invest any funds by way of deposits, or loans or in share capital of any other concern (including subsidiaries) during the currency of this facility; (c) any change in the management or capital structure; and (d) declare or pay any dividend. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) effect any change in the capital structure of A2Z Infraservices; (b) implement any scheme of expansion, diversification, modernization other than incurring routine capital expenditure; (c) make any corporate investments or investment by way of share capital and (d) undertake guarantee obligations on behalf of any third party. The bank reserve the right to cancel the facility without prior notice if such facility is not utilized by the Company, deterioration in the loan accounts in any manner, and/or non-compliance with the terms and conditions of the sanction.
- K. Under the loan documentation, the promoters are required to furnish a non-disposal undertaking of 51% of the paid up capital of A2Z Infrastructure. A2Z Infrastructure shall not, without the prior written consent of the bank, undertake any new project or expansion of the existing project or make any investment or take assets on leave. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) undertake any new project, diversification, modernization or substantial expansion of the project; (b) issue any debentures, raise any loans, accept deposits from the public; (c) prepay any loan to any other party; (d) pay any commission to the promoters, directors, managers, or other; (e) create any subsidiary or permit any company to become its subsidiary; (f) declare or pay dividend to its

shareholders and (g) make any investments by way of deposits, loans or share capital of any other concerns. The bank may cancel this facility or part thereof without any prior written notice to A2Z Infrastructure.

- L. Under the loan documentation, Mr. Amit Mittal is required to furnish a non-disposal undertaking of 35% of the paid up capital of the Company. The Company shall not, *inter alia*, without the prior written consent of the bank: (a) permit any change in the ownership or control of the Company; (b) effect material change in the management of the business of the Company; (c) agree or contract to incur any indebtedness; (d) make any amendments in the Company's Memorandum and Articles of Association; and (e) declare any dividend if any instalments towards principal or interest remains unpaid.
- M. Under the loan documentation, the promoters are required to furnish a non-disposal undertaking of 51% of the paid up capital of A2Z Infrastructure. The bank has a right to accelerate the repayment of the facility if A2Z Infrastructure's cash flow permits such acceleration and withdraw the facility in the event of any change, including a material change in ownership, shareholding pattern or management of the firm. A2Z Infrastructure shall not, *inter alia*, without the prior written consent of the bank: (a) undertake any new project or expansion of the existing project or make any investment or take assets on lease; and (b) declare and pay any dividend.
- N. Under the loan documentation, A2Z Infrastructure shall not, *inter alia*, without the prior written consent of the bank: (a) conclude any fresh borrowing arrangements; (b) undertake any expansion or fresh project or acquire fixed assets; (c) invest by way of share capital in or lend or advance to or place deposits with any other concern and (d) make any changes in their management set-up.
- O. Under the respective sanction letters, the borrowers, namely, A2Z Aligarh, A2Z Merrut, A2Z Moradabad and A2Z Varanasi shall not, *inter alia*, without prior written permission of the bank (i) enter into any scheme of amalgamation, restructuring or reconstruction; (ii) create any security over its assets, including any cash flow and receivables under the MSW projects at Aligarh, Meerut, Moradabad and Varanasi; (iii) declare any dividend; (iv) take any debt or funding from any bank or financial institution; and (v) reduce the shareholding of the Company below 80% of the total paid-up equity share capital of the borrowers.

This facility shall be utilized for the purposes of the MSW projects at Aligarh, Meerut, Moradabad and Varanasi. All receivables and subsidy from the MSW projects at Aligarh, Meerut, Moradabad and Varanasi shall be deposited in a blocked account and utilized towards repayment of Limit A under the respective sanction letters. The Company has covenanted, *inter alia*, that it shall: (a) not reduce its shareholding below 80% of the total paid-up equity share capital of the borrowers without the prior written consent of the bank; (b) ensure other group entity/promoters of the Company infuse certain amount as equity in each of the borrowers by March 31, 2011, (i) Rs. 90.00 million in A2Z Aligarh, (ii) Rs. 317.00 million in A2Z Merrut, (iii) Rs. 128.00 million in A2Z Moradabad and (iv) Rs. 13.00 million in A2Z Varanasi; and (c) ensure other group entity/promoters of the Company infuse equity in the borrowers to the extent of the project cost is not covered under Limit A under each sanction letter.

Other Indebtedness

Vehicle Loans

The Company has entered into 250 vehicle loan agreements. As of October 15, 2010, Rs. 133.61 million was outstanding under such vehicle loans.

Indebtedness subsequent to October 15, 2010

Subsequent to October 15, 2010, we have not incurred any additional indebtedness.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there is no (i) litigation against the Company or the subsidiaries whose outcome could have a material and adverse effect on our consolidated results of operations or financial position; (ii) litigation against the Directors involving violation of statutory regulations or alleging criminal offence; (iii) criminal/civil prosecution against the Directors in respect of tax liabilities; (iv) pending proceeding initiated for economic offences against the Company, the subsidiaries and the Directors; (v) adverse finding in respect of the Company and the subsidiaries as regards compliance with the securities laws; (vi) past case in which penalty was imposed by the relevant authorities on the Company, the subsidiaries and the Directors; (vii) outstanding litigation or default relating to matters likely to affect the operations and finances of the Company and the subsidiaries, including disputed tax liabilities and prosecution under any enactment in respect of Schedule XIII to the Companies Act; (viii) outstanding litigation, default, non- payment of statutory dues, proceeding initiated for economic offences or civil offences (including any past case, if found guilty), any disciplinary action taken by SEBI or any recognized stock exchange against the Company, the subsidiaries and the Directors; and (ix) small scale undertaking to whom the Company owes a sum exceeding Rs. 100,000 which is outstanding for more than 30 days.

Contingent liabilities not provided for as of July 31, 2010 as per our Restated Consolidated Summary Statements:

(Rs. in millions)

Contingent Liabilities	As of July 31, 2010
Performance and Financial Bank Guarantees	8,396.98
Outstanding amounts against counter guarantees / corporate guarantees amounting to Rs. 3,119.00 million given to Banks on account of facilities granted by said banks to subsidiaries	2,737.10
Liquidated damages deducted by customers not accepted by the Company and pending final settlement*	102.32
Open Letters of Credit	568.18
Litigation under the Workmen's Compensation Act, 1923, as amended (the "Workmen's Compensation Act")	1.18
Litigation with contractors and others	3.63
Total	11,809.39

* Excludes possible liquidated damages which can be levied by customers for delay in execution of the projects. Please see also, Note 9 in Annexure XXIIC of our restated consolidated summary statements in the section "Financial Statements" beginning on page 175 of this Prospectus.

Outstanding Litigation and Material Developments/Proceedings involving the Company and the Subsidiaries

Cases against the Company

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioner/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
1.	Civil /2009	April 2, 2009	Nain Electricals, through Mr. Bansi Lal (its sole proprietor)	Company	Court of Civil Judge, Senior Division, Karnal	Rs. 2,200,000	The plaintiff was a sub-contractor of the Company for installing electrical appliances and feeders in Karnal. An amount of Rs. 4,924,194.42, which is the value of the material not returned to the Company, is outstanding and payable by the plaintiff. The	As of the date of filing this Prospectus, no stay order has been passed against the Company. The Company has filed the written statement in the Court refuting such claims. The next date of hearing is January 11, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
							plaintiff filed a suit for rendition of accounts with consequential relief of mandatory injunction. The plaintiff has also filed an application for an ad-interim injunction restraining the defendants from shifting any material from stores of the Company.	
2.	CWA787/09//2009	2009	Balwan Singh	Company	Court of Civil Judge, Senior Division, Karnal	Rs. 196,746.50 along with interest at 18% p.a.	A suit for recovery was filed against the Company for alleged additional work done by the plaintiff on the work site at Hibatpur, Karnal. The Company has filed the written statement.	The next date of hearing is January 12, 2011.
3.	Civil Case Number 12/10/2009	2009	Pradeep Sayal	Company and Executive Director of the Company	Senior Divisional Magistrate, Fast track Court, Jaipur	Rs. 224,000 along with interest of 24% p.a.	A recovery suit of Rs. 224,000 has been filed by a former employee of the Company for his wages and other dues from the Company. The Company has filed the written statement.	The next date of hearing for arguments is January 10, 2011.
4.	Civil/2010	2010	Baljeet Singh	Uttar Haryana Bijli Vitran Nigam Limited, the Company and others	Civil Judge (Senior Division), Karnal	Not applicable	A suit for permanent injunction was filed to restrain the defendants from constructing electricity poles and laying LT lines over the fields of the plaintiff. Currently, no stay has been granted by the Court against the respondents.	The next date of hearing is January 27, 2011.
5.	05/2009	May 13, 2009	Kuljinder Singh	Uttar Haryana Bijli Vitran Nigam Limited, the	Additional Civil Judge, Senior Division, Safidon,	Rs. 30,000 along with interest at 18% p.a.	A suit for recovery of damages filed by the plaintiff for the death of	The matter is currently pending.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
				Company and others	Haryana		a domestic animal due to an electric shock from the wires laid by the respondents.	
6.	68/2008	August 13, 2008	Shanta Bai and others	Ajmer Vidyut Vitran Nigam Limited, the Company and others	Additional District and Session Judge Bhilwara, Rajasthan	Rs. 3,468,504	A suit for compensation under the Fatal Accident Act, 1885, was filed by the plaintiff for the death of her husband caused during a road accident due to the negligence of the respondents during installation of wires on the road. The Company has filed a written statement.	The next date of hearing is December 19, 2010.
7.	62/2009	2009	District Forest Officer, Rewari	Anish Sharma	Special Environment Court, Faridabad	Rs. 21,125	A criminal complaint has been filed under Section 67 of Indian Forest Act, 1927, as amended, against the accused, a former employee of the Company, during the execution of the project Rewari-Shahjhapur of Uttar Haryana Bijli Vitran Nigam Limited. The forest officer has assessed the damage of Rs. 21,125 against the accused.	The matter is currently pending.
8.	381/2010	May 25, 2010 (summons issued on August 6, 2010)	Dhani Ram	Company and others	District Consumer Disputes Redressal Forum, Karnal	Rs. 90,000 and Rs. 10,000 for litigation expenses	A complaint under Section 12 of the Consumer Protection Act, 1986, as amended, filed for deficiency in services.	The next date of hearing is March 29, 2011.
9.	Civil Writ Petition No.1647 of 2010	September 9, 2010	Shiv Kumar and others	Company and others	High Court of Punjab and Haryana at Chandigarh	Not applicable	A civil writ petition was filed under Articles 226 and 227 of the Constitution of India for an order directing	The final order is awaited.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
							the respondents to replace two defective transformers used by the petitioners for running the tube wells for farming in village Faridpur, Karnal.	
10.	A/23/2009	May 5, 2009	Gajender	Company	ADJ cum Presiding Officer, Industrial Tribunal cum Labour Court, Gurgaon	Rs. 113,032	The applicant, who held the post of site engineer in the Company prior to his dismissal on September 14, 2008, has filed an application under Sections 33C(2) and 2(s) of the Industrial Disputes Act, 1947, as amended, for money due from the employer under Chapters VA and VB of the Industrial Disputes Act, 1947, as amended.	The next date of hearing is March 9, 2011.
11.	WCA/2008	2008	Singh Ram and Rani	Executive Engineer, UHBVN Limited, the Company and others	Court of Commissioner under the Workmen's Compensation Act, Circle I, Yamuna Nagar, Jagadhri	Rs. 1,000,000 along with interest at 12% p.a. Further the petitioners have sought an order from the court to levy a penalty up to 50% of the above amount for failure to compensate the petitioners at the time of the accident	A petition claiming compensation was filed under the Workmen's Compensation Act by the parents of the deceased who died due to an electric shock during the course of his employment with one of the respondents. Pursuant to the written statement filed on behalf of the respondents, it was argued to implead the concerned insurance company as a necessary party in the case. The Company has filed the written statement in the Court.	The next date of hearing is December 23, 2010.
12.	Application No.4/WC/2009	January 16, 2009	Balinder Singh	Company and Iffco-Tokyo	Commissioner under the Workmen's	Rs. 800,000	A petition claiming compensation	The next date of hearing is December 17,

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
				General Insurance Company Limited	Compensation Act, Ambala		was filed under the Workmen's Compensation Act by the petitioner for injuries caused during the course of his employment with the respondents.	2010.
13.	WCA 1263/24/12/08	September 10, 2008	Punnu Ram and others	Ashok Saini and others	Commissioner under the Workmen's Compensation Act, Yamunagar	Rs. 1,000,000 along with interest	A petition claiming compensation was filed under the Workmen's Compensation Act by the dependants of the deceased who died due to an electric shock during the course of his employment with the respondents. Pursuant to the written statement filed on behalf of the respondents, it was argued that the matter should be dismissed for failure to implead the Company and concerned insurance company as necessary parties in the case.	The next date of hearing is December 23, 2010.
14.	WCA 2661/18/9/2008	September 11, 2008	Sarla Devi and others	Company and others	Commissioner under the Workmen's Compensation Act, Kaithal	Rs. 2,000,000 along with interest at 18% p.a.	A petition claiming compensation was filed under the Workmen's Compensation Act by the dependants of the deceased who died due to an electric shock during the course of his employment with the respondents. The Company has filed the written statement in the Court.	The next date of hearing is December 16, 2010.
15.	WCA/4/2009	April 5, 2009	Sonu	Company and Iffco Tokyo General	Court of the Workmen's Compensation Commissioner,	Rs. 1,000,000 along with interest at 24% p.a.	A petition claiming compensation was filed under	The Company is in the process of filing a reply before the

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
				Insurance Company Limited	Karnal		the Workmen's Compensation Act by the petitioner for injuries caused during the course of his employment with the respondents.	Commissioner.
16.	WCA/12/24/9/2008	September 24, 2008	Kali Ram	Executive Engineer, Uttar Haryana Bijli Vitran Nigam Limited, National Insurance Company, the Company and others	Commissioner under the Workmen's Compensation Act, Circle I, Yamuna Nagar	Rs. 1,000,000 along with interest of 12% p.a. The petitioners have also sought an order from the court to levy a penalty up to 50% of the above amount for failure to compensate the petitioners at the time of the accident	The dependants of the deceased who died due to an electric shock during the course of his employment with the respondents filed an application under the Workmen's Compensation Act for compensation.	The next date of hearing is December 23, 2010.
17.	30/2009	November 6, 2009	Rodi Devi and others	Company	Commissioner under the Workmen's Compensation Act, Bhilwara, Rajasthan	Rs. 418,460	The dependants of the deceased who died due to an electric shock during the course of his employment with the respondents filed an application under the Workmen's Compensation Act for compensation.	The Company has filed a written statement and paid Rs. 195,447 as compensation to the applicants. The next date of hearing is January 12, 2011.
18.	8/2009	January 20, 2009	Shoji Ram and others	Ajmer Vidyut Vitran Nigam Limited, the Company and others	Commissioner under the Workmen's Compensation Act, Bhilwara, Rajasthan	Rs. 396,620	The dependants of the deceased who died due to an electric shock during the course of his employment with the respondents filed an application under the Workmen's Compensation Act for compensation. The Company has deposited Rs. 241,921 with the Deputy Labour Commissioner, Bhilwara, Rajasthan.	The next date of hearing is February 21, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
19.	14/2010	April 23, 2010	Naba Bewa and others	Company	Commissioner under the Workmen's Compensation Act, North Region, Jalpaiguri West Bengal	Rs. 394,120	The dependants of the deceased who died due to an electric shock during the course of his employment with the respondents filed an application under the Workmen's Compensation Act for compensation.	The next date of hearing is for appearance of the respondents.
20.	46/2008	November 14, 2008	Shanti Lal and others	Company	Commissioner under the Workmen's Compensation Act, Bhilwara, Rajasthan	Rs. 200,745	Pursuant to an order dated October 14, 2008, the Company deposited Rs. 200,745 with the Commissioner in favor of the dependants of the deceased who died due to an electric shock during the course of his employment with the respondents.	The next date of hearing is January 12, 2011.
21.	407	October 9, 2007	Mukesh Kumar	Uttar Haryana Bijli Vitran Nigam Limited, the Company and others	Commissioner under the Workmen's Compensation Act, Karnal, Haryana	Rs. 1,200,000	A petition claiming compensation was filed under the Workmen's Compensation Act by the petitioner for injuries caused during the course of his employment with the respondents.	The next date of hearing is December 23, 2010.
22.	Not applicable	May 13, 2010	Rameshwar Prasad	Company and others	Reconciliation Officer, Labour Department, Bilwara, Rajasthan	Rs. 187,500	A complaint filed by a former employee of the Company who held the post of a supervisor at Jaipur for non-payment of salary and other dues.	The matter is currently pending.
23.	WCA/54/2010	September 6, 2010	Ram Karan	Company and others	Commissioner under the Workmen's Compensation Act, Karnal, Haryana	Rs. 1,200,000 along with interest and penalty under the Workmen's Compensation Act	A petition claiming compensation was filed under the Workmen's Compensation Act by the	The next date of hearing is December 24, 2010.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
						Act and Rs. 10,000 for litigation expenses	petitioner for injuries caused during the course of his employment with the respondents.	
24.	WCA/49/2010	July 27, 2010 (summons issued on August 13, 2010)	Jagat Ram	Company and others	Commissioner under the Workmen's Compensation Act, Karnal, Haryana	Rs. 1,200,000 along with interest and penalty under the Workmen's Compensation Act	The dependants of the deceased who died due to an electric shock during the course of his employment with the respondents filed an application under the Workmen's Compensation Act for compensation.	The next date of hearing is December 23, 2010.
25.	Claim Case No.478/2010	September 21, 2010	Krishna Kumar Singh	Company and others	IX Motor Accident Claim Tribunal, Indore, Madhya Pradesh	Rs. 330,000	An application was filed for compensation under the Motor Vehicles Act, 1988. The Company has filed a written statement refuting the claims of the applicant since the vehicle was insured.	The next date of hearing is December 20, 2010.
26.	Ref.No.82/2010	November 4, 2009 (summons issued on August 10, 2010)	Ram Kishore	Company and other	Presiding Officer, Labour Court-3, Faridabad	Not applicable	A reference under Section 10-A of the Industrial Disputes Act, 1947, as amended, was made by the applicant for reinstatement of service with back wages.	The matter is currently pending.
27.	WCA/50/2010	August 13, 2010	Manoj Kumar	Company and others	Commissioner under the Workmen's Compensation Act, Karnal, Haryana	Rs. 1,200,000 along with interest and penalty under the Workmen's Compensation Act	A petition claiming compensation was filed under the Workmen's Compensation Act by the petitioner for injuries caused during the course of his employment with the respondents.	The next date of hearing is December 23, 2010.
28.	WCA/55/2010	September 6, 2010	Satyapal	Company and others	Commissioner under the Workmen's Compensation Act, Karnal,	Rs. 1,000,000 along with interest and Rs. 10,000 as litigation	A petition claiming compensation was filed under the Workmen's	The next date of hearing is December 24, 2010.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
					Haryana	expenses	Compensation Act by the petitioner for injuries caused during the course of his employment with the respondents.	
29.	WCA/56/2010	September 6, 2010	Suraj Bhan	Company and others	Commissioner under the Workmen's Compensation Act, Karnal, Haryana	Rs. 1,200,000 along with interest and penalty under the Workmen's Compensation Act and Rs. 10,000 for litigation expenses	A petition claiming compensation was filed under the Workmen's Compensation Act by the petitioner for injuries caused during the course of his employment with the respondents.	The next date of hearing is December 24, 2010.
30.	36/10	May 24, 2010	Sukhchain	Company and another	Authority under the Payment of Wages at Karnal	Rs. 116,000 and compensation of Rs. 50,000 for harassment	An application under Section 15(2) and 15(3) of the Payment of Wages Act, 1936 was filed for payment of delayed wages from the respondents.	The next date of hearing is December 24, 2010.
31.	CS(OS) No.2330 of 2010	2010 (order received by the Company on December 10, 2010)	Microsoft Corporation and another	Company, certain Subsidiaries and others	High Court of Delhi, New Delhi	Not available	Pursuant to an order dated November 16, 2010, the High Court issued an <i>ex parte</i> injunction appointing local commissioners to inspect the premises of the Company and others in relation to alleged unauthorized use of the plaintiff's software.	The summons have been issued to the Company and others and the matter has listed for framing of issues on May 25, 2011. The Company has filed an application under Order 39, Rule 4 and Section 151 of the Code of Civil Procedure, 1908.

In addition, the Company has been issued summons in two labour matters pending before the Presiding Officer, Labour Court No. XII, Karkadooma Court, New Delhi wherein the current respondents have filed an application requesting the court to implead the Company as a party to the proceedings.

The Company has filed an objection under the Workmen's Compensation Act on behalf of one of the respondents, before the Assistant Labour Commissioner, Doda, in relation to a petition filed by Pishori Lal under the Workmen's Compensation Act to dismiss the petition for failure to implead necessary parties. The matter is currently pending.

As of the date of filing this Prospectus, there are 40 matters under the Workmen's Compensation Act involving the Company where no proceedings against the Company have been initiated as yet.

Cases by the Company (including appeals from adverse decisions)

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
1.	Writ Petition No. 816/2010	January 25, 2010	Company	Union of India, Ministry of Railway and the Chief Engineer (Works), South Central Railways	High Court of Judicature of Bombay at Aurangabad	Not applicable	The Company filed a writ petition under Articles 14, 19 and 300A of the Constitution of India for quashing the order of the Chief Engineer (Works), South Central Railways levying cess on the Company under the provisions of the Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and seeking refund of such amount deducted as cess.	The matter has been referred to the Chief Justice of the High Court of Judicature of Bombay and the matter is currently pending.
2.	Consumer Complaint No. 719/24/8/2009	August 24, 2009	Company	Telecraft E-Solutions Private Limited	District Consumer Dispute Redressal Forum, Gurgaon	Rs. 197,000 along with interest 24% p.a.; Rs. 500,000 as damages; Rs. 20,000 for cost of litigation; and Rs. 20,000 towards mental agony and harassment	A complaint under Sections 12 and 14 of the Consumer Protection Act, 1986 filed by the Company against the respondent for supply for defective goods and deficiency of services.	The next date of hearing for arguments is January 11, 2011.
3.	5438/17/9/2009	September 16, 2009	Company	Suman Kumar	Court of Judicial Magistrate First Class, Gurgaon	Rs. 5,683,157.28	The accused was under an obligation to execute work assigned by the Company and for such execution the Company provided materials to the accused. Pursuant to a reconciliation statement, the accused could not account for material of worth Rs. 5,682,157.28. The accused and the Company entered into a memorandum of understanding ("MoU") under which the accused promised to return certain amount of excess material and pay a sum of Rs. 1,030,695.96 as partial payment of his liability. It was agreed that if such terms were not met then the Company could proceed against the accused for an amount of Rs. 5,683,157.28. A cheque for the above sum issued on July 10, 2009 was dishonoured. Consequently, the Company filed a complaint under Sections 138 and 142 of the Negotiable Instrument Act, 1881 and Section 420 of the Indian Penal Code, 1860.	The next date of hearing for arguments is February 17, 2011.
4.	5441/17/9/2009	September 16, 2009	Company	R.K. Sabharwal	Court of Judicial	Rs. 2,695,865.24	The accused was under an obligation to execute work assigned by the Company	The next date of

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideratio n	Brief Description of Case	Status
		2009		(proprietor of M/s Electra Transmission System)	Magistrate First Class, Gurgaon		and for such execution the Company provided materials to the accused. Pursuant to a reconciliation statement, the accused could not account for material of worth Rs. 2,695,865.24. A cheque for Rs. 250,000 issued on May 7, 2009 by the accused as part payment of his liability was dishonoured. Consequently, the Company filed a complaint under Sections 138 and 142 of the Negotiable Instrument Act, 1881 and Section 420 of the Indian Penal Code, 1860.	hearing is January 17, 2011.
5.	C-8/45 of 2009	2009	Company	National Insurance Company Limited and Probus Brokerage Limited	State Consumer Disputes Redressal Commission, Delhi	Rs. 1,860,400 along with interest at 18% p.a. and compensation up to Rs. 1000,000	The Company filed a complaint under Section 12 of the Consumer Protection Act, 1986 for deficiency of services by the respondents. The Company bought an insurance policy for covering risks of theft, burglary, fraud, dacoity, fidelity from the respondents to cover up to Rs. 5,000,000 cash in safe and Rs. 200,000,000 cash in transit. Subsequently the Company lost Rs. 1,860,400 in a theft from one of its offices and raised a claim against the respondents. The respondents rejected the claim on the ground that the insurance policy only covered the registered office of the Company. Further, since an employee of the Company was the accused person in theft, the Company was not entitled to the benefits under the insurance scheme.	The next date of hearing is February 10, 2011.
6.	516/15/6/2009	June 12, 2009	Company	Nain Electricals	Court of Chief Judicial Magistrate First Class, Gurgaon	Rs. 2,500,000	The accused is a sub-contractor of the Company for installing electrical appliances and feeders in Karnal. Pursuant to a reconciliation statement, the accused could not account for material worth Rs. 4,927,194.42. The defendant gave an undertaking to return the material or pay such amount. A cheque for Rs. 2,500,000 issued on April 21, 2009 was dishonoured. Consequently, the Company filed a complaint under Sections 138 and 142 of the Negotiable Instrument Act, 1881 and Section 420 of the Indian Penal Code, 1860.	The next date of hearing is February 14, 2011.
7.	4062/7/10	October 7, 2010	Company	Jugal Kishore Meena	Judicial Magistrate 1 st Class, Gurgaon	Rs. 2,800,000 along with interest and compensation under Section 357 of the Criminal Procedure Code, 1973	The accused was under an obligation to execute work assigned by the Company and for such execution the Company provided materials to the accused. Pursuant to an inspection of the site, the accused could not account for material worth Rs. 1,396,926. A cheque for Rs. 1,400,000 issued on June 26, 2010 by the accused was dishonoured. Consequently, the Company filed a complaint under Sections 138 and 142 of the Negotiable Instrument Act, 1881 and Section 420 of the Indian Penal Code, 1860.	The accused has been summoned for hearing on April 4, 2011.
8.	788/10	September 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 1,276,343 along with interest of 24% p.a., compensation	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at	The next date of hearing is March 10, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideratio n	Brief Description of Case	Status
						n of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	village Ishak, Kurukshetra under the work order received from Uttar Haryana Bijli Vitran Nigam.	
9.	789/10	Septemb er 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 192,833.90 along with interest of 24% p.a., compensatio n of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Chamarkhera under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
10.	790/10	Septemb er 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 1,018,083 along with interest of 24% p.a., compensatio n of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Bhalout, Rohtak under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
11.	791/10	Septemb er 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 1,402,137 along with interest of 24% p.a., compensatio n of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Khewara, Sonipat under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
12.	792/10	Septemb er 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 239,289.35 along with interest of 24% p.a., compensatio n of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at Mirjpur feeder, Yamunagar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideratio n	Brief Description of Case	Status
13.	793/10	September 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 1,121,878.72 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property near village Lowa, Khurd, Soidhon, Nayagaon, Ballour and Sidhipur, Jhajjar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
14.	794/10	September 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 283,619.75 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Bodhi, Kurukshetra under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
15.	795/10	September 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 368,137 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Bahu Jamalpur, Rohtak under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
16.	796/10	September 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 396,065 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Aftabgarh feedar, Jind under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
17.	797/10	September 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 148,011 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Malikpur and Paharipur, Jajjar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideratio n	Brief Description of Case	Status
						and Rs. 10,000 for litigation expenses		
18.	798/10	Septemb er 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 260,000 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Bhagwala, Ambala under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
19.	799/10	Septemb er 30, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Gurgaon	Rs. 65,863 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 10,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Bohdi Umari, Kurukshetra under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is March 10, 2011.
20.	1199/2010	Septemb er 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 98,803.43 along with interest of 24% p.a., compensation of Rs. 50,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Pratapgarh store under the work order received from Ajmer Vidyut Vitran Nigam Limited.	The next date of hearing is January 31, 2011.
21.	1204/2010	Septemb er 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 500,000 along with interest of 24% p.a., compensation of Rs. 50,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Kekri store under the work order received from Ajmer Vidyut Vitran Nigam Limited.	The next date of hearing is January 31, 2011.
22.	1202/2010	Septemb er 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 347,091.65 along with interest of 24% p.a., compensation of Rs.	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Shahpura store under the work	The next date of hearing is January 31, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideratio n	Brief Description of Case	Status
						50,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	order received from Ajmer Vidyut Vitran Nigam Limited.	
23.	1203/2010	September 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 77,525.92 along with interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Bhinani store under the work order received from Ajmer Vidyut Vitran Nigam Limited.	The next date of hearing is January 31, 2011.
24.	1201/2010	September 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 324,556 along with interest of 24% p.a., compensation of Rs. 50,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Raisinghapur store under the work order received from Ajmer Vidyut Vitran Nigam Limited.	The next date of hearing is January 31, 2011.
25.	1200/2010	September 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 151,314 along with interest of 24% p.a., compensation of Rs. 50,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from division Shahpura under the work order received from Ajmer Vidyut Vitran Nigam Limited.	The next date of hearing is January 31, 2011.
26.	1205/2010	September 29, 2010	Company	National Insurance Co. Limited and another	District Consumer Disputes Redressal Forum, Jaipur	Rs. 755,453.96 along with interest of 24% p.a., compensation of Rs. 50,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property at village Gangapur under the work order received from Ajmer Vidyut Vitran Nigam Limited.	The next date of hearing is January 31, 2011.
27.	1198/2010	September 29,	Company	National Insurance Co.	District Consumer	Rs. 60,781 along with	The Company has filed a complaint under Sections 12 and 14 of the	The next date of

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideratio n	Brief Description of Case	Status
		2010		Limited and another	Disputes Redressal Forum, Jaipur	interest of 24% p.a., compensation of Rs. 10,000 for mental agony and harassment and Rs. 11,000 for litigation expenses	Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Ajoliya Kakhera store, Bhilwara Road, Chittogarh under the work order received from Ajmer Vidyut Vitran Nigam Limited.	hearing is January 31, 2011.
28.	1252/2010	October 29, 2010	Company	United India Insurance Company Limited and another	District Consumer Disputes Redressal Forum, Delhi	Rs. 296,548 along with interest of 24% p.a., compensation of Rs. 20,000 for mental agony and harassment and Rs. 20,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from villages Kalalti, Budha Khera and Uplana, Yamunanagar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is February 22, 2011.
29.	1253/2010	October 29, 2010	Company	United India Insurance Company Limited and another	District Consumer Disputes Redressal Forum, Delhi	Rs. 252,219 along with interest of 24% p.a., compensation of Rs. 20,000 for mental agony and harassment and Rs. 20,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from villages Jatwar to Saidpur, Yamunanagar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is February 22, 2011.
30.	1254/2010	October 29, 2010	Company	United India Insurance Company Limited and another	District Consumer Disputes Redressal Forum, Delhi	Rs. 321,007 along with interest of 24% p.a., compensation of Rs. 20,000 for mental agony and harassment and Rs. 20,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from Mukundpur feeder, Yamunanagar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is February 22, 2011.
31.	1255/2010	October 29, 2010	Company	United India Insurance Company Limited and another	District Consumer Disputes Redressal Forum, Delhi	Rs. 449,409 along with interest of 24% p.a., compensation of Rs. 20,000 for mental agony and harassment and Rs. 20,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from villages Dhanaura and Bahadurpur, Yamunanagar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is February 22, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
32.	1256/2010	October 29, 2010	Company	United India Insurance Company Limited and another	District Consumer Disputes Redressal Forum, Delhi	Rs. 1,638,340 along with interest of 24% p.a., compensation of Rs. 20,000 for mental agony and harassment and Rs. 20,000 for litigation expenses	The Company has filed a complaint under Sections 12 and 14 of the Consumer Protection Act, 1996, as amended, for deficiency in services in relation to delay in settling insurance claims against theft of the property from villages Akbarpur, Kanjala feeder, Handikhera, Ambli, Lalpur to Negla, Shazadpur, Yamunanagar under the work order received from Uttar Haryana Bijli Vitran Nigam.	The next date of hearing is February 22, 2011.

Other than above, the Company has filed a first information report against Mr. Mangli Lal, the proprietor of Manoj Construction, under Section 406 of the Indian Penal Code, 1860, as amended, for recovery of material provided by the Company for installing electrical appliances.

In addition, the Company had filed 145 first information reports with the concerned station house officers for theft of equipments from various project sites and criminal breach of trust under the provisions of the Indian Penal Code, 1860, as amended.

Tax Cases involving the Company

There are no pending tax proceedings involving the Company.

Past penalties

There are no past penalties imposed on the Company except as disclosed in this section.

Compounding Fees imposed on the Company

In 2009, the Company filed three applications for compounding of offence under Section 621A of the Companies Act for failure to obtain prior approval of the Central Government under Section 297(1) of the Companies Act for certain transactions of the Company with A2Z Infrastructure and Selligence. Pursuant to orders each dated November 12, 2009 of the Member, Company Law Board, New Delhi Bench, New Delhi, the Company, the company secretary and the interested Directors of the Company, in each case, Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Manoj Gupta and Mr. Sanjeev Sharma, were ordered to pay Rs. 20,000, Rs. 3,000 and Rs. 5,000 each, respectively, as compounding fees.

Cases against the Subsidiaries

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
1.	Civil Case Number 12/2009	April 28, 2009	Dharminder	Municipal Corporation of Indore and A2Z Infrastructure	Additional District Judge, Fast-track Court, Indore	Not applicable	A petition has been filed by the petitioner challenging the tender awarded and subsequent work order issued by the Municipal Corporation of Indore in favor of A2Z Infrastructure under Section 307 of the Madhya Pradesh Municipal Corporation Act.	The next date of hearing is December 23, 2010.
2.	CS(OS) 925/2010	April 22, 2010	Rajani Kanta Patra	A2Z InfraserVICES	High Court, New Delhi	Rs. 2,500,000	A petition has been filed by a former employee in the FMS business of the company claiming damages for defamation. The petitioner has also requested the court to issue a permanent injunction for restraining the respondent from publishing further public notices.	The next date of hearing is April 1, 2011.

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
3.	Not available	October 26, 2010	Placid Construction Private Limited	A2Z Powercom	Additional Civil Judge (Senior Division), Fazilka	Not applicable	An application under Order 39, Rules 1, 2 and 7 read with Section 151 of the Code of Civil Procedure for granting an ad-interim injunction order restraining the defendant from committing any act that may cause the breach of the civil contract agreement dated March 27, 2010 for the civil works of the biomass (bagasse) based cogeneration project at Fazilka, including the termination of such contract in favour of a third party without the settlement of accounts of the plaintiff.	The next date of hearing is January 3, 2011.
4.	854/08	2008	Labour Enforcement Officer (Central), Bangalore	IPMSL and another	Metropolitan Magistrate Traffic Court-I, Bangalore	Not applicable	Proceedings were initiated under Section 24 of the Contract Labour (Regulation and Abolition), Act, 1970 and rules thereunder for failure to maintain statutory registers and display notices at ING Vysya, Bangalore, where the accused was engaged in housekeeping work.	The next date of hearing is January 4, 2011.
5.	855/08	2008	Labour Enforcement Officer (Central), Bangalore	IPMSL and another	Metropolitan Magistrate Traffic Court-I, Bangalore	Not applicable	Proceedings were initiated under Section 10 of the Equal Remuneration Act, 1976 and rules thereunder for failure to maintain statutory registers or other document in relation to workers employed by the accused at ING Vysya, Bangalore, where the accused was engaged in housekeeping work.	The next date of hearing is January 4, 2011.
6.	C.C.1005/SLC/2005	2005	Regional Labour Commissioner (Central)	IPMSL	5 th Metropolitan Magistrate, at Dadar	Not applicable	A complaint is filed for failure to obtain a contract labour license under the Contract Labour (Regulation and Abolition), Act, 1970 for the HDFC Chubb General Insurance Co. Limited, Mumbai.	The matter is currently pending.
7.	67/SL/2006	October 29, 2002	State through Labour Enforcement Officer (Central) I, Mumbai	IPMSL and other	22 nd Metropolitan Magistrate, Andheri	Not applicable	A complaint under Section 24 of the Contract Labour (Regulation & Abolition) Act, 1970 and the rules thereunder for failure to display statutory registers and certain notices at Citibank N.A., Bandra Kurla Complex where the respondent was engaged for general maintenance.	The next date of hearing is December 27, 2010.
8.	180/SS/2006	2006	Security Guard Board	IPMSL and others	Additional Chief Metropolitan Magistrate's 38 th Court, Mumbai	Not applicable	A criminal complaint filed under clause 42 for contravention of clause 13(1)(C) of the Private Security Guards (Regulation of Employment & Welfare) Scheme, 2002 read with Section 3(3) of Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act, 1981 by the Security Guard Board for non-registration of the security personnel of the security agency at the establishment of the respondents.	The next date of hearing is December 20, 2010.
9.	CS-570/10	November 3,	Rajani Kanta Patra	A2Z Infraserivces	Court of District	Rs. 1,177,384 along with	A suit for recovery was filed by a former employee for outstanding	The next date of

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
		2010			Judge-V, New Delhi	interest of 24% p.a.	dues payable to him.	hearing is January 18, 2011.

For details of other outstanding litigation/proceedings against the Subsidiaries, see “ - *Cases against the Company*” above.

The Central Vigilance Commission (the “CVC”) has filed an FIR against the Commissioner, Municipal Corporation of Patna and others, on July 21, 2010 under Sections 467, 468, 420, 406, 409, 477A, 120B/201 of the Indian Penal Code, 1860 for alleged corrupt practices with respect to contracts executed by the Commissioner. We understand that one of the contracts referred to in the FIR includes the C&T contract awarded to A2Z Infrastructure for the city of Patna. The matter is currently under investigation by the CVC. A2Z Infrastructure made a representation to the Vigilance Commissioner, State Vigilance Commission, Patna on August 18, 2010.

Cases by the Subsidiaries

S. No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
1.	S.A.No.744/2008	2010	Municipal Corporation Indore	Protect Nature Private Limited and A2Z Infrastructure	High Court of Madhya Pradesh, at Indore	Not applicable	On July 30, 2010, A2Z Infrastructure filed an application before the High Court of Madhya Pradesh to be impleaded as a necessary party to proceedings involving the Municipal Corporation Indore and the respondent in relation to the MSW project at Indore which was earlier awarded to the respondent and subsequently awarded to A2Z Infrastructure due to failure of respondent to complete the work. Pursuant to an order dated September 8, 2010, A2Z Infrastructure was impleaded as a respondent in this matter and by an order dated September 16, 2010, the High Court has ordered A2Z Infrastructure to establish the MSW project at Indore and make it operational within a maximum period of six months.	The matter is pending for the final disposal of the second appeal after the passing of the order dated September 16, 2010 by the High Court.

In addition, a labour dispute involving IPMSL, Maharashtra Suraksha Rakshak Aghadi and Maharashtra Hind Security Guards Private Limited was referred to the Industrial Tribunal, Maharashtra, at Mumbai in 2006 in relation to the termination of 24 workers of Maharashtra Hind Security Guards Private Limited who were employed to provide security services by IPMSL at Mahindra Towers, Mumbai. The matter is currently pending.

Tax Cases involving the Subsidiaries

There are no pending tax proceedings involving the Subsidiaries.

Past penalties

There are no past penalties imposed on the subsidiaries except as disclosed in this section.

Compounding fees imposed on the Subsidiaries

In 2009, A2Z Infrastructure filed one application for compounding of offence under Section 621A of the Companies Act for failure to obtain prior approval of the Central Government under Section 297(1) of the Companies Act for certain transactions of A2Z Infrastructure with the Company. Pursuant to an order dated November 12, 2009 of the Member, Company Law Board, New Delhi Bench, New Delhi,

A2Z Infrastructure, the company secretary and the interested directors of A2Z Infrastructure, Mr. Amit Mittal and Mr. Rajneesh Mehra, were ordered to pay Rs. 20,000, Rs. 3,000 and Rs. 5,000 each, respectively, as compounding fees.

Notices received/sent by the Company and the Subsidiaries

In 2009, the Company received three notices from the Labour Enforcement Officer (Central), Bangalore, Karnataka for (a) failure to maintain an updated register of workers employed by the Company at place of work, (b) employing migrant workmen without obtaining any license, (c) failure to display notices as required under the Central Rules, 1976, (d) the wages paid to such migrant workmen less than the rates specified under the Minimum Wages Act, 1948, as amended and (e) failure to pay displacement allowance to the migrant workmen. A penalty was imposed on the Company and such penalty has been paid.

In 2010, the Company received three notices from the Labour Enforcement Officer (Central), Mangalore, Karnataka for (a) failure to maintain an updated register of workers employed by the Company at the railway station at Hubli under the Contract Labour (Regulation and Abolition) Act, 1970, as amended and the Equal Remuneration Act, 1976, as amended and (b) failure to display notices, maintain registers and payment of wages at rates less than the rates specified under the Minimum Wages Act, 1948, as amended. The Company has sent replies to such notices.

In 2010, the Company received one notice from the Labour Enforcement Officer (Central), Kharagpur, West Bengal for (a) failure to display notices and maintain registers under the Contract Labour (Regulation and Abolition) Act, 1970, (b) delay in making contributions under the Employees' State Insurance Act, 1948, as amended and (c) failure to display notices and maintain registers under the Minimum Wages Act, 1948, as amended. The Company has sent a reply to such notice.

During 2009-2010, the Company received two notices from the Labour Enforcement Officer (Central), Raipur, Chhattisgarh for (a) failure to maintain statutory registers at the place of work, (b) failure to display notices and maintain registers required under the Central Rules, 1976, and (c) employing contract labour without obtaining any license. The Company has sent a reply to such notice.

In 2009, the Company received one notice from the Inspector under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, Vasco da Gama, Goa for failure to display notices and maintain registers as required under the Central Rules, 1976. The Company has filed a reply to such notice.

In 2009-2010, the Company received a notice from its workers employed for cleaning the railway station at Bilaspur, Chhattisgarh for failure to comply with the provisions of the Minimum Wages Act, 1948 and other benefits. Further, under the Right to Information Act, 2005, the Company received a notice from the South Eastern Central Railway authorities at Bilaspur to provide information in relation to deductions made in the wages of its employees during the years 2006 to 2009. The Company has sent replies to such notices.

Two notices were received by the Company in relation to the Company's operations at Lanjigarh from the Regional Provident Fund Commissioner-II, Sub-Regional Office, Berhampur, Orissa to furnish certain documents for implementation of the Employees Provident Funds and Miscellaneous Provisions Act, 1952. The Company has sent a reply to such notice.

In 2010, the Company received one notice from the Labour Enforcement Officer (Central), Mysore, Karnataka in relation to a complaint received from the Railway Contract Workers Union, Mysore regarding benefits under the Minimum Wages Act, 1948, as amended, the Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended and the Employees' State Insurance Act, 1948, as amended. The Company has sent a reply to such notice.

In 2009, the Company received two show cause notices from the Assistant Labour Commissioner and Licensing Officer, Allahabad for failure to submit half yearly return under the Contract Labour (Regulation and Abolition) Act, 1970 and Labour Enforcement Officer (Central), Nagpur, Maharashtra for failure to comply with the provisions of the Minimum Wages Act, 1948, as amended and Contract Labour (Regulation and Abolition) Act, 1970, as amended in the year 2009. The Company has sent replies to such notices.

In 2008, Mr. Dalel Singh Ahlawat, the former deputy general manager of the Company and an existing shareholder of the Company, sent, electronically, a legal notice to the Company for (a) wrongful termination of his services without any hearing, (b) failure of the Company to incorporate preventive measures to prevent cases of theft, (c) use of fabricated documents for the purpose of the assurance audit and (d) loss to his reputation. The Company did not reply to this notice since Mr. Ahlawat withdrew this notice through a subsequent electronic mail. In 2009, Mr. Ahlawat again sent notices to

the Company with a copy to other authorities and to the Auditors alleging certain malpractices by the Company. The Company has sent a reply to such notice stating that there was no merit in the allegations. On July 27, 2010, the Company has again received a written notice from Mr. Ahlawat through the Auditors, alleging certain malpractices by the Company. The Company has filed a criminal complaint before the Deputy Commissioner of Police, East Gurgaon for taking action against Mr. Ahlawat under various provisions of the Information Technology Act, 2000, as amended and the Indian Penal Code, 1860, as amended and is in the process of initiating legal action.

Mr. Ahlawat sent a letter to the President of India in relation to the operations of the Group alleging (i) theft of provident fund, (ii) use of residential properties for its offices, (iii) misappropriation of funds, (iv) reporting of incorrect financial numbers to meet certain qualifications under business contracts, (v) failure to comply with certain laws and (vi) corruption. Pursuant to such letter, the Labour Inspector, Gurgaon initiated an inquiry against the Group. The Company appeared before the Labour Inspector on July 22, 2010 and has filed a reply controverting such allegations. Pursuant to an order dated August 4, 2010, this matter was dismissed.

In 2010, the Company received five notices for (a) employing contract labour without obtaining any license and failure to display statutory notices under the Contract Labour (Regulation and Abolition) Act, 1970 from the Labour Enforcement Officer (Central), Chandrapur, (b) certain irregularities at the Katihar railway station under the Minimum Wages Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970 from the Labour Enforcement Officer (Central), Katihar, (c) producing certain documents for inspection under the Contract Labour (Regulation and Abolition) Act, 1970 before the Labour Enforcement Officer (Central), Kharagpur and (d) certain irregularities under the Minimum Wages Act, 1948 from the Labour Enforcement Officer (Central), Chandrapur. The Company has sent replies to such notices.

In 2010, Mr. R. K. Patra, a former employee of A2Z Infraservices, sent a legal notice to the chairman, Mr. Amit Mittal and A2Z Infraservices raising allegations of defamation and recovery of salary and other dues. The Company filed a reply to such legal notice on March 5, 2010. The legal notice sent by Mr. R. K. Patra was in response to the first information report filed by the Company against him.

In 2010, the Company received a notice from the Commissioner under the Workmen's Compensation Act, Karnal, in relation to the death of certain workmen and submission of certain documents. The Company has submitted such documents to the Commissioner.

The Company has received summons from the Magistrate of Ex.Jt. J.M.I.C. Bhusawal District, Jalgaon under Sections 23 and 24 of the Contract Labour (Regulation and Abolition) Act, 1970, as amended, for appearance.

Other than above, the Company has received 11 legal notices, of which four are from former employees for the recovery of salary and dues, four are from various sub-contractors for non-payment of amount under various contracts and three are from certain third parties for outstanding dues in relation to properties leased by the Company in the State of Jammu and Kashmir. The Company has sent 63 legal notices, of which four are addressed to its various suppliers for either recovery of material or money, two are addressed to its sub-contractors for the non-completion of work, three are addressed to former employees of the Company for recovery of money, one to a bank for repayment of processing fee and 53 are addressed to an insurance company for the settlement of various claims.

Litigation/Proceedings involving the Directors of the Company

Cases against the Directors

S.No.	Appeal No./ Case No.	Dated	Plaintiff/ Petitioners/ Complainant/ Applicant	Defendant/ Respondent	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
1.	Criminal Case Number C.R./ 2010	February 9, 2010	Rajani Kanta Patra	State of Haryana and Amit Mittal	Chief Judicial Magistrate, Faridabad	Not applicable	An application under Section 156(3) of the Criminal Procedure Code, 1973, as amended, was filed seeking direction to police for investigation of criminal breach of trust and cheating and dishonestly inducing delivery of property	The Chief Judicial Magistrate, Faridabad has ordered the police to investigate the matter under Section 202 of Criminal Procedure Code, 1973. In the report submitted by the police, it was stated that no case is made out against the respondent. However the respondent has not received any notice from the Court.

<u>S.No.</u>	<u>Appeal No./ Case No.</u>	<u>Dated</u>	<u>Plaintiff/ Petitioners/ Complainant/ Applicant</u>	<u>Defendant/ Respondent</u>	<u>Name & Address of the Court/ Arbitration Panel</u>	<u>Amount Under Consideration</u>	<u>Brief Description of Case</u>	<u>Status</u>
							under the Indian Penal Code, 1860, as amended	The matter is under investigation and statements of the respondent and other witnesses have been recorded at the police station, Surajkund.

For details of other outstanding litigation/proceedings against the Directors of the Company, see “ - *Cases against the Company*” above.

Notices received by the Directors

On August 25, 2010, Mr. Amit Mittal, as the “Chairman and Managing Director of the A2Z Group” received a notice from United International Press Limited t/a US Television in relation to outstanding dues of ₹44,000 (Rs. 3,181,965.60 converted at ₹1 = Rs. 72.3174) in relation to placement of advertisements. Mr. Mittal sent a reply to such notice on August 28, 2010 refuting such claim. Subsequently, he received another notice on September 28, 2010 whereby United International Press Limited t/a US Television threatened to initiate legal proceedings. However, Mr. Mittal has sent a reply to the legal notice through his counsel on October 1, 2010. Mr. Mittal has not received any notice from any court until date.

Past penalties imposed on the Directors

<u>S.No.</u>	<u>Reference No.</u>	<u>Dated</u>	<u>Name of Authority imposing penalty</u>	<u>Name of the concerned entity</u>	<u>Amount Under Consideration</u>	<u>Brief Description of Case</u>	<u>Status</u>
1.	AEO/001/98	1998	Adjudicating Officer, SEBI	Mr. Rakesh Radheyshyam Jhunjhunwala	Not applicable	A show cause notice dated February 12, 1998 was issued by the SEBI for failure to give notice in relation to purchase of 80,500 shares of a company under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as amended. Pursuant to a SEBI order dated March 19, 1998, a penalty of Rs. 15,000 was imposed on Mr. Rakesh Radheyshyam Jhunjhunwala for the technical violation and the fine was not opposed.	Not pending
2.	Not available	2000	SEBI	Geojit BNP Paribas Financial Services Limited	Not applicable	Mr. Rakesh Radheyshyam Jhunjhunwala, one of our Directors, is a director of Geojit BNP Paribas Financial Services Limited. Inquiries and inspections were conducted against Geojit BNP Paribas Financial Services Limited for, <i>inter alia</i> , non-reporting of the floor trading and dealing with unregistered intermediaries on the Cochin Stock Exchanges. A censure notice dated February 8, 2006 was received in relation to such violations. Three warning notices from the SEBI were received and advised to rectify such irregularities.	Not pending
3.	WTM/TCN/35/IVD/06	2003	Whole-time Member, SEBI	Mr. Rakesh Radheyshyam Jhunjhunwala and others	Not applicable	Two show-cause notices dated July 23, 2003 and January 20, 2004 were issued by the SEBI under the provisions of the SEBI Act and the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended. Pursuant to a SEBI order dated July 12, 2006, the matter was dismissed and no directions were issued against Mr. Jhunjhunwala.	Not pending

For details of compounding fees paid by the Directors, see “ - *Compounding fees imposed on the Company*” above.

Tax Cases involving the Directors

There are no tax cases involving the Directors.

Litigation involving the Promoter and the Group Companies of our Promoter

Except as stated below or elsewhere in this section there is no (i) outstanding litigation against the Promoter and the Group Companies of our Promoter whose outcome could have a material adverse effect on the consolidated results of operations or financial condition of such entity or our Group; (ii) default to the financial institutions or banks; (iii) non-payment of statutory dues and dues towards instrument holders such as debt instrument holders, fixed deposits and arrears on cumulative preference shares, by the Promoter and the Group Companies of our Promoter; (iv) proceeding initiated for economic offences or civil offences (including the past cases, if found guilty), any disciplinary action taken by SEBI or any recognized stock exchange against the Promoter and the Group Companies of our Promoter; (v) outstanding litigation or default in respect of Group Companies of our Promoter with which the Promoter were associated in the past but are no longer associated; (vi) default or litigation relating to lock-outs or strikes against the Promoter and Group Companies of our Promoter; (vii) litigation against the Promoter involving violation of statutory regulations or alleging criminal offence; (viii) adverse finding in respect of the persons/entities connected with the Company, Promoter or Group Companies of our Promoter in respect of compliance with the securities laws; and (ix) past case in which penalties were imposed by the relevant authorities.

Cases against the Promoter

There is one criminal proceeding against the Promoter of the Company. For details of the outstanding litigation/proceedings against the Promoter of the Company, see “ - *Cases against the Directors*” and “ - *Cases against the Company*” above.

Tax Cases involving the Promoter

There are no cases involving our Promoter.

Cases against the Group Companies of our Promoter

There are no tax cases against the Group Companies of our Promoter.

Tax Cases involving the Group Companies of our Promoter

There are no tax cases involving the Group Companies of our Promoter.

Note on entries under “Amount under Consideration” in this section

All entries under the heading “Amount under Consideration” in the tables presented above are estimates only and are made on the basis of the issues in dispute. The actual monetary, criminal or other liability when the outstanding litigation is finally decided by the court, tribunal or other authority before which the matter is pending may be more or less than that stated under this head.

Material Developments since July 31, 2010

In the opinion of the Board, other than as disclosed in this Prospectus, there has not arisen, since the date of the last restated summary statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our consolidated assets or our ability to pay our material liabilities over the next twelve months from the date of the last restated summary statements included in the Prospectus.

GOVERNMENT AND OTHER APPROVALS

On the basis of the indicative list of approvals provided below, the Company can undertake the Issue and other than as stated below, no further approvals from any regulatory authority is required to undertake the Issue. Unless otherwise stated, these approvals are valid as of the date of this Prospectus.

Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

1. The Board of Directors has, pursuant to a resolution passed at its meeting held on June 2, 2010, authorized the Issue subject to the approval of the shareholders of the Company under Section 81(1A) of the Companies Act, and such other approvals as may be necessary. The shareholders of the Company have, pursuant to a resolution dated June 8, 2010, under Section 81(1A) of the Companies Act, authorized the Issue.
2. The Selling Shareholders have authorized the Offer for Sale of the Equity Shares in the Issue pursuant to (i) a resolution dated July 19, 2010 of the board of directors of Beacon and (ii) consents and authorization letters each dated July 19, 2010 issued by Mr. Amit Mittal, Mrs. Babita Shivswaroop Gupta, Mrs. Nipa Sheth and Mr. Rakesh Radheyshyam Jhunjhunwala, respectively, and dated July 20, 2010 issued by Beacon.
3. **The RBI through its letters FE.CO.FID.No./11090/10.21.209/2010-11 dated November 3, 2010 and FE.CO.FID.No./11849/10.21.209/2010-11 dated November 11, 2010 has granted its approval for the Offer for Sale subject to the condition that we seek the approval of the shareholders to amend clause 6 of the main objects of the Company's Memorandum of Association and delete references to the words "atomic power" appearing therein. For further details, please refer to the sections "Risk Factors" and "History and Certain Corporate Matters" beginning on pages xii and 116 respectively, of this Prospectus.**
4. The Company has obtained in-principle listing approvals dated October 7, 2010 and October 8, 2010 from the BSE and the NSE, respectively, and will be required to obtain final listing and trading approvals prior to the commencement of trading of the Equity Shares on the Stock Exchanges.

Approvals for our Business

We require various approvals to carry on our business. These include:

Electrical Engineering

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
Company				
1.	Registered Contractor with the Ajmer Vidyut Vitran Nigam Limited for participation and execution of works specified in turnkey packages and Central Labour Rate Contract	8/2005-06; Class E-1	March 7, 2006	This registration is valid until the validity of the security deposit or unless terminated earlier
2.	License of "A" Class Electrical Contractor under the Indian Electricity Rules, 1956 to carry out electrical installation work in Haryana	No. H-1719/04	December 29, 2004	December 28, 2010
3.	Certificate of Importer-Exporter Code (IEC) from the Foreign Trade Development Officer, Ministry of Commerce	0508041791	September 4, 2008	Valid until cancelled
4.	Labour license from Assistant Labour Commissioner, Indore Division, Contract Labour (Regulation and Abolition), Act, 1970, at Indore, Madhya Pradesh	No.946/IND/2009(08)(MPPKVV CL-Indore)	March 5, 2009	December 31, 2010
5.	License from Licensing Officer and Regional Labour Commissioner, Jammu under the Contract Labour	46(L-139) 2009/RLC/Jmu	May 29, 2009	May 28, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	(Regulation and Abolition) Act, 1970 for rural electrification work in Srinagar			
6.	License from Regional Labour Commissioner (Central), Jammu under the Contract Labour (Regulation and Abolition) Act, 1970 for rural electrification work in Kargil	46(L-131) 2009/RLC/JMU	May 29, 2009	May 28, 2011
7.	License from Regional Labour Commissioner (Central), Jammu under the Contract Labour (Regulation and Abolition) Act, 1970 for rural electrification work in Leh	46(L-132)/ 2009/RLC/JMU	May 29, 2009	May 28, 2011
8.	License from the Senior Electrical Inspector, Government of Rajasthan at Jodhpur	No.4523 "A"	June 27, 2008	November 5, 2023
9.	Certificate of Registration from the Jaipur Vidyut Vitaran Nigam Limited for participation and execution of works specified in turnkey packages and central labour rate contract	JVVNL/CE(J/Z) Registration/119/ F.123/E-1	May 10, 2006	This registration is valid until the validity of the security deposit or unless terminated earlier
10.	Renewal of registration of establishment under the Punjab Shops and Commercial Establishment Act, 1958 with respect to the Registered Office	R.No.1808	June 26, 2009	March 31, 2012
11.	Registration with the Employees' State Insurance Corporation for Karnal	13/31219/90/DO HA-531	April 9, 2010	Valid until cancelled
12.	Registration with the Employees' State Insurance Corporation, Bhubaneswar for branch office/sales offices situated in Bhubaneswar Orissa Region under the Employees' State Insurance Act, 1948	OR/44-SC- 26(13- 31219)BSR-6153	October 15, 2008	Valid until cancelled
13.	Registration with the Employees' State Insurance Corporation, Jaipur for branch /registered/head offices at Jaipur	13-31219- 90(RAJ)-5182	September 11, 2008	Valid until cancelled
14.	Registration with the Employees' State Insurance Corporation, Mumbai for branch office situated at Irla	B/Ccv./2(9)/Mar ol/13-31219- 90(Marol)	January 16, 2009	Valid until cancelled
15.	Registration with the Employees' State Insurance Corporation, Faridabad for all factories within Gurgaon	13/31219/90	June 12, 2009	Valid until cancelled
16.	Registration with the Employees' State Insurance Corporation, Gurgaon	Comp./Cov./HR/ GGN./25339/138 8	February 15, 2002	Valid until cancelled
17.	License from the Jal Sansthan Vibhag, Government of Bihar	1-14/2010	March 17, 2010	March 16, 2015
18.	Electrical license from the Bihar Electricity Department	3915	September 20, 2008	December 31, 2010
19.	Labour license from the Deputy Labour Commissioner, Patna, Bihar	7615	February 21, 2008	February 20, 2011
20.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for design, engineering, procurement, erection, testing and commissioning at Madhubani District, Patna	L- 111/2009/ALC-II	April 23, 2009	April 22, 2011
21.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for design, engineering, procurement, erection, testing and commissioning at Darbhanga District, Patna	L- 112/2009/ALC-II	April 23, 2009	April 22, 2011
22.	License under the Contract Labour (Regulation and Abolition) Act,	L- 113/2009/ALC-II	April 23, 2009	April 22, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	1970 for design, engineering, procurement, erection, testing and commissioning at Purbi Champaran, Patna			
23.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for design, engineering, procurement, erection, testing and commissioning at West Champaran, Patna	L-114/2009/ALC-II	April 23, 2009	April 22, 2011
24.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for design, engineering, procurement, erection, testing and commissioning at Sitamarhi District, Patna, Bihar	L-115/2009/ALC-II	April 23, 2009	April 22, 2011
25.	License from the Licensing Officer, Government of Orissa under the Contract Labour (Regulation and Abolition) Act, 1970 for engagement of 100 contract labour at Puri, Orissa	287/2008	July 17, 2008	July 16, 2011
26.	License from the District Labour Officer, Paralakhemundi under the Contract Labour (Regulation and Abolition) Act, 1970 for engagement of contract labour at Gajapati, Orissa	89/2008	March 28, 2008	March 27, 2011
27.	Registration Certificate of Establishment under the Bombay Shops and Establishment Act, 1948	760045673	March 28, 2008	December 31, 2010
28.	Electrical Contractor License from the Chairman and Secretary, Electrical Division, Maharashtra	22258	April 17, 2008	December 31, 2010
29.	License to Electrical Contractors from the Government of NCT of Delhi, Delhi	E.C.No.3102	August 5, 2005	August 4, 2012
30.	Electrical Contractor License from the Electricity Department, Government of Madhya Pradesh	US/2278	June 15, 2006	December 12, 2011
31.	Electrical Contractor License from the Government of Chhattisgarh	8/397	June 23, 2006	December 31, 2011
32.	Electrical Contractor License from the Electricity Licensing Board, Government of Orissa under the Indian Electricity Rules, 1956	1733(HT)	January 18, 2008	January 17, 2011
33.	Electrical Contractor License from the Government of Jharkhand	JH/EC/1254	May 3, 2007	December 31, 2010
34.	Electrical Contractor License from the Government of Himachal Pradesh	A-428	June 6, 2007	March 31, 2011
35.	License to Electrical Contractors from the Licensing Board, Government of West Bengal	2009010420(14058)	April 8, 2009	Valid until April 7, 2012
36.	License of "A" Class Electrical Contractor under the Indian Electricity Rules, 1956 from the Chief Electrical Inspector, Government of Punjab	1499/L	November 9, 2009	Valid until November 8, 2012
37.	Registration with the Employees' State Insurance Corporation, Indore	13-31219-90	May 2, 2008	Valid until cancelled
38.	Registration with the Employees' State Insurance Corporation, Chandigarh, for its operations at Amritsar	12/13/31219/90/406/PB	March 12, 2008	Valid until cancelled
39.	Registration with the Employees' State Insurance Corporation, Patna for its operations at Katihar	13/31219/Bihar-30/Faridabad	December 18, 2008	Valid until cancelled
40.	Registration with the Employees' State Insurance Corporation, Patna	13/31219/Bihar-30	September 22, 2009	Valid until cancelled
41.	License under the Contract Labour (Regulation and Abolition) Act, 1970 from the Assistant Labour Commissioner, Hubli	11/2007-A/H	April 4, 2007	April 3, 2011
42.	Electrical Contractor License from	28481-I-BNG	April 28, 2010	Valid from May 1, 2010 to April 30,

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	the Chief Electrical Inspector, Bangalore			2011
A2Z Infrastructure				
43.	Contractor Registration under category "AA" for civil works in the State of Uttar Pradesh from the Irrigation Department, Lucknow, Uttar Pradesh	14682	September 29, 2010	June 30, 2013

Licenses/Approvals Applied For:

S. No.	Description of Licenses/Approvals Applied For	Authority	Date of Application
Company			
1.	Application for the renewal of Electrical Contractor License (LW-1843) in Uttar Pradesh	Electrical Safety Department, Lucknow, Uttar Pradesh	January 2010

The Company has obtained registration under tax legislations in various States in which it operates, including, but not limited to, the Central Sales Tax Act, 1956, the Central Sales Tax (Registration and Turnover) Rules, 1957, the Himachal Pradesh General Sales Tax Act, 1968, the Orissa State Tax on Professionals, Trades, Callings and Employments Act, 2000, the Haryana Value Added Tax Act, 2003, the Punjab VAT Act, 2003, the Gujarat Value Added Tax Act, 2003, the Bihar Value Added Tax Ordinance, 2005, the West Bengal Value Added Tax Rules, 2005 and the Arunachal Pradesh Goods Tax Act, 2005.

MSW Business

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
A2Z Infrastructure				
1.	Industrial Entrepreneurs Memorandum from the Secretariat for Industrial Assistance for processing/sorting of municipal solid waste resulting in production of organic fertilizers, refused derived fuel, plastic granules and cement build blocks	209/SIA/IMO/2010	January 20, 2010	Valid until cancelled
2.	Industrial Entrepreneurs Memorandum from the Secretariat for Industrial Assistance for generation of electric energy based on refused derived of manufacture	298/SIA/IMO/2010	January 28, 2010	Valid until cancelled
3.	Registration with the Employees' State Insurance Corporation, Faridabad for its operations at Gurgaon	13-47735-0910	August 1, 2009 (Provisional)	Valid until cancelled
4.	Registration with the Employees' State Insurance Corporation, Indore	18130477350011019	January 1, 2010	Valid until cancelled
5.	No objection certificate from the Uttar Pradesh Pollution Control Board	F 65419/C-2/ Noc/3548/2010	April 26, 2010	Valid until cancelled
6.	Registration under the Factories Act, 1948 for employing not more than 250 persons per day	KPR-3931	May 5, 2010	December 31, 2010
7.	Environmental Clearance from the State Level Environment Impact Assessment Authority, Uttar Pradesh for the MSW project in Kanpur	434/SEAC/220/2008	March 20, 2009	Valid until cancelled
8.	Environmental Clearance from the State Level Environment Impact Assessment Authority, Uttar Pradesh for the MSW project in Varanasi	945/SEAC/285/AD(Y)/09	June 9, 2009	Valid until cancelled
9.	Environmental Clearance from the State Level Environment Impact	145/SEAC/222/2008/AD(Y)	January 22, 2010	Valid until cancelled

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	Assessment Authority, Uttar Pradesh for the MSW project in Moradabad			
10.	Environmental Clearance from the State Level Environment Impact Assessment Authority, Uttar Pradesh for the MSW project in Firozabad	435/SEAC/228/2008	March 20, 2009	Valid until cancelled
11.	Permission to manufacture city compost (fertilizers) at the MSW project in Kanpur from the Joint Director of Agriculture (Fertilizer), Registering Authority, Uttar Pradesh, at Lucknow	1475	May 7, 2010	May 6, 2013
12.	Environmental Clearance from the State Level Environment Impact Assessment Authority, Uttar Pradesh for the MSW project in Meerut	1114/SEAC/259/AD(Y)/2008	July 10, 2010	Valid until cancelled
13.	Registration with the Employees' State Insurance Corporation, Kanpur for 19 employees	21-13-047735-001-0910	February 18, 2010	-
14.	Registration with the Deputy Commissioner, Commercial Tax, Kanpur	09537506591	November 18, 2009	-
15.	Registration under the Central Sales Tax (Registration and Turnover) Rules, 1957 for manufacture of organic manure, eco bricks and green coal at Panki, Kanpur	09537506591 (Central)	October 24, 2008	Valid from October 22, 2008 until cancelled
16.	Certificate of registration as a manufacturer and allotment of TIN by the Department of Commercial Taxes, Uttar Pradesh	09537506591	October 24, 2008	Valid from October 22, 2008 until the business is discontinued
17.	No-objection certificate from the Fire Extinguishing Officer, Kanpur	-	May 4, 2010	-
18.	Registration under the Building and Other Construction Workers (Regulation of Employment and Working Conditions) Act, 1996 from the Labour Department, Uttar Pradesh	16	March 5, 2010	Completion of work by May 2010
19.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 150 persons at Panki, Kanpur	275	May 14, 2010	-

Licenses/Approvals Applied For:

S. No.	Description of Licenses/Approvals Applied For	Authority	Date of Application
A2Z Infrastructure			
1.	Application for sales registration under the Fertilizer Control order to sell compost in Rajasthan	Joint Director, Agriculture (Inputs), Registration Authority, Jaipur	October 5, 2010

FMS Business

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
Company				
1.	License under the Contract Labour (Regulation and Abolition) Act, 1970 from the Licensing Officer, Contract Labour (Regulation and Abolition) Act, 1970, Indore, Madhya Pradesh	920/IND/2008	September 3, 2008	December 31, 2010
2.	License under the Contract Labour (Regulation and Abolition) Act, 1970 from the District Labour	K-174G	March 17, 2010	March 16, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	Officer, Bhubaneswar			
3.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanical coach cleaning and water topping into coaches at New Jalpaiguri coaching depot, Katihar from the Assistant Labour Commissioner, Kolkata	46/L(19)/2009-E.2	January 30, 2010	January 29, 2011
4.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 125 workers for mechanical cleaning in train coaches at Hatia and Ranchi from the Licensing Officer and Regional Labour Commissioner, Ranchi, Bihar	L-46/2009	September 23, 2009	September 22, 2011
5.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 60 workers for mechanical coach cleaning in coaching yards for South Central Railway, Hubli from the Licensing Officer, Assistant Labour Commissioner, Vasco, Goa	AV/CL/L/No.10 6/2008-09	February 17, 2009	February 16, 2011
6.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanical coach cleaning at Gorakhpur Railway Station from the Licensing Officer, Assistant Labour Commissioner, Allahabad, Uttar Pradesh	A-46(2)/09	January 5, 2009	January 4, 2011
7.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanical cleaning of 130 coaches, Bangalore City Railway Station from the Licensing Officer, Assistant Labour Commissioner, Bangalore, Karnataka	56/2010-B3	March 15, 2010	March 14, 2011
8.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanical cleaning of 112 coaches, Yeshwanthpur Railway Station from the Licensing Officer and Assistant Labour Commissioner, Bangalore, Karnataka	54/2010-B3	March 15, 2010	March 14, 2011
9.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 70 workers for cleaning of coaches of enroute trains at Ballarshah Station from the Assistant Labour Commissioner, Chandrapur	ALCH-46(L)/06/2008-C.L.	January 24, 2008	January 23, 2011
10.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanized coach cleaning and water topping into the coaches at Katihar coaching depot from the Assistant Labour Commissioner, Patna	L-171/2010/ALC-II	June 18, 2010	June 17, 2011
11.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 125 workers for mechanized cleaning, watering of coaches and campus cleaning at Lucknow depot from the Licensing Officer and Regional Labour Commissioner, Lucknow	LKO.46(1-78)/2009	August 21, 2009	August 20, 2011
12.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 76 workers for cleaning and housekeeping at Shastri Park Train Depot from the Licensing Officer and Assistant	ALC-HQ/46(20)/2010-AK	February 22, 2010	February 21, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	Labour Commissioner, New Delhi			
13.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 70 workers for operating and maintenance of cross country water pipeline and transmission line from the District Labour Officer, Kalahandi, Bhawanipatna	17/2007	March 8, 2007	March 7, 2011
14.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanical cleaning work at Durg Coaching Department, Raipur from the Licensing Officer and Assistant Labour Commissioner, Raipur	RP-54(18)/2010	March 8, 2010	March 7, 2011
15.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for mechanical cleaning work at Central Railway, Pune from the Licensing Officer and Regional Labour Commissioner, Pune	RLCP-46(38)/2010.L	March 29, 2010	March 28, 2011
16.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for cleaning of coaches of re-route trains at Solapur railway from the Regional Labour Commissioner, Pune	RLCP-46(64)/2009	May 9, 2009	May 10, 2011
17.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for cleaning train coaches at Bhusawal from the Assistant Labour Commissioner (C), Nagpur & Licensing Officer	ALCN/46/L/49/2008/CL	July 25, 2008	July 24, 2011
18.	Registration with the Employees' State Insurance Corporation, Kolkata for employees and payment of contribution in respect of employees of covered establishment situated in other region but office situated in West Bengal for facility management services	C/INS.IV/41-13-31219-90(SALT LAKE)	February 24, 2009	Valid until cancelled
A2Z Infraservices				
1.	Registration Certificate under the Punjab Shops and Commercial Establishments Act, 1958 from the Labour Inspector, Labour Department, Haryana for conducting facility management services by employing 90 persons	PSA/REG/GGN/LI-GGN-1-3/0005987	March 21, 2010	March 31, 2011
2.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing security services to ICICI Prudential Life Insurance Company Limited from the Licensing Officer and Regional Labour Commissioner, Jaipur, Rajasthan	JP/L/47/2010	March 29, 2010	March 28, 2011
3.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing housekeeping services at the establishment of BSLI in Kolkata from the Assistant Labour Commissioner (Central) – I, Kolkata, West Bengal	46/L(66)/2010-E.2	March 25, 2010	March 24, 2011
4.	License under the Contract Labour (Regulation and Abolition) Act, 1970 from the Assistant Labour Commissioner (Central), Dhanbad-II, Bihar	46(10)/2010-E-4	April 5, 2010	April 4, 2011
5.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing housekeeping services to BSLI in West Bengal	67/L-21/09/LCN	February 26, 2009	December 31, 2010

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	from the Licensing Officer and Assistant Labour Commissioner, West Bengal			
6.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing housekeeping and maintenance services to Firstsource Solutions Limited from the Licensing Officer, Punjab	8	January 21, 2010	December 31, 2010
7.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing housekeeping and maintenance services to Firstsource Solutions Limited, Siliguri from the Licensing Officer and Assistant Labour Commissioner, West Bengal	CL/L-542/2009/SLG	February 18, 2009	December 31, 2010
8.	Certificate of License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 70 workers for cleaning and housekeeping at Delhi Metro Rail Corporation Limited from the Licensing Officer & Assistant Labour Commissioner, New Delhi	ALC/I/46(05)/09-ACK	January 28, 2010	January 27, 2011
9.	Registration with the Employees' State Insurance Corporation, Pune	MH/PUN/303495	April 13, 2010	Valid until cancelled
10.	License under the Contract Labour (Regulation and Abolition) Act, 1970 from the Licensing Officer, Bhopal, Madhya Pradesh	1045/BP/2009	December 5, 2009	December 31, 2010
11.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 90 workers for mechanical cleaning services at coaching depot, Bilaspur from the Assistant Labour Commissioner, Bilaspur	BSP-46(117)/2008-ALC	September 23, 2008	September 22, 2011
12.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 300 workers for mechanical cleaning services at coaching depot, Bilaspur from the Assistant Labour Commissioner, Bilaspur	BSP-46(142)/2010-ALC	July 28, 2010	July 27, 2011
13.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing up to 50 workers for on board housekeeping services at Indore from the Licensing Officer, Bhopal, Madhya Pradesh	46/2/125/2009	October 23, 2009	October 22, 2011
IPMSL				
14.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 65 workers at Tata Consultancy Services Limited, Lucknow, Uttar Pradesh	807	August 20, 2009	March 31, 2011
15.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 70 workers at Tata Consultancy Services, Noida from the Licensing Officer, Noida, Uttar Pradesh	72/2002	October 25, 2002	February 18, 2011
16.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 25 workers at Tata Consultancy Services Limited, Gurgaon, Haryana	CLACID-134/DLC-1/86/728	February 5, 2010	December 31, 2010
17.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management services at GE Money Servicing, Software units, Hyderabad from the Licensing Officer & Joint	JCL-RRZ/2353/08	August 4, 2010	May 5, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	Commissioner of Labour, Hyderabad			
18.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 25 workers for facility management services at HSBC Electronic Data Processing India Private Limited, Hyderabad from the Licencing Officer and Joint Commissioner of Labour, Hyderabad	JCL/620/2009	December 16, 2009	December 15, 2010
19.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping and electrical maintenance at HSBC Software Development (India) Private Limited, Hyderabad from the Licencing Officer and Joint Commissioner of Labour, Hyderabad	JCL-RRZ/2459/08	August 4, 2010	May 5, 2011
20.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing facility management services at onshore terminal, Gadimoga, Kakinada from the Licensing Officer, Assistant Labour Commissioner, Vijajawada	104/2009	April 23, 2010	May 13, 2011
21.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 15 workers for electrical works at Maytas Infra Limited, Hyderabad from the Licensing Officer & Deputy Commissioner of Labour, Hyderabad	DCL-1/HYD/103/2010	June 9, 2010	March 31, 2011
22.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 40 workers for housekeeping and electrical works at SKS Micro Finance Limited, Hyderabad from the Licensing Officer & Deputy Commissioner of Labour, Hyderabad	DCL-1/HYD/102/2010	June 9, 2010	January 14, 2011
23.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 10 workers for facility management services at Karvy Stock Broking Limited, Hyderabad from the Licensing Officer & Deputy Commissioner of Labour, Hyderabad	JCL/621/2009	December 16, 2009	December 15, 2010
24.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 60 workers for facility management services at HPCL, Data Centre, Hyderabad from the Licensing Officer & Assistant Labour Commissioner (Central) I, Hyderabad	117/2009	June 25, 2009	June 24, 2011
25.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management at Cognizent Technology Solution India Private Limited, Hyderabad from the Licensing Officer & Joint Commissioner of Labour, Hyderabad	JCL-RRZ/3540/10	August 4, 2010	May 5, 2011
26.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management at Cognizent Technologies Solutions India Private Limited, Hyderabad from the Licensing Officer & Joint Commissioner of Labour, Hyderabad	JCL-RRZ/2352/08	August 4, 2010	May 5, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
27.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping, electrical and other building maintenance at Franklin Templeton International Services Limited, Hyderabad from the Licensing Officer & Joint Commissioner of Labour, Hyderabad	JCL-RRZ/2460/08	August 4, 2010	May 5, 2011
28.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management services at HSBC Electronic Data Processing India Private Limited, Hyderabad from the Licensing Officer & Joint Commissioner of Labour, Hyderabad	JCL-RRZ/2355/08	August 4, 2010	May 5, 2011
29.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing facility management services at Emaar MGF Land Limited, Hyderabad from the Licensing Officer & Joint Commissioner of Labour, Hyderabad	JCL-RRZ/3539/10	August 4, 2010	May 5, 2011
30.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management services at Hyderabad Technology Centre of GE India Exports Limited, Hyderabad from the Licensing Officer & Joint Commissioner of Labour, Hyderabad	JCL-RRZ/2378/08	August 4, 2010	May 5, 2011
31.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 31 workers at Orix Auto Infrastructure Services Limited, Andheri from the Registering/Licensing Officer, Contract Labour (Regulation and Abolition) Act, 1970, Maharashtra	148	January 25, 2007	December 31, 2010
32.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 32 workers at IL&FS Securities Services Limited, Andheri from the Registering/Licensing Officer, Contract Labour (Regulation and Abolition) Act, 1970, Maharashtra	035	January 22, 2008	December 31, 2010
33.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 60 workers at Taj Lands End, Bandra from the Registering/Licensing Officer, Contract Labour (Regulation and Abolition) Act, 1970, Maharashtra	Dy.CL/CLA/Lic-673	September 8, 2010	December 31, 2010
34.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 25 workers at Intelenet Global Services Limited, Malad from the Registering/Licensing Officer, Contract Labour (Regulation and Abolition) Act, 1970, Maharashtra	DYCL/CLA/Lic/35/Desk-27	July 1, 2005	December 31, 2010
35.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 68 workers at Mahindra & Mahindra Limited from the Registering/Licensing Officer, Contract Labour (Regulation and Abolition) Act, 1970, Maharashtra	108	January 11, 2001	December 31, 2010
36.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing facility	919/07	October 26, 2007	December 31, 2010

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	management services at Cognizant Technology Solutions India Private Limited, Thoraipakkam, Chennai from the Inspector of Labour, Kanchipuram, Tamil Nadu			
37.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing facility management services at Cognizant Technology Solutions India Private Limited, Navalur, Chennai from the Inspector of Labour, Kanchipuram, Tamil Nadu	918/07	October 26, 2007	December 31, 2010
38.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping and facility services at Cognizant Technologies Solutions India Private Limited from the Inspector of Labour, Kanchipuram, Tamil Nadu	920/07	October 26, 2007	December 31, 2010
39.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping services at Cognizant Technology Solutions India Private Limited, Varalakshmi Tech Park, Cheenai, from the Inspector of Labour, Kanchipuram, Tamil Nadu	923/07	October 26, 2007	December 31, 2010
40.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing facility management services at Cognizant Technology Solutions India Private Limited, Sirusri, Chennai from the Inspector of Labour, Kanchipuram, Tamil Nadu	921/07	October 26, 2007	December 31, 2010
41.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping at ETL Infrastructure Services Limited, Chennai from the Inspector of Labour, Kanchipuram, Tamil Nadu	1476/10	March 15, 2010	December 31, 2010
42.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping at DLF Assets Private Limited, Chennai from the Inspector of Labour, Kanchipuram, Tamil Nadu	1475/2010	March 15, 2010	December 31, 2010
43.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 60 workers for technical services and housekeeping at Idea Cellular Limited, Pune from the Regional Labour Commissioner, Pune	RLCP-46(95)/2010.L	July 30, 2010	July 29, 2011
44.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 90 workers for general maintenance and housekeeping at The Westin Koregaon Park from the Assistant Commissioner of Labour, Pune	10022	November 3, 2010	December 31, 2010
45.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 40 workers for general maintenance and housekeeping at Tata Business Support Services, Pune from the Assistant Commissioner of Labour, Pune	10023	November 3, 2010	December 31, 2010
46.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 60 workers at Tata Consultancy Services, Pune from the Assistant Commissioner of Labour, Pune	8822	March 5, 2010	December 31, 2010

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
47.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing 70 workers for general maintenance and housekeeping at Cipla Limited, Goa from the Deputy Labour Commissioner, Margao, Goa	DLC/SG/CL/1001	November 23, 2005	December 31, 2010
48.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 50 workers for housekeeping, administrative services and electro mechanical at Perot Systems, Bangalore from the Assistant Labour Commissioner, Bangalore Division-3, Bangalore	ALCB-3/CLA/C-18/09-10	March 28, 2005	March 27, 2011
49.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management and services at Akme Projects Limited from the Assistant Labour Commissioner, Bangalore Division-3, Bangalore	ALCB-3/CLA/C-40/2010-11	May 13, 2010	May 12, 2011
50.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management, electro-mechanical and housekeeping at Thomson Corporation International Private Limited from the Assistant Labour Commissioner, Bangalore Division-3, Bangalore	ALCB-3/CLA/C-41/2008-09	May 21, 2008	May 20, 2011
51.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 75 workers for facility management, electro-mechanical and housekeeping at Thomson Corporation International Private Limited from the Assistant Labour Commissioner, Bangalore Division-3, Bangalore	ALCB-3/CLA/C-42/2008-09	May 21, 2008	May 20, 2011
52.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 100 workers for facility management, electro-mechanical and housekeeping at Thomson Corporation International Private Limited from the Assistant Labour Commissioner, Bangalore Division-3, Bangalore	ALCB-3/CLA/C-80/2008-09	June 19, 2008	June 18, 2011
53.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management services at Tata BP Solar India Limited from the Assistant Labour Commissioner, Bangalore Division, Bangalore	ALCB-4/CLA/C-124/2009-10	July 28, 2009	July 27, 2011
54.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping and gardening at Unit 1 of Tata BP Solar India Limited from the Labour Officer & Licensing Officer, Bangalore Sub-division-3, Bangalore	ALCB-2/CLA/C-219/07-08	August 2, 2004	August 1, 2011
55.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for facility management services at Unit II of Tata BP Solar India Limited from the Assistant Labour Commissioner, Bangalore Division-2, Bangalore	ALCB-2/CLA/C-70/09-10	August 12, 2009	August 11, 2011
56.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 69 workers for facility management and services at Tata	205/2010-B3	August 23, 2010	August 22, 2011

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	Communications Limited, Bangalore from the Assistant Labour Commissioner (Central), Bangalore			
57.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 75 workers at TCS Limited from the Licensing Officer & Assistant Labour Commissioner, West Bengal	015/L-015/2006/LCN	April 26, 2006	December 31, 2010
58.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing contract labour at Tata Consultancy Services Limited from the Licensing Officer, West Bengal	K-1772	August 19, 2010	August 18, 2011
59.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for employing contract labour at Park Street from the Licensing Officer & Assistant Labour Commissioner, West Bengal	L-193/09/111/LC	December 30, 2009	December 31, 2010
60.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for housekeeping and facility services at Marthon Power Limited from the Licensing Officer, Dhanbad, Jharkhand	4261	September 21, 2010	September 20, 2011
61.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for 78 workers at CMO block, Jaipur Secretariat from the Licensing Officer, Jaipur	CLA/ALC/98/2006	November 22, 2006	December 31, 2010

Licenses/Approvals Applied For:

S. No.	Description of Licenses/Approvals Applied For	Authority	Date of Application
Company			
1.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing services to Firstsource Solutions Limited	Office of the Assistant Labour Commissioner Dharwad, Hubli, Karnataka	July 2010
A2Z Infraservices			
2.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing manpower, housekeeping, security service and fleet service at Bloom Public School, New Delhi from the Licensing Officer, Government of NCT of Delhi	Office of the Licensing Officer, Government of NCT of Delhi	February 17, 2010
3.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing housekeeping services at BSES Yamuna Power Limited, New Delhi from the Licensing Officer, Government of NCT of Delhi	Office of the Licensing Officer, Government of NCT of Delhi	February 17, 2010
4.	License under the Contract Labour (Regulation and Abolition) Act, 1970 for providing technical work at Pushpawati Singhaniya Research Institute, New Delhi from the Licensing Officer, Government of NCT of Delhi	Office of the Licensing Officer, Government of NCT of Delhi	February 17, 2010

Renewable Energy Generation

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
Company				
1.	Industrial Entrepreneurs Memorandum from the Director of Industries & Commerce, Punjab for setting up industrial unit at Morinda, Punjab for the generation of 18 MW electric energy based on biomass fuel	No. LM-II/IEM/3641-A	March 11, 2010	-
2.	Industrial Entrepreneurs Memorandum from the Director of	No. LM-II/IEM/5593	March 15, 2010	-

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	Industries & Commerce, Punjab for setting up industrial unit at Fazilka, Punjab for the generation of 15 MW electric energy based on biomass fuel			
3.	Industrial Entrepreneurs Memorandum from the Director of Industries & Commerce, Punjab for setting up industrial unit at Nakodar, Punjab for the generation of 15 MW electric energy based on biomass fuel	No. LM-II/IEM/3643-A	March 11, 2010	-
4.	Consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981 for project at Nakodar from the Punjab Pollution Control Board	NOC No. ZO-J/JAL/NOC/PP/2010/329	July 15, 2010	-
5.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 15 MW biomass based power plant in Fatehpur, District Sikar	ARN-22/Biomass/2010 and PRN-24/Biomass/2010	May 12, 2010 and August 18, 2010	-
6.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 15 MW biomass based power plant in Shiv, District Barmer	ARN-25/Biomass/2010	May 12, 2010	-
7.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 15 MW biomass based power plant in Kolayat, District Bikaner	ARN-23/Biomass/2010 and PRN-25/Biomass/2010	May 12, 2010 and August 18, 2010	-
8.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 15 MW biomass based power plant in Loonkaransar, District Bikaner	ARN-24/Biomass/2010 and PRN-26/Biomass/2010	May 12, 2010 and August 18, 2010	-
9.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 15 MW biomass based power plant in Bhadra/Nauhar, District Hanumangarh	ARN-21/Biomass/2010 and PRN-23/Biomass/2010	May 12, 2010 and August 17, 2010	-
10.	In-principle registration issued by Madhya Pradesh Urja Vikas Nigam Limited for setting up 10 MW biomass based power plant in Indore	MPUVN/Biomass/314/2010-11/1100	July 2, 2010	Valid for eight months
11.	Feasibility clearance/grid connectivity for evacuation of power from proposed cogeneration power plant at cooperative sugar mill at Fazilka from the Superintendent Engineer, Distribution Circle, Punjab State Electricity Board, Mukatsar	22897/Bio-mass-10/MSR	May 10, 2010	-
12.	Feasibility clearance/grid connectivity for evacuation of power from proposed cogeneration power plant at cooperative sugar mill at Morinda from the Superintendent Engineer, Distribution Circle, Punjab State Electricity Board, Roop Nagar	22904/Bio-mass-10/MSR	May 10, 2010	-
13.	Feasibility clearance/grid connectivity for evacuation of power from proposed cogeneration power plant at cooperative sugar mill at Nakodar from the Superintendent Engineer, Distribution Circle, Punjab State Electricity Board, Jalandhar	22874/75/Bio-mass-10/MSR	May 7, 2010	-
14.	In-principle approval for setting up	GEDA/BIO/2010	August 26, 2010	Valid for 6 months from the date of

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
	of 10 MW biomass based power project in Kadi, Mehsana District, Gujarat from the Gujarat Energy Development Agency	/8/OW/2741		issue
15.	In-principle approval for setting up of 10 MW biomass based power project in Sami, Patan District, Gujarat from the Gujarat Energy Development Agency	GEDA/BIO/2010 /8/OW/2742	August 26, 2010	Valid for 6 months from the date of issue
16.	In-principle approval for setting up of 10 MW biomass based power project in Chhota Udepur, Vadodara District, Gujarat from the Gujarat Energy Development Agency	GEDA/BIO/2010 /8/OW/2743	August 26, 2010	Valid for 6 months from the date of issue
17.	In-principle approval for setting up of 10 MW biomass based power project in Dahod District, Gujarat from the Gujarat Energy Development Agency	GEDA/BIO/2010 /8/OW/2744	August 26, 2010	Valid for 6 months from the date of issue
18.	In-principle approval for setting up of 10 MW biomass based power project in Panchmahal District, Gujarat from the Gujarat Energy Development Agency	GEDA/BIO/2010 /8/OW/2745	August 26, 2010	Valid for 6 months from the date of issue
19.	No-objection certificate from the Punjab Pollution Control Board for setting up a biomass based co-generation power plant of 15 MW at Fazilka Co-op Sugar Mills Limited, Fazilka	No.ZI/BTI/2010/ NOC/28	October 29, 2010	Valid for one year from the date of issue or until the commissioning of industry, whichever is earlier This no-objection certificate is subject to conditions.
A2Z Infrastructure				
20.	Pre-registration certificate issued by Uttar Pradesh New and Renewable Energy Development Agency for setting up 2 MW solar power project at village Panka Bahadur, Pargana and District Kanpur	17/UPNEDA/RP SSGP/2010	July 14, 2010	-
21.	No objection certificate to establish a unit at Panki Bahadur Nagar, Kanpur from the Uttar Pradesh Pollution Control Board	F70335/C-2/N.O.C/3594/v	July 21, 2010	-
22.	Approval from the Uttar Pradesh New and Renewable Energy Development Agency for setting up a 15 MW biomass generation plant at Panki Bhavsingh Nagar, Kanpur	631/U.P.-Neda/BM-GC/A2Z Infrastructure P.L./Kanpur Nagar/10-11	May 19, 2010	-
23.	Feasibility clearance from the Uttar Pradesh Transmission Corporation Limited for evacuation of power for 15 MW biomass based plant at Kanpur	4839	July 22, 2010	-
A2Z Powercom				
24.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Govindgarh, District Ajmer	ARN-40/Biomass/2010	August 26, 2010	-
25.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Alniyavas, District Nagaur	ARN-35/Biomass/2010	August 23, 2010	-
26.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Soyla, District Jodhpur	ARN-36/Biomass/2010	August 26, 2010	-
27.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Rohit, District Pali	ARN-33/Biomass/2010	August 23, 2010	-

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
28.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Palana, District Udaipur	ARN-34/Biomass/2010	August 23, 2010	-
29.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Dambola, District Dungarpur	ARN-32/Biomass/2010	August 23, 2010	-
30.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Ghatol, District Banswara	ARN-31/Biomass/2010	August 23, 2010	-
31.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Barawardha, District Pratapgarh	ARN-37/Biomass/2010	August 26, 2010	-
32.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Begun, District Chittorgarh	ARN-38/Biomass/2010	August 26, 2010	-
33.	Registration issued by Rajasthan Renewable Energy Corporation Limited of proposal for setting up 2 MW biomass based power plant in Gilund, District Rajsamand	ARN-39/Biomass/2010	August 26, 2010	-

Licenses/Approvals Applied For:

S. No.	Description of Licenses/Approvals Applied For	Authority	Date of Application
Company			
1.	No objection certificate for construction of building/structures around airports in relation to Air Force Station, Bathinda for bagasse/biomass cogeneration power plant to be installed at Fazilka Cooperative Sugar Mills Limited on BOOT basis	Airport Authority of India	February 17, 2010
2.	No objection certificate for construction of building/structures around airports in relation to Civil Airport, Chandigarh for bagasse/biomass cogeneration power plant to be installed at Morinda Cooperative Sugar Mills Limited on BOOT basis	Airport Authority of India	February 17, 2010
3.	No objection certificate for construction of building/structures around airports in relation to Air Force Station, Halwara for bagasse/biomass cogeneration power plant to be installed at Nakodar Cooperative Sugar Mills Limited on BOOT basis	Airport Authority of India	February 17, 2010
4.	Approval for mega projects for setting up three cogeneration power plants within the existing premises of three sugar mills of Punjab State Federation of Cooperative Sugar Mills Limited	Department of Industries, Government of Punjab	March 16, 2010
5.	Permission to draw water from Kamalwala Minor canal	Chief Engineer (Irrigation), Government of Punjab, Chandigarh	March 25, 2010
6.	Request for finalizing route plan/tower locations and deposit estimate for laying 66KV transmission lines for evacuation of power from proposed cogeneration power plants to be set up at cogeneration sugar mill of Morinda	The Superintendent Engineer/TLSC, Punjab State Electricity Board, Patiala	March 27, 2010
7.	Request for grant of incentives/exemption from Mega projects under current State Industrial Policy	Department of Industries, Government of Punjab, Chandigarh	March 17, 2010
8.	Application to register three bagasse and biomass based cogeneration power plants at Fazilka, Morinda and Nakodar	Chief Executive, Punjab Energy Development Agency, Chandigarh	February 17, 2010

S. No.	Description of Licenses/Approvals Applied For	Authority	Date of Application
9.	Application for site clearance inside Morinda Cooperative Sugar Mills Limited	State Competent Authority-cum-State Appraisal Committee	March 12, 2010
10.	Application for site clearance inside Fazilka Cooperative Sugar Mills Limited	State Competent Authority-cum-State Appraisal Committee	February 20, 2010
11.	Application for consent to establish under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981 for project at Morinda	Punjab Pollution Control Board	March 12, 2010
12.	Application for setting up four biomass based power projects using pine needles in PPP mode at Tanakpur, Kotdwar, Laksar and Vikasnagar, Uttarakhand to generate approximately 280 million units of green power	Uttarakhand Renewable Energy Development Agency	February 16, 2010
A2Z Powercom			
13.	Application for setting up 2 MW biomass based power project at Nanpara, Bahraich, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	October 11, 2010
14.	Application for setting up two biomass based power projects of 2 MW each at Bansdih and Sikandarpur, District Ballia, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	September 22, 2010
15.	Application for setting up 2 MW biomass based power project at Dohna, Bareilly, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	October 7, 2010
16.	Application for setting up two biomass based power projects of 2 MW each at Salempur and Bhatni, Deoria District, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	September 21, 2010
17.	Application for setting up two biomass based power projects of 2 MW each at Sapahi Bujurg and Badwa Rajapakad, Kushinagar District, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	October 7, 2010
18.	Application for setting up 2 MW biomass based power project at Palia, Lakhimpur Kheri, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	October 9, 2010
19.	Application for setting up two biomass based power projects of 2 MW each at Neta Surhurwa and Siswababu, Maharajganj, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	October 7, 2010
20.	Application for setting up 2 MW biomass-based power project at Puranpur, Pilibhit, Uttar Pradesh	New & Renewable Energy Development Agency, Uttar Pradesh	October 8, 2010
21.	Application for setting up 2 MW biomass-based power project at Devkuruli, Osmanabad District, Maharashtra	Maharashtra Energy Development Agency	August 7, 2010
22.	Application for setting up 2 MW biomass-based power project at Jawalga Mesai, Osmanabad District, Maharashtra	Maharashtra Energy Development Agency	August 7, 2010
23.	Application for setting up 2 MW biomass-based power project at Kadadora, Osmanabad District, Maharashtra	Maharashtra Energy	August 7, 2010

S. No.	Description of Licenses/Approvals Applied For	Authority	Date of Application
		Development Agency	
24.	Application for setting up ten biomass-based power projects of 2 MW each at ten sites located in Vidisha and Sehore Districts, Madhya Pradesh	Madhya Pradesh Urja Vikas Nigam Limited	August 10, 2010

Others

S. No.	Description of Licenses/ Approvals Obtained	License/ Approval No.	Date of Issue	Date of Expiry/ Comments
A2Z Infrastructure				
1.	Certificate of Importer-Exporter Code from the Foreign Trade Development Officer, Ministry of Commerce and Industry	0509073531	January 11, 2010	-
A2Z Infraservices				
1.	Certificate of Importer-Exporter Code from the Foreign Trade Development Officer, Ministry of Commerce and Industry	0509070710	December 31, 2009	-
A2Z Powertech				
1.	Certificate of Importer-Exporter Code from the Foreign Trade Development Officer, Ministry of Commerce and Industry	0508047994	September 30, 2008	-
A2Z Powercom				
1.	Certificate of Importer-Exporter Code from the Foreign Trade Development Officer, Ministry of Commerce and Industry	0509069584	December 24, 2009	-
Selligence				
1.	Certificate of Importer-Exporter Code from the Foreign Trade Development Officer, Ministry of Commerce and Industry	050867821	January 2, 2009	-
Madhya Bijlee				
1.	Certificate of Importer-Exporter Code from the Director General of Foreign Trade, Ministry of Commerce and Industry	0510052916	October 8, 2010	-

Approvals relating to Intellectual Property

Approvals Obtained

The Company and the subsidiaries have obtained the following approvals with the trade marks registry, Government of India, for grant of certificates under the Trademark Rules, 2002.

S. No.	Trade Name	Class	Reference/Registration Number	Date of Expiry
CNCS				
1.	CNCS (Trademark - Logo)	37	1663273	March 11, 2018
2.	CNCS (Trademark - Logo)	42	1663849	March 12, 2018
Imatek				
1.	CNCS (Trademark - Logo)	42	1540034	March 14, 2017

CNCS obtained a copyright (Registration number A-82247/2008) over its logo “CNCS Facility Solutions Private Limited – Since 1976 – Trust the Professionals” on February 19, 2008 from Deputy Registrar of Copyrights, Government of India under the category of artistic works and such copyright is valid for the life span of the author and 60 years thereafter.

Approvals applied for

The Company and the subsidiaries have filed the following applications with the trade marks registry, Government of India, for grant of certificates under the Trademark Rules, 2002, all of which are currently pending registration.

S. No.	Trade Name	Class	Reference Number	Date of Application
Company				
1.	A2Z (Service Mark)	37	1817021	May 12, 2009
2.	A2Z (Trade Mark and Service Mark)	39	1817022	May 12, 2009
3.	A2Z (Trade Mark and Service Mark)	42	1817023	May 12, 2009
4.	A2Z Group (Service Mark - Logo)	37	01963918	May 12, 2010
5.	A2Z Group (Service Mark - Logo)	39	01963919	May 12, 2010
6.	A2Z Group (Service Mark - Logo)	42	01963917	May 12, 2010
7.	...emPOWERing the nation (Slogan)	37	01972040	May 28, 2010
8.	...emPOWERing the nation (Slogan)	39	01972037	May 28, 2010
9.	...emPOWERing the nation (Slogan)	42	01972036	May 28, 2010
10.	Towards a brighter tomorrow (Slogan)	37	01972038	May 28, 2010
11.	Towards a brighter tomorrow (Slogan)	39	01972039	May 28, 2010
12.	Towards a brighter tomorrow (Slogan)	42	01972043	May 28, 2010
A2Z Infrastructure				
1.	A2Z (Service Mark)	40	1817009	May 12, 2009
2.	a2z Infrastructure – Creating Cleaner Climate (Service Mark - Logo)	40	01963912	May 12, 2010
3.	a2z Infrastructure – Creating Cleaner Climate (Service Mark - Logo)	39	01972034	May 28, 2010
4.	Cleanliness is Godliness (Slogan)	40	01972030	May 28, 2010
5.	Cleanliness is Godliness (Slogan)	39	01972032	May 28, 2010
6.	Waste = Resource (Slogan)	40	01972035	May 28, 2010
7.	Waste = Resource (Slogan)	39	01972031	May 28, 2010
8.	Cleanliness is next to Godliness (Slogan)	39	01972033	May 28, 2010
9.	Cleanliness is next to Godliness (Slogan)	40	01972029	May 28, 2010
A2Z Infraservices				
1.	A2Z (Service Mark)	35	1817007	May 12, 2009
2.	A2Z (Trade Mark and Service Mark)	36	1817008	May 12, 2009
3.	A2Z Group (Service Mark - Logo)	35	01963916	May 12, 2010
4.	A2Z Group (Service Mark - Logo)	36	01963915	May 12, 2010
5.	We Care. (Slogan)	36	01972042	May 28, 2010
6.	We Care. (Slogan)	35	01972041	May 28, 2010
A2Z Powercom				
1.	A2Z (Service Mark)	7	1817011	May 12, 2009
2.	A2Z (Trade Mark and Service Mark)	9	1817012	May 12, 2009
3.	A2Z Group (Service Mark - Logo)	7	01963913	May 12, 2010
4.	A2Z Group (Service Mark - Logo)	40	01963914	May 12, 2010
A2Z Powertech				
1.	A2Z (Service Mark)	38	1817010	May 12, 2009
2.	A2Z Group (Service Mark -Logo)	9	01963911	May 12, 2010
3.	A2Z Group (Service Mark -Logo)	35	01972028	May 28, 2010

S. No.	Trade Name	Class	Reference Number	Date of Application
Selligence Technologies Services Private Limited				
1.	Selligence (Service Mark)	35	1817015	May 12, 2009
2.	Selligence (Service Mark)	37	1817016	May 12, 2009
3.	Selligence (Trade Mark and Service Mark)	38	1817014	May 12, 2009
4.	Selligence (Service Mark)	42	1817013	May 12, 2009
5.	Selligence (Service Mark - Logo)	35	1817018	May 12, 2009
6.	Selligence (Service Mark - Logo)	37	1817019	May 12, 2009
7.	Selligence (Service Mark - Logo)	38	1817020	May 12, 2009
8.	Selligence (Service Mark - Logo)	42	1817017	May 12, 2009

Others:

Pursuant to orders dated September 15, 2010, the RoC has granted an extension of three months time (from September 30, 2010) to the Company, A2Z Infrservices and A2Z Infrastructure to convene the annual general meetings of their respective shareholders.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board of Directors has, pursuant to a resolution passed at its meeting held on June 2, 2010 authorized the Issue subject to the approval by the shareholders of the Company under Section 81(1A) of the Companies Act, and such other regulatory authorities as may be necessary.

The shareholders of the Company have, pursuant to a resolution dated June 8, 2010, under Section 81(1A) of the Companies Act, authorized the Issue.

The IPO Committee has, pursuant to its resolution dated July 28, 2010, approved the Draft Red Herring Prospectus and, the Board of Directors has, pursuant to its resolution dated December 3, 2010, approved the Red Herring Prospectus. The Board of Directors approved this Prospectus on December 16, 2010.

The Selling Shareholders have authorized the Offer for Sale of the Equity Shares in the Issue pursuant to (i) a resolution of the board of directors of Beacon dated July 19, 2010 and (ii) the consents and authorization letters each dated July 19, 2010 issued by Mr. Amit Mittal, Mrs. Babita Shivswaroop Gupta, Mrs. Nipa Sheth and Mr. Rakesh Radheyshyam Jhunjhunwala, respectively, and dated July 20, 2010 issued by Beacon.

The RBI through its letters FE.CO.FID.No./11090/10.21.209/2010-11 dated November 3, 2010 and FE.CO.FID.No./11849/10.21.209/2010-11 dated November 11, 2010 has granted its approval for the Offer for Sale subject to the condition that we seek the approval of the shareholders to amend clause 6 of the main objects of the Company's Memorandum of Association and delete references to the words "atomic power" appearing therein. For further details, please refer to the sections "Risk Factors" and "History and Certain Corporate Matters" beginning on pages xii and 116 respectively, of this Prospectus.

The Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated October 7, 2010 and October 8, 2010, respectively.

Prohibition by SEBI, RBI or governmental authorities

We confirm that neither: (i) the Company, subsidiaries, Promoter, Promoter Group, Directors, Group Companies of our Promoter and persons in control of the Company nor (ii) companies with which any of the Promoter, Directors or persons in control of the Company are or were associated as a promoter, director or person in control, are debarred or prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority.

Other than Mr. Rakesh Radheyshyam Jhunjhunwala, Mr. Brij Raj Singh and Mr. Manish Gupta, none of the Directors are associated with the securities market.

None of the Company, the subsidiaries, the Promoter, the Group Companies of our Promoter and the relatives of Promoter have been declared as willful defaulters by the RBI or any other authority.

The Selling Shareholders confirm that they have not been debarred or prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority and the Equity Shares being offered by them in the Offer for Sale have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI and are free and clear of any encumbrances or liens.

The Promoter and the Group Companies of our Promoter have further confirmed that there are no violations of securities laws committed by them in the past or currently pending against them.

Eligibility for the Issue

The Company is eligible to make the Issue in accordance with Regulation 26(1) of the ICDR Regulations as explained below.

Regulation 26(1) of the ICDR Regulations states as follows:

(1) An issuer may make an initial public offer, if:

- (a) it has net tangible assets of at least three crore rupees in each of the preceding three full years (of twelve months each), of which not more than fifty per cent. are held in monetary assets:

Provided that if more than fifty per cent. of the net tangible assets are held in monetary assets, the issuer has made firm commitments to utilise such excess monetary assets in its business or project;

- (b) it has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least three out of the immediately preceding five years:

Provided that extraordinary items shall not be considered for calculating distributable profits;

- (c) it has a net worth of at least one crore rupees in each of the preceding three full years (of twelve months each);
- (d) the aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;
- (e) if it has changed its name within the last one year, at least fifty per cent. of the revenue for the preceding one full year has been earned by it from the activity indicated by the new name.

The Company confirms that:

- (a) The Company has net tangible assets of at least Rs. 30.00 million in each of the preceding three full years (of twelve months each), of which not more than 50% are held in monetary assets;
- (b) The Company has a track record of distributable profits in terms of section 205 of the Companies Act, for at least three out of the immediately preceding five years;
- (c) The Company has a net worth of at least Rs. 10.00 million in each of the preceding three full years (of twelve months each);

The net tangible assets, monetary assets, and net worth derived from the Restated Unconsolidated Summary Statements included in this Prospectus under the section “Financial Statements” and the distributable profit derived from the audited financial statements of the Company, as at and for the last five years is set forth below:

(Rs. in million)

Particulars	Fiscal				
	2006	2007	2008	2009	2010
Net tangible Assets	127.83	878.12	2,880.79	4,841.86	7,646.93
Monetary Assets	33.28	150.16	469.39	684.40	883.96
Distributable Profits	59.01	116.55	442.75	688.57	949.04
Net Worth	76.24	387.78	1,645.36	2,242.17	4,195.43

1. Net Tangible assets is defined as net fixed assets excluding intangible assets (as defined by Accounting Standard 26 issued by the Institute of Chartered Accountants of India) + capital work-in-progress + long term investments + current assets (includes Inventory, Sundry Debtors, Cash and Bank balances, Other Current Assets and Loans & Advances) - current liabilities and provisions.
2. Monetary assets is defined as cash in hand, cheques in hand, bank balance and fixed deposits with banks (including margin money deposits with banks against bank guarantees and letter of credit).
3. Distributable Profits is defined as profit after tax (before making adjustment for restatement) as per unconsolidated audited financial statements of the Company for the respective years.
4. Net worth is defined as Equity Share capital + Preference Share Capital + Equity Share Warrants + Free reserves (including share premium account)-Miscellaneous expenditure (to the extent not written off or adjusted).

- (d) The pre-Issue net worth of the Company, based on the audited balance sheet as at March 31, 2010, is Rs. 4,195.43 million and five times such pre-Issue net worth is

Rs. 20,977.15 million. The aggregate of the proposed Issue and all previous issues made in the same financial year in terms of issue size is not expected to exceed five times its pre-issue net worth as per the audited balance sheet of the preceding financial year;

- (e) The Company has changed its name during the last one year to reflect its conversion into a public limited company.
- The Company will comply with the Regulation 43(2) of the ICDR Regulations; accordingly, not more than 50% of the Net Issue shall be available for allocation to Qualified Institutional Bidders and not less than 15% and 35% of the Net Issue shall be available for allocation to Non-Institutional Bidders and Retail Individual Bidders, respectively, subject to valid Bids being received.

Further, in accordance with Regulation 26(4) of the ICDR Regulations, the Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted in the Issue shall not be less than 1,000, failing which the entire application monies will be refunded forthwith. In case of delay, if any, in refund, the Company and the Selling Shareholders shall pay interest on the application money at the rate of 15% per annum for the period of delay.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, IDFC CAPITAL LIMITED, DSP MERRILL LYNCH LIMITED, ENAM SECURITIES PRIVATE LIMITED, SBI CAPITAL MARKETS LIMITED AND ICICI SECURITIES LIMITED AND THE CO-BOOK RUNNING LEAD MANAGER, YES BANK LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 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 COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, IDFC CAPITAL LIMITED, DSP MERRILL LYNCH LIMITED, ENAM SECURITIES PRIVATE LIMITED, SBI CAPITAL MARKETS LIMITED AND ICICI SECURITIES LIMITED AND THE CO-BOOK RUNNING LEAD MANAGER, YES BANK LIMITED, ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, IDFC CAPITAL LIMITED, DSP MERRILL LYNCH LIMITED, ENAM SECURITIES PRIVATE LIMITED, SBI CAPITAL MARKETS LIMITED AND ICICI SECURITIES LIMITED AND THE CO-BOOK RUNNING LEAD MANAGER, YES BANK LIMITED, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 28, 2010 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 WHICH READS AS FOLLOWS:

- “(1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, 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 COMPANY,

WE CONFIRM THAT:

- (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE SAID ISSUE, AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED OR ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- (3) WE CONFIRM THAT BESIDE OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND TILL DATE SUCH REGISTRATION IS VALID.**
- (4) WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE**
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF HIS EQUITY SHARES AS PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- (6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTER’S 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 PROMOTER’S CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS’ CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER’S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL**

BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – 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 SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.**
- (10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE**
- (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 SHARES OF THE COMPANY; AND**
- (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- (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, PROMOTER 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 DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION

68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI, FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS AND THE CO-BOOK RUNNING LEAD MANAGERS ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue have been complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Disclaimer clause of the BSE

Bombay Stock Exchange Limited (“the Exchange”) has given by its letter dated October 7, 2010, to this Company to use the Exchange’s name in this offer document as one of the stock exchanges on which the Company’s securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Company. 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 the 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 or omitted to be stated herein or for any other reason whatsoever.

Disclaimer clause of the NSE

As required, a copy of this offer document has been submitted to National Stock Exchange of India Limited (the “NSE”). NSE has given by its letter ref.: NSE/LIST/148852-7 dated October 8, 2010 permission to the Issuer to use the NSE’s name in this offer document as one of the stock exchanges on which the Issuer’s securities are proposed to be listed. The NSE has scrutinized the 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 NSE; 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 the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE 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.

Disclaimer from the Company, the Selling Shareholders, the BRLMs and the CBRLM

The Company, the Selling Shareholders, the BRLMs and the CBRLM accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at the Company’s instance and anyone placing reliance on any other source of information, including the Company’s website, www.a2zgroup.co.in, or the website of any subsidiary, or the website of any Promoter or Promoter Group company, or the website of any affiliate or associate of the Company or the subsidiaries, would be doing so at his or her own risk.

The BRLMs and the CBRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into among the BRLMs, the CBRLM, the Company and the Selling Shareholders on July 28, 2010 and the Underwriting Agreement to be entered into between the Underwriters, the Company and the Selling Shareholders.

All information shall be made available by the Company, the Selling Shareholders, the BRLMs and the CBRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Neither the Company, its Directors and officers, the Selling Shareholders, their directors and officers nor any member of the Syndicate is liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to the Company, the Selling Shareholders and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. The Company, the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

Each of the BRLMs, the CBRLM and their respective affiliates may engage in transactions with, and perform services for, the Company, the Selling Shareholders and their respective group companies or affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with Company, the Selling Shareholders and their respective group companies or affiliates, for which they have received, and may in the future receive, compensation.

Disclaimer in Respect of Jurisdiction

The 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 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 under applicable 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, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of Rs. 250 million, pension funds with a minimum corpus of Rs. 250 million, the National Investment Fund, insurance funds set up and managed by the army, navy and/or air force of the Union of India, and to permitted non-residents including FIIs, Foreign Venture Capital Investors registered with the SEBI, Eligible NRIs, multilateral and bilateral development financial institutions and other eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares. The Red Herring Prospectus and this Prospectus do not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Red Herring Prospectus and this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Any dispute arising out of the Issue will be subject to the exclusive jurisdiction of competent court(s) in Gurgaon, Haryana, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus was filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and the Red Herring Prospectus and this Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Red Herring Prospectus, this Prospectus nor any invitation, offer or sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold only (i) in the United States to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Disclaimer clause of IPO Grading Agency

CARE’s IPO grading is a one time assessment and the analysis draws heavily from the information provided by the issuer as well as information obtained from sources believed by CARE to be accurate and reliable. However, CARE, does not guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. CARE’s IPO grading does not take cognizance of the price of the security and it is not a recommendation to buy, sell or hold shares/securities. It is also not a comment on the offer price or the listed price of the scrip. It does not imply that CARE performs an audit function or forensic exercise to detect fraud. It is also not a forecast of the future market performance and the earnings prospects of the issuer; also it does not indicate compliance/violation of various statutory requirements. CARE shall not be liable for any losses incurred by users from any use of the IPO grading.

Filing

A copy of the Draft Red Herring Prospectus was filed with the SEBI at the Securities and Exchange Board of India, SEBI Bhavan, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra, India.

A copy of the Red Herring Prospectus, along with the other documents required to be filed under Section 60B of the Companies Act, were delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act will be delivered for registration to the RoC at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 110 019, India.

Listing

Applications have been made to the BSE and the NSE for permission for listing of the Equity Shares being offered and sold in the Issue. The BSE will be the Designated Stock Exchange with which the basis of Allotment will be finalized.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, the Company and the Selling Shareholders shall forthwith repay, without interest, all monies received from applicants in reliance on the Red Herring Prospectus. If such money is not repaid within eight days after the Company and the Selling Shareholders have become liable to repay it (i.e., from the date of refusal or within 10 weeks from the Bid/Issue Closing Date, whichever is earlier), then the Company, the Selling Shareholders and every Director of the Company who is an officer in default shall, on and from the expiry of such eight day period, be liable to repay the monies, with interest at the rate of 15% per annum on the application monies, as prescribed under Section 73 of the Companies Act.

The Company shall use its best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges are taken within seven working days of finalization of the basis of allotment for the Issue. Pursuant to a Circular

(CIR/CFD/DIL/3/2010) dated April 22, 2010 issued by SEBI, the listing of the Equity Shares in the Issue is required to be completed within 12 working days (as defined in such circular) of the Bid/Issue Closing Date.

Consents

Consents in writing of: (a) the Directors, the Selling Shareholders, the Company Secretary and Compliance Officer, the legal advisors, the Bankers to the Company and the Bankers to the Issue, the lenders, the experts, Monitoring Agency and the IPO Grading Agency; and (b) the BRLMs, the CBRLM, the Syndicate Members, the Escrow Collection Banks and the Registrar to the Issue to act in their respective capacities, have been obtained and filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents will not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC.

S.R. Batliboi & Associates, Chartered Accountants, have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus.

S.R. Batliboi & Associates, Chartered Accountants, have given their written consent to inclusion of their report relating to the possible tax benefits accruing to the Company and its shareholders in the form and context in which it appears in this Prospectus.

Credit Analysis & Research Limited, a SEBI registered credit rating agency, has given its written consent to being named as an expert for purposes of grading of the Issue and to the inclusion of its grading of the Issue in the Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the RoC.

Expert Opinion

Except the report of Credit Analysis & Research Limited in respect of the IPO grading of the Issue annexed herewith and such persons that are deemed to be experts under the Companies Act, and except as stated in this Prospectus, we have not obtained any expert opinions. The term 'expert' as used in the Prospectus is not intended to be considered an 'expert' within the meaning of Section 11 of the U.S. Securities Act, 1933.

Issue Related Expenses

The BRLMs' fee and the CBRLM's fee, underwriting commission, brokerage and selling commission and certain other expenses will be shared between the Company and the Selling Shareholders in proportion to the Equity Shares issued/transferred in the Fresh Issue and the Offer for Sale, respectively. The printing, advertising and media expenses with respect to the Issue will be paid by the Company

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

Activity	Expense (Rupees in million)	As a % of Total Issue Expenses	As a % of Issue Size
Fees payable to Book Running Lead Managers and the Co-Book Running Lead Manager	181.25	47.94	2.11
Fees payable to the Registrar to the Issue	1.13	0.30	0.01
Other (listing fees, legal fees, grading expenses, advertising and marketing expenses, printing and stationery, etc.)	195.70	51.76	2.28
Total estimated Issue expenses	378.08	100.00	4.41

Fees Payable to the BRLMs, the CBRLM and the Syndicate Members

The total fees payable to the Book Running Lead Managers, the Co- Book Running Lead Manager and the Syndicate Members (including underwriting commission and selling commission and reimbursement of their out of pocket expenses) will be as per their engagement letter, a copy of which is available for inspection at the Company's Registered Office from 10.00 a.m. to 4.00 p.m. on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of CANs/refund orders (or revised CANs, if required), preparation of refund data on magnetic tape and printing of bulk mailing register will be as per an agreement dated July 19, 2010 entered into among the Company, the Selling Shareholders and the Registrar to the Issue, a copy of which is available for inspection at the Company's Registered Office from 10.00 a.m. to 4.00 p.m. on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to make refunds in any of the modes described in the Red Herring Prospectus and this Prospectus or send allotment advice by registered post/speed post/under certificate of posting.

Particulars regarding Public or Rights Issues during the last five years

The Company has not made any previous public issues (including any rights issue) in the five years preceding the date of this Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the sections "Capital Structure" beginning on page 23 of this Prospectus, the Company has not made any previous issues of shares for consideration other than cash.

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is the initial public offering of the Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares.

Listed Companies under the Same Management

There are no listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, as of the date of this Prospectus, that have made any public or rights issue during the last three years.

Performance v/s objects – last three issues of the Company

This is the initial public offering of the Company's Equity Shares.

Performance v/s objects – last one issue of the Group Companies of our Promoter, Subsidiaries and associate companies

There are no listed Group Companies of our Promoter, subsidiaries or associate companies.

Outstanding Debentures or Bond Issues or Preference Shares

The Company has no outstanding debentures or bonds or redeemable preference shares as of the date of this Prospectus.

Stock Market Data of the Equity Shares

This being an initial public offering of the Equity Shares of the Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement among the Registrar to the Issue, the Company and the Selling Shareholders provides for retention of records with the Registrar to the Issue for a period of at least six months from the last date of dispatch of the letters of allotment, or refund orders, demat credit or, where refunds are being made electronically, giving of refund instructions to the clearing system, 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, application number, number of Equity Shares applied for, amount blocked on application, Depository Participant or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar and 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 Grievances by the Company

The Company estimates that the average time required by the Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders for the redressal of genuine investor grievances shall be seven days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, the Company will seek to redress these complaints as expeditiously as possible.

The Company has constituted a Shareholders and Investors Grievance Committee for the redressal of investor grievances. The constitution of the Shareholders and Investors Grievance Committee is as follows:

S. No.	Name of the Director	Executive/Non-Executive/Independent
1.	Mr. Vinod Sagar Wahi	Independent
2.	Mr. Amit Mittal	Executive
3.	Mrs. Dipali Mittal	Executive

The terms of reference of the Shareholders and Investors Grievance Committee are to review and look into redressal of shareholders and investor complaints in relation to transfer of shares, non-receipt of balance sheet or declared dividend etc.

The Company has appointed Mr. Atul Kumar Agarwal, Company Secretary, as the Compliance Officer to redress all complaints, if any, of the investors participating in the Issue, and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Mr. Atul Kumar Agarwal

O-116, 1st Floor, DLF Shopping Mall, Arjun Marg
DLF Phase-I, Gurgaon
Haryana, 122 002, India
Tel: +91 124 4581 700
Fax: +91 124 4581 706
Email: complianceofficer@a2zemail.com
Website: www.a2zgroup.co.in

Disposal of investor grievances by listed companies under the same management as the Company

There are no listed companies under the same management as the Company.

Change in Auditors

There have been no changes in the Company's auditors in the last three years.

Purchase of Property

There is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus, other than property, in respect of which:

- The contracts for the purchase or acquisition were entered into in the ordinary course of business, nor were such contracts entered into in contemplation of the Issue, nor is the Issue contemplated in consequence of the contract; or
- The amount of the purchase money is not material.

The Company has not purchased any property in which its Promoter and/or any of its Directors, have any direct or indirect interest in any payment made thereunder.

Capitalization of Reserves or Profits

Except with respect to the bonus shares as disclosed in the section “Capital Structure” beginning on page 23 of this Prospectus, the Company has not capitalized its reserves or profits at any time during the last five years.

Revaluation of Assets

The Company has not revalued its assets in the last five years.

SECTION VII: ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred in the Issue are subject to the provisions of the Companies Act, the SCRA, the SCRR, the Memorandum and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the Bid-cum-Application Form, the ASBA Bid-cum-Application Form, the Revision Form, the CAN, the Allotment Advice, the listing agreements with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice, CANs and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the Registrar of Companies, the RBI, the FIPB and/or other authorities, as in force and to the extent applicable.

Authority for the Issue

Please see the section “Other Regulatory and Statutory Disclosures – Authority for the Issue” beginning on page 375 of this Prospectus.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act and the Memorandum and Articles of Association and shall rank *pari passu* with the existing Equity Shares of the Company including rights in respect of dividends. The Allottees of the Equity Shares in the Issue shall be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see the section “Main Provisions of the Articles of Association” beginning on page 432 of this Prospectus.

Mode of Payment of Dividend

The Company shall pay dividends to its shareholders in accordance with the provisions of the Companies Act, the ICDR Regulations and the listing agreements with Stock Exchanges.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10. The Issue Price of the Equity Shares is Rs. 400 per Equity Share. At any given point of time in the Issue there shall be only one denomination of Equity Shares subject to applicable law. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, and advertised in two widely circulated national newspapers (one each in English and Hindi), at least two working days prior to the Bid/Issue Opening Date.

Compliance with the ICDR Regulations

In connection with the Issue, Allotment and transfer of the Equity Shares in the Issue, the Company shall comply with applicable disclosure and accounting norms specified by SEBI from time to time.

Rights of the Equity Shareholders

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

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to applicable foreign direct investment policy, foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation/splitting, please see the section “Main Provisions of the Articles of Association” beginning on page 432 of this Prospectus.

Market Lot and Trading Lot

Under Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. As per the ICDR Regulations, the trading of the Equity Shares shall be in dematerialized form only. Since trading of the Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Issue will be in electronic form in multiples of one Equity Share, subject to a minimum Allotment of 15 Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts in Gurgaon, Haryana, India.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares that are Allotted 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 benefits to which such person would be entitled if such person were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the 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. A fresh nomination can only be made on the prescribed form available on request at the Registered Office or with the Registrar and transfer agents of the 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:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to register himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with the Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If the investors wish to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

If the Company does not receive a minimum subscription of 90% of the Fresh Issue, including devolvement to the Underwriters, within 60 days from the Bid/Issue Closing Date, the Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Company and the Selling Shareholders become liable to pay the amount, the Company and the Selling Shareholders shall pay interest prescribed under Section 73 of the Companies Act.

The requirement for 90% minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Furthermore, in accordance with Regulation 26(4) of the ICDR Regulations, the Company shall ensure that the number of Allottees in the Issue shall not be less than 1,000.

Application by Eligible NRIs, FIIs and FVCIs

There is no reservation in this Issue for NRIs, FIIs and FVCIs. As per RBI regulations, OCBs cannot participate in the Issue.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

Other than the Equity Shares Allotted in the Anchor Investor Portion, which shall be locked-in for a period of 30 days from the date of Allotment in the Issue, there are no restrictions on transfers and transmission of Equity Shares in the Issue and on their consolidation/ splitting except as provided in the Articles of Association. Please see the section “Main Provisions of the Articles of Association” beginning on page 432 of this Prospectus.

Joint Holders

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

ISSUE STRUCTURE

The Issue of 19,407,750 Equity Shares at the Issue Price for cash, aggregating Rs. 7,762.47 million, comprising a Fresh Issue of 16,876,569 Equity Shares at the Issue Price, aggregating Rs. 6,750.00 million by the Company and an Offer for Sale of 2,531,181 Equity Shares[#] at the Issue Price aggregating Rs. 1,012.47 million by the Selling Shareholders, is being made through the Book Building Process. Up to 100,000 Equity Shares of Rs. 10 each will be reserved in the Issue for subscription by Employees. A discount of 5% shall be offered to the Employees at the time of Allotment. The Issue and the Net Issue will constitute 26.16% and 26.03%, respectively, of the post-issue Equity paid up Share capital of the Company.

[#] As per the Red Herring Prospectus, 4,556,193 Equity Shares were being transferred by the Selling Shareholders. However, based on the subscription received, the number of Equity Shares transferred by the Selling Shareholders was reduced.

In case of under-subscription in the Issue, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

	QIBs[#]	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
Number of Equity Shares ⁽¹⁾	Not more than 9,653,874 Equity Shares shall be available for allocation.	Not less than 2,896,163 Equity Shares or Issue Size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 6,757,713 Equity Shares or Issue Size less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	Up to 100,000 Equity Shares.
Percentage of Issue size available for allotment/allocation	Not more than 50% of the Net Issue shall be available for allocation to QIB Bidders. However, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not less than 15% of the Net Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35% of the Net Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	Up to 0.52% of the Issue.
Basis of Allocation if respective category is oversubscribed	Proportionate as follows: (a) 325,797 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) 9,653,874 Equity Shares shall be available for allocation on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	Proportionate.	Proportionate.
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds Rs. 200,000.	Such number of Equity Shares so that the Bid Amount exceeds Rs. 200,000.	15 Equity Shares	15 Equity Shares.
Maximum Bid	Such number of Equity	Such number of Equity	Such number of Equity	Such number of

	QIBs#	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	Shares not exceeding the Issue size, subject to applicable limits.	Shares not exceeding the Issue size, subject to applicable limits.	Shares whereby the Bid Amount does not exceed Rs. 200,000.	Equity Shares whereby the Bid Amount does not exceed Rs. 200,000.
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Bid Lot	15 Equity Shares in multiples of 15 Equity Shares.	15 Equity Shares in multiples of 15 Equity Shares.	15 Equity Shares in multiples of 15 Equity Shares.	15 Equity Shares and in multiples of 15 Equity Shares thereafter.
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply ⁽²⁾	Public financial institutions as specified in Section 4A of the Companies Act, 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, multilateral and bilateral development financial institutions, VCFs, FVCIs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of Rs. 250 million, pension funds with a minimum corpus of Rs. 250 million in accordance with applicable law, the National Investment Fund, insurance funds set up and managed by the army, navy and/or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the <i>Karta</i>), companies, corporate bodies, scientific institutions, societies and trusts, FII sub-account which is a foreign corporate or foreign individual.	Resident Indian individuals (including HUFs in the name of the <i>karta</i> and Eligible NRIs) applying for Equity Shares such that the Bid Amount per individual Bidder does not exceed Rs. 200,000 in value.	Eligible Employees who continue to be in employment of the Company and the subsidiaries until the submission of the Bid-cum-Application Form.
Terms of Payment	The entire Bid Amount shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate.##	The entire Bid Amount shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate.##	The entire Bid Amount shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate.##	The entire Bid Amount shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate.##
Amount payable on Bidding	100% of the Bid Amount on Bidding.#	100% of the Bid Amount on Bidding.	100% of the Bid Amount on Bidding.##	100% of the Bid Amount on Bidding.##

The Company has allocated 3,137,940 Equity Shares to Anchor Investors in accordance with the ICDR Regulations on the Anchor Investor Bid/Issue Date. The QIB Portion includes the Anchor Investor Portion in accordance with the ICDR Regulations. The Anchor Investors shall pay the entire Bid Amount at the time of submission of the application forms. In addition, one third of the Anchor Investor Portion shall be reserved for the domestic Mutual Funds.

In case of ASBA Bidders, the SCSBs shall be authorized to block such funds in the bank account of the ASBA Bidders that are specified in the ASBA Bid-cum-Application Forms.

- (1) Subject to valid Bids being received at or above the Issue Price. The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Further, up to 100,000 Equity Shares shall be available for allocation on a proportionate basis to Employees, subject to valid Bids being received at or above the Issue Price. Any under-subscription in the Equity Shares under the Employee Reservation Portion will be added back to the categories of the Qualified Institutional Bidders, the Non-Institutional Bidders and the Retail Individual Bidders at the discretion of the Company, in consultation with the BRLMs and the CBRLM. If the aggregate demand in the Employee Reservation Portion is greater than 100,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis, provided that the value of allotment to a single Employee does not exceed Rs. 200,000.

Under-subscription, if any, in the Qualified Institutional, Non-Institutional and Retail categories, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of the Company, in consultation with the BRLMs, the CBRLM and the Designated Stock Exchange. Please see the section "Issue Procedure" beginning on page 395 of this Prospectus.

- (2) In case the Bid-cum-Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid-cum-Application Form.

Employee Discount

A discount of 5% to the Issue Price determined pursuant to completion of the Book Building Process shall be offered to Eligible Employees (the "Employee Discount"). Eligible Employees bidding at a price within the Price Band have to make payment based on their highest bid price option. Eligible Employees bidding at Cut-Off Price have to ensure payment at the upper end of the Price Band. Eligible Employees should note that discount is not offered on application but on allotment. The excess amount paid on application would be refunded to such Bidders after Allotment along with any other refund, if any.

Withdrawal of the Issue

The Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date. In such an event, the Company 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 the Company shall also promptly inform the Stock Exchanges. If the Company and the Selling Shareholders withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an initial public offering of the Company's Equity Shares, the Company shall file a fresh draft red herring prospectus with SEBI. 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. Under the ICDR Regulations, QIBs shall not be allowed to withdraw their Bids after the Bid/Issue Closing Date.

Letters of Allotment or Refund Orders or Instructions to SCSBs

The Company shall credit each beneficiary account with its Depository Participant within two working days from the date of Allotment of the Equity Shares and in any case, within the prescribed time under the applicable law. Applicants that are residents of the cities notified by SEBI through its notification (Ref. No. SEBI/CFD/DIL/DIP/29/2008/01/02) dated February 1, 2008 will receive refunds through NECS only (subject to availability of all information for crediting the refund through NECS) except where the applicant is eligible to receive refunds through Direct Credit, NEFT or RTGS. In the case of other applicants, the Company shall ensure the dispatch of refund orders, if any, of value up to Rs. 1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within two working days from the date of Allotment of the Equity Shares and in any case, within the prescribed time under the applicable law.

In case of ASBA Bidder, the Registrar to the Issue shall instruct the SCSBs to unblock the funds in the relevant ASBA Account to the extent of the Bid Amount specified in the ASBA for withdrawn, rejected or unsuccessful or partially successful ASBAs within 12 working days (as defined in the relevant SEBI circular) of the Bid/Issue Closing Date.

Interest in Case of Delay in Dispatch of Allotment Letters/Refund Orders

In accordance with the Companies Act, the requirements of the Stock Exchanges and the ICDR Regulations, the Company and the Selling Shareholders undertake that:

- Allotment/transfer of the Equity Shares shall be made only in dematerialized form, including the credit of Allotted/transferred Equity Shares to the beneficiary accounts of the Depository Participants, within 12 working days of the Bid/Issue Closing Date;
- Dispatch of refund orders shall be done within 12 days from the Bid/Issue Closing Date; and
- The Company shall pay interest at 15% per annum, if Allotment is not made, refund orders are not dispatched to the applicants or if, in case where the refund or portion thereof is made in electronic mode, the refund instructions have not been given to clearing members and/or demat credits are not made to investors within 15 days from the Bid/Issue Closing Date.

Pursuant to a circular (CIR/CFD/DIL/3/2010) dated April 22, 2010 issued by SEBI, the listing of the Equity Shares in the Issue is required to be completed within 12 working days of the Bid/Issue Closing Date. Working days have been defined under such circular as all days excluding Sundays and bank holidays.

The Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on 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 mode/manner. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders. In case of ASBA Bidders, the SCSBs will unblock funds in the ASBA Account to the extent of the refund to be made based on instructions received from the Registrar to the Issue.

Bid/Issue Program

BID/ISSUE OPENED ON	DECEMBER 8, 2010
BID/ISSUE CLOSED ON	DECEMBER 10, 2010

The Company allocated 3,137,940 Equity Shares to Anchor Investors in accordance with the ICDR Regulations on the Anchor Investor Bid/Issue Date. For details, please see the section “Issue Procedure – Anchor Investor Portion” beginning on page 430 of this Prospectus.

Bids and any revision in Bids shall be accepted only between 10 a.m. and 5 p.m. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid-cum-Application Form except that on the Bid/Issue Closing Date, Bids and any revision in Bids (excluding the ASBA Bidders) will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until (i) 4 p.m. in case of Bids by QIB Bidders and Non-Institutional Bidders and (ii) 5 p.m. or such time as permitted by the BSE and the NSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is up to Rs. 200,000. Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3 p.m. (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday). Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the NSE and the BSE.

In order that the data captured by the brokers in the electronic book is accurate, the members of the Syndicate and the SCSBs may be permitted one additional day, post the Bid/Issue Closing Date, to amend some of the data fields entered by them in the electronic bidding system.

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids submitted by Retail Individual Bidders and Employee bidding under the Employee Reservation Portion after taking into account the total number of Bids received until the closure of

timings for acceptance of Bid-cum-Application Forms as stated herein and reported by the BRLMs and the CBRLM to the Stock Exchange(s) within half an hour of such closure.

The Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, reserve the right to revise the Price Band during the Bidding Period in accordance with the ICDR Regulations. Under the ICDR Regulations, the Cap Price should not be more than 20% of the Floor Price i.e., the Cap Price shall be less than or equal to 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the revised Floor Price Band can move up or down to the extent of 20% of the Floor Price disclosed in the Red Herring Prospectus or the issue advertisement, as the case may be.

In case of revision in the Price Band, the Bidding Period will be extended for at least three additional working days subject to the Bidding Period not exceeding ten working days. Any revision in the Price Band and the revised Bidding 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 websites of the BRLMs, the CBRLM and at the terminals of the other members of the Syndicate.

ISSUE PROCEDURE

This section applies to all Bidders. ASBA Bidders should note that the ASBA process involves an application procedure that is different from the procedure applicable to Bidders other than ASBA Bidders. ASBA Bidders are advised to familiarize themselves with the procedure applicable to them prior to making an application through the ASBA process and to ensure that the ASBA Bid-cum-Application Form is correctly completed, as described in this section. Please note that all Bidders are required to pay the full Bid Amount or instruct the relevant SCSB to block the full Bid Amount along with the application.

In respect of QIBs that are Anchor Investors, the issue procedure set out below should be read with, and is qualified by, the paragraphs below relating to Anchor Investors, including without limitation, the section “Anchor Investor Portion”.

The Company, the Selling Shareholders, the BRLMs and the CBRLM are not liable for any amendments, modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus.

Book Building Procedure

In terms of Rule 19(2)(b) of the SCRR, this Issue is for at least 25% of the post Issue equity share capital of the Company. The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Allocation to Anchor Investors shall be on a discretionary basis and not on a proportionate basis. Further 100,000 Equity Shares shall be available for allocation on a proportionate basis to Employees, subject to valid Bids being received at or above the Issue Price, provided that the value of allotment to a single Employee does not exceed Rs. 200,000.

ASBA Process

In accordance with the ICDR Regulations, all Bidders (including QIB Bidders, but excluding Anchor Investors) can participate in the Issue through the ASBA process. ASBA Bidders shall submit an ASBA Bid-cum-Application Form either (i) in physical form to the Designated Branch of an SCSB or (ii) in electronic form through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the bank account (“ASBA Account”) specified in the ASBA Bid-cum-Application Form used by ASBA Bidders. The SCSB shall block an amount equal to the Bid Amount in the ASBA Account, on the basis of an authorization to this effect given by the account holder at the time of submitting the Bid. The ASBA data shall be uploaded by the SCSB in the electronic bidding system of the Stock Exchanges. The Bid Amount shall remain blocked in the ASBA Account until approval of the basis of Allotment in the Issue by the Designated Stock Exchange and consequent transfer of the Bid Amount against the allocated shares to the Public Issue Account, or until withdrawal or failure of the Issue or until withdrawal or rejection of the ASBA Bid, as the case may be. Once the basis of Allotment is approved by the Designated Stock Exchange, 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 requisite amount to the Public Issue Account. In case of withdrawal or failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLMs, the CBRLM and/or the Registrar.

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the dematerialized form. The Bid-cum-Application Forms and ASBA Bid-cum-Application Forms which do not have the details of the Bidders’ Depository Account shall be treated as incomplete and are liable to be rejected. Bidders will not have the option of being allotted the Equity Shares in physical form. Upon allotment, the Equity Shares shall be traded only in the dematerialized segment of the Stock Exchanges.

Bid-cum-Application Form

Bidders (other than ASBA 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. Before being issued to the

Bidders, the Bid-cum-Application Form shall be serially numbered and date and time stamped and such form shall be issued in duplicate signed by the Bidder. The Bid-cum-Application Form shall contain information about the Bidder, the price and the number of Equity Shares that the Bidder wishes to Bid. The Bidders shall have the option to make a maximum of three (3) Bids in the Bid-cum-Application Form and such options shall not be considered as multiple Bids. On filing of the Prospectus with the RoC, the Bid-cum-Application Form shall be considered as a valid Application Form. Upon completing and submitting the Bid-cum-Application Form to a member of the Syndicate, the Bidder is deemed to have authorized the Company and the Selling Shareholders to make the necessary changes in the Red Herring Prospectus and the Bid-cum-Application Form as would be required for filing the Prospectus with the RoC and as would be required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

ASBA Bid-cum-Application Form

The ASBA Bid-cum-Application Form shall contain all relevant information, including as specified in the relevant regulations, and shall be uniform for all ASBA Bidders. ASBA Bidders shall use the ASBA Bid-cum-Application Form bearing the code of the Designated Branch of an SCSB for the purpose of making a Bid in terms of the Red Herring Prospectus. The list of banks notified by SEBI to act as SCSBs for the ASBA process and details of Designated Branches of SCSBs collecting the ASBA Bid-cum-Application Forms are available at <http://www.sebi.gov.in/pmd/scsb.html>. On filing of the Prospectus with the RoC, the ASBA Bid-cum-Application Form shall be considered as a valid Application Form. Upon completing and submitting the ASBA Bid-cum-Application Form, the ASBA Bidder is deemed to have authorized: (i) the SCSBs to do all acts as are necessary to make an application in the Issue, including uploading his or her or its Bid, blocking or unblocking of funds in the ASBA Account and transfer funds to the Public Issue Account on receipt of instruction from the Registrar to the Issue after approval of the basis of Allotment by the Designated Stock Exchange; and (ii) the Registrar to the Issue to issue instructions to the Controlling Branch of the SCSBs to unblock the funds in the ASBA Account, upon approval of the basis of Allotment by the Designated Stock Exchange. Further, upon completing and submitting the ASBA Bid-cum-Application Form, the ASBA Bidder is deemed to have authorized the Company and the Selling Shareholders to make the necessary changes in the Red Herring Prospectus and the ASBA Bid-cum-Application Forms as would be required for filing the Prospectus with the RoC and as would be required by SEBI and/or the RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed color of the Bid-cum-Application Form/ASBA Bid-cum-Application Form for various categories is as follows:

Category	Color of Bid-cum-Application Form/ASBA Bid-cum-Application Form
Persons resident in India and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs applying on a repatriation basis, FIIs, registered Multilateral and Bilateral Development Financial Institutions and other Non-Residents applying on a repatriation basis	Blue
Eligible Employees	Pink

Who can Bid?

1. Persons eligible to invest in the Equity Shares under all applicable laws, rules, regulations and guidelines.
2. Indian nationals resident in India who are not minors in single or joint names (not more than three) or in the names of minors as natural/legal guardian.
3. Hindu Undivided Families or HUFs in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid-cum-Application Form/ASBA Bid-cum-Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals.
4. Eligible NRIs on a repatriation basis or a non-repatriation basis subject to compliance with applicable laws. NRIs, other than Eligible NRIs, are not permitted to participate in the Issue.

5. FIIs and sub accounts registered with the SEBI (other than a sub-account which is a foreign corporate or foreign individual) are permitted to participate in the Issue in the QIB Portion.
6. Sub-accounts of FIIs, which are foreign corporate or foreign individuals are permitted to participate in the Issue under the Non-Institutional Portion.
7. State Industrial Development Corporations.
8. Insurance companies registered with the Insurance Regulatory and Development Authority, India.
9. Provident funds with a minimum corpus of Rs.250 million and who are authorized under their constitution to invest in equity shares.
10. Pension funds with a minimum corpus of Rs.250 million and who are authorized under their constitution to invest in equity shares.
11. Companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in equity shares.
12. Venture Capital Funds registered with the SEBI.
13. Foreign Venture Capital Investors registered with the SEBI.
14. Mutual Funds registered with the SEBI.
15. Indian financial institutions, scheduled commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to the RBI regulations and the ICDR Regulations and other regulations, as applicable).
16. Multilateral and bilateral development financial institutions.
17. Trusts registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts and who are authorized under their constitution to hold and invest in equity shares.
18. Scientific and/or industrial research organizations in India authorized to invest in equity shares.
19. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India.
20. Insurance funds set up and managed by the army, navy and/or air force of the Union of India.
21. Insurance funds set up and managed by the Department of Posts, India.
22. Eligible Employees (as defined in the section “Definitions and Abbreviations” beginning on page i of this Prospectus.)

As per the current RBI regulations, OCBs cannot participate in the Issue.

Participation by associates of BRLMs, the CBRLM and Syndicate Members

The BRLMs, the CBRLM and Syndicate Members shall not be entitled to subscribe to the Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs, the CBRLM and Syndicate Members may subscribe for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis. Such bidding and subscription may be on their own account or on behalf of their clients. None of the BRLMs, the CBRLM or any person related to the BRLMs and the CBRLM shall participate in the Anchor Investor Portion.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than 325,797 Equity Shares, allocation shall be made to Mutual Funds on a proportionate basis to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion.

One-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with the 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.

In accordance with 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 capital carrying voting rights.

Bids by Eligible NRIs

Bid-cum-Application Forms shall be made available for Eligible NRIs at the Registered Office of the Company and with the members of the Syndicate.

NRI applicants should note that only such applications as are accompanied by payment in free foreign exchange or by debit to their NRE Account or FCNR Account shall be considered for Allotment. The Eligible NRIs who intend to make payment through the Non-Resident Ordinary (NRO) account shall use the application form meant for Resident Indians and shall not use the forms meant for any reserved category.

Bids by FIIs

In accordance with the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of the post-Issue paid up equity capital of the Company. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid up equity capital of the Company or 5% of the total paid up equity capital of the Company, in case such sub-account is a foreign corporate or a foreign individual and provided that such investment is made out of funds raised or collected or brought from outside through normal banking channels and the investment shall also not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to the Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. Pursuant to a board resolution dated June 2, 2010 and a special resolution of the shareholders dated June 8, 2010, the Company has increased the FII limit to 49%.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended (the "SEBI FII Regulations"), an FII, as defined in the SEBI FII Regulations, is permitted to issue or otherwise deal in offshore derivative instruments (defined under the SEBI FII Regulations as any instrument by whatever name called, which is issued overseas by an FII against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India) only in favor of those entities that are regulated by any appropriate foreign regulatory authority, subject to compliance with "Know Your Client" requirements. An FII is also

required to ensure that no further issue or transfer of any offshore derivative instrument is made to any person other than a person regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Sub-accounts of FIIs are not permitted to issue offshore derivative instruments. Associates and affiliates of the Underwriters, including the BRLMs and the CBRLM, that are FIIs may issue offshore derivative instruments against Equity Shares allocated to them in the Issue.

Bids by the SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, each as amended, prescribe investment restrictions on VCFs and FVCIs. While the holding by any VCF in one venture capital undertaking should not exceed 25% of the corpus of the VCF, an FVCI is permitted to invest all of its funds committed in one venture capital fund. Further, VCFs and FVCIs can invest only up to 33.33% of their investable funds by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed.

Pursuant to the ICDR Regulations, the shareholding of SEBI-registered VCFs and FVCIs 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 (1) year prior to the time of filing the draft red herring prospectus with the SEBI.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. The Company, the Selling Shareholders, the BRLMs and the CBRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. The Company, the Selling Shareholders, the BRLMs and the CBRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations in respect of such matters 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 all Bidders (including ASBA Bidders)

- (a) **For Retail Individual Bidders:** The Bid must be for a minimum of 15 Equity Shares and in multiples of 15 Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder should not exceed Rs.200,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs.200,000. Where the Bid Amount is over Rs.200,000 due to a revision in the Bid or a revision in the Price Band or on exercise of the option to bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off Price option is given only to Retail Individual Bidders indicating their agreement to the Bid and to purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (b) **For Non-Institutional Bidders and QIB Bidders:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.200,000 and is a multiple of 15 Equity Shares. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them under applicable laws. **Under the existing ICDR Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the entire Bid Amount upon submission of the Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs.200,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs.200,000 or less due to a revision in the Bids or a revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Non-Institutional Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIB Bidders are not allowed to Bid at the Cut-off Price.

- (c) **For Bidders in the Anchor Investor Portion:** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is at least Rs.100 million and in multiples of 15 Equity Shares thereafter. A Bid cannot be submitted for more than 30% of the QIB Portion. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids. **Anchor Investors cannot withdraw their Bids after the Anchor**

Investor Bid/Issue Date and are required to pay the entire Bid Amount upon submission of the Bid. If the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price shall be paid by the Anchor Investors. If the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the Anchor Investor Issue Price.

- (d) **For Bidders in the Employee Reservation Portion:** The Bid must be for a minimum of 15 Equity Shares and in multiples of 15 Equity Shares thereafter. Allocation shall be made on a proportionate basis, provided that the maximum allotment to any Employee shall be 100,000 Equity Shares. Eligible Employees, whose Bid Amount does not exceed Rs. 200,000, including due to any revision in the Price Band, may Bid at the Cut-off Price. Eligible Employees whose Bid Amount exceeds Rs. 200,000 may not Bid at Cut-off Price. Eligible Employees shall be entitled to the Employee Discount. **Eligible Employees bidding at a price within the Price Band have to make payment based on their highest bid price option. Eligible Employees bidding at Cut-Off Price have to make payment at the upper end of the Price Band. Eligible Employees should note that discount is not offered on application but on allotment. Hence, they should not deduct the Employee Discount while submitting the Bid-cum-Application Form.** In the case of the Employee Reservation Portion, a single applicant may make an application for a number of Equity Shares which exceeds the reservation.

Payments made upon any revision of Bids shall be adjusted against the payment made at the time of the original Bid or the previously revised Bid.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

Refund amounts following a permitted withdrawal of a Bid shall be paid in the manner described under paragraph "Payment of Refund".

Information for the Bidders

The Company filed the Red Herring Prospectus with the RoC at least three (3) days before the Bid/Issue Opening Date.

Bidders other than ASBA Bidders

1. Copies of the Bid cum Application Forms and the Red Herring Prospectus will be available with the members of the Syndicate.
2. Any investor (who is eligible to invest in the Equity Shares) who would like to obtain the Red Herring Prospectus along with the Bid-cum-Application Form can obtain the same from the Registered Office of the Company or from any of the members of the Syndicate.
3. Eligible investors who are interested in subscribing for the Equity Shares should approach any of the BRLMs, the CBRLM or Syndicate Members or their authorized agent(s) to register their Bids.
4. The Bids should be submitted on the prescribed Bid-cum-Application Form only. Bid-cum-Application Forms should bear the stamp of the member of the Syndicate. Bid-cum-Application Forms which do not bear the stamp of a member of the Syndicate will be rejected.

ASBA Bidders

1. The Company shall ensure that adequate copies of the Red Herring Prospectus and the ASBA Bid-cum-Application Form are made available to the SCSBs and the SCSBs will then make such copies available to investors applying under the ASBA process. Additionally, the Company shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid-cum-Application Form. The SCSBs shall make such documents available on their websites. The ASBA Bid-cum-Application Form can also be downloaded from the websites of the Stock Exchanges. The BRLMs and the CBRLM shall ensure that certain information, including a soft copy of the abridged prospectus, is provided to the Stock

Exchanges at least two days prior to the Bid/Issue Opening Date to enable the Stock Exchanges to include such information in the ASBA Bid-cum-Application Form before it is made available on their websites.

2. ASBA Bidders, under the ASBA process, who wish to obtain the Red Herring Prospectus and/or the ASBA Bid-cum-Application Form can obtain such documents from the Designated Branches of the SCSBs, the BRLMs or the CBRLM. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid-cum-Application Form in electronic form from the websites of the SCSBs and the Stock Exchanges.
3. The Bids should be submitted on the prescribed ASBA Bid-cum-Application Form either in physical mode or in electronic mode through the internet banking facility offered by an SCSB for bidding and blocking funds in the accounts of the respective eligible investors.
4. The ASBA Bid-cum-Application Forms should bear the stamp of a member of the Syndicate and/or the Designated Branch of the SCSB. ASBA Bid-cum-Application Forms which do not bear the stamp of a member of the Syndicate and/or an SCSB will be rejected.
5. ASBA Bidders shall correctly mention the bank account number in the ASBA Bid-cum-Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid-cum-Application Form to the applicable Designated Branch. In case the amount available in the bank account specified in the ASBA Bid cum Application Form is insufficient for blocking the amount equivalent to the Bid Amount, the SCSB shall reject the Bid.
6. If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid-cum-Application Form should be signed by the account holder as provided in the ASBA Bid-cum-Application Form.

The applicants should note that in the event that the Depository Participant identification number (DP ID), the client identification number (Client ID) and PAN mentioned in their Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or Designated Branches of the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bid is liable to be rejected.

Method and Process of Bidding

1. The Company shall declare the Bid/Issue Opening Date and the Bid/Issue Closing Date in the Red Herring Prospectus to be filed with the RoC and also publish the same in two widely circulated national newspapers (one each in English and Hindi). This advertisement, subject to the provisions of Section 66 of the Companies Act, shall be in the format prescribed in Schedule XIII of the ICDR Regulations.
2. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, and advertised in two national newspapers (one each in English and Hindi), at least two (2) working days prior to the Bid/Issue Opening Date. The Syndicate and the SCSBs shall accept Bids from the Bidders during the Bidding Period.
3. The Bidding Period shall be for a minimum of three (3) working days and shall not exceed 10 working days including the days for which the Issue is kept open in case of a revision in the Price Band. Where the Price Band is revised, the revised Price Band and Bidding Period will be published in two widely circulated national newspapers (one each in English and Hindi) also by indicating the change on the websites of the BRLMs, the CBRLM and at the terminals of the members of the Syndicate. The Bidding Period may be extended, if required, by an additional three (3) working days, subject to the total Bidding Period not exceeding ten (10) working days.
4. During the Bidding Period, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorized agents to register their Bid. Other than ASBA Bidders, Bids by QIBs, including Anchor Investors, will have to be submitted to the BRLMs, the CBRLM or their affiliated Syndicate Members. 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.

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 SCSBs. ASBA Bidders submitting their Bids in electronic form should submit their Bids using the internet enabled bidding and banking facility of the SCSBs for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSBs shall accept Bids from all such investors (other than Bids from Anchor Investors bidding in the Anchor Investor Portion) who hold accounts with them and wish to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the ICDR Regulations and the Red Herring Prospectus.

The Designated Branches of the SCSBs shall provide to the ASBA Bidders an acknowledgment specifying the application number as proof of acceptance of the ASBA Bid-cum-Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares Bid for shall be allocated to the ASBA Bidders. Upon receipt of the ASBA Bid-cum-Application Form, submitted in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as specified in the ASBA Bid-cum-Application Form, prior to uploading such Bids with the Stock Exchanges. If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

5. Each Bid-cum-Application Form/ASBA Bid-cum-Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph “Bids at Different Price Levels”) 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/ASBA Bid-cum-Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.
6. The Bidder cannot Bid on another Bid-cum-Application Form after Bid(s) on one Bid-cum-Application Form have been submitted to any member of the Syndicate. Submission of a second Bid-cum-Application Form to either the same or to another member of the Syndicate will be treated as multiple bidding and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point in time before the Allotment of Equity Shares in the Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Build up of the Book and Revision of Bids”.

An ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid-cum-Application Form or a non-ASBA Bid-cum-Application Form after a Bid on one (1) ASBA Bid-cum-Application Form, either in physical or electronic mode, has been submitted or uploaded by the ASBA Bidder. Submission of a second ASBA Bid-cum-Application Form or a non-ASBA Bid-cum-Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in the Issue. However, the ASBA Bidder can revise the Bid through the ASBA Revision Form, the procedure for which is detailed under the paragraph “Build up of Book and Revision of Bids”.

7. Except in relation to the Bids received from the Anchor Investors, the members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip (“TRS”) for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid-cum-Application Form.

In the case of ASBA Bidders, if sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid-cum-Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid-cum-Application Form, if submitted in physical mode, or the Bid

information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.

8. Along with the Bid-cum-Application Form, all Bidders (other than ASBA Bidders) will make payment in the manner described under the paragraph "Payment Instructions – Terms of Payment for Bidders other than ASBA Bidders and Payment into the Escrow Account". For payment by ASBA Bidders, see "Payment Instructions – Mode of Payment for ASBA Bidders" below.
9. The identity of qualified institutional buyers (other than Anchor Investors who have been allocated Equity Shares) Bidding in the Issue shall not be made public.

Bids at Different Price Levels

1. The Price Band and the minimum Bid lot will be decided by the Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, at least two (2) working days prior to the Bid/Issue Opening Date and shall be published in two widely circulated national newspapers (one each in English and Hindi). The Bidders can Bid at any price within the Price Band in multiples of Re.1 (Rupee One).
2. The Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, reserve the right to revise the Price Band during the Bidding Period in accordance with the ICDR Regulations. The cap on the Price Band should not be more than 20% of the Floor Price. Subject to compliance with the immediately preceding sentence, the revised Floor Price can move up or down to the extent of 20% of the original floor of the Price Band.
3. In case of a revision of the Price Band, the Bidding Period shall be extended, if required, for three (3) additional working days, subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two widely circulated national newspapers (one each in English and Hindi) and also by indicating the change on the website of the BRLMs, the CBRLM and at the terminals of the members of the Syndicate.
4. The Company and the Selling Shareholders, in consultation with the BRLMs and the CBRLM, can finalize the Issue Price within the Price Band without the prior approval of, or intimation to, the Bidders.
5. The Bidder can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price.

Retail Individual Bidders and Bidders in the Employee Reservation Portion may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB Bidders or Non-Institutional Bidders or Eligible Employees whose Bid Amount exceeds Rs. 200,000 and such Bids from QIB, Non-Institutional Bidders or Eligible Employees shall be rejected.

6. Retail Individual Bidders and Bidders in the Employee Reservation Portion who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Bidders in the Employee Reservation Portion (other than ASBA Bidders) bidding at the Cut-off Price shall deposit the Bid Amount based on the cap of the Price Band in the Escrow Account. In the event that the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders and Bidders in the Employee Reservation Portion who Bid at the Cut-off Price, the Retail Individual Bidders and Bidders in the Employee Reservation Portion shall receive the refund of the excess amounts from the Refund Account in the manner described under the paragraph "Payment of Refund". Retail Individual Bidders and Bidders in the Employee Reservation Portion applying under the ASBA process and bidding at the Cut-off Price shall instruct the SCSBs to block the Bid Amount based on the cap of the Price Band in the relevant ASBA Account.
7. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Bidders in the Employee Reservation Portion who had Bid at the Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band to the members of the Syndicate to whom the original Bid was submitted, or, in the case of ASBA

Bidders, instruct the SCSB to whom the original Bid was submitted to block additional amounts based on the cap of the revised Price Band (such that the total amount, i.e., the original Bid Amount plus additional payment does not exceed Rs.200,000 if the Bidder wants to continue to Bid at the Cut-off Price). In case the total amount (i.e., original Bid Amount plus additional amount paid or blocked) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment or instruct the SCSB to block an additional amount, and the Issue Price is higher than the cap of the Price Band before revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that no additional amount would be required to be paid or blocked from the Bidder and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

8. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Bidders in the Employee Reservation Portion who have Bid at the Cut-off Price could either revise their Bid or the excess amount paid or blocked at the time of bidding would be refunded from the Refund Account or unblocked by the SCSBs, as the case may be.
9. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain 15 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.

Electronic Registration of Bids

1. The members of the Syndicate and the Designated Branches of the SCSBs will register the Bids using the on-line facilities of the Stock Exchanges. There will be at least one (1) on-line connectivity facility in each city where a stock exchange is located in India and where Bids are being accepted.

An SCSB shall not upload any Bid received through ASBA in the electronic bidding system of the Stock Exchanges unless:

- (i) it has received the ASBA Bid-cum-Application Form in a physical or electronic form; and
 - (ii) it has blocked the application money in the ASBA Account specified in the ASBA Bid-cum-Application Form or has systems to ensure that electronic ASBA Bid-cum-Application Forms are accepted in the system only after blocking of application money in the relevant bank account opened with it.
2. The BSE and the 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 the Designated Branches and their respective authorized agents during the Bidding Period. The members of the Syndicate or the SCSBs can also set up facilities for off-line registration of Bids subject to the condition that such Bids will be subsequently uploaded into the on-line facilities of the Stock Exchanges on a regular basis. On the Bid/Issue Closing Date, the members of the Syndicate and the Designated Branches shall upload the Bids until such time as may be permitted by the Stock Exchanges. Bidders are cautioned that a high inflow of Bids typically experienced on the last day of bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time and such Bid that could not be uploaded may not be considered for allocation in the Issue.
3. The aggregate demand and price for Bids registered on electronic facilities of the BSE and the NSE will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centers as well as on the BSE's website at www.bseindia.com and on the NSE's website at www.nseindia.com. Pursuant to Item 12(g) of Part A of Schedule XI, the ICDR Regulations require that the bidding terminals shall contain an online graphical display of demand and Bid prices updated at periodic intervals not exceeding 30 minutes. A graphical representation of consolidated demand and price will be made available on the bidding terminals of the Syndicate and the websites of the Stock Exchanges by the end of each day during the Bidding Period.
4. At the time of registering each Bid, the members of the Syndicate and the Designated Branches shall enter the following details of the investor in the on-line system:

- (a) Name of the Bidder(s). Bidders should ensure that the name given in the Bid-cum-Application Form or ASBA Bid-cum-Application Form, as the case may be, is exactly the same as the name in which the Depository Account is held. In case the Bid-cum-Application Form/ASBA Bid-cum-Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid-cum-Application Form/ASBA Bid-cum-Application Form;
- (b) Bid-cum-Application Form/ASBA Bid-cum-Application Form number;
- (c) Investor category—Retail Individual Bidder; Non Institutional Bidders, Corporate, QIBs, Eligible NRI, FII, FVCI, or Mutual Fund, Employee (if applicable) etc.;
- (d) Number of Equity Shares bid for;
- (e) PAN (of the First Bidder, in case of more than one Bidder);
- (f) Depository Participant identification number and client identification number of the demat account of the Bidder;
- (g) Bid Amount;
- (h) Price option; and
- (i) Cheque number, in the case of Bidders other than ASBA Bidders.

In case of submission of the Bid by an ASBA Bidder through the electronic mode, the ASBA Bidder shall complete the above-mentioned details, except the ASBA Bid-cum-Application Form number which shall be system generated.

5. Upon request, a system-generated TRS will be given to the Bidder as proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate or Designated Branches of the SCSBs, as the case may be. The registration of the Bid by the member of the Syndicate or the Designated Branch does not guarantee that the Equity Shares shall be allocated to the Bidders either by the members of the Syndicate or the Company or the Selling Shareholders.
6. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
7. In case of QIB Bidders (other than QIBs Bidding through ASBA), the BRLMs and the CBRLM or their affiliated Syndicate Member have the right to accept the Bid or reject the Bid. However, such rejection should be made at the time of acceptance of the Bid-cum-Application Form provided that the reasons for such rejection shall be provided to such Bidder in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed in the Red Herring Prospectus.

The SCSB may reject the Bids made through the ASBA process if the ASBA Account maintained with the SCSB as specified in the ASBA Bid-cum-Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, the Company will have a right to reject the Bids only on technical grounds listed in the Red Herring Prospectus and the Prospectus.

8. The permission given by the BSE and the 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, the Selling Shareholders, the BRLMs, the CBRLM or the Designated Branches of the SCSBs have been cleared or approved by the BSE and the NSE; 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 the Company, the Promoter, the management or any scheme or project of the Company.
9. It is also to be distinctly understood that the approval given by the BSE and the NSE should not in any way be deemed or construed that this Prospectus has been cleared or approved by the

BSE or the NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE and the NSE.

10. Details of Bids in the Anchor Investor Portion will not be registered on the online facilities of the Stock Exchanges.
11. Only Bids that are uploaded on the on-line IPO system of the Stock Exchanges shall be considered for allocation/Allotment. The members of the Syndicate and the Designated Branches shall within one (1) working day of the Bid/Issue Closing Date verify and modify the selected fields in the Bid details uploaded in the on-line IPO system of the Stock Exchanges during the Bidding Period after which such information will be sent to the Registrar for validation. The Syndicate or the SCSB, as the case may be, will be responsible for any acts, mistakes, errors, omissions or commissions in relation to (i) the Bids accepted by the Syndicate or the SCSBs, (ii) the Bids uploaded by them in the on-line IPO system of the Stock Exchanges, (iii) the Bids accepted but not uploaded by the Syndicate or the SCSBs, or (iv) with respect to ASBA Bidders, the Bids accepted and uploaded without blocking funds in the ASBA Accounts. The BRLMs, the CBRLM, the Company, the Selling Shareholders and the Registrar to the Issue are not responsible for any such act, mistake or error or omission and commission. It shall be presumed that for Bids uploaded by SCSBs, the Bid Amount has been blocked in the relevant ASBA Account.

Build Up of the Book and Revision of Bids

1. The Bidding process shall be only through an electronically linked transparent bidding facility provided by the Stock Exchanges. Bids registered by various Bidders (except Anchor Investors) through the members of the Syndicate or 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. At the end of each day of the Bidding Period, the demand shall be shown graphically on the bidding terminals of the Syndicate and the websites of the Stock Exchanges.
3. During the Bidding Period, any Bidder who has Bid for the Equity Shares at a particular price level is free to revise his or her or its Bid within the Price Band using the printed Revision Form or ASBA Revision Form, which is a part of the Bid-cum-Application Form and ASBA Bid-cum-Application Form, respectively.
4. Revisions can be made in the desired number of Equity Shares and/or the Bid Amount by using the Revision Form or ASBA Revision Form, as the case may be. In addition to the revised options in the Revision Form/ASBA Revision Form, the Bidder must complete the details of all the options in the Bid-cum-Application Form/ASBA Bid-cum-Application Form or earlier Revision Form/ASBA 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 complete all the details of the other two options that are not being changed in the Revision Form. Incomplete or inaccurate Revision Forms and ASBA Revision Forms will not be accepted by the members of the Syndicate and the SCSBs, respectively.
5. Bidders can revise their Bids 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 the original Bid was placed or the same Designated Branch of the SCSB with which he or she or it holds the relevant bank account in which funds have been blocked.
6. Bidders are advised to retain copies of the blank Revision Form/ASBA Revision Form and the revised Bid must be made only on such Revision Form/ASBA Revision Form or copies thereof.
7. Any upward revision of the Bid shall be accompanied by (i) payment in the form of cheque or demand draft for any incremental amount to be paid in case of Bidders other than ASBA Bidders or (ii) an instruction to block any incremental amount, on account of the upward revision of the Bid in case of ASBA Bidders. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund or unblocked by the SCSB, in accordance with the terms of the Red Herring Prospectus. In the case of non-ASBA Bids, the

members of the Syndicate shall collect the payment in the form of cheque or demand draft or the electronic transfer of funds through RTGS for the incremental amount in the Bid Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the Bidders. In such cases, the members of the Syndicate will revise the earlier Bid details with the new Bid details and provide the cheque or demand draft number of the new payment instrument in the electronic book.

8. When a Bidder revises a Bid, the Bidder shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate or the SCSBs, as the case may be. **It is the responsibility of the Bidder to request and obtain the revised TRS, which will act as proof of revision of the original Bid.**
9. In the case of ASBA Bids, after the Bid/Issue Closing Date, the SCSBs shall provide to the Registrar to the Issue aggregate information relating to the total number of ASBA Bid-cum-Application Forms uploaded and the total number of Equity Shares and total amount blocked against the uploaded ASBA Bid-cum-Application Forms. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs.

Price Discovery and Allocation

1. After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process with the Bids received under the non-ASBA process to determine the demand generated at different price levels. Thereafter, the BRLMs and the CBRLM shall analyze the demand generated at various price levels and discuss pricing strategy with the Company.
2. The Company, in consultation with the BRLMs and CBRLM, shall finalize the Issue Price and the number of Equity Shares to be allocated in each investor category.
3. The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid bids being received at or above the Issue Price. Allocation to Anchor Investors shall be on a discretionary basis and not on a proportionate basis. Further 100,000 Equity Shares shall be available for allocation on a proportionate basis to Employees, subject to valid Bids being received at or above the Issue Price, provided that the value of allotment to a single Employee does not exceed Rs. 200,000.
4. In case of over-subscription in all categories, not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIBs in proportion to their Bids.

Under-subscription, if any, in the Retail Portion and Non-Institutional Portion, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of the Company, in consultation with the BRLMs, the CBRLM and the Designated Stock Exchange. However, if the aggregate demand by Mutual Funds is less than 325,797 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allotted proportionately to the QIB Bidders. Any under subscription in the Equity Shares under the Employee Reservation Portion will be added back to the Net Issue.

5. Allotment to Eligible NRIs, FIIs and sub-accounts registered with SEBI, FVCIs or Mutual Funds will be subject to applicable laws, rules, regulations, guidelines and approvals.

6. The Company and the Selling Shareholders reserve the right to cancel or withdraw the Issue at any time after the Bid/Issue Opening Date.
7. In terms of the ICDR Regulations, QIBs are not allowed to withdraw their Bid after the Bid/Issue Closing Date. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Date.
8. If an ASBA Bidder wants to withdraw the ASBA Bid-cum-Application Form during the Bidding Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall perform the necessary actions, including deletion of details of the withdrawn ASBA Bid-cum-Application Form from the electronic bidding system of the Stock Exchanges and unblocking of funds in the relevant bank account.

If an ASBA Bidder wants to withdraw the ASBA Bid-cum-Application Form after the Bid/Issue Closing Date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB once the basis of Allotment has been approved by the Designated Stock Exchange.

9. The allotment details shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

- (a) On or immediately after the Pricing Date, the Company, the Selling Shareholders, the BRLMs, the CBRLM, the Syndicate Members and the Registrar have entered into an Underwriting Agreement.
- (b) After signing the Underwriting Agreement, the Company has updated and filed the updated Red Herring Prospectus with the RoC, termed "Prospectus". The Prospectus has details of the Issue Price, Issue size, underwriting arrangements and is complete in all material respects.

Filing of the the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to the provisions of Section 66 of the Companies Act, 1956, the Company, after registering the Red Herring Prospectus with the RoC, made a pre-issue advertisement in an English national newspaper with wide circulation and a Hindi national newspaper with wide circulation.

Advertisement regarding the Issue Price and the 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 other information, shall indicate the Issue Price. Any material updates between the date of the Red Herring Prospectus and the Prospectus shall be included in such statutory advertisement.

Issuance of Allotment Advice

- (a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLMs, the CBRLM or the Registrar to the Issue shall send to the members of the Syndicate and to the Controlling Branches of the SCSBs, a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or before the approval of the basis of allocation for the Retail Individual Bidders and Non-Institutional Bidders. However, the investor should note that the Company shall ensure that the instructions by the Company for demat credit of the Equity Shares to all investors in the Issue shall be given on the same date as the date of Allotment.

- (b) The Registrar to the Issue will send an Allotment Advice to the Bidders who have been allocated Equity Shares in the Issue. The dispatch of an Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Bidder.
- (c) In case of an Anchor Investor, the issuance of a CAN is subject to “Notice to Anchor Investors: Allotment Reconciliation and Revised CANs”, as set forth below.

Notice to Anchor Investors: Allotment Reconciliation and Revised CANs

At the discretion of the BRLMs and the CBRLM, select Anchor Investors shall be sent the CAN indicating the number of Equity Shares that may be allocated to them. The Anchor Investors are required to pay the entire amount at the time of submitting the Bid. This CAN shall constitute a valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the Anchor Investors that they have paid the entire Anchor Investor Issue Price for all the Equity Shares allocated to such Anchor Investor. This CAN is subject to the Bid-cum-Application Form/ASBA Bid-cum-Application Form submitted by the Anchor Investors being valid in all respects, the Issue Price being finalized at a price not higher than the Anchor Investor Issue Price and allotment by the Board of Directors. In the event the Issue Price is higher than the Anchor Investor Issue Price, a revised CAN will be sent to Anchor Investors. The price of Equity Shares in such revised CAN shall be different from that specified in the earlier CAN.

Anchor Investors should note that they shall be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares or increased price of Equity Shares. Any revised CAN, if issued, to any Anchor Investor will supersede in entirety the earlier CAN.

Unblocking of ASBA Account

Once the basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account designated for this purpose, within the timelines specified in the ASBA facility: (i) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in (ii) above shall be transferred to the Public Issue Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn and/or unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and shall unblock the excess amount, if any, in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of notification from the Registrar to the Issue by the Controlling Branch of the SCSB in relation to the approval of the basis of Allotment in the Issue by the Designated Stock Exchange in the event of withdrawal or failure of the Issue or rejection of the ASBA Bid, as the case may be.

Designated Date and Allotment of Equity Shares

- (a) The Company will ensure that (i) Allotment of the Equity Shares; (ii) credit to the successful Bidder’s depository account is completed within 12 working days of the Bid/Issue Closing Date.
- (b) As per the ICDR Regulations, Allotment/transfer of the Equity Shares will be only in dematerialized form to the allottees.
- (c) Successful Bidders will have the option to re-materialize the Equity Shares so Allotted as per the provisions of the Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated to them pursuant to the Issue.

GENERAL INSTRUCTIONS

DOs:

- (a) Check if you are eligible to apply having regard to applicable laws, rules, regulations, guidelines and approvals and the terms of the Red Herring Prospectus;
- (b) Ensure that you Bid within the Price Band;
- (c) In case you are an ASBA Bidder, ensure that you use the ASBA Bid-cum-Application Form specified for the purposes of the ASBA process. Bidders should read all the instructions carefully and complete the Bid-cum-Application Form/ASBA Bid-cum-Application Form;
- (d) Ensure that the details of your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be Allotted in dematerialized form only;
- (e) In case you are a Bidder other than an ASBA Bidder, ensure that your Bid is submitted at the bidding center only on a form bearing the stamp of a member of the Syndicate. In case you are an ASBA Bidder, 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 or collecting banks (assuming that such collecting banks are not SCSBs), the Company, the Registrar, the BRLMs or the CBRLM;
- (f) Ensure that you have collected a TRS for all your Bid options;
- (g) Submit revised Bids to the same member of the Syndicate or the same Designated Branch of the SCSB through whom the original Bid was placed and obtain a revised TRS;
- (h) Except for Bids on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Bidders resident in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market, ensure that you mention your PAN allotted under the I.T. Act, irrespective of the amount of the Bid. Applications in which PAN is not mentioned will be rejected. (See paragraph “Other Instructions — Permanent Account Number” below);
- (i) Ensure that the Depository Participant identification number (DP ID), the client identification number (Client ID) and PAN mentioned in the Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or Designated Branches of the SCSBs, as the case may be, matches with the DP ID, Client ID and PAN available in the Depository database. **The Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or the Designated Branches of the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected.**

Where the Bid-cum-Application Form/ASBA Bid-cum-Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid-cum-Application Form/ASBA Bid-cum-Application Form;

- (j) Ensure that the Demographic Details are updated, true and correct in all respects;
- (k) Ensure that the entire Bid Amount is paid at the time of submission of the Bid or in case of ASBA Bidders, the funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account; and
- (l) In addition, ASBA Bidders should ensure that:
 - (i) the ASBA Bid-cum-Application Form is signed by the account holder in case the applicant is not the account holder;

- (ii) the correct bank account numbers have been mentioned in the ASBA Bid-cum-Application Form;
- (iii) the authorization box in the ASBA Bid-cum-Application Form has been correctly checked, or an authorization to the SCSB through the electronic mode has been otherwise provided, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid-cum-Application Form in the ASBA Account maintained with a branch of the concerned SCSB; and
- (iv) an acknowledgement from the Designated Branch of the concerned SCSB for the submission of the ASBA Bid-cum-Application Form has been obtained.

DON'Ts:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not Bid/revise a Bid to a price that is less than the Floor Price or higher than the Cap Price;
- (c) If you are a Bidder other than an ASBA Bidder, do not Bid on another Bid-cum-Application Form or an ASBA Bid-cum-Application Form after you have submitted a Bid to a member of the Syndicate. If you are an ASBA Bidder, do not Bid on another ASBA Bid-cum-Application Form or a Non-ASBA Bid-cum-Application Form after you have submitted a Bid to a Designated Branch of an SCSB or to a member of the Syndicate;
- (d) Do not submit more than five (5) ASBA Bid-cum-Application Forms per bank account for the Issue;
- (e) Do not pay the Bid amount in cash, postal order, money order or by stockinvest. If you are an ASBA Bidder, the payment of the Bid Amount in any mode other than blocked amounts in the bank account maintained with an SCSB shall not be accepted under the ASBA process;
- (f) Do not send Bid-cum-Application Forms/ASBA Bid-cum-Application Forms by post; instead only submit them to a member of the Syndicate or a Designated Branch of an SCSB, as the case may be;
- (g) Do not Bid at the Cut-off Price (in case of a Bid by a QIB Bidder or a Non-Institutional Bidder);
- (h) Do not complete the Bid-cum-Application Form/ASBA Bid-cum-Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
- (i) Do not bid at Bid Amount exceeding Rs.200,000, in the case of a Bid by a Retail Individual Bidder or Eligible Employees;
- (j) In case you are a Bidder other than an ASBA Bidder, do not submit the Bid without payment of the entire Bid Amount. In case you are an ASBA Bidder, do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
- (k) In case you are an ASBA Bidder, do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process; and
- (l) Do not submit the incorrect PAN, depository participant identification number or client identification number details or submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

INSTRUCTIONS FOR COMPLETING THE BID-CUM-APPLICATION FORM/ASBA BID-CUM-APPLICATION FORM

Bidders other than ASBA Bidders can obtain Bid-cum-Application Forms and/or Revision Forms from the members of the Syndicate. ASBA Bidders can obtain ASBA Bid-cum-Application Forms and/or

ASBA Revision Forms from the Designated Branches of the SCSBs. ASBA Bidders can also obtain a copy of the ASBA Bid-cum-Application Form and/or ASBA Revision Form in electronic form from the websites of the SCSB or the Stock Exchanges.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

1. Made only in the prescribed Bid-cum-Application Form/ASBA Bid-cum-Application Form or Revision Form/ASBA Revision Form, as applicable.
2. Made in a single name or in joint names (not more than three, and in the same order as their Depository Participant details).
3. Completed in full, in BLOCK LETTERS in English and in accordance with the instructions contained herein, on the Bid-cum-Application Form/ASBA Bid-cum-Application Form or in the Revision Form/ASBA Revision Form. Incomplete Bid-cum-Application Forms/ASBA Bid-cum-Application Forms or Revision Forms/ASBA Revision Forms are liable to be rejected. Bidders should note that the Syndicate or SCSBs will not be responsible for errors in data entry due to incomplete or illegible Bid-cum-Application Forms/ASBA Bid-cum-Application Forms or in the Revision Forms/ASBA Revision Forms.
4. Bids from the Retail Individual Bidders and Eligible Employees under the Employee Reservation Portion must be for a minimum of 15 Equity Shares and in multiples of 15 Equity Shares thereafter subject to a maximum Bid Amount of Rs.200,000.
5. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.200,000 and in multiples of 15 Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them does not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws and regulations.
6. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's PAN, Depository Account and Bank Account Details

Bidders should note that on the basis of Bidder's PAN, Depository Participant's name, DP ID number and the client ID number provided by them in the Bid-cum-Application Form/ASBA Bid-cum-Application Form and as entered into the electronic bidding system of the Stock Exchanges by the members of the Syndicate and the SCSBs as the case may be, the Registrar to the Issue will obtain from the Depository, the demographic details of the Bidders including the Bidder's address, occupation and bank account details including the nine-digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf ('**Demographic Details**'). These Demographic Details would be used for giving refunds and allocation advice (including through physical refund warrants, Direct Credit, NECS, NEFT and RTGS) or unblocking of ASBA Account or mailing of Allotment Advice/CANs to the Bidders. It is mandatory to provide the bank account details in the space provided in the Bid-cum-Application Form/ASBA Bid-cum-Application Form, and any Bid-cum-Application Form/ASBA Bid-cum-Application Form that does not contain such details is liable to be rejected. Hence, Bidders are advised to immediately update their bank account details and Demographic Details as appearing on the records of the Depository Participant and ensure that they are true and correct. Failure to do so could result in delays in dispatch/credit of refunds to Bidders or unblocking of ASBA Accounts at the Bidders' sole risk and none of the Company, the Selling Shareholders, the Syndicate, the Registrar to the Issue, the Escrow Collection Banks or the SCSBs shall have any responsibility and undertake any liability for the same. **Hence, Bidders should carefully fill in their Depository Account details in the Bid-cum-Application Form/ASBA Bid-cum-Application Form.**

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALIZED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, CLIENT IDENTIFICATION NUMBER AND PAN IN THE BID-CUM-APPLICATION FORM/ASBA BID-CUM-APPLICATION FORM. INVESTORS MUST ENSURE THAT THE

NAME GIVEN ON THE BID-CUM-APPLICATION FORM/ASBA BID-CUM-APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, THE PAN IN THE BID-CUM-APPLICATION FORM/ASBA BID-CUM-APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED TO THE DEPOSITORY PARTICIPANT. IF THE BID-CUM-APPLICATION FORM/ASBA BID-CUM-APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND SUCH JOINT NAMES ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR ON THE BID-CUM-APPLICATION FORM/ASBA BID-CUM-APPLICATION FORM.

Since these Demographic Details will be used for all correspondence with the Bidders, they are advised to update the Demographic Details as provided to their Depository Participants. The Demographic Details given by Bidders in the Bid-cum-Application Form/ASBA Bid-cum-Application Form will not be used for any other purposes by the Registrar to the Issue.

By signing the Bid-cum-Application Form/ASBA Bid-cum-Application Form, the Bidder will be deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Allotment advice/CAN, refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders would be mailed to the addresses of the Bidders as per the Demographic Details received from the Depositories. Bidders may note that delivery of Allotment advice/CANs, refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders may get delayed if such documents, once sent to the address obtained from the Depositories, are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid-cum-Application Form and ASBA Bid-cum-Application Form would be used only to ensure dispatch of refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders, respectively. Please note that any such delay shall be at the Bidder's sole risk and none of the members of the Syndicate, the Designated Branches of the SCSBs, the Company or the Selling Shareholders shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or pay any interest for such delay. **In case of refunds to Bidders other than ASBA Bidders through electronic modes as detailed in the Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars obtained from the Depository Participant are incorrect.**

Where no corresponding record is available with the Depositories that matches three parameters, namely, PAN of the sole/First Bidder, the Depository Participant's identification number (DP ID) and the client identification number (Client ID), then such Bids are liable to be rejected.

See also "Bids under Power of Attorney" below.

Bids by Eligible Employees

Eligible Employee shall mean a permanent and full time employee of the Company, the subsidiaries or a Director of the Company, as on the Bid/Issue Closing Date, who is a person resident in India (as defined under the FEMA) and who continues to be in the employment of the Company and subsidiaries, as applicable, until the submission of the Bid-cum-Application Form. They do not include employees of the Promoters and the Promoter Group.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed ASBA Bid-cum-Application Form, Bid-cum-Application Form or Revision Form (i.e., pink color form).
- Eligible Employees, as defined above, should mention their Employee Number at the relevant place in the ASBA Bid-cum-Application Form or the Bid-cum-Application Form, as the case may be.
- The sole/First Bidder should be Eligible Employees as defined above. In case the ASBA Bid-cum-Application Form or the Bid-cum-Application Form, as the case may be, is submitted in joint names, it should be ensured that the Depository Account is also held in the same joint names and in the same sequence in which they appear in the Bid-cum-Application Form.

- Only Eligible Employees would be eligible to apply in this Issue under the Employee Reservation Portion.
- Eligible Employees will have to bid like any other Bidder. Only those bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- Eligible Employees can apply or bid for securities of or for a value of not more than Rs. 200,000 in any of the bidding options and the total value of allotment made to an Eligible Employee can not exceed Rs. 200,000.
- Bid/Application by Eligible Employees can also be made in the Net Issue portion and such Bids shall not be treated as multiple bids.
- If the aggregate demand in this category is less than or equal to 100,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Any under-subscription in the Equity Shares under the Employee Reservation Portion will be added back to the categories of Non-Institutional Bidders and Retail Individual Bidders at the discretion of the Company, in consultation with the BRLMs and the CBRLM.
- If the aggregate demand in this category is greater than 100,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis, subject to maximum value of allotment to any Employee of Rs. 200,000.

Bids by Non-Residents, Eligible NRIs, FVCIs and FIIs registered with SEBI on a repatriation basis

Bids and revisions to Bids must be made:

1. On the Bid-cum-Application Form/ASBA Bid-cum-Application Form or the Revision Form/ASBA Revision Form, as applicable, and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. In the names of individuals, or in the names of FIIs registered with the SEBI and multilateral and bilateral development financial institutions but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.
3. In a single name or joint names (not more than three and in the same order as their Depository Participant details).

Bids by Eligible NRIs for a Bid Amount of up to Rs.200,000 would be considered under the Retail Portion for the purposes of allocation and Bids by NRIs for a Bid Amount of more than Rs.200,000 would be considered under the Non-Institutional Portion for the purposes of allocation.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only at the prevailing exchange rate and net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE Accounts, details of which should be furnished in the space provided for this purpose on the Bid-cum-Application Form. The Company and the Selling Shareholders will not be responsible for any loss incurred by the Bidder on account of conversion of foreign currency.

It is to be clearly understood that there is no reservation for Non-Residents, Eligible NRIs, FVCIs and FIIs, and all such Bidders will be treated on the same basis as with other categories for the purpose of allocation.

As per the current RBI regulations, OCBs cannot participate in the Issue.

Bids under Power of Attorney

In the case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies or 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 articles of association and/or bye laws must be submitted along with the Bid-cum-Application Form/ASBA 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 therefor.

In the case of Bids made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority as the case may be, along with a certified copy of their SEBI registration certificate must be submitted with the Bid-cum-Application Form/ASBA 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 therefor.

In the case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid-cum-Application Form/ASBA 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 therefor.

In the case of Bids made by provident funds, subject to applicable law, with a minimum corpus of Rs.250 million and pension funds with a minimum corpus of Rs.250 million, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid-cum-Application Form/ASBA Bid-cum-Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In the case of Bids made by Mutual Funds and VCFs registered with the SEBI and FVCIs registered with the SEBI, a certified copy of their SEBI registration certificate must be submitted with the Bid-cum-Application Form/ASBA 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 therefor.

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/ASBA Bid-cum-Application Form, subject to such terms and conditions that the Company, the BRLMs and the CBRLM may deem fit.

The Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the allotment advice/CANs/refund orders/letters notifying the unblocking of the bank accounts of ASBA Bidders, the Demographic Details given on the Bid-cum-Application Form/ASBA Bid-cum-Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Bid-cum-Application Form/ASBA Bid-cum-Application Form instead of those obtained from the Depositories.

PAYMENT INSTRUCTIONS

Escrow Mechanism for Bidders other than ASBA Bidders

The Company, the Selling Shareholders and the members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Banks in whose favor the Bidders make out the cheque or demand draft in respect of his or her or its 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 relevant Escrow Accounts. The Escrow Collection Banks will act in terms of the Red Herring Prospectus, the Prospectus and the Escrow Agreement. The monies in the Escrow Accounts shall be maintained by the Escrow Collection Banks for and on behalf of the Bidders. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the monies from the Escrow Accounts to the Public Issue Account and the Refund Account as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement among the Company, the Selling Shareholders, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Terms of Payment for Bidders other than ASBA Bidders and Payment into the Escrow Account

Each Bidder shall pay the entire Bid Amount at the time of the submission of the Bid-cum-Application Form, and shall, along with the submission of the Bid-cum-Application Form, draw a cheque or demand draft in favor of the relevant Escrow Account of the Escrow Collection Bank(s) (see “Payment into Escrow Account” below, and submit such cheque or demand draft to the member of the Syndicate to whom the Bid is being submitted. Bidders may also provide the entire Bid Amount by way of an electronic transfer of funds through the RTGS mechanism. Bid-cum-Application Forms accompanied by cash/stockinvest/money order/postal order shall not be accepted.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account of the Company shall be transferred to the Refund Account on the Designated Date. Within 12 working days of the Bid/Issue Closing Date, the Escrow Collection Bank(s) shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment, to the Bidders.

Payment into Escrow Account

1. All Bidders are required to pay the entire Bid Amount at the time of submission of the Bid-cum-Application Form. The Bidders shall, with the submission of the Bid-cum-Application Form, draw a payment instrument for the Bid Amount in favor of the Escrow Account and submit the same to the members of the Syndicate.
2. The payment instruments for payment into the Escrow Account should be drawn in favor of:
 - (a) In the case of Resident QIB Bidders: “Escrow Account – A2Z IPO – QIB R”
 - (b) In the case of Non-Resident QIB Bidders: “Escrow Account – A2Z IPO - QIB NR”
 - (c) In the case of Resident Bidders: “Escrow Account – A2Z IPO - R”
 - (d) In the case of Non-Resident Bidders: “Escrow Account – A2Z IPO - NR”
 - (e) In the case of Resident Anchor Investors: “Escrow Account – A2Z IPO - Anchor Investor R”
 - (f) In the case of Non-Resident Anchor Investors: “Escrow Account – A2Z IPO - Anchor Investor NR”
 - (g) In case of Eligible Employees: “Escrow Account – A2Z IPO - Employee”
3. In the case of Bids by Eligible NRIs applying on a repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of the Non-Resident Bidder bidding on a repatriation basis. Payment by draft should be accompanied by a bank certificate confirming that the draft has been issued by debiting a NRE Account or a FCNR Account.
4. In the case of Bids by Eligible NRIs applying on a non-repatriation basis, the payments must be made by Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application, remitted through normal banking channels or out of funds held in NRE Accounts or FCNR Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account

of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE Account or a FCNR Account or an NRO Account.

5. In case of Bids by FIIs the payment should be made out of funds held in a special rupee account along with documentary evidence in support of the remittance. Payment by draft should be accompanied by a bank certificate confirming that the draft has been issued by debiting a special rupee account.
6. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account.
7. The monies deposited in the Escrow Accounts will be held for the benefit of the Bidders until the Designated Date.
8. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Accounts into the Public Issue Account as per the terms of the Escrow Agreement and the surplus amount shall be transferred to the Refund Account.
9. Within 12 working days from the Bid/Issue Closing Date, the Refund Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for Allotment to the Bidders.
10. **Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the center where the Bid-cum-Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/stockinvest/money orders/postal orders will not be accepted.**

Payment by Stockinvest

Under the terms of the RBI Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 dated November 5, 2003, the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Accordingly, payment through stockinvest will not be accepted in the Issue.

Submission of Bid-cum-Application Form

All Bid-cum-Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

Separate receipts shall not be issued for the money payable on the submission of Bid-cum-Application Forms or Revision Forms. However, the collection center 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.

Mode of Payment for ASBA Bidders

ASBA Bidders shall specify the bank account number in the ASBA Bid-cum-Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the ASBA Bid-cum-Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal or rejection of the Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of the Bid or in respect of unsuccessful ASBA 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 entire Bid Amount, as specified in the ASBA Bid-cum-Application Form submitted by an ASBA Bidder, will be required to be blocked in the relevant ASBA Account until the approval of the basis of Allotment in the Issue by the Designated Stock Exchange and consequent transfer of the Bid Amount against allocated Equity

Shares to the Public Issue Account, or until withdrawal or failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Upon completing and submitting the ASBA Bid-cum-Application Form, 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 ASBA Account maintained with the SCSB.

An ASBA Bid-cum-Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid-cum-Application Form until the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Accounts, in accordance with the ICDR Regulations, into the Public Issue Account. The balance amount, if any, against any Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

OTHER INSTRUCTIONS

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all refund payments and instructions for unblocking of funds in the bank account with the Designated Branch will be made in favor of the Bidder whose name appears first in the Bid-cum-Application Form/ASBA Bid-cum-Application Form or Revision Form/ASBA Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one (1) 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, the procedures to be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name, age, status and first line address will be accumulated and taken into a separate process file which would serve as a multiple master document.
2. In this master, a check will be carried out for the same PAN numbers. In cases where the PAN numbers are different, the same will be deleted from this master.
3. The Registrar to the Issue will obtain from the Depositories the details of the applicant's address based on the DP ID and Client ID provided in the Bid-cum-Application Form/ASBA Bid-cum-Application Form and create an address master.
4. The addresses of all these applications from the multiple master will be strung from the address master. This involves including the addresses in a single line after deleting non-alpha and non-numeric characters, i.e., commas, full stops, hashes etc. Sometimes, the name, the first line of the address and pin code will be converted into a string for each application received and a photo match will be carried out among all the applications processed. A print-out of the addresses will be made to check for common names. Applications with the same name and same address will be treated as multiple applications.
5. The applications will be scanned for similar DP ID and Client ID. In cases where applications bear the same numbers, these will be treated as multiple applications.
6. After the aforesaid procedures, a print-out of the multiple master will be taken and the applications physically verified to tally signatures and also the father's/husband's names. On completion of this, the applications will be identified as multiple applications.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Funds and such Bids in respect of more than one scheme of the Mutual Funds will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. In relation to Bids by an FII under different sub-accounts will be having same PAN but different demat numbers. Such Bids will not be treated a multiple bids.

Bids made by employees under both the Employee Reservation Portion as well as in the Net Issue shall not be treated as multiple bids.

The Company, in consultation with the BRLMs and the CBRLM, reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number

SEBI had issued a circular directing that with effect from July 2, 2007, PAN would be the sole identifiable number for participants transacting in the securities market, irrespective of the amount of transaction. Pursuant to Item XII(B)(17)(c) of Schedule VIII of the ICDR Regulations, it has been stipulated that all applicants are required to disclose their PAN allotted under the I.T. Act in the Bid-cum-Application Form/ASBA Bid-cum-Application Form, irrespective of the amount of the Bid. Applications in which PAN so allotted is not mentioned would be rejected. The SEBI has exempted Bids on behalf of the Central or State Government officials and the officials appointed by the courts from the abovementioned requirement in terms of a SEBI circular dated June 30, 2008 and has exempted persons resident in the state of Sikkim from the abovementioned requirement (subject to the Depository Participants collecting sufficient documentary evidence to verify that such persons are Sikkim residents) in terms of a SEBI circular dated July 20, 2006.

Therefore, irrespective of the amount of the Bid, the Bidder or, in the case of a Bid in joint names, each of the Bidders, is required to mention his/her PAN allotted under the I.T. Act. Bid-cum-Application Forms/ASBA Bid-cum-Application Forms without the quoting of the PAN will be considered incomplete and are liable to be rejected. **It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.**

RIGHT TO REJECT BIDS

In case of QIB Bidders, the Company, in consultation with the BRLMs and the CBRLM, may reject the Bids if such rejection is made at the time of acceptance of the Bid-cum-Application Form, provided that the reason for rejecting the Bid shall be provided to such Bidders in writing. In case of Non-Institutional Bidders, Retail Individual Bidders and Bids under the Employee Reservation Portion, the Company will have a right to reject Bids based on technical grounds only. Consequent refunds shall be made as described in the Red Herring Prospectus and will be sent to the Bidder's address at the Bidder's risk.

The Designated Branches of the SCSBs shall have the right to reject Bids made under the ASBA process if at the time of blocking the Bid Amount in the ASBA Bidder's bank account, the relevant Designated Branch determines that sufficient funds are not available in such Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the Bid by the SCSB, the Company will have a right to reject such Bid only on technical grounds.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. In case of Bids through the ASBA process, the amount mentioned in the ASBA Bid-cum-Application Form does not tally with the entire amount payable for the value of the Equity Shares Bid for;
2. Application on plain paper;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;

4. Bids are submitted by persons not competent to contract under the Indian Contract Act, 1872, including minors and insane persons;
5. PAN is not stated or is stated incorrectly in the Bid-cum-Application Form/ASBA Bid-cum-Application Form (except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts) or GIR number given instead of PAN;
6. The Bid is for lower number of Equity Shares than specified for that category of investors;
7. Bids are submitted at a price less than the lower end of the Price Band;
8. Bids are submitted at a price more than the higher end of the Price Band;
9. Bids are submitted at Cut-off Price by Non-Institutional Bidders and QIB Bidders and such Bidders in the Employee Reservation Portion whose Bid Amount exceeds Rs. 200,000;
10. Bids are submitted for a number of Equity Shares, which are not in multiples of 15;
11. Bidder's category is not ticked;
12. Multiple Bids;
13. In the case of a Bid under power of attorney or by limited companies, corporates, trusts, etc., relevant documents are not submitted;
14. Bids are accompanied by stockinvest/money order/postal order/cash;
15. Signature of sole and/or joint Bidders is missing. In addition, with respect to ASBA Bids, the ASBA Bid-cum-Application Form not being signed by the account holders, if the account holder is different from the ASBA Bidder;
16. Submission of Bids by Anchor Investors through the ASBA process;
17. The Bid-cum-Application Form/ASBA Bid-cum-Application Form does not have the stamp of the BRLMs, the CBRLM or the Syndicate Members or the SCSBs;
18. The Bid-cum-Application Form/ASBA Bid-cum-Application Form does not have the Bidder's depository account details or the details given are incomplete;
19. Bid-cum-Application Form/ASBA Bid-cum-Application Form is not delivered by the Bidder within the time prescribed as per the Bid-cum-Application Form/ASBA Bid-cum-Application Form and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid-cum-Application Form/ASBA Bid-cum-Application Form;
20. In case no corresponding record is available with the Depositories that matches three parameters, namely, PAN of the First Bidder, the Depository Participant identification number (DP ID) and the client identification number (Client ID);
21. Bids are submitted for amounts greater than the maximum permissible amounts prescribed by the regulations;
22. Bids where clear funds are not available in the Escrow Accounts as per the final certificate from the Escrow Collection Banks;
23. For Bidders other than ASBA Bidders, Bids by QIBs are not submitted through BRLMs or the CBRLM;
24. Bids by OCBs;
25. Bids are submitted by U.S. residents or U.S. persons excluding "Qualified Institutional Buyers" as defined in Rule 144A under the Securities Act or other than in reliance on Regulation S under the Securities Act;

26. Bids are submitted by persons who are not eligible to acquire Equity Shares of the Company under any applicable law, rule, regulation, guideline, approval order or judgment, inside India or outside India; and
27. Bids not uploaded on the terminals of the Stock Exchanges.
28. Bids are submitted by employees or directors of the Company or the subsidiaries who are not eligible to apply in the Employee Reservation Portion.

In addition to the grounds listed above, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Submission of more than five (5) ASBA Bid-cum-Application Forms per account for the Issue;
2. Authorization for blocking funds in the ASBA Bidder's bank account not ticked or provided;
3. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid-cum-Application Form at the time of blocking such Bid Amount in the ASBA Account; and
4. Application on plain paper or on split form.

Bidders are advised that Bids under the ASBA process that are not uploaded in the electronic book of the Stock Exchanges due to any of the grounds mentioned above will be rejected.

In the event that the Depository Participant identification number (DP ID), the client identification number (Client ID) and PAN mentioned in the Bid-cum-Application Form/ASBA Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Members or Designated Branches of the SCSBs, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bid is liable to be rejected.

Equity Shares in Dematerialized form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in the Issue shall be allotted only in a dematerialized form (i.e., not in the form of physical certificates but fungible statements issued in electronic mode).

In this context, two tripartite agreements have been entered into among the Company, the respective Depositories and Alankit Assignments Limited, the Registrar and Share Transfer Agent:

- (a) an agreement dated September 5, 2007, among NSDL, the Company and Alankit Assignments Limited; and
- (b) an agreement dated December 10, 2007 among CDSL, the Company and Alankit Assignments Limited.

Bidders will be allotted or transferred Equity Shares only in dematerialized mode. Bids from any Bidder without relevant 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 the Depository Participants of either 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 on the Bid-cum-Application Form/ASBA Bid-cum-Application Form or Revision Form/ASBA Revision Form.
3. Equity Shares Allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.
4. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.

5. If incomplete or incorrect details are given under the heading “Bidders Depository Account Details” in the Bid-cum-Application Form/ASBA Bid-cum-Application Form or Revision Form/ASBA Revision Form, it is liable to be rejected.
6. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid-cum-Application Form/ASBA Bid-cum-Application Form *vis-à-vis* those recorded with his or her Depository Participant.
7. Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
8. The trading of the Equity Shares will be in dematerialized form only for all investors in the demat segment of the respective Stock Exchanges.
9. Non-transferable allotment advice or refund orders will be directly sent to the Bidders by the Registrar to the Issue.

COMMUNICATIONS

All future communications in connection with Bids made in the Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid-cum-Application Form/ASBA Bid-cum-Application Form number, details of Depository Participant, number of Equity Shares applied for, date of Bid-cum-Application Form/ASBA Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch of the SCSB where the Bid-cum-Application Form/ASBA Bid-cum-Application Form was submitted and cheque/draft number and issuing bank thereof or the bank account number in which the amount equivalent to the Bid Amount was blocked and a copy of the acknowledgement slip.

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

ASBA Bidders may address all grievances relating to the ASBA process to the Registrar to the Issue, with a copy to the relevant SCSB, giving full details such as name and address of the applicant, the number of Equity Shares applied for, the Bid Amount blocked on application, bank account number and the Designated Branch or the collection center of the SCSB where the ASBA Bid-cum-Application Form was submitted by the ASBA Bidder.

The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the Selling Shareholders, the BRLMs, the CBRLM, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable ICDR Regulations.

PAYMENT OF REFUND

Bidders (other than ASBA Bidders) should note that on the basis of the Depository Participant identification number, the client identification number and the PAN provided by them in the Bid-cum-Application Form, the Registrar to the Issue will obtain from the Depository the Bidder's bank account details including a nine-digit Magnetic Ink Character Recognition (“MICR”) code. 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 Bidder's sole risk and none of the Company, the Selling Shareholders, the Syndicate Members, the Escrow Collection Banks, the Registrar to the Issue, the BRLMs or the CBRLM shall have any responsibility and undertake any liability for the same.

In the case of Bids from Eligible NRIs and FIIs, refunds, if any, will generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, 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. The Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Eligible Employees should note that Employee Discount is not offered on application but on allotment. The excess amount paid on application would be refunded to such Eligible Employees after Allotment along with any other refund, if any.

Mode of making refunds for Bidders other than ASBA Bidders

The payment of refund, if any, would be done through various modes as mentioned below:

- o NECS—Payment of refund would be done through NECS for Bidders having an account at any of the centers specified 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 obtained from the Depository.
- o NEFT—Payment of refund may be undertaken through NEFT wherever the branch of the applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to a Magnetic Ink Character Recognition ("MICR") of that particular branch. The IFSC Code will be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is in an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency and the past experience of the registrars to the initial public offerings. In the event NEFT is not operationally feasible, the payment of refunds will be made through any one of the other modes as discussed above.
- o Direct Credit—Applicants having their bank account with the Refund Bankers shall be eligible to receive refunds, if any, through direct credit. Charges, if any, levied by the Refund Banks for the same will be borne by the Company.
- o RTGS—Applicants having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, and whose Bid Amount exceeds Rs. 200,000, shall have the option to receive refunds, if any, through RTGS. Such eligible applicants who indicate their preference to receive refunds through RTGS are required to provide the IFSC Code in the Bid-cum-Application Form. In the event of failure to provide the IFSC Code in the Bid-cum-Application Form, the refund shall be made through NECS or direct credit, if eligibility is disclosed. Charges, if any, levied by the Refund Banks for the same will be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit will be borne by the applicant.
- o For all the other applicants, including applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders will be dispatched under certificate of posting for refund orders, if any, of value less than Rs.1,500 and through speed post or registered post for refund orders, if any, of Rs.1,500 and above. Some refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Mode of making refunds for ASBA Bidders

In case of ASBA Bidders, the Registrar to the Issue shall instruct the Controlling Branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue. See "Unblocking of ASBA Account" above.

Interest on refund of excess Bid Amount

The Company and the Selling Shareholders shall pay interest at the rate of 15% per annum on the excess Bid Amount received if refund orders or instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days from the Bid/Issue Closing Date.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEY AND INTEREST IN CASE OF DELAY

With respect to Bidders, other than ASBA Bidders, the Company shall ensure dispatch of Allotment Advice/CANs, 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 the Allotment of Equity Shares.

In case of Bidders who receive refunds through NECS, NEFT, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 working days from the Bid/Issue Closing Date. A suitable communication shall be sent to the Bidders receiving refunds through the electronic mode within 12 working days of the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use its best efforts to ensure that all steps for completion of the necessary formalities for listing is completed and trading commences within 12 working days of the Bid/Issue Closing Date at all the Stock Exchanges where the Equity Shares are proposed to be listed.

In accordance with the Companies Act, the requirements of SEBI, the Stock Exchanges and the ICDR Regulations, the Company further undertakes that:

- Allotment/transfer of the Equity Shares shall be made only in dematerialized form, including the credit of Allotted/transferred Equity Shares to the beneficiary accounts of the Depository Participants, within 12 working days of the Bid/Issue Closing Date;
- With respect to Bidders, other than ASBA Bidders, dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 working days of the Bid/Issue Closing Date would be ensured. With respect to the ASBA Bidders' instructions for unblocking of the funds in the ASBA Account shall be made within 12 working days from the Bid/Issue Closing Date; and
- The Company shall pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date as mentioned above, if Allotment is not made or if dispatch of refund orders, or in case where the refund or a portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner, or in case of ASBA Bidders, instructions for unblocking of funds in the ASBA Account, and/or demat credits are not made to investors within the 15 day time period prescribed above.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Allotment Advice or Refund Orders or Instructions to the SCSBs

The Company shall credit each Equity Share Allotted to the applicable beneficiary account with its Depository Participant within 12 working days of the Bid/Issue Closing Date. Applicants residing at any of the centers where clearing houses are managed by the RBI will get refunds through NECS only (subject to availability of all information for crediting the refund through NECS) except where the applicant is otherwise disclosed as eligible to receive refunds through Direct Credit, NEFT and RTGS. In the case of other applicants, the Company shall ensure the dispatch of refund orders, if any, of value less than Rs.1,500 under certificate of posting, and shall dispatch refund orders, if any, of Rs.1,500 and above by registered post or speed post at the sole or First Bidder's sole risk within 12 working days of the Bid/Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter (refund advice) through ordinary post informing them about the mode of credit of refund within 10 working days of the Bid/Issue Closing Date. In case of ASBA Bidders, the Registrar to the Issue shall instruct the Controlling Branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids within 10 days of the Bid/Issue Closing Date.

Save and except refunds effected through the electronic mode, i.e., NECS, NEFT, direct credit or RTGS, refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by the

Company, as a Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Eligible Employees should note that Employee Discount is not offered on application but on allotment. The excess amount paid on application would be refunded to such Eligible Employees after Allotment along with any other refund, if any.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or***
- (b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,***

shall be punishable with imprisonment for a term which may extend to five years".

ALLOTMENT

Basis of Allotment

A. For Retail Individual Bidders

- i. Bids received from 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 successful Retail Individual Bidders will be made at the Issue Price.
- ii. The Issue size less Allotment to Non-Institutional Bidders and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- iii. If the valid Bids in this portion are less than or equal to 6,757,713 Equity Shares at or above the Issue Price, full Allotment shall be made to Retail Individual Bidders to the extent of their valid Bids.
- iv. If the valid Bids in this portion are greater than 6,757,713 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis of not less than 6,757,713 Equity Shares and in multiples of 15 Equity Shares thereafter. For the method of proportionate basis of allocation, refer below.

B. For Non-Institutional Bidders

- i. 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.
- ii. The Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- iii. If the valid Bids in this portion are less than or equal to 2,896,163 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their valid Bids.
- iv. If the valid Bids in this portion are greater than 2,896,163 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis of not less than 2,896,163 Equity Shares and in multiples of 15 Equity Shares thereafter. For the method of proportionate basis of allocation refer below.

C. For QIB Bidders

- A. Bids received from QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to QIB Bidders will be made at the Issue Price.
- B. The QIB Portion shall be available for allocation to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- C. Allotment shall be undertaken in the following manner:
 - (a) Allocation to Anchor Investors shall be made in accordance with the ICDR Regulations.
 - (b) After allocation to Anchor Investors, in the first instance allocation to Mutual Funds for up to 5% of the QIB Portion shall be determined as follows:
 - (i) If bids from Mutual Funds exceed 5% of the QIB Portion, allocation to Mutual Funds shall be made on a proportionate basis for up to 5% of the QIB Portion.
 - (ii) If the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, then all Mutual Funds shall get full Allotment to the extent of valid bids received above the Issue Price.
 - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to QIB Bidders as set out in (c) below.
 - (c) In the second instance allocation to all Bidders shall be determined as follows:
 - (i) In the event of an over-subscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
 - (ii) Mutual Funds who have received allocation as per (b) above, for less than the number of Equity Shares bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
 - (iii) Under-subscription below 5% of the QIB Portion, if any, in the Mutual Fund Portion, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

D. Employee Reservation Portion

- A. Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. Allotment to all the successful Employees will be made after taking into account the Employee Discount.
- B. If the aggregate demand in this category is less than or equal to 100,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Employees to the extent of their demand.
- C. If the aggregate demand in this category is greater than 100,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a maximum of 100,000 Equity Shares. For the method of proportionate allocation, refer below.
- D. Only Eligible Employees may apply for Equity Shares under the Employee Reservation Portion.

E. For Anchor Investors

- A. Allocation of Equity Shares to Anchor Investors will be at the discretion of the Company, in consultation with the BRLMs and the CBRLM, subject to compliance with the following requirements:

- (i) not more than 30% of the QIB Portion will be allocated to Anchor Investors;
- (ii) one-third of the Anchor Investor Portion shall be available for allocation to domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price; and
- (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to a minimum number of two (2) Anchor Investors for allocation up to Rs.2,500 million and a minimum number of five (5) Anchor Investors for allocation more than Rs.2,500 million.

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA Bidders will be that applicable to non-ASBA Retail Individual Bidders, Non-Institutional Bidders and QIB Bidders, as applicable. ASBA Bidders who are Retail Individual Bidders (including HUFs) and who have Bid for Equity Shares for an amount less than or equal to Rs.200,000 in any of the Bidding options in the Issue, will be categorized as Retail Individual Bidders. ASBA Bidders that are not Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs.200,000 will be categorized as Non-Institutional Bidders or QIBs, as the case may be. No preference shall be given to ASBA Bidders *vis-à-vis* non-ASBA Bidders and *vice versa*.

The BRLMs, the CBRLM, the Registrar to the Issue and the director or managing director of the Designated Stock Exchange shall ensure that the basis of Allotment is finalized in a fair and proper manner in accordance with the ICDR Regulations. The drawing of lots (where required) to finalize the basis of Allotment shall be done in the presence of a public representative on the Governing Board of the Designated Stock Exchange.

Method of proportionate basis of Allotment

In the event the Issue is oversubscribed, the basis of Allotment shall be finalized by the Company, in consultation with the BRLMs, the CBRLM and 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, the CBRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalized in a fair and proper manner. Allotment to Bidders shall be made in marketable lots on a proportionate basis as explained below:

- (a) Bidders will be categorized according to the number of Equity Shares applied for by them.
- (b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.
- (c) The number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is the total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- (d) If the proportionate Allotment to a Bidder is a number that is more than 15 but is not a multiple of one (which is the market lot), the decimal will 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 will be rounded off to the lower whole number. Allotment to all Bidders in such categories shall be arrived at after such rounding off.
- (e) In all Bids where the proportionate Allotment is less than 15 Equity Shares per Bidder, the Allotment shall be made as follows:
 - Each successful Bidder shall be Allotted a minimum of 15 Equity Shares; and
 - The successful Bidders out of the total Bidders for a portion shall be determined by the drawing 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 (c) above; and

- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that portion, 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 of Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for the minimum number of Equity Shares.

Illustration of Allotment to QIBs (other than Anchor Investors) and Mutual Funds (“MF”)

Issue details

Particulars	Issue details
Issue size	200 million equity shares
Allocation to QIB (not more than 50% of the Issue)	100 million equity shares
Anchor Investor Portion (up to 30% of QIB Portion)	30 million equity shares
Portion available to QIBs other than Anchor Investors [(2) - (3)]	70 million equity shares
Of which:	
a. Reservation For Mutual Funds (5%)	3.50 million equity shares
b. Balance for all QIBs including Mutual Funds	66.50 million equity shares
Number of QIB applicants	10
Number of equity shares applied for	500 million equity shares

Details of QIB Bids

S. No.	Type of QIBs	No. of shares bid for (in million)
1.	A1	50
2.	A2	20
3.	A3	130
4.	A4	50
5.	A5	50
6.	MF1	40
7.	MF2	40
8.	MF3	80
9.	MF4	20
10.	MF5	20
	TOTAL	500

* A1-A5: (QIBs other than Mutual Funds), MF1-MF5 (QIBs which are Mutual Funds)

Details of Allotment to QIBs Applicants

Type of QIB	Shares bid for	Allocation of 3.50 million equity shares to MF proportionately (see note 2 below)	Allocation of balance 66.50 million equity shares to QIBs proportionately (see note 4 below)	Aggregate allocation to Mutual Funds
(I)	(II)	(III)	(IV)	(V)
	(Number of equity shares in million)			
A1	50	0	6.65	0
A2	20	0	2.66	0
A3	130	0	17.29	0
A4	50	0	6.65	0
A5	50	0	6.65	0
MF1	40	0.70	5.32	6.02
MF2	40	0.70	5.32	6.02
MF3	80	1.40	10.64	12.04
MF4	20	0.35	2.66	3.01
MF5	20	0.35	2.66	3.01
	500	3.50	66.50	30.10

Notes:

- The illustration presumes compliance with the requirements specified in the Red Herring Prospectus in the section “Issue Structure” beginning on page 390 of the Prospectus.

2. Out of 70.00 million equity shares allocated to QIBs, 3.50 million (i.e., 5%) will be allocated on a proportionate basis among five (5) Mutual Fund applicants who applied for 200 million equity shares in the QIB Portion.
3. The balance 66.50 million equity shares, i.e., 70.00 - 3.50 (available for Mutual Funds only) will be Allotted on a proportionate basis among 10 QIB Bidders who applied for 500 million equity shares (including 5 Mutual Fund applicants who applied for 200 million Equity Shares).
4. The figures in the fourth column entitled “Allocation of balance 66.50 million equity shares to QIBs proportionately” in the above illustration are arrived at as explained below:
 - For QIBs other than Mutual Funds (A1 to A5) = Number of equity shares Bid for (i.e., in column II of the table above) $\times$ 66.50/496.50
 - For Mutual Funds (MF1 to MF5) = (No. of equity shares bid for (i.e., in column II of the table above) less equity shares Allotted (i.e., column III of the table above) $\times$ 66.50/496.50
 - The numerator and denominator for arriving at the allocation of 66.50 million equity shares to the 10 QIBs are reduced by 3.50 million shares, which have already been Allotted to Mutual Funds in the manner specified in column III of the table above.

Undertakings by the Company and the Selling Shareholders

The Company undertakes as follows:

- that complaints received in respect of the Issue shall be dealt with expeditiously and satisfactorily. The Company has authorized the Company Secretary and Compliance Officer to redress all complaints, if any, of the investors participating in the Issue;
- that adequate arrangements shall be made to collect all ASBA Bids and to consider them similar to non-ASBA Bids while finalizing the basis of allotment;
- that all steps will be taken for the completion of the necessary formalities for listing is completed and trading commences within 12 working days of the Bid/Issue Closing Date at all the Stock Exchanges where the Equity Shares are proposed to be listed;
- that the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus shall be made available to the Registrar to the Issue by us;
- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 working days of the Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- that the refund orders or Allotment Advice/CAN to Eligible NRIs shall be dispatched within the specified time; and
- that no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus and the Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription, etc.

The Selling Shareholders undertake the following (the “Selling Shareholder Declaration”):

- The Equity Shares being sold pursuant to the Offer for Sale have been held by them for a period of at least one (1) year prior to the date of filing the Draft Red Herring Prospectus with SEBI and the Equity Shares are free and clear of all liens or encumbrances and shall be transferred to the successful Bidders within the specified time;
- The Selling Shareholders shall take all steps required to be taken by the Selling Shareholders to transfer the Equity Shares to successful Bidders within the specified time;

- The Selling Shareholders shall inform the Company of any material developments known to them or which would have been reasonably known to them, which affects their ability to sell the Equity Shares in the Issue; and
- The Selling Shareholders shall not have recourse to the proceeds of the Offer of Sale until the receipt of final listing and trading approvals for the Equity Shares from all Stock Exchanges where listing is sought.

Utilization of proceeds of the Fresh Issue

The Board of Directors certifies that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in Section 73(3) of the Companies Act;
- details of all monies utilized out of the Net Proceeds of the Fresh Issue shall be disclosed under an appropriate heading in the balance sheet of the Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Net Proceeds of the Fresh Issue, if any, shall be disclosed under the appropriate head in the balance sheet of the Company indicating the form in which such unutilized monies have been invested.

The Board of Directors also certifies that:

- the utilization of monies received from the Employee Reservation Portion shall be disclosed under an appropriate head in the balance sheet of the Company, indicating the purpose for which such monies have been utilized; and
- the details of all unutilized monies out of the funds received from the Employee Reservation Portion shall be disclosed under a separate head in the balance sheet of the Company, indicating the form in which such unutilized monies have been invested.

The Company shall not have recourse to the Net Proceeds of the Fresh Issue until the final listing and trading approvals from all the Stock Exchanges have been obtained.

The Company shall transfer to the Selling Shareholders, the proceeds from the Offer for Sale, on such proceeds being permitted to be released in accordance with applicable laws.

ANCHOR INVESTOR PORTION

The Company has allocated 3,137,940 Equity Shares to Anchor Investors in accordance with the ICDR Regulations on the Anchor Investor Bid/Issue Date. In accordance with the ICDR Regulations, only QIBs can participate in the Anchor Investor Portion. Bidding in the Anchor Investor Portion shall open and close on the Anchor Investor Bid/Issue Date, i.e., one (1) day prior to the Bid/Issue Opening Date. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor Portion. In accordance with the ICDR Regulations, the key terms for participation in the Anchor Investor Portion are as follows:

1. Anchor Investors shall be QIBs as defined under the ICDR Regulations.
2. The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount is at least Rs.100 million and in multiples of 15 Equity Shares thereafter. A Bid cannot be submitted for more than 30% of the QIB Portion. In case of a Mutual Fund registered with SEBI, separate Bids by individual schemes of Mutual Funds will be aggregated to determine the minimum application size of Rs.100 million.
3. One-third of the Anchor Investor Portion shall be reserved for allocation to domestic mutual funds.
4. The Bidding for Anchor Investors shall open one (1) day before the Bid/Issue Opening Date and shall be completed on the same day.

5. The Company, in consultation with the BRLMs and the CBRLM, shall finalize allocation to the Anchor Investors on a discretionary basis, subject to allocation to a minimum of two (2) investors for allocation up to Rs.2,500 million and five (5) investors for allocation of more than Rs.2,500 million.
6. Allocation to the Anchor Investors shall be completed on the Anchor Investor Bid/Issue Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLMs and the CBRLM before the Bid/Issue Opening Date.
7. Anchor Investors shall pay the entire Bid Amount at the time of submission of the Bid. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Date.

Each Anchor Investor who uses the ASBA facility will have to submit the Bid-cum-Application Form to the BRLMs and CBRLM along with a confirmation that the entire Bid Amount has been blocked in its bank account, in terms of the ASBA process. In the event such Bid Amount has not been blocked, the Anchor Investor's Bid shall be rejected.
8. If the Issue Price is greater than the Anchor Investor Issue Price, the additional amount being the difference between the Issue Price and the Anchor Investor Issue Price shall be paid by the Anchor Investors. If the Issue Price is lower than the Anchor Investor Issue Price, the Allotment to Anchor Investors shall be at the Anchor Investor Issue Price.
9. The Equity Shares Allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment in the Issue.
10. None of the BRLMs, the CBRLM or any person related to the BRLMs and the CBRLM, the Promoter or the Promoter Group shall participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors shall be clearly identified by the BRLMs and the CBRLM and shall be available as part of the records of the BRLMs and the CBRLM for inspection by SEBI.
11. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
12. The payment instruments for payment into the Escrow Account should be drawn in favor of:
 - In case of Resident Anchor Investors: "Escrow Account – A2Z IPO - Anchor Investor R"
 - In case of Non-Resident Anchor Investors: "Escrow Account – A2Z IPO - Anchor Investor NR"

Anchor Investors are advised that the above information should be read together with the contents of this section "Issue Procedure" beginning on page 395 of this Prospectus.

Description of Equity Shares

For details of the rights of members regarding voting, dividend, lien on shares and the process for modification of such rights and forfeiture of shares, please see the sections "Terms of the Issue – Rights of the Equity Shareholders" and "Main Provisions of the Articles of Association" beginning on pages 387 and 432, respectively, of this Prospectus.

Restriction on Foreign Ownership of Indian Securities

For details on restrictions on foreign ownership of Indian securities, please see the section "Regulations and Policies" beginning on page 110 of this Prospectus.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of the Company.

Pursuant to Schedule II of the Companies Act and the ICDR Regulations, the main provisions of the Articles of Association of the Company are detailed below:

1. Subject as hereinafter provided the Regulations contained in Table 'A' in the First Schedule to the Companies Act, 1956 shall apply to the Company.

SHARE CAPITAL

3. The authorised share capital of the Company shall be such as given in Clause V of the Memorandum of Association and the same may be increased, decreased, consolidated, subdivided, or otherwise dealt with in accordance with the provisions of the Act and the statutory regulations for the time being in force in this regard. These shares will carry such preferential, qualified or special rights, privileges or conditions as may for the time being be provided by the Articles of the Company. The minimum paid-up capital of the Company shall be five lakh rupees.

- 3A. In case of further issue of shares by the Company, all the parties to the Jhunjhunwala Agreement prior to the dilution shall dilute in proportion of their holding. However, this will not be applicable to the further equity issued by the Company is purchased by Mr. Rakesh Jhunjhunwala.

Provided that notwithstanding anything contained herein, this Article 3A shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

- 3B. The shares shall be under the discretionary control of the Directors who may allot or otherwise dispose of the same.

4. The Company in general meeting may decide to issue fully paid up bonus share to the member if so recommended by the Board of Directors.

- 4A. The certificate to share registered in the name of two or more persons shall be delivered to first named person in the register and this shall be a sufficient delivery to all such holders.

- 4B. The Investor shall have the right to subscribe for any fresh issue of Equity Shares or Preference Shares or other preference or equity-related or convertible securities by the Company, in proportion to its then existing percentage of shareholding in the Company on fully diluted basis as well as the right to purchase its pro rata share of any securities not purchased by the other shareholders of the Company.

Provided that notwithstanding anything contained herein, this Article 4B shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

4C. COVENANTS OF THE COMPANY AND THE PROMOTERS

- (1) Except with the prior written consent of Lexington:
 - (i) Each of Mr. Amit Mittal and the Promoters collectively shall at all times maintain a shareholding representing at least such percentage of the Fully Diluted Share Capital as may be agreed amongst the Parties pursuant to any agreement executed amongst them;
 - (ii) The Company shall at all times during the term of any agreement as may be executed amongst the Parties maintain a shareholding representing at least such percentage of

the share capital calculated on a Fully Diluted Basis of each Subsidiary as may be agreed amongst the Parties pursuant to any agreement executed amongst them;

- (iii) The Company and the Promoters shall not, and the Promoters shall ensure that the Company shall not:
 - (a) Grant any proxy, or enter into or agree to be bound by any voting trust, with respect to any shares or any other securities of any of the Group Entities, except in accordance with these Articles and any agreement as may be executed amongst the Parties;
 - (b) Enter into any shareholder agreements or arrangements of any kind with any Person with respect to any shares or any securities of any of the Group Entities; or
 - (c) Take any other action, which in any such case is inconsistent with these Articles and/or any agreement as may be executed amongst the Parties, including without limitation, entering into agreements or arrangements with respect to the acquisition, disposition or voting of shares or any other securities of any of the Group Entities, in any manner which is inconsistent with these Articles and/or any agreement as may be executed amongst the Parties.
- (2) The Company shall not, and the Promoters undertake that the Company shall not, without the prior written consent of Lexington, effect, or purport to effect, any changes to its capital structure, including without limitation, by the issuance, redemption, conversion or buy-back of any shares or securities, share-splits, issuance of bonuses, merger, restructuring and reduction of capital, any reclassification or creation of new class or series, change in the preferences, privileges or rights of shares or securities.
- (3) The Promoters shall exercise their respective voting rights (now or hereafter accruing to any Shares or other securities or any other securities held by any of them) in the Company in such manner as to ensure that the Company complies with all its obligations and covenants under the provisions of these Articles and/or any agreement as may be executed amongst the Parties.

Provided that notwithstanding anything contained herein, this Article 4C shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

4D. PRE-EMPTIVE RIGHTS

- (1) Notwithstanding anything contained elsewhere in these Articles, in the event that the Company proposes to issue any Additional Securities (as hereinafter defined) to any Person (a “**Proposed Allottee**”) in excess of the Fully Diluted Share Capital as on October 12, 2009, then the Company shall, prior to issuing such Additional Securities, first offer to issue the Additional Securities to Lexington, pro rata to its then shareholding in the Fully Diluted Share Capital, on the same terms and conditions on which any Additional Securities are offered to the Proposed Allottee, which terms and conditions shall be set out in a written notice with respect to such further issue (the terms of such offer to Lexington, the “**Offer Terms**”, and the notice, the “**Offer Notice**”). The term “**Additional Securities**”, for the purposes of this Article 4D, shall mean any Shares, securities or convertible instruments which the Company proposes to issue from time to time and shall exclude any employee stock options and sweat equity shares issued by the Company from time to time.
- (2) Upon such offer being made, Lexington shall have the right to accept the Offer Terms within a period of 30 (thirty) Business Days from the date of the Offer Notice. If Lexington agrees to subscribe to the Additional Securities pro rata to its then shareholding in the Fully Diluted Share Capital within the aforesaid time period, the Company shall complete the issue and allotment of the Offer Shares within a period of 14 (fourteen) days from the date Lexington signifies its willingness to subscribe to the Additional Securities.

- (3) In the event that Lexington does not respond to the Offer Notice from the Company within the prescribed time period of 30 (thirty) Business Days or declines to subscribe to any Additional Securities, then the Company shall be free to issue and allot the Additional Securities not subscribed to by Lexington to the Proposed Allottee at a price no less than, and on terms and conditions no more favourable than, those offered to Lexington.
- (4) Lexington shall be entitled to nominate any of its Affiliates to subscribe to, acquire and/or hold the Additional Securities which they are entitled to subscribe to, acquire and/or hold, pursuant to this Article 4D; provided always, that prior to any such Affiliate subscribing to, acquiring and/or holding such Additional Securities, the Affiliate shall have executed a deed of adherence in such form as may be agreed amongst the Parties pursuant to any agreement executed amongst them.

Provided that notwithstanding anything contained herein, this Article 4D shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

- (5) The Company will have the power to increase or reduce or modify the share capital and to divide the shares for the time being of the Company into several classes and attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and the requirements of law and to vary, modify or abrogate any such rights, privileges or condition in such manner as may be for the time being provided by the regulations of the Company. Any class of shares may be issued on such terms and conditions, as may be determined by the Directors, subject to the Articles. The shares or any of them may be consolidated into shares of larger or subdivided into shares of smaller value as and when considered between the amount paid and the amount, if any, unpaid on such shares, shall remain the same as it was before the consolidation or sub division.

The rights for the time being attached to the said class of shares may be varied or dealt with in the manner mentioned in the Articles of Association and subject to the provisions of the Act.

- (i) Subject to the provisions of Section 80 of the Act and subject to the Articles, the Company may issue preference shares, which are or at the option of the Company are to be liable to be redeemed.
- (ii) Subject to the provisions of Section 80 of the Act, the redemption of preference shares may be affected on the terms and conditions of their issue, subject thereto in such manner as the Directors may think fit.
- (iii) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital.
- (iv) Where in pursuance of this Article, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue up to the nominal amount of the shares redeemed or to be redeemed as if these shares had never been issued and accordingly the share capital of the Company shall not, for the purpose of calculating the fees payable under Section 611 of the Act be deemed to be increased by the issue of shares in pursuance of this sub-clause.
- (v) The capital redemption reserve fund, may notwithstanding anything in this Article, be applied by the Company in paying up unissued shares of the Company as fully paid bonus shares.
- (vi) The Board shall observe the restrictions as to allotment of shares contained in Sections 69 and 70 of the Act and the Articles, as the case may be, and shall cause to be made the returns as to allotment according to Section 75 of the Act.
- (vii) An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles and every person who thus, or otherwise accepts

any shares and whose name is entered in the Register shall for the purpose of these Articles be a member.

- (viii) The money (if any) which the Directors shall, on the allotment of any shares being made by them require or direct to be paid by way of deposit at 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 holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
- (ix) If by the conditions of allotment of any shares the whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the Registered holder of the share or his legal representative.
- (x) Except when required by law or ordered by Court of competent jurisdiction, the Company shall not be bound to recognise any person holding any share upon any trust and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any fractional part of a share, or (except only as by these Articles or as ordered by a Court of competent jurisdiction or by law otherwise provided) any order of the rights in respect of any share except an absolute right to the entity thereof in the registered holder.

OPTION FOR SHAREHOLDERS TO HOLD SECURITIES WITH A DEPOSITORY

5A. Dematerialization of Securities

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its Securities and to offer Securities in a dematerialized form pursuant to the Depositories Act, 1996.

5B. Options for Investors

- (I) Every Person subscribing to Securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a Person who is the Beneficial Owner of the securities can at any time opt out of a depository, if permitted by Law, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the Beneficial Owner the required certificate of Securities.
- (II) If a Person opts to hold his securities with a Depository, the Company shall intimate such Depository the details of allotment of the securities, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.

LIEN

- 7. 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.
- 8A. (i) The Promoters cannot pledge, mortgage, hypothecate, charge or otherwise encumber or sell any of the Shares of the Company either directly or indirectly nor otherwise use such Shares as collateral for any purpose which could result in an involuntary Transfer of such Shares of any right, title or interest therein in favour of any person, including but

not limited to, any lenders of the Company except with the prior written consent of Mr. Rakesh Jhunjunwala.

- (ii) Mr. Rakesh Jhunjunwala shall not be allowed to sell shares for a period of 3 years from the date of allotment of the shares or the listing of the shares on the Indian Stock Exchanges. Mr. Rakesh Jhunjunwala shall not Transfer any Shares to any person who is a Competitor of the Company in its primary and/or secondary business provided that Mr. Rakesh Jhunjunwala may sell Shares on the floor of a recognized stock exchange to any Person save and except for any negotiated trade on the stock exchange with a Competitor and any such Transfer shall be void.
- (iii) Subject to the provisions of Article 8A(i), in the event any of the Promoters propose to sell or otherwise Transfer any or all of the Shares of the Company except the Permitted Shares held by them directly or indirectly with the express prior written consent of Mr. Rakesh Jhunjunwala, they shall by notice in writing ("Transfer Notice") to Mr. Rakesh Jhunjunwala, notify him of the number of Shares proposed to be transferred by the Promoters and the terms and conditions of the Transfer, including price and the name of the proposed Purchaser. In the event the Transfer of Shares by the Promoters results in their collective shareholding going below 51% of the paid-up share capital of the Company, then, within 45 days of receipt of the Transfer Notice, Mr. Rakesh Jhunjunwala may agree to or refuse to Transfer all or a portion of his shares, on the same terms and conditions (including the price) as the Promoters have intimated in the Transfer Notice, and shall communicate the same to the Promoters. Failure by Mr. Rakesh Jhunjunwala to communicate the same to the Promoters within the 15 days period shall be deemed to be refusal to transfer their Investor Shares. Upon such refusal, the Promoters shall be entitled to consummate the sale to the Third Party within a period of 60 days thereafter on the terms and conditions contained in the Transfer Notice. In the event of a failure to so consummate the sale within the stipulated 60 days period, the sale shall again be subject to the provisions of Articles 8A(iii) and (iv).
- (iv) In the event Mr. Rakesh Jhunjunwala has agreed to Transfer his Investor Shares, then on the closing date of such transaction (of which the Promoters shall give Mr. Rakesh Jhunjunwala at least ten business days prior written notice) and unless any contrary term has been proposed in the Transfer Notice, the proposed purchaser or the Promoters shall remit to Mr. Rakesh Jhunjunwala the consideration for the sale price of the Investor Shares of Mr. Rakesh Jhunjunwala sold pursuant hereto, against delivery by Mr. Rakesh Jhunjunwala of certificates for such Shares together with duly executed share transfer deeds and / or other requisite documents.

Provided that notwithstanding anything contained herein, Article 8A(i), (iii) and (iv) shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

Calls on Shares

- 9. The Board of Directors may from time to time (by resolution passed at the meeting of the Board and not a resolution by circulation) but subject to the condition hereinafter mentioned, make such calls as the Board may think fit, upon the members in respect of all monies unpaid on the shares held by them respectively (whether on account of the nominal value of the shares or by way of premium) and which are not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the times appointed by the Directors. A call may be made payable by installments.
- 10. Where any calls are made on the shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amounts have been paid-up shall not be deemed to fall under the same class.
- 11. At least 14 days' notice of every call otherwise than on allotment shall be given specifying the time of payment, and if payable to any person other than the Company the name of the person to whom the call shall be paid, provided that before the time for payment of such call the Directors may by notice in writing to the members revoke the same.

12. A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such calls was passed and may be made payable by those members whose names appear in the Register of Members on such date, or at the discretion of the Directors on such subsequent date as shall be fixed by the Directors.
13. The Directors may, from time to time, at their discretion extend the time for the payment of any call, and may extend such time as to all or any of the members who on account of their residences being at a distance or other cause, the Directors may deem entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.
14. If by the terms of issue of any share, any amount is made payable at any fixed time or by installments at fixed times (whether on account of the nominal amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.
15. If the sum payable in respect of any allotment, call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the share in respect of which an allotment call shall have been made or the installment shall be due shall pay interest on the same at such rate as the Directors may determine from the day appointed for the payment thereof to the time of actual payment but the Directors may waive payment of such interest wholly or in part.
16. Neither a judgment nor a decree in favour of the Company for calls or other monies due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of the payment of any money shall preclude the forfeiture of such shares as hereinafter provided.
17. Subject to the provisions of the Act and these Articles, on the trial or hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any shares it shall be sufficient to prove that the name of the member in respect of whose share money is sought to be recovered appears/entered on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minutes Book of the Company and that the notice of such call was duly posted to the member or his representative in pursuance of these presents; and it shall not be necessary to prove the appointment of the Directors who made such call and nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
18. 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.

19. A call may be revoked or postponed at the discretion of the Board.

TRANSFER OF SHARES

20. Except the following the Shares of the Company shall be freely transferable as the procedure mentioned herein below.

- (i) Subject to Article 20(iii) and Article 24D(4) below, the Investor shall not, without the prior written consent of Principal Promoters, Transfer any Equity Shares or Preference Shares held by it to (a) any person that directly competes with the Business of the Company; or (b) any person Controlled by a person that directly competes with the Business of the Company.
- (ii) The Principal Promoters jointly and severally undertake that they shall not, without the prior written consent of the Investor, Transfer to any other person more than 1% of the equity share capital of the Company in any Financial Year.
- (iii) Notwithstanding anything to the contrary contained herein, the Investor may at any time without the prior consent of the Principal Promoters, Transfer any of the Equity Shares or Preference Shares held by it to any of its Affiliates or associates or any fund or entity managed by the Investor, provided that such transferee executes a deed of adherence substantially similar to that contained in Schedule 9 to the Subscription and Shareholders Agreement agreeing to be bound by the obligations of the Investor under the Subscription and Shareholders Agreement. If a person that directly competes with the Business of the Company proposes to acquire Control over an Affiliate to whom the Investor has Transferred any Equity Shares or Preference Shares, the Investor shall use its best endeavors to acquire such Equity Shares or Preference Shares prior to such acquisition of Control.
- (iv) In addition to Amit Kumar's rights under Article 20(ii) above, he may at any time without the prior consent of any other Party, Transfer up to 5% of the equity share capital of the Company to any of his Relatives, provided that he continues to Control the Company following such Transfer. Amit Kumar hereby undertakes that he shall not Transfer any Equity Shares held by him in addition to the Equity Shares he is permitted to transfer under Article 20(ii) and this Article 20(iv) without the prior written consent of the Investor.

Provided that notwithstanding anything contained herein, Articles 20(i) to (iv) shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

- (v) The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share held in physical form.
- (vi) The Company shall keep a book to be called the "Register of Renewed and Duplicate Certificates" and therein shall be fairly and distinctly entered the particulars of the issue of renewed and duplicate certificate in exchange for those which are subdivided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out or rendered useless.
- (vii) The instrument of transfer of any share shall be in writing and all the provisions of Section 108 of the Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.
- (viii)
 - (a) An application for registration of transfer of the shares in the Company may be made either by transferor or the transferee.
 - (b) Where the application is made by the transferor and related to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.
 - (c) For the purpose of sub-clause (b) above the notice to the transferee shall be deemed to have been duly given if it is dispatched by pre-paid registered post to the transferee at the address given in the instrument of transfer and

shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

- (ix) Every such instrument of transfer shall be signed by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register of Members in respect thereof.
- (x) The Company shall not register a transfer of shares in the Company unless, the transfer is made in accordance with the provisions of the Articles and a proper instrument of transfer duly stamped and executed 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 within the prescribed period along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares. Provided that whereon an application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to Indemnity as the Board may think fit. Provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.
- (xi) Before registering any transfer tendered for registration, the Company may, if it so thinks fit give, notice by letter in the ordinary course to the registered holder that such transfer deed has been lodged and that unless objection is taken, the transfer will be registered and if such registered holder fails to lodge an objection in writing at the office of the Company within four weeks from the posting of such notice to him, he shall be deemed to have admitted the validity of the said transfer.
- (xii) The Board may, decline to register:
 - (a) the transfer of share not being a fully paid up share, to a person of whom they do not approve; or
 - (b) any transfer of share on which the Company has a lien, provided that the registration of transfer shall not be refused on the ground of transferor being either alone or jointly with any person or person indebted to the Company on any account except a lien; or
 - (c) any transfer of shares which are not in accordance with the provisions contained in the Articles.
 - (d) The Company shall comply with provisions of Section 22A of Securities Contracts (Regulations) Act, 1956, as regard to free transferability and registration of transfer of shares/debentures.
- (xiii) Subject to the provisions of Section 111A, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on shares.
- (xiv) A transfer of a share in the Company of deceased member thereof made by his legal representative shall although the legal representative is not himself a member be as

valid as if he had been a member at the time of the execution of the instrument of transfer.

- (xv) The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the person depositing the same. The Directors may cause to be destroyed all transfer deeds lying with the Company for the period of eight years or more.
- (xvi) The Directors shall have power, on giving not less than seven days previous notice by advertisement as required by Section 154 of the Act to close the transfer books of the Company, the Register of Members or the Register of Debenture-holders at such time or times and for such period or periods of time not exceeding in the whole 45 days in each year but not exceeding 30 days at a time as may seem expedient to the Board.
- (xvii) The executors or administrators or the holder of a Succession Certificate in respect of the estate of a deceased member (not being one or two or more joint holders) shall be the only persons recognised by the Company 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 unless such executors or administrators shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a Competent Court in India, provided that in any case where the Directors in their absolute discretion think fit, the Directors may dispense with the production of Probate or Letter of Administration or Succession Certificate 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.
- (xviii) Subject to the provisions contained in Act any person becoming entitled to a share in consequence of the death, lunacy or insolvency of any member, upon producing proper evidence of the grant of Probate or Letters of Administration or Succession Certificate or such other evidence that he sustains the character in respect of which he proposes to act, with the consent of the Board (which it shall not be under any obligation to give), be registered as a member in respect of such shares, or may subject to the regulations as to transfer hereinbefore contained, transfer such shares. This article is herein referred to as the transmission clause.
- (xix) Subject to provisions of the Act and these Articles, the Directors shall have the same right to refuse to register as a member a person entitled by transmission to any shares or his nominees as if he were the transferee named in an ordinary transfer presented for registration.
- (xx) A person entitled to a share by transmission shall, be subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for any dividends or other moneys payable in respect of the share.
- (xxi) 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 shall consider sufficient provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.
- (xxii) There shall be no charge for the following:
 - (a) Registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.
 - (b) Sub-division and/or consolidation of shares debentures certificates and sub-division of Letters of Allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit of trading.

- (c) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

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 rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

- (a) The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.
- (b) Sub-division of renounceable Letters of Rights.
- (xxiii) Any shares issued to employees of the Company or its subsidiaries under the stock option plan/scheme shall be subject to the provisions as prescribed under the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended or restated or re-enacted from time to time.

INCREASE, REDUCTION AND ALTERATION OF CAPITAL

21. (i) The Company may, from time to time by special resolution in General Meeting increase its share capital by the creation and issue of new shares of such amount as it thinks expedient. Subject to the provisions of the Act, the shares shall be issued upon such terms and on conditions and with such rights and privileges annexed thereto as the General Meeting creating the same shall direct and if no direction be given, as the Directors shall determine. Such shares may be issued with a preferential or qualified right as to dividends, and in the distribution of assets of the Company, and with a right of voting at a General Meeting of the Company in conformity with Sections 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provision of this Article, the Directors shall comply with the provisions of Section 97 of the Act.
- (ii) (a) Except so far as otherwise provided by the conditions of issue of shares or by presents, any capital raised by the creation of new shares or by presents, shall be considered part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls and installments, transfer and transmission, forfeiture, lien surrender, voting and otherwise.
- (b) Subject to the provisions of Section 80 of the Act and the Articles, the Company shall have the power to issue preference shares which are, or, at the option of the Company, liable to be redeemed, and the redemption may, thereof, be affected in the manner and subject to the terms and provision of its issue.
- (c) On the issue of redeemable preference shares under the provisions of Article 21(ii) hereof, the following provisions shall take effect:
- (1) no such shares shall be redeemed except out of 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;

- (2) no such shares shall be redeemed unless they are fully paid;
 - (3) 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;
 - (4) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend by transfer to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares to be redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply, as if, the Capital Redemption Reserve Account were part of the paid up share capital of the Company.
- (iii) Subject to Sections 77A and 77B of the Act, the Company has the power and right to buy back its own shares.
 - (iv) The Company may, subject to the provisions of Sections 78, 80, 100 to 105 inclusive of the Act and the Articles, from time to time by special resolution reduce its share capital and any Capital Redemption Reserve Account or Share Premium Account in any way authorised by law and in particular may pay off any paid-up share capital upon the footing that it may be called up again or otherwise 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.
 - (v) The Company may, subject to the Articles, in General Meeting alter the conditions of its Memorandum as follows:
 - (a) Consolidate and divide all or any of the share capital into share of large amounts than its existing share.
 - (b) sub-divide its share or any of them in shares of smaller amounts than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid and the amounts, 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.
 - (c) Cancel shares which at 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 its share capital by the amount of the shares so cancelled.
 - (vi) The rights 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 shares of that class be deemed to be varied by the creation of issue of further shares ranking *pari passu* therewith.

MODIFICATION OF RIGHTS

- 22. If at any time the share capital is divided into different classes of Shares, all or any of the rights and privileges attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class) may, subject, to the provisions of Sections 106 and 107 of the Act, be modified, abridged, commuted, affected, abrogated or varied (whether or not the Company is being wound up) with the consent of the holders of not less than three-fourths of the issued shares of that class or with the sanction of special resolution passed at a separate meeting of the holders of the class of shares, and all the provisions hereinafter contained as to General Meeting shall *mutatis mutandis* apply to every such meetings. This Article shall not derogate from any power the Company would have if this Article was omitted.

JOINT HOLDERS

23. Where two or more persons are registered as the holders of any shares they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in the Articles:
- (a) The Company shall not be bound to register more than three persons as the joint holder as of any share.
 - (b) The Joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.
 - (c) On the death of any such joint holder the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the Directors may require such evidence of death as they deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability in respect of the shares held by him jointly with any other person.
 - (d) Only the person whose name stands first in the Register of Members as one of the joint holders of any share may give effectual receipts for any dividends or other moneys payable in respect of such share.
 - (e) Only the person whose name stands first in the Register of Members as one of joint-holders of any share shall be entitled to delivery of the certificates relating to such share or to receive documents from the Company, and any documents served on or sent to such person shall be deemed service on all the joint-holders.
 - (f) Any one of two or more joint-holder may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting personally or by proxy then one of such persons so present whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote in respect thereof but the other or others of the joint holder shall be holder present at any meeting shall be entitled to vote in preference to a joint holder present by proxy although the name of such joint holder present by proxy stands first or higher in the register in respect of such shares. Several executors or administrators of a deceased member in whose (deceased member's) sole name any share stands shall for the purpose of this sub-clause be deemed joint-holders.

FURTHER ISSUE OF SHARES

- 23A. (1) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares then:
- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
 - (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;
 - (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the Company.

- (2) Notwithstanding anything contained in sub clause (1), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the Company in general meeting, or
- (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the 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 clause (c) of sub-clause (1) hereof shall be deemed:
- (a) To extend the time within which the offer should be accepted; or
- (b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (4) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debentures issued by the Company:
- (i) To convert such debentures or loans into shares in the Company; or
- (ii) To subscribe for shares in the Company

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of 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 the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the Company in General Meeting before the issue of the loans.

SHARES AT THE DISPOSAL OF THE DIRECTORS

- 23B. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 79 of the Act) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

LIMITATION OF TIME FOR ISSUE OF CERTIFICATES

- 23C. Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificates 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 and approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

RIGHT OF FIRST OFFER

- 24A. (i) Subject to Article 20, if the Investor proposes to Transfer any Equity Shares or Preference Shares held by it to any third party purchaser (the **RFO Third Party Purchaser**), it shall first deliver a written notice (the **RFO Transfer Notice**) to the Principal Promoters, stating the number of Equity Shares and Preference Shares proposed to be transferred.
- (ii) The Principal Promoters may within 60 calendar days of receipt of the RFO Transfer Notice make an irrevocable offer to purchase all and not less than all of the Equity Shares and Preference Shares proposed to be transferred by the Investor by sending a written notice (the **RFO Purchase Notice**) to the Investor stating:
- (a) the purchase price of each Equity Share and each Preference Share (the **RFO Offer Price**);
 - (b) the date by which the offer must be accepted (which must be no later than 30 calendar days after the date of the RFO Purchase Notice); and
 - (c) the date on which the Transfer shall occur if the offer is accepted (the **RFO Transfer Date**) (which must be no later than seven calendar days of the date by which the offer must be accepted).
- (iii) If the Investor does not receive the RFO Purchase Notice from the Principal Promoters within 60 calendar days of the receipt of the RFO Transfer Notice by the Principal Promoters, the Investor may Transfer any Equity Shares or Preference Shares held by it to any third party purchaser other than (i) any person that directly competes with the Business of the Company; or (ii) any person Controlled by a person that directly competes with the Business of the Company.
- (iv) If the Investor wishes to accept an offer from the Principal Promoters for all and not less than all of the Equity Shares and Preference Shares offered in the RFO Purchase Notice, it shall by the acceptance date specified in the RFO Purchase Notice notify the Principal Promoters in writing of its acceptance (the **RFO Acceptance Notice**). If the Investor does not deliver the RFO Acceptance Notice within the acceptance date specified in the RFO Purchase Notice, it shall be deemed to have declined the offer set forth in the RFO Purchase Notice.
- (v) If the Investor delivers the RFO Acceptance Notice, the Principal Promoters shall on the RFO Transfer Date transfer the aggregate purchase price in respect of the Equity Shares and Preference Shares offered by it in the RFO Purchase Notice in immediately available funds as consideration for such Equity Shares and Preference Shares to an account or accounts notified by the Investor to the Principal Promoters in writing prior to the RFO Transfer Date.
- (vi) Simultaneously with the Principal Promoters complying with their obligations under Article 24A(iv) above, the Investor shall Transfer such Equity Shares and Preference

Shares to the Principal Promoters free and clear from all Encumbrances and shall deliver the share certificates representing such Equity Shares and Preference Shares in proper form for Transfer, together with a valid stamped transfer form duly executed by the Investor in the name of the Principal Promoters and duly attested, or if such Equity Shares and Preference Shares are in a dematerialised form, issue irrevocable instructions to its depository to transfer such Equity Shares and Preference Share to a securities account designated by the Principal Promoters. Any stamp duty payable upon such Transfer shall be borne by the Principal Promoters.

- (vii) As soon as practicable after the RFO Transfer Date, the Company shall duly register such Equity Shares and Preference Shares in the name of the Principal Promoters in the Company's register of members and together with the Investor make all such filings with Governmental Authorities that may be required under any Requirement of Law in India.
- (viii) If the Investor declines the offer set out in the RFO Purchase Notice, the Investor may, within sixty (60) calendar days of receipt of the RFO Purchase Notice offer to sell all and not less than all the number of Equity Shares offered in the RFO Purchase Notice to the RFO Third Party Purchaser at a price and terms no more favourable to such RFO Third Party Purchaser than the RFO Offer Price and terms at which the Equity Shares and Preference Shares were offered to the Investor in the RFO Purchase Notice, provided that such RFR Third Party Purchaser executes a deed of adherence substantially similar to that contained in Schedule 9 to the Subscription and Shareholders Agreement whereby the rights of the Investor under the Subscription and Shareholders Agreement shall be transferred to the RFO Third Party Purchaser and the RFO Third Party Purchaser shall be bound by the obligations of the Investor under the Subscription and Shareholders Agreement.

Provided that notwithstanding anything contained herein, this Article 24A shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

RIGHT OF FIRST REFUSAL

- 24B. (i) Subject to Article 20, if any Principal Promoter (the **RFR Selling Shareholder**) proposes to Transfer any Equity Shares held by it to any third party purchaser (the **RFR Third Party Purchaser**), and if such Transfer will not result in a change of Control over the Company, it shall first deliver a written notice (the **RFR Transfer Notice**) to the Investor setting forth:
- (a) the identity of, and information in reasonable detail about, the RFR Third Party Purchaser;
 - (b) the purchase price per Equity Share;
 - (c) the aggregate number of Equity Shares proposed to be Transferred to the RFR Third Party and an offer to the Investor to purchase all and not less than all of such Equity Shares;
 - (d) the date by which the offer must be accepted (which must be no sooner than 21 calendar days after the date on which the RFR Transfer Notice is delivered); and
 - (e) the date on which the Transfer shall occur if the offer is accepted (the **RFR Transfer Date**).
- (ii) If the Investor wishes to purchase all and not less than all of the Equity Shares set forth in the RFR Transfer Notice, it shall within the acceptance date specified in the RFR Transfer Notice, deliver a written notice (the **RFR Acceptance Notice**) to the RFR Selling Shareholder accepting the offer set forth in the RFR Transfer Notice. If the Investor does not deliver an RFR Acceptance Notice within the acceptance date specified in the RFR Transfer Notice, it shall be deemed to have declined the offer set forth in the RFR Transfer Notice.

- (iii) If the Investor delivers the RFR Acceptance Notice, the Investor shall on the RFR Transfer Date transfer the aggregate purchase price in respect of the Equity Shares specified in the RFR Transfer Notice in immediately available funds as consideration for such Equity Shares to an account or accounts notified by the RFR Selling Shareholder to the Investor in writing prior to the RFR Transfer Date.
- (iv) Simultaneously with the Investor complying with its obligations under Article 24B(iii) above, the RFR Selling Shareholder shall Transfer such Equity Shares to the Investor free and clear from all Encumbrances and shall deliver the share certificates representing such Equity Shares in proper form for Transfer, together with a valid stamped transfer form duly executed by the RFR Selling Shareholder in the name of the Investor and duly attested, or if such Equity Shares are in a dematerialized form, issue irrevocable instructions to its depository to transfer such Equity Shares to a securities account designated by the Investor. Any stamp duty payable upon such Transfer shall be borne by the Investor.
- (v) As soon as practicable after the RFR Transfer Date, the Company shall duly register such Equity Shares in the name of the Investor in the Company's register of members and together with the RFR Selling Shareholder make all such filings with Governmental Authorities that may be required under any Requirement of Law in India.
- (vi) If the Investor declines the offer set forth in the RFR Transfer Notice, or such offer is deemed to be declined pursuant to Article 24B(ii), then the RFR Selling Shareholder shall have the right, at any time within sixty (60) calendar days following the date for acceptance set forth in the RFR Transfer Notice, to Transfer all and not less than all the Equity Shares offered by it to the Investor, and declined by the Investor, to the RFR Third Party Purchaser at a price not less than that contained in the RFR Transfer Notice and on terms and conditions not more favourable to the RFR Third Party Purchaser than those contained in the RFR Transfer Notice, provided that such RFR Third Party Purchaser executes a deed of adherence substantially similar to that contained in Schedule 9 to the Subscription and Shareholders Agreement agreeing to be bound by the obligations of the RFR Selling Shareholder under the Subscription and Shareholders Agreement.

Provided that notwithstanding anything contained herein, this Article 24B shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

TAG-ALONG RIGHTS

- 24C. (i) If Mr. Rakesh Jhunjunwala or any of his nominees or any company Controlled by him or any of his relatives proposes to Transfer any Equity Shares held by him or it (the **Non-Promoter Selling Shareholder**) to any third party purchaser (the Third Party Purchaser), the Investor shall have the right to require the Third Party Purchaser to purchase from the Investor, for the same consideration per Equity Share and upon the same terms and conditions as are to be given to the Non-Promoter Selling Shareholder, such number of Equity Shares (or Preference Shares on a Fully Diluted basis) then held by the Investor as bears proportion to the ratio of shareholding between the Investor and the Non-Promoter Selling Shareholder. In addition, the Investor shall, at its option, be entitled to receive the cash equivalent of any non-cash component of the consideration received by the Non-Promoter Selling Shareholder. Notwithstanding the foregoing provisions of this Article 24C(i), the Parties agree that the Investor's rights under this Article 24C(i) shall not apply to any Transfer by the Non-Promoter Selling Shareholder which in the aggregate, in one or more transactions, does not exceed 5% of the issued equity share capital of the Company.
- (ii) If the Investor wishes to exercise its rights under Article 24C(i) above, it shall deliver a written notice of such election to the Non-Promoter Selling Shareholder. Such notice shall be binding on the Non-Promoter Selling Shareholder, who shall cause the Third Party Purchaser to acquire the relevant number of Equity Shares (or Preference Shares on a Fully Diluted basis) held by the Investor.

- (iii) In the event the Investor has exercised its rights under Article 24C(i) above and such Third Party Purchaser fails to purchase the relevant number of Equity Shares (or Preference Shares on a Fully Diluted basis) from the Investor, the Non-Promoter Selling Shareholder shall not be entitled to Transfer the Equity Shares it proposes to transfer to such Third Party Purchaser and, if purported to be made, such Transfer shall be void ab initio and the Company shall not register any such Transfer of Equity Shares.
- (iv) If the Investor declines to purchase any Equity Shares under Article 24B above, the Investor shall have the right to require the RFR Third Party Purchaser under Article 24B to purchase from the Investor, for the same consideration per Equity Share and upon the same terms and conditions as are to be given to the RFR Selling Shareholder such number of Equity Shares (or Preference Shares on a Fully Diluted basis) then held by the Investor as bears proportion to the ratio of shareholding between the Investor and the RFR Selling Shareholder under Article 24B. In addition, the Investor shall, at its option, be entitled to receive the cash equivalent of any non-cash component of the consideration received by the RFR Selling Shareholder under Article 24B.
- (v) If the Investor wishes to exercise its rights under Article 24C(iv) above, it shall deliver a written notice of such election to the RFR Selling Shareholder under Article. Such notice shall be binding on the RFR Selling Shareholder, who shall cause the RFR Third Party Purchaser to acquire the relevant number of Equity Shares (or Preference Shares on a Fully Diluted basis) held by the Investor.
- (vi) In the event the Investor has exercised its rights under Article 24C(iv) above and such RFR Third Party Purchaser fails to purchase the relevant number of Equity Shares (or Preference Shares on a Fully Diluted basis) from the Investor, the RFR Selling Shareholder shall not be entitled to Transfer the Equity Shares it proposes to Transfer to such RFR Third Party Purchaser and, if purported to be made, such Transfer shall be void ab initio and the Company shall not register any such Transfer of Equity Shares.
- (vii) Subject to Article 20, if any Principal Promoter (the **Principal Promoter Selling Shareholder**) proposes to Transfer any Equity Shares held by it to any third party purchaser (the **Controlling Third Party Purchaser**), and if such Transfer will result in a change of Control over the Company, the Investor shall have the right to require the Controlling Third Party Purchaser to purchase from the Investor, for the same consideration per Equity Share and upon the same terms and conditions as are to be given to the Principal Promoter Selling Shareholder all of the Equity Shares (and Preference Shares on a Fully Diluted basis) then held by the Investor. In addition, the Investor shall, at its option, be entitled to receive the cash equivalent of any non-cash component of the consideration received by the Principal Promoter Selling Shareholder.
- (viii) If the Investor wishes to exercise its rights under Article 24C(vii) above, it shall deliver a written notice of such election to the Principal Promoter Selling Shareholder. Such notice shall be binding on the Principal Promoter Selling Shareholder, who shall cause the Controlling Third Party Purchaser to acquire all the Equity Shares (and Preference Shares on a Fully Diluted basis) held by the Investor.
- (ix) In the event the Investor has exercised its rights under Article 24C(vii) above and such Controlling Third Party Purchaser fails to purchase all the Equity Shares (and Preference Shares on a Fully Diluted basis) held by the Investor, the Principal Promoter Selling Shareholder shall not be entitled to Transfer the Equity Shares it proposes to Transfer to such Controlling Third Party Purchaser, and, if purported to be made, such Transfer shall be void ab initio and the Company shall not register any such Transfer of Equity Shares.

Provided that notwithstanding anything contained herein, this Article 24C shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24D. QUALIFIED IPO

- (1) Notwithstanding anything contained elsewhere in these Articles, the Company shall, and the Promoters undertake that the Company shall, make best efforts to conduct the QIPO, and the

Equity Shares shall be listed on a Recognized Stock Exchange, no later than December 31, 2011, or such other date as may be agreed in writing by Lexington and the Existing Investors (the “**Scheduled Exit Date**”). The Company shall not conduct an IPO other than the QIPO up to the Scheduled Exit Date. The exact timing of the QIPO shall be determined by the Board, subject to Article 81 and the rights of the Existing Investors under Articles 76(vi) and 77, having due regard to the prevailing market conditions at the time of the QIPO. The QIPO shall be based on the advice of an independent merchant banker of international repute that is mutually acceptable to Lexington, the Existing Investors and the Promoters, appointed in connection with the QIPO.

- (2) The QIPO may be either through a new issue of Equity Shares or by way of an offer for sale of the Equity Shares held by the shareholders of the Company, or a combination of both.
- (3) In the event that the QIPO undertaken by the Company under this Article 24D is through an offer for sale, or a combination of a fresh issue and an offer for sale, of Equity Shares, the Parties undertake to exercise their respective voting rights (at the Board and shareholder levels) and Lexington, the Existing Investors and other shareholders of the Company shall have the right, but not the obligation, to offer their respective shareholdings in the Company on a pro rata basis, which pro rata entitlement shall be determined by multiplying the total number of shares proposed to be offered for sale in connection with the QIPO by a fraction, (x) the numerator of which shall be the number of Shares held by a shareholder (calculated on a Fully Diluted Basis) as on the date of the Board approving the Company undertaking the QIPO and (y) the denominator of which shall be the Fully Diluted Share Capital as on the date of the Board approving the Company undertaking the QIPO. In the event that a shareholder of the Company elects not to offer all or part of his/her/its total pro rata entitlement shareholding in the Company (as determined in accordance with the foregoing provisions of this Article 24D(3)) in an offer for sale (a “**Declining Shareholder**”), the remaining shareholders of the Company shall be entitled to offer such additional number of Shares held by them as shall be determined by multiplying (i) the total pro rata entitlement of the Declining Shareholder (in the event that the Declining Shareholder elects not to participate in an offer for sale) or (ii) the total number of Shares not offered for sale by the Declining Shareholder (in the event that the Declining Shareholder offers for sale only a portion of his/her/its total pro rata entitlement), in each case, by a fraction, (x) the numerator of which shall be the number of Shares held by a shareholder (calculated on a Fully Diluted Basis) participating in an offer for sale as on the date of the Board approving the Company undertaking the QIPO and (y) the denominator of which shall be the aggregate number of Shares held by the shareholders (calculated on a Fully Diluted Basis) participating in an offer for sale as on the date of the Board approving the Company undertaking the QIPO.
- (4) If Lexington and/or the Existing Investors offers their respective Shares in any offer for sale, the Promoters and the Company confirm and undertake to do the following:
 - (i) Ensure that the total offer of Shares to the public shall constitute not less than such percentage (as prescribed under then prevalent rules and Laws) of the total post issue paid-up Share Capital to comply with the listing requirements of the Recognized Stock Exchange and the SEBI;
 - (ii) Provide all material information and ensure compliance with all applicable provisions under the guidelines, the listing agreement of the Recognized Stock Exchange and other regulations existent at the time of the QIPO and subsequent listing of the Equity Shares of the Company for trading on a Recognized Stock Exchange;
 - (iii) The Recognized Stock Exchange(s) on which the Shares offered by Lexington and/or the Existing Investors shall be listed, the timing, pricing, appointment of the lead manager, the underwriter and the appointment of an investment bank of international repute as book runner for the offering shall be mutually agreed between Lexington, the Existing Investors and the Promoters; and
 - (iv) In the event of an offer for sale in which Lexington and/or the Existing Investors offers their respective Shares, and subject to Lexington and/or the Existing Investors providing the Company with requisite authority, the Company agrees to indemnify and hold harmless Lexington and the Existing Investors for including their Shares in such secondary offering from and against Losses caused by any untrue statement of a

fact contained in any statement or prospectus relating to such secondary offering, or caused by any omission to state therein a fact required to be stated therein or necessary to make the statements therein not misleading, except insofar as such Losses are caused by any such untrue statement or omission based upon information relating to Lexington and/or the Existing Investors or any information furnished in writing to the Company by or on behalf of Lexington and/or the Existing Investors expressly for use therein.

- (5) In the event that the Company undertakes the QIPO under this Article 24D, the Company/Promoters undertake to issue/provide such number of Shares as may be required in addition to the Shares held by Lexington and/or the Existing Investors to fulfill the mandatory minimum offer size requirement for achieving the QIPO and listing under applicable Laws. The Company shall obtain such Consents and Governmental Approvals as may be necessary to complete the QIPO if the QIPO is to be undertaken under this Article 24D.
- (6) Subject to Article 24D(3), Lexington and/or the Existing Investors may offer up to 100% (one hundred per cent) of the Shares held by them as part of the QIPO, subject to Lexington and/or the Existing Investors (as the case may be) obtaining the prior consent of Lexington and/or the Existing Investors (as the case may be) and the Principal Promoters. Subject to the foregoing, if any of Lexington and/or the Existing Investors offer up to 100% (one hundred per cent) of the Shares held by them as part of the QIPO, subject to applicable Laws and the rules and regulations of the Recognized Stock Exchange(s) on which the Shares are listed pursuant to the QIPO, the Promoters shall either not offer any Shares for sale or offer for sale such number of Shares as may be required by applicable Laws to be offered to the public as a condition for obtaining listing on any Recognized Stock Exchange. The Promoters shall not withhold approval and shall do all acts and deeds as may be required to effectuate the QIPO and to allow Lexington and/or the Existing Investors to exercise their right to offer up to 100% (one hundred per cent) of the Shares held by them in accordance with this Article 24D(6).
- (7) The Promoters shall not unreasonably withhold approval and shall do all acts and deeds required to effectuate the QIPO and to allow Lexington and/or the Existing Investors to exercise their right to offer the Shares held by them, including without limitation, preparing and signing the relevant offer documents, conducting road shows, facilitating site visits and management meetings, entering into such documents, providing all necessary information and documents necessary for preparing the offer document, obtaining such regulatory or other approvals and doing such further acts or deeds as may be necessary or are customary in transactions of such nature, or do all acts necessary to facilitate Lexington's and/or the Existing Investors' right to offer the Shares held by them.
- (8) Subject to applicable Laws, Lexington and/or the Existing Investors shall be entitled to Transfer up to all of the Shares held by them subsequent to the occurrence of the QIPO and consequent listing of the Shares.
- (9) Subject to applicable Laws, Lexington and the Existing Investors shall not be considered as "promoters" of the Company or the issue, and the Shares held by each of them shall not be subject to any statutory lock-in restrictions as shares held by a "promoter" with respect to the QIPO. In the event that any Shares are to be made subject to any lock-in in connection with any QIPO, then the Promoters shall offer their Shares towards such lock-in.
- (10) All costs and expenses relating to the QIPO including statutory filing and registration fees, and fees for advisors and managers to the QIPO, shall be borne by the Company.
- (11) The Company and the Promoters shall not be liable for any Losses which Lexington and/or the Existing Investors may suffer or incur in the event that the Company fails to undertake a QIPO by the Scheduled Exit Date, despite the exercise of best efforts by the Company and the Promoters.

24E. THIRD PARTY SALE

- (1) Notwithstanding anything contained elsewhere in these Articles and in addition thereto, Lexington shall have the right, at any time prior to the Scheduled Exit Date, to require the Promoters to identify a *bona fide* Third Party purchaser or group of purchasers (excluding any

Restricted Entity) (a “**Purchaser**”) in respect of some or all of the Lexington Shares at a price per Lexington Share equivalent to the Benchmark Price (a “**Third Party Sale**”).

- (2) Lexington shall have the right to deliver a 30 (thirty) days prior written notice to the Promoters at any time prior to the expiry of the Scheduled Exit Date setting out Lexington’s intention to require the Promoters to undertake a Third Party Sale (the “**Third Party Sale Notice**”). The Third Party Sale Notice shall include the price per Lexington Share offered by Lexington, the number of Lexington Shares proposed to be Transferred, payment mechanism and all other terms and conditions of sale (the “**Third Party Sale Terms**”).
- (3) Upon delivery of the Third Party Sale Notice, the merchant banker or the Promoters (as applicable) shall identify a Purchaser for the Lexington Shares at the Third Party Sale Terms within a period of 60 (sixty) days from the date of the Third Party Sale Notice. In the event that the merchant banker or the Promoters (as applicable) fail(s) to identify a Purchaser within the aforementioned period of 90 (ninety) days, Lexington shall have the right to exercise its rights under Article 24F.
- (4) The Company and the Promoters shall render all assistance necessary to expeditiously complete the Transfer of such number of Lexington Shares as are mentioned in the Third Party Sale Notice within 30 (thirty) days from the date of identification of a Purchaser, including without limitation, obtaining all Consents and Government Approvals, and providing representations, warranties, covenants and indemnities customary to such transactions.
- (5) Lexington shall not be required to provide any guarantees or indemnities, or be subject to any restrictive covenants pursuant to a Third Party Sale.

Provided that notwithstanding anything contained herein, this Article 24E shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24F. FAILURE TO COMPLETE THE QIPO AND/OR A THIRD PARTY SALE

- (1) In the event that the Company and the Promoters fail to complete the QIPO in accordance with Article 24D and/or fail to identify a Purchaser in relation to a Third Party Sale in accordance with Article 24E, Lexington shall have the right to freely Transfer up to all of the Lexington Shares (including all rights associated with the Lexington Shares) then held by it to any Person, including to a Restricted Entity, at such price, and on such terms and conditions of Transfer, as Lexington and the proposed transferee may mutually agree.
- (2) The Company and the Promoters shall render all assistance necessary to expeditiously complete the Transfer of up to all of the Lexington Shares in accordance with Article 24F(1), including without limitation, obtaining all Consents and Government Approvals, and providing representations, warranties, covenants and indemnities customary to such transactions.
- (3) Lexington shall not be required to provide any guarantees or indemnities, or be subject to any restrictive covenants pursuant to a sale and Transfer of the Lexington Shares pursuant to Article 24F(1).

Provided that notwithstanding anything contained herein, this Article 24F shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24G. CESSATION AND REINSTATEMENT OF RIGHTS

- (1) In the event that:
 - (i) The Company completes the QIPO in accordance with Article 24D; and/or

- (ii) Lexington sells more than such percentage of the total Lexington Shares held by it in the Fully Diluted Share Capital at the relevant time as may be agreed to amongst the Parties pursuant to any agreement executed amongst them, whether such sale is pursuant to a Third Party Sale in accordance with Article 24E or to a sale of the Lexington Shares in accordance with Article 24F, Lexington shall cease to have the rights set forth in Articles 42C and 81; provided however, that the right of Lexington to appoint one Lexington Director under Article 42C shall continue to apply upon the occurrence of the QIPO or any subsequent IPO for so long as Lexington holds Shares representing 5% of the Fully Diluted Share Capital.
- (2) Notwithstanding anything provided elsewhere in these Articles and/or any agreement as may be executed amongst the Parties, in the event that:
- (i) A DRHP is filed with the SEBI in respect of any proposed IPO which, prior to such filing, has necessitated the alteration of the class of any of the Lexington Shares and/or the rights attaching to any of the Lexington Shares (such alterations being, collectively, the “**Conforming of Rights**”); and/or
 - (ii) Within 9 (nine) months of the filing of such DRHP (the “**Listing Date**”), the QIPO does not complete such that the entire issued, paid-up and subscribed Share Capital is not admitted to trading on a Recognized Stock Exchange by the expiry of the Listing Date, then the Company and the Promoters shall undertake all necessary actions as may be required by Lexington to ensure that Lexington is placed in the same position, and possesses the same preferential and other rights, it had the benefit of, immediately prior to the Conforming of Rights.
- (3) Notwithstanding anything provided elsewhere in these Articles and/or any agreement as may be executed amongst the Parties, the Company and Promoters undertake and covenant to Lexington that they shall, within 30 (thirty) days of the Listing Date (if the QIPO or any subsequent IPO has not closed by that date) or, if earlier, the date on which the QIPO or any subsequent IPO process is cancelled, discontinued or postponed, take all such actions and do all such things as may be requested by Lexington and/or otherwise required to give effect to the provisions of this Article 24G(3). The Promoters and the Company undertake to enter into any contractual arrangements and support all such decisions and actions, by exercising their respective voting and other rights, to ensure all the necessary, required or requested resolutions of the Board and shareholders of the Company, to effect the actions contemplated above, which steps shall include without limitation:
- (i) Re-conversion of the Company into a private limited company;
 - (ii) Entry into any contractual arrangements necessary for the purposes of ensuring that the rights attaching to the Lexington Shares then held by Lexington are the same as those that attached to the Lexington Shares immediately prior to the Conforming of Rights; and
 - (iii) The alteration of these Articles to include all of the rights Lexington had the benefit of immediately prior to the Conforming of Rights.

Provided that notwithstanding anything contained herein, Article 24G(2) and (3) shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24H. RESTRICTIONS ON TRANSFER OF SHARES

- (1) Subject to Articles 24H(2) and 24K, the Lexington Shares shall be freely Transferable at all times along with the rights attached to the Lexington Shares and shall not be subject to any restrictions whatsoever. Lexington shall have the right to freely Transfer all or any of the Lexington Shares held by it to any Person and/or along with any rights attaching thereto under these Articles and/or any agreement as may be executed amongst the Parties, without the prior consent of any Person, subject to the proposed transferee executing a deed of adherence in such form as may be agreed amongst the Parties pursuant to any agreement executed amongst them.

- (2) Notwithstanding anything contained in Article 24H(1), Lexington shall not be permitted to Transfer any Lexington Shares to a Restricted Entity any time prior to the Scheduled Exit Date.
- (3) The rights of Lexington under Articles 24H, 24I, 24J and 24K may be assigned to its Affiliates and/or representatives and/or nominees without the prior consent of any other Party by the Affiliate and/or representative and/or nominee of Lexington executing a deed of adherence in such form as may be agreed amongst the Parties pursuant to any agreement executed amongst them.
- (4) Subject to Articles 24H(5), 24I and 24J, a Transfer by any Principal Promoter in any given Financial Year of Shares representing more than such percentage of the Fully Diluted Share Capital as may be agreed amongst the Parties pursuant to any agreement executed amongst them shall be made only with the prior written consent of Lexington and shall be subject to the transferee of the Shares executing a deed of adherence in such form as may be agreed amongst the Parties pursuant to any agreement executed amongst them. In the event of a Transfer of Shares held a Principal Promoter to his/her Affiliate, and such Affiliate ceases to be an Affiliate of such Principal Promoter, then the Principal Promoter who has Transferred Shares held by him/her to his/her Affiliate shall cause such Affiliate to forthwith Transfer such Shares to such Principal Promoter and such Principal Promoter shall continue to be bound by the terms of the provisions of these Articles or any agreement executed amongst the Parties in respect of such Shares.
- (5) Notwithstanding anything contained in Article 24H(4) and Article 90, the Principal Promoters may, from time to time, pledge their Shares in favour of scheduled banks and financial institutions solely for providing adequate security under credit facilities availed by any of the Group Entities for the conduct of the Business; provided however, in the event that any Principal Promoter pledges in favour of any scheduled bank and/or financial institution in any given Financial Year, Shares representing more than such percentage of the Fully Diluted Share Capital as may be agreed amongst the Parties pursuant to any agreement executed amongst them, other than for credit facilities availed by any of the Group Entities for the conduct of the Business shall require the prior written consent of Lexington for the creation of such pledge.
- (6) Notwithstanding anything stated in Article 90, the Principal Promoters and the Company shall ensure that they shall not pledge any of the shares held by them in any Group Entity unless such pledge is required for obtaining credit facilities (whether fund based or non-fund based) for such Group Entity in the Ordinary Course of Business.
- (7) The term “Shares”, when used in Articles 24H, 24I, 24J and 24K shall be deemed to include any Shares, securities or convertible instruments issued by the Company.
- (8) The term “Promoters”, when used in Articles 24H, 24I, 24J and 24K, shall be deemed to refer to the Principal Promoters.
- (9) The Company shall not register any Transfer of Shares in violation of the provisions of these Articles and/or any agreement as may be executed amongst the Parties, and shall not recognize as a shareholder or owner of Shares, nor accord any rights (whether relating to payment of dividend or voting) to the purported transferee of any Shares in violation of the provisions of these Articles and/or any agreement as may be executed amongst the Parties. Any Transfer of Shares in violation of the provisions of these Articles and/or any agreement as may be executed amongst the Parties shall be void, shall not be binding on the Company and the Company shall not permit any such Transfer on its books.
- (10) The Company and the Principal Promoters undertake to do all such acts and deeds as may be necessary to give effect to the provisions of Articles 24H, 24I, 24J and 24K, including without limitation, rendering all assistance necessary to expeditiously complete a Transfer of the Lexington Shares, obtaining all Consents and Government Approvals, and providing representations, warranties, covenants and indemnities customary to such transactions. All costs and expenses incurred to give effect to the provisions of Articles 24H, 24I, 24J and 24K shall be borne entirely by the Principal Promoters and the Company.

- (11) A copy of all notices required to be given under Articles 24H, 24I, 24J and 24K shall be delivered concurrently to the Company.
- (12) The rights of Lexington under Articles 24H, 24I, 24J and 24K shall be notwithstanding anything contained elsewhere in these Articles.

Provided that notwithstanding anything contained herein, this Article 24H shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24I. LEXINGTON'S RIGHT OF FIRST REFUSAL

- (1) Subject to the restrictions on Transfer of the Shares held by the Promoters in Article 24H, notwithstanding anything stated in Article 24B and in addition thereto, if, at any time, any of the Promoters propose to transfer or receive a firm offer from a *bona fide* Third Party offeror or group of offerors (an "**Offeror**") to Transfer any of the Shares held by the Promoters (the "**Offered Securities**"), the Promoters shall provide a written notice (the "**Lexington Offer Notice**") to Lexington, of the proposed Transfer of the Offered Securities. The Lexington Offer Notice shall include the price per Share offered by the Offeror (the "**Offered Price**"), the identity of the Offeror, payment mechanism and all other terms and conditions of sale.
- (2) Upon receiving the Lexington Offer Notice, Lexington may, either by itself or through its nominee(s), offer to acquire such number of the Offered Securities at the Offered Price by providing a written notice to the Promoters (each, an "**Acceptance Notice**") within 30 (thirty) Business Days from the date of receipt of the Offered Notice by Lexington (the "**Acceptance Notice Period**"). It is expressly clarified hereby that in the event Beacon exercises its right to purchase the Offered Securities under these Articles, Lexington and Beacon shall inter se have the right to purchase up to the Offered Securities pro rata to their shareholding in the Fully Diluted Share Capital as on the date of the Lexington Offer Notice.
- (3) Within 7 (seven) days after the expiration of the Acceptance Notice Period, the Promoters shall give written notice to Lexington specifying the number of Offered Securities to be purchased by Lexington (the "**ROFR Confirmation Notice**"). The ROFR Confirmation Notice shall also specify the number of Offered Securities not purchased by Lexington, if any, hereunder (the "**Remainder Securities**").
- (4) To the extent that there remain any Remainder Securities, such Remainder Securities shall again be subject to Lexington's right of first refusal and Lexington shall have a right to purchase all of the Remainder Securities within 30 (thirty) Business Days from the date of receipt of the ROFR Confirmation Notice by Lexington (the "**Subsequent Exercise Period**"). In the event that Lexington does not request to purchase any Remainder Securities within the Subsequent Exercise Period, the Remainder Securities not purchased by Lexington shall not be subject to Lexington's right of first refusal; provided however, that if the Remainder Securities are not purchased as a result of restrictions imposed by applicable Laws, then such Remainder Securities shall remain subject to Lexington's right of first refusal under Article 24I.
- (5) The purchase price for the Offered Securities to be purchased by Lexington shall be the Offered Price, and shall be payable in the manner set forth in Article 24I(6). If the Offered Price includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by a Big Four firm in good faith, which determination shall be binding upon Lexington and the Promoters, absent fraud or error.
- (6) Subject to compliance with applicable Laws, Lexington exercising its rights of first refusal under this Article 24I shall effect the purchase of all or any portion of the Offered Securities, including the payment of the Offered Price, within 10 (ten) days after the later of (a) delivery of the ROFR Confirmation Notice, and (b) expiration of the Subsequent Exercise Period (the "**Right of First Refusal Closing**"). Payment of the Offered Price shall be made, at the option of Lexington, by wire transfer or such other method as may be acceptable to Lexington and the Promoters. At such Right of First Refusal Closing, the Promoters shall deliver to Lexington (a) 1 (one) or more certificates, properly endorsed for Transfer, representing such Offered Securities so purchased and (b) duly stamped share transfer deeds validly executed in

the name of Lexington. In the event that the Offered Securities are in dematerialized form, the Promoters shall issue irrevocable instructions to its depository to transfer the Offered Securities to a securities account designated by Lexington. The aforementioned time period for the Transfer of the Offered Securities to Lexington shall also be extended by such period as may be required to obtain any required Governmental Approvals for such Transfer. If such Transfer to Lexington does not occur within the aforesaid time period, the Offered Securities, along with the rest of the Shares held by the Promoters, shall again be subject to the restrictions on Transfer contained in this Article 24I.

- (7) Subject to Article 24J, if Lexington does not offer to purchase the Offered Securities pursuant to Article 24I(2), the Promoters shall be free to Transfer all (but not less than all) of the Offered Securities to the Offeror named in the Lexington Offer Notice on terms and conditions no more favourable to such Offeror than those stated in the Lexington Offer Notice and at a price not less than the Offered Price, within a period of 30 (thirty) Business Days after the expiration of the Acceptance Notice Period. The Promoters shall furnish to Lexington within 15 (fifteen) days of sale of the Offered Securities to the Offeror adequate documentation evidencing the completion of the sale of the Offered Securities to the Offeror at the Offered Price and on other terms and conditions no more favourable than those mentioned in the Lexington Offer Notice. If such sale to the Offeror does not occur within 30 (thirty) Business Days after the expiration of the Acceptance Notice Period, the Offered Securities shall again be subject to this Article 24I.
- (8) The Promoters may sell the Offered Securities to the Offeror in accordance with Article 24I only if such sale does not result in a breach of the provisions of Article 4C.

Provided that notwithstanding anything contained herein, this Article 24I shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24J. LEXINGTON'S TAG ALONG/CO-SALE RIGHTS

- (1) Notwithstanding anything stated in Article 24C and 8A(iii) and in addition thereto, upon receiving the Lexington Offer Notice under Article 24I, Lexington, instead of providing the Acceptance Notice, shall have the right, by giving the Promoters written notice (the “**Tag Along Notice**”) within 30 (thirty) Business Days of receipt of the Lexington Offer Notice (the “**Tag Along Period**”), to Transfer the Lexington Shares pro rata to its shareholding in the Fully Diluted Share Capital as on the date of the Lexington Offer Notice (the “**Tag Along Securities**”), along with the Offered Securities on the same terms and conditions as set out in the Lexington Offer Notice (the “**Tag Along Right**”). The particulars of the Tag Along Securities shall be specified in the Tag Along Notice. In the event that Lexington does not exercise its Tag Along Right, such Tag Along Right shall lapse and the Promoters shall be free to Transfer all (but not less than all) of the Offered Securities to the Offeror mentioned in the Lexington Offer Notice in accordance with the provisions of Article 24I(7) above.
- (2) In the event that Lexington exercises its Tag Along Right, the sale of Offered Securities by the Promoters to the Offeror shall be subject to the Offeror also simultaneously acquiring the Tag Along Securities offered by Lexington on terms no less favourable than those offered by the Offeror to the Promoters. If, however, the Offeror is unwilling to acquire all the Offered Securities and the Tag Along Securities, the Promoters shall cancel the proposed Transfer of Offered Securities and shall send a written notice to the Offeror (with a copy to Lexington) intimating the Offeror of such cancellation and stating that Offeror may allocate the maximum number of Shares which the Offeror is willing to purchase among the Offered Securities and the Tag Along Securities, pro rata in the ratio of the shareholding of the Promoters and Lexington in the Fully Diluted Share Capital as on the date of the Lexington Offer Notice, and complete such Transfer.
- (3) Subject to compliance with applicable Laws, the sale of the Tag Along Securities and the Offered Securities shall occur within 30 (thirty) days of the delivery of the Tag Along Notice (the “**Tag Along Closing**”). If Lexington has exercised the Tag Along Right in accordance with Article 24J(1), then Lexington shall deliver to the Promoters at or before the Tag Along Closing (a) 1 (one) or more certificates, properly endorsed for Transfer, representing the number of Tag Along Securities to which Lexington is entitled to sell and (b) duly stamped

share transfer deeds validly executed in the name of the Offeror. In the event that the Tag Along Securities are in dematerialized form, Lexington shall issue irrevocable instructions to its depository to transfer the Tag Along Securities to a securities account designated by the Offeror. At the Tag Along Closing, the Promoters shall cause such certificates or other instruments to be Transferred and delivered to the Offeror pursuant to the terms and conditions specified in the Tag Along Notice, and the Promoters shall remit, or shall cause to be remitted, to Lexington, at the Tag Along Closing, that portion of the proceeds of the Transfer to which Lexington is entitled pursuant to Lexington participating in such Transfer, by way of wire transfer or such other method as may be acceptable to Lexington. If the proceeds of the Transfer includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by a Big Four firm in good faith, which determination shall be binding upon Lexington and the Promoters, absent fraud or error, and Lexington shall be entitled the non-cash equivalent of that portion of the proceeds of the Transfer to which Lexington is entitled.

- (4) If any of the Promoters Transfer hereunder any series, class or type of Shares then held by them, and Lexington does not hold any of such series, class or type, the Offeror shall have to acquire whatever series, class or type of security held by Lexington along with the Offered Securities.
- (5) In the event of the Promoters Transferring any Shares held by them to a Third Party in violation of the provisions of these Articles and/or any agreement as may be executed amongst the Parties (a “**Prohibited Transfer**”), then Lexington shall deliver a written notice to the Promoters requiring them to purchase from Lexington, and the Promoters shall purchase from Lexington, the Tag Along Securities at the same price, and at the same terms, at which the Promoters Transferred their Shares to a Third Party pursuant to a Prohibited Transfer. The Promoters shall also reimburse Lexington for any and all fees and expenses, including legal fees and expenses, incurred pursuant to the exercise of Lexington’s rights under this Article 24J(5). In the event of a Prohibited Transfer, the Promoters shall purchase the Tag Along Securities within 14 (fourteen) days from the date of the notice provided by Lexington exercising its right under this Article 24J(5). In the event of the Promoters failing to comply with their obligations under this Article 24J(5), the membership of any of the Promoters, their Affiliates or nominees on the Board shall stand terminated forthwith, and Lexington shall have the right to nominate an equal number of Directors as the Existing Investors on the Board such that Lexington and the Existing Investors would collectively have majority representation on the Board.
- (6) Notwithstanding anything contained in Article 24H, in the event that any proposed Transfer of Shares by the Promoters to an Offeror under this Article 24J results in a Change in Control, Lexington shall have the right to require the Promoters to ensure that the Offeror purchases all Lexington Shares then held by it on the same terms and conditions as set out in the Lexington Offer Notice.
- (7) Notwithstanding anything contained in these Articles, Lexington shall cease to be entitled to exercise the Tag Along Right under this Article 24J and this Article 24J shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24K. PROMOTERS’ RIGHT OF FIRST OFFER

- (1) Subject to Article 24H(2), if, at any time, Lexington proposes to Transfer any of the Lexington Shares to any Person (except to an Affiliate), Lexington shall intimate the Promoters of its intention to sell some or all the Lexington Shares (the “**Lexington Offered Securities**”) by way of a written notice (the “**ROFO Notice**”).
- (2) Within 30 (thirty) days of the receipt of the ROFO Notice (the “**ROFO Notice Period**”), the Promoters may offer to acquire all or any of the Lexington Offered Securities by providing a written notice to Lexington (the “**Promoter Acceptance Notice**”) within the ROFO Notice Period. The Promoter Acceptance Notice shall set out the number of Lexington Offered Securities, the price per Lexington Offered Security offered by the Promoters, payment mechanism and all other terms at which the Promoters are willing to purchase such Lexington Offered Securities (the “**ROFO Terms**”). In the event that the Promoters do not respond to

the ROFO Notice within the ROFO Notice Period, or decline to purchase the Lexington Offered Securities, the Promoters shall cease to have the right of first offer to purchase the Lexington Offered Securities under Article 24K(1).

- (3) Within a period of 30 (thirty) days from the Promoters delivering a Promoter Acceptance Notice to Lexington (the “**Promoter Acceptance Notice Period**”) and in the event that Lexington is acceptable to the ROFO Terms set forth in the Promoter Acceptance Notice, Lexington shall have the right to Transfer to the Promoters such number of Lexington Offered Securities as are mentioned in the Promoter Acceptance Notice on the ROFO Terms by sending the Promoters a written notice signifying Lexington’s acceptance of the Lexington Offer Terms (the “**Consent Notice**”).
- (4) Upon Lexington delivering a Consent Notice, the Promoters shall purchase the Lexington Offered Securities on the ROFO Terms set forth in the Promoter Acceptance Notice within a period of 30 (thirty) days from the date of receipt of the Consent Notice (the “**ROFO Closing**”).
- (5) Payment of the consideration payable for the Lexington Offered Securities shall be made, at the option of Lexington, by wire transfer or such other method as may be acceptable to it. If the consideration payable for the Lexington Offered Securities includes consideration other than cash, the cash equivalent value of the non-cash consideration shall be determined by a Big Four firm in good faith, which determination shall be binding upon Lexington and the Promoters, absent fraud or error. At such ROFO Closing, Lexington shall deliver to the Promoters (a) 1 (one) or more certificates, properly endorsed for Transfer, representing the Lexington Offered Securities so purchased by them and (b) duly stamped share transfer deeds validly executed in the name of the Promoters. In the event that the Lexington Offered Securities are in dematerialized form, Lexington shall issue irrevocable instructions to its depository to transfer the Lexington Offered Securities to a securities account(s) designated by the Promoters.
- (6) In the event that the Promoter does not accept or rejects the ROFO Terms within the Promoter Acceptance Notice Period, the Lexington Offered Securities shall be freely Transferable any Person; provided that price of such Transfer of the Lexington Offered Securities are more favourable than the price offered for the Lexington Offered Securities by the Promoters. If any Person offers to purchase a greater number of Lexington Shares than the number of Lexington Offered Securities which the Promoters offered to purchase in the Promoter Acceptance Notice, then Lexington shall be free to Transfer such number of Lexington Shares equal to the difference between the number of Lexington Shares offered to be purchased by such Person and the number of Lexington Offered Securities at terms no more favourable than the ROFO Terms.

Provided that notwithstanding anything contained herein, this Article 24K shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

24L. The Promoters, the Company, Mr. Jhunjhunwala and Beacon agree and acknowledge that in the event that the Company and the Promoters fail to complete the QIPO in accordance with Article 24D, then notwithstanding anything to the contrary contained in these Articles, Mr. Jhunjhunwala and Beacon shall each have the right to freely Transfer up to all of the Equity Shares held by them, including all rights associated with such Equity Shares to any Person, including to any competitor of the Company, at such price, and on such terms and conditions of transfer, as Mr. Jhunjhunwala or Beacon and the proposed transferee may mutually agree. The Company and the Promoters shall render all assistance necessary to expeditiously complete the transfer of such Equity Shares in accordance with this Article 24L, including without limitation, obtaining all consents and approvals from Governmental Authorities, and providing representations, warranties, covenants and indemnities customary to such transactions.

24M. The Promoters, the Company, Lexington, Mr. Jhunjhunwala and Beacon agree and acknowledge that in the event each of Mr. Jhunjhunwala, Beacon and Lexington exercise their right of first refusal to purchase the Equity Shares being Transferred by the Promoters in accordance with the terms of these Articles and/or any agreement executed by

Mr. Jhunjhunwala and/or Beacon and/or Lexington with the Company and the Promoters (as applicable), Mr. Jhunjhunwala, Beacon and Lexington shall each have the right to purchase such Equity Shares being sold by the Promoters pro rata to their respective shareholding in the Fully Diluted Share Capital of the Company as on the date of the notice by the Promoters to Lexington and the Existing Investors informing each of them of such Transfer of Equity Shares in accordance with the terms of these Articles and/or any agreement executed by Mr. Jhunjhunwala and/or Beacon and/or Lexington with the Company and the Promoters (as applicable).

Provided that notwithstanding anything contained herein, this Article 24M shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

GENERAL MEETINGS

25. All General Meetings other than the Annual General Meeting shall be called Extra-ordinary General Meetings.
26. The Board may call an Extra-ordinary General Meeting in accordance with the provisions of the Act.
27.
 - (1) The Company shall hold at least 1 (one) General Meeting in any given calendar year. All General Meetings shall be governed by the Act and these Articles.
 - (2) The prior written notice of 21 (twenty one) Business Days for a General Meeting shall be given to all shareholders of the Company; provided however, that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act and subject to the prior written approval of Lexington. All notices shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting.
 - (3) The quorum for a General Meeting shall be the presence, in person, of such number of shareholders as required under the Act, which shall include the presence of the authorized representative of Lexington (unless waived in writing by Lexington, which waiver shall not be unreasonably withheld); provided however, that no decision or determination shall be made and no action shall be taken by or with respect to the Company in respect of any of the Reserved Matters unless approved in accordance with the provisions of Article 81.
 - (4) In the event that the quorum as set forth in Article 27(3) is not achieved at a General Meeting, the shareholders (or their authorized representatives) present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum at such General Meeting even though the authorized representative of Lexington is not present, save and except for the purposes of decisions on the Reserved Matters.

Provided that notwithstanding anything contained herein, Articles 27(2) to (4) shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

28. No business shall be transacted at any general meeting, unless quorum of members in present. Provided that, where the agenda for any general meeting of the Company includes matters specified in Schedules 6 and 7 of the Subscription and Shareholders Agreement, as amended from time to time, there shall be no quorum unless the Investor is represented at such general meeting.

Provided that notwithstanding anything contained herein, this Article 28 shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

29. The Chairman, if any, of the Board, shall preside as Chairman of all Board and general meetings, of the Company. If at any time the Chairman is not present within 15 minutes after the time appointed for holding the same, the Directors and members present shall one of the Directors present to be Chairman of such meeting. If no Director is present or unwilling to act as Chairman, the members may appoint one of their members as Chairman.
30. The Company shall in addition to any other meetings, hold a General Meeting (herein called an "Annual General Meeting") at the intervals and in accordance with the provisions of the Act, and that not more than fifteen months shall elapse between the date of one Annual General Meeting and the next provided, however, that if the Registrar of the Companies shall have for any special reason extended the time within which any Annual General Meeting shall be held by a further period not exceeding three months, the Annual General Meeting may be held within the additional time allowed by the Registrar of Companies.
31. Every Annual General Meeting shall be called for at a time during business hours and on such day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the city, town or village in which the Registered Office of the Company is situated. The Company may by a resolution passed at one Annual General Meeting, fix the time for its subsequent annual General Meeting. The notice calling the meeting shall specify it as the Annual General Meeting.
32. (1) The Board of Directors shall, on a requisition of such number of members of the Company as hold, in regard to any matter at the date of deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company upon which all calls or other moneys than due shall have been paid, as at the date carries the right of voting in regard to the matter, forthwith proceed duly to call an Extraordinary General Meeting of the Company and the provisions of Section 169 of the Act (including the provisions below) shall be applicable.
- (2) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office of the Company.
- (3) The requisition may consist of several documents of like form, each signed by one or more requisitionists.
- (4) Where two or more distinct matters are specified in the requisition, the provisions of clause (1) above shall apply separately in regard to each such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the condition specified in that clause is fulfilled.
- (5) If the Board of Directors does not, within twenty-one-days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of these matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called by the requisitioned themselves or by such of the requisitionists as represent either a majority in value of paid up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Clause (1) above, whichever is less.
- (6) A meeting called under Clause (5) above by the requisitionists or any of them shall be called in the manner similar to that in which meeting are to be called by the Board, but shall not be held after the expiration of three months from the date of the deposit of the requisition.
- (7) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company; and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

33. (1) A General Meeting of the Company may be called by giving not less than twenty one day's notice in writing.
- (2) However a General Meeting may be called after giving shorter notice than twenty one days, if the consent is accorded thereto:-
- (i) in the case of an Annual General Meeting by all the members entitled to vote thereat;
- (ii) in case of any other meeting by Members of the Company holding not less than 95 percent or such part of the paid up share capital of the Company as gives a right to vote at that meeting; and
34. The quorum for a General Meeting shall be the presence, in person, of such number of shareholders as required under the Act.
35. (1) Every notice of a meeting of the Company shall specify the place, date and hour of the meeting, and shall contain a statement of the business to be transacted thereat.
- (2) In every notice there shall appear within reasonable prominence a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and that a proxy need not be a member of the Company.
36. (1) In the case of an Annual General Meeting, all business to be transacted at the meeting shall be deemed special with the exception of business relating to:
- (i) the consideration of the Accounts, Balance Sheet and Profit and Loss Account and Reports of the Board of Directors and the Auditors;
- (ii) the declaration of a dividend;
- (iii) the appointment of Directors in the place of those retiring; and
- (iv) the appointment of and the fixing of the remuneration of the auditors.
- (2) In the case of any other meeting, all business shall be deemed special.
- (3) Where any item of business to be transacted at the meeting is deemed to be special as aforesaid, there shall be annexed to the notice of the meeting a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director and the Manager, if any. Provided that where any item of special business as aforesaid to be transacted at a meeting of the Company relates to, or affects any other company, the extent of the share-holding interest, in that other company of every Director and the Manager, if any, of the Company shall also be set out in the explanatory statement, if the extent of such shareholding interest is not less than 20 per cent of paid-up share capital of that other company.
- (4) Where any item of business to be transacted at the meeting of the Company consists of according of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the explanatory statement.
37. Notice of every meeting shall be given to every member of the Company in any manner authorised by sub-sections (1) to (4) of Section 53 of the Act and by these Articles. It shall be given to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a pre-paid letter addressed to them by name, or by the title of the representatives of the deceased or assignees of the insolvent or by any like description, at the address if any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred. Provided that where notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the registered office of the Company as provided in sub-section (3) of Section 53 of the Act, the explanatory statement need not be annexed to the notice as required by Section 173 of

the Act, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

38. Notice of every meeting of the Company and every other communication relating to any General Meeting of the Company which any member of the Company is entitled to have sent to him, shall be given to the Auditor or Auditor for the time being of the Company, in the manner authorised by Section 53 of the Act, as in the case of any member or members of the Company.
39. The accidental omission to give notice of any meeting to or the non-receipt of any notice by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting or the resolution passed thereat.
40. (1) Where, by any provision contained in the Act or in these Articles Special Notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.
- (2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it give its members notice of the resolution in the same manner as is given notice of the meeting or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these Articles, not less than seven days before the meeting.

DIRECTORS

41. The Board shall consist of not less than 3 (three) and not more than 12 (twelve) Directors.
42. The following shall be the First Directors of the Company.

1. Sh. Sanjeev Kumar Sharma
2. Sh. Pramod Kumar

42A. DIRECTOR NOMINATED BY MR. RAKESH JHUNJHUNWALA

- (i) Mr. Rakesh Jhunjhunwala shall have the right to nominate one person who shall be elected as an additional director of the Company.
- (ii) The appointment or removal and determination of the terms of employment of the Key Employees and any significant changes in the terms of the employment agreement shall be decided by a Compensation Committee to be set up by the Board. Mr. Rakesh Jhunjhunwala shall have the right to appoint his nominee Director on the Compensation Committee. The Key Employees shall sign such employment agreements with the Company.
- (iii) Mr. Rakesh Jhunjhunwala shall have the right to appoint such number of director so as to represent him in proportion to his shareholding in the company however this would be subject to a minimum of one Director on the Board of Directors of the Company. Such director(s) shall hereafter be referred to as "Nominee Directors". Mr. Rakesh Jhunjhunwala shall have the right to replace and/or remove his Nominee Directors at any time and from time to time.
- (iv) It is clarified for the avoidance of doubt that none of the Directors nominated by Mr. Rakesh Jhunjhunwala shall be liable to retire by rotation.
- (v) Subject to Applicable Law, Mr. Rakesh Jhunjhunwala may appoint an Alternate Director to his Nominee Director if it is so required due to inability to attend the Meeting of the Board. The Nominee Director or the Alternate Director need not hold any qualification Shares. The exercise of such right by Mr. Rakesh Jhunjhunwala to appoint and withdraw any Director shall not require the approval of the Board. The Promoters agree to exercise their voting rights to support such appointment of Nominee Directors.

- (vi) Subject to Applicable Law, the Nominee Director shall be entitled to all the rights and privileges of other non-executive Directors (except the remuneration, commission, or fees paid by the Company to the Chairman of the Company) including the sitting fees and expenses as payable to other non-executive Directors but if any other fees, commission, monies or remuneration in any form is payable to the Directors, the fees/commission, monies and remuneration in relation to such Nominee Director shall accrue to Mr. Rakesh Jhunjhunwala and subject to Applicable Law, the same shall accordingly be paid by the Company directly to Mr. Rakesh Jhunjhunwala.
- (vii) Provided that if any such Nominee Director is an officer of Mr. Rakesh Jhunjhunwala, if Mr. Rakesh Jhunjhunwala so advises the Company, the sitting fees in relation to such Nominee Director(s) shall accrue to Mr. Rakesh Jhunjhunwala and the same shall, subject to Applicable Law, accordingly be paid by the Company directly to Mr. Rakesh Jhunjhunwala.
- (viii) Any reasonable expenditure incurred by Mr. Rakesh Jhunjhunwala or the Nominee Directors in connection with travel and stay costs in attending meetings of the Board/Committee/Shareholders shall be borne by the Company.
- (ix) The Nominee Directors shall be entitled to receive all notices, agenda, etc. and to attend all General Meetings and Board Meetings and Meetings of any Committees of the Board of which they are members.
- (x) The Chairman of the Board shall be appointed by the Board by majority from time to time. In case the Chairman is unavailable, any Director may be appointed by the Board as the Chairman for that particular meeting to act as the Chairman of the Board. The Chairman of the Board shall not have a casting vote in respect of any Fundamental Issue.
- (xi) The Company shall maintain Directors and Officers insurance for members of its Board of Directors in amounts considered reasonable by the Company and consistent with market practise in India, in accordance with the provisions of the Jhunjhunwala Agreement.
- (xii) The Company and the Promoters agree to jointly and severally indemnify and save harmless Mr. Rakesh Jhunjhunwala, their respective officers, directors, employees and agents and the nominee and alternate directors appointed by Mr. Rakesh Jhunjhunwala on the Board of Directors of the Company ("Indemnified Persons") to the extent directly suffered (excluding consequential or special losses), from and against any and all actions, suits, claims, proceedings, costs, damages, judgments, amounts paid in settlement and expenses (including without limitation reasonable attorneys' fees and reasonable disbursements at actuals) (collectively, "Loss") caused to Mr. Rakesh Jhunjhunwala relating to or arising out of:
 - a. Any inaccuracy in or breach of the representations, warranties, covenants or agreements made by the Company or the Promoters herein; or
 - b. Any other conduct by the Promoters or the Company or its employees or agents as a result of which, in whole or in part, any Indemnified Person is made a party to, or otherwise incurs any loss pursuant to, any action, suit, claim or proceeding arising out of or relating to any such conduct; or
 - c. Any action undertaken or failure to act by an Indemnified Person at the request of or with the consent of the Company or the Promoters, in respect of any prospectus, offer document or the like;
- (xiii) The Company and the Promoters shall reimburse every Indemnified Person referred to in Clause 42A(xii) hereof, for all reasonable actual out-of-pocket expenses (including legal fees) incurred in connection with investigating, preparing to defend or defending any such claim, action, suit, proceeding, enquiry, liability, damage, whether or not an Indemnified Person or Indemnified Party, as the case may be, is a party thereto.
- (xiv) It is agreed to between the Parties, that if an Indemnified Person or Indemnified Party makes a claim hereunder, the same shall be paid or reimbursed by the Company and the Promoters only pursuant to one or more award(s), final order(s), decree(s), judgments(s) or other rulings or decisions of a similar nature (by whatever name called) consequent to claims by Mr. Rakesh Jhunjhunwala.

- (xv) Notwithstanding anything contained herein, this Article 42B shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange; provided however the right of Mr. Rakesh Jhunjhunwala to appoint one Director shall continue to apply upon the occurrence of the QIPO or any subsequent IPO for so long as Mr. Rakesh Jhunjhunwala holds Shares representing 5 % of the Fully Diluted Share Capital.

42B. INVESTOR (BEACON) DIRECTOR

- (i) The Investor shall have the right, exercisable by it directly or through its nominee, to:
- a. nominate one person who shall be elected as a Director and who shall not be required to retire by rotation;
 - b. remove from office any person so appointed; and
 - c. appoint another person (including an alternate director) in his place.
- (ii) The appointment of a Director and the alternate Director shall take place as the first item of business at the Board meeting immediately following the receipt by the Company of such nomination.
- (iii) In addition, Investor shall have the right to appoint his nominee Director (including an alternate director) on the each committee of the Board of Directors, including without limitation, the audit committee and the remuneration committee.
- (vi) The Company shall obtain directors' and officers' liability insurance for an amount that is customary for companies engaged in a similar business as the Company and that is approved by the Board.
- (v) Subject to applicable law, the Company shall indemnify, defend and hold harmless each Director, or alternate Director, who was or is made a party, or is threatened to be made a party, to any action, suit or proceeding, whether civil, criminal, administrative or investigative (including any action brought by or in the name of the Company), by reason of the fact that such Director or alternate is or was a Director, or otherwise relating to any action taken or omitted to be taken in such person's capacity as a Director, against all losses, liabilities, costs (including counsel fees and other legal costs), expenses, damages, penalties, actions, proceedings, claims and demands actually and reasonably incurred by him or it in connection with such suit, action or proceeding or the defence, litigation or settlement thereof; provided, however, that such indemnification shall not apply in respect of any claims or losses to the extent resulting from the negligence, willful misconduct or bad faith acts or omissions of such Director or alternate.
- (vi) A remuneration committee of the Board shall consist of such numbers of directors as may be required under the Act. The remuneration committee shall be responsible for (a) determining remuneration packages payable to executive Directors and other senior or key managerial personnel of the Company, including pension contributions and compensation payments; and (b) determining the terms of any employee stock option scheme or similar incentive compensation arrangements or the grant of any options or incentives under such scheme or arrangement. The decisions of the remuneration committee shall require the consent of a majority of its members.
- (i) Notwithstanding anything contained herein, this Article 42B shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange; provided however the right of Beacon under this Article 42B to appoint one Director shall continue to apply upon the occurrence of the QIPO or any subsequent IPO for so long as Beacon holds Shares representing 5 % of the Fully Diluted Share Capital.

42C. LEXINGTON DIRECTOR

- (1) On and from October 12, 2009:

- (i) Lexington shall at all times be entitled to nominate 1 (one) Director on the Board (the “**Lexington Director**”); and
 - (ii) The Board shall at all times include the Lexington Director.
- (2) The chairman of the Board shall not have a casting vote.
- (3) The Lexington Director shall be a non-executive Director, shall not be liable to retire by rotation and may be appointed in a duly constituted meeting of the Board. The Lexington Director, including any alternate Director nominated by Lexington, may only be removed by Lexington or with the prior written consent of Lexington. Lexington shall have the right to nominate another Person as the Lexington Director and such other Person shall be appointed as the Lexington Director in a duly constituted meeting of the Board. Any vacancy occurring with respect to the position of the Lexington Director, by reason of death, disqualification, resignation, removal or the inability to act, shall be filled only by another nominee specified by Lexington in a duly constituted meeting of the Board. The Lexington Director shall not be a director on the board of directors of any Restricted Entity.
- (4) Notwithstanding anything contained elsewhere in these Articles, the Lexington Director shall be entitled to nominate an alternate Director for himself, and such alternate Director shall serve in the absence of the Lexington Director. Any such appointment as alternate Director shall take place as the first item of business at the Board meeting following receipt by the Company of such nomination and subject to the approval of the Board; provided that the alternate Director of the Lexington Director shall be the nominee of Lexington. Upon his/her appointment as such alternate Director, an alternate Director shall be entitled to constitute the quorum, vote, issue consent and sign written resolutions on behalf of the Lexington Director.
- (5) The Parties agree that the Promoters shall disclose the details of each and every material transaction between the Company and any Related Party to the Board for its consideration and approval, prior to the Company entering into any such transaction. All transactions between the Company and any Related Party shall be entered into only with the prior written consent of Lexington and carried out on fair market terms no less favourable to the Company than would be obtained in an Arm’s Length negotiation with a Person unaffiliated with the Company.
- (6) The Promoters and the Company expressly agree and undertake that:
 - (i) The Lexington Director shall not be liable for any default or failure of the Company in complying with the provisions of any applicable Laws, including without limitation, defaults under the Act, taxation and labour Laws of India.
 - (ii) The Lexington Director shall not be identified as an ‘officer in default’ of the Company, or occupiers of any premises used by the Company or employers under applicable Laws. Further, the Promoters and the Company undertake to ensure that Directors other than the Lexington Director, or other suitable persons, are nominated as officers in default, occupiers or employers, as the case may be, in order to ensure that the Lexington Director does not incur any liability.
 - (iii) The Lexington Director shall be covered under a directors’ and officers’ insurance policy for such amount as may be acceptable to Lexington and from a ‘AAA’ rated insurance company, for any liability, cost or expense (including legal expenses) accruing, incurred, suffered, and/or borne by the Lexington Director in connection with the Business.
 - (iv) The Directors, including the Lexington Director, shall be indemnified up to the extent permitted under applicable Laws. The Lexington Director shall be indemnified, out of the Assets and capital of the Company, against any liability incurred by the Lexington Director in defending any proceedings, whether civil or criminal, against the Company.
- (7) The Lexington Director shall have the right to be part of any Committee that may be constituted by the Board. In the event that Lexington exercises its right to nominate the Lexington Director to any Committee constituted by the Board, such Committee shall have at least 1 (one) nominee Director of Lexington.

43. The Directors may from time to time, appoint one or more of their body to the office of the Managing Director for one or more of the divisions of the business carried on by the Company and to enter into agreement with him in such terms and conditions as they may deem fit.
44. The Directors shall have the power, at any time and from time to time, to appoint any person as additional Director in addition to the existing Director so that the total number of Directors shall not at any time exceed the number fixed for Directors in these articles, Any Directors so appointed shall hold office only until the next following Annual General Meeting but shall be eligible thereof for election as Director.
45. Subject to Article 81, the Managing Director/Executive Director may be paid such remuneration as may, from time to time, be determined by the Board and such remuneration as may be fixed by way of salary or commission or participation in profits or partly in one way or partly in another subject to the provisions of the Act.
46. The quorum necessary for the transaction, of the business of the Board meeting subject to Section 287 of the Act, shall be one third of the total strength or at least two whichever is higher.
47. Subject to section 289 of the Act, a resolution in writing signed by the Director except a resolution which the Act specifically required it to be passed at a Board meeting shall be effective for all purposes as a resolution passed at a meeting of Directors duly called, hold and constituted.
48. Subject to provisions of Section 313 of the Act, a Director, who may be absent for a period, not less than 3 (three) months from the Date in which the meeting of the Board are ordinarily held, have power to appoint any member of the Company selected by him as an alternative director by giving notice in writing under his name to the Board and at his discretion to remove, such alternate director. Such alternate Director shall vacate office when his appointee is present in person or cease to be director. Save as aforesaid such alternate director while so acting shall exercise and discharge all functions and powers and be subject to all the duties and limitations of the Director while he represents and shall be entitled to receive notice to attend and to vote a Director's Meeting on behalf of meeting attended by him.
49. The Director shall have power for engagement and dismissal of managers, engineers, assistants, clerks and others and shall have power of general direction, and management and superintendence, of the business of the Company with full powers to do all such acts, matters and things deemed necessary, proper or expedient for carrying on the business and concern of the Company including the power to make such investment of the Company's fund as they shall think fit, subject to the limit fixed by the Board of Directors under Section 292 of the Act and sign contracts and to draw, make, sign, accept, endorse and negotiate on behalf of the Company all bills of exchange, promissory notes, hundies drafts, Government Promissory Notes and other Government securities and such other instruments.
50. The Director may delegate all or any of their powers to such other Directors, Managers or other persons as they think fit and shall have power to grant to any such person such power of attorney, as they deem expedient and such powers at pleasure to revoke, subject to Section 292 and 312 of the Act.
51. Subject to provisions of the Act, the director shall receive such remuneration for their services as may, from time to time, be determined by the Company in general meeting or may be contained in an agreement, if any, between the Company and any Director or Directors.
52. The sitting fee of each of the Directors shall be such sum of Rupees as be fixed by the Board subject to the ceiling prescribed by the Central Government from time to time as maximum permissible under first proviso Section 310 of the Act for every meeting of the Board or any Committee thereof attended by him. The Directors shall be entitled to be paid their reasonable traveling and hotel and other out of pocket expenses incurred in connection with their attending the Board and Committee meetings, any annual/extraordinary general meeting, any adjourned meeting thereof or otherwise incurred in the execution of their duties as Directors.

53. A Director shall not be required to hold any qualification shares in the Company.
54. The Director shall also be paid traveling and other expenses of attending and returning from meeting of the Board (including hotel expenses) and any other expenses properly incurred by them in connection with the business of the Company. The Director may also be remunerated for any extra services done by them outside their ordinary duties as Director, subject to the provisions of Section 314 of the Act.
55. A Director of the Company may be, or become a Director of any company promoted by the Company, or in which it may be interested as a vendor, member or otherwise and subject to the provisions of the Act and these Articles, no such Director shall be accountable for any benefits received as a Director or member of such company.
56. A Director, Managing Director, Manager or Secretary of the Company shall within twenty days of his appointment to or relinquishment of his office as Director, Managing Director, Manager or Secretary in any other body corporate disclose to the Company the particulars relating to his office in the other body corporate which are required to be specified under Section 303(1) of the Act. The Company shall enter the aforesaid particulars in a register kept for that purpose in conformity with Section 303 of the Act. The Company shall also furnish the aforesaid particulars to the Register in accordance with Section 303(2) of the Act.
57. A Director or Manager shall give notice in writing to the Company of his holding of shares and debentures of the Company or its subsidiary, together with such particulars as may be necessary to enable the Company to comply with the provisions of Section 307 of the Act. If such notice be not given at a meeting of the Board, the Director or Manager shall take all reasonable steps to ensure that it is brought up and read at the meeting of the Board next after it is given. The Company shall enter particulars of Director's and Manager's holding of shares and debentures as aforesaid in a register kept for that purpose in conformity with Section 307 of the Act.
58. Except with the consent of the Company accorded by a special resolution:-
- (a) No Director of the Company shall hold any office or place of profit; and
 - (b) No partner or relative of such a Director, no firm in which such a Director or relative is a partner, no private company of which such a Director is a director or member, and no Director or Manager of such a private Company shall hold any office or place of profit carrying a total monthly remuneration of such sum as may be prescribed under Section 314(1) of the Act, except that of Managing Director, Manager, Banker, or Trustee for the holder of Debentures of the Company:
 - (i) Under the Company; or
 - (ii) Under any subsidiary of the Company, unless the remuneration received from such subsidiary in respect of such office or place of profit is paid over to the Company or its holding Company.
59. Provided that it shall be sufficient if the special resolution according the consent of the Company is passed at the General Meeting of the Company held for the first time after the holding of such office or place of profit.
60. Provided further that where a relative of a Director or firm in which such relative is a partner, is appointed to an office or place of profit under the Company or a subsidiary thereof without the knowledge of the Director, the consent of the Company may be obtained either in the General Meeting aforesaid or within three months from the date of appointment, whichever is later.
61. Explanation: For the purpose of this clause a special resolution according consent shall be necessary for every appointment in the first instance to an office or place of profit and to every subsequent appointment to such office or place of profit on a higher remuneration not covered by the special resolution except where an appointment on a time scale has already been

approved by the special resolution.

62. Nothing in Article 58 above shall apply where a relative of a Director or a firm in which such relative is a partner hold any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place of profit before such Director becomes a Director of the Company.
63. Notwithstanding anything contained in Article 58 above:
- (a) no partner or relative of a Director or Manager;
 - (b) no firm in which such Director or Manager or relative of either, is a partner;
 - (c) no private company of which such Director or Manager or relative of either is a Director or Member; shall hold any office or place of profit in the Company which carried a total monthly remuneration of not less than such sum as may be prescribed under Section 314 (IB) of the Act, except with the prior consent of the Company by a special resolution and the approval of the Central Government.
64. If any office or place of profit is held in contravention of the provisions of Article 58 above, the Director, partner, relative, firm or private Company or the Manager concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the General Meeting of the Company referred to in the first proviso or as the case may be, the date of the expiry of the period of three months referred to in the second proviso to that clause and shall also be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceding the date aforesaid in respect of such office or place of profit. The Company shall not waive recovery of any sum refundable to it under this clause unless permitted to do so by the Central Government.
65. Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applied shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with a Director of the Company in any of the ways referred to in Article 58 hereof.
66. If any office or place of profit referred to in Article 65 is held, without the prior consent of the Company by a special resolution and the approval of the Central Government, the partner, relative, firm, or private company appointed to such office or place of profit shall be liable to refund to the Company any remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him on and from the date on which the office was so held by him.
67. The company shall not waive the recovery of any sum refundable to it under Article 66 unless permitted to do so by the Central Government.
68. An office or place of profit shall be deemed to be an office or place of profit under the Company within the meaning of this Article:
- (a) In case the office or place is held by a Director, if the Director holding it obtains from the Company anything by way of remuneration over and above the remuneration to which he is entitled as such Director, whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise;
 - (b) In case the office or place is held by an individual other than a Director or by any firm, private company or other body corporate if the individual, firm private company, or body corporate holding it, obtains from the company anything by way of remuneration whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

69. The Company shall observe the restrictions imposed on it regarding the granting of loans to Directors and other persons as provided in Section 295 and other applicable provisions, if any, of the Act.
- 70. RETIREMENTS AND ROTATION OF DIRECTORS**
- (1) Not less than two-third of the total number of Directors of the Company shall be persons whose period of office is liable to determination by retirement of Directors by rotation, and save as otherwise expressly provided in the Act and these Articles, be appointed by the Company in General Meeting.
- (2) The remaining Directors shall be appointed in accordance the provision of these Articles.
- (3) At every Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then number nearest to one-third shall retire from office.
- (4) Subject to the provisions of the Act and these Articles, the Directors to retire by rotation under the foregoing Articles at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lots. Subject to the provisions of the Act a retiring Director shall remain in office until the conclusion of the meeting at which his reappointment is decided or his successor is appointed.
- (5) Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for reappointment.
- (6) The Company, at the Annual General Meeting at which a Director retires in manner aforesaid, may fill up the vacated office by electing the retiring Director or some other person nominated by the shareholder having the right to nominate such Director.
- (7) If the place of the retiring Director or Directors is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week at the same time and place, or if that day is a public holiday till the next succeeding day which is not a public holiday, at the same time and place.
- (8) If at the adjourned meeting also, the place of the retiring Director or Directors is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director or Directors shall be deemed to have been reappointed at the adjourned meeting unless:
- (a) at the meeting or at the preceding meeting a resolution for the appointment of such Director or Directors has been put to the meeting and lost.
 - (b) the retiring Director or Directors has or have by a notice in writing addressed to the Company or its Board of Directors expressed his or their unwillingness to be so reappointed.
 - (c) he is or they are not qualified or is or are disqualified for appointment.
 - (d) a resolution, whether special or ordinary is required for his or their appointment or reappointment by virtue of any provisions of the Act.
 - (e) Sub-section (2) of Section 263 of the Act is applicable to the case.
71. Subject to the provisions of the Act and these Articles any person who is not a Retiring Director shall be eligible for appointment to the office of the Director at any General Meeting if he or some member intending to propose him as at least fourteen clear days before the meeting, left at registered office of the Company, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office as the case may be along with a deposit of rupees five hundred which

shall be refunded to such person or as the case may be to such member, if the person succeeds in getting elected as a Director.

- (a) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under sub-clause (1) of this Article or Section 257 of the Act signifying his candidature for the office of Director) proposed as a candidate for the office of a Director shall sign and file with the Company, his consent in writing to act as a Director, if appointed.
- (b) On receipt of the notice referred to in this Article, the Company shall inform its members of the candidature of that person for the office of a Director or of the intention of a member to propose such person as a candidate for that office, by serving individual notices on Members not less than seven days before the meeting provided that it shall not be necessary for the Company to serve individual notices upon the members if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspaper circulating in the city, town or village in which the Registered Office of the Company is situated, of which one is published in the English language and the other in the regional language.

72. (i) A person other than:-

- (a) Director re-appointed after retirement by rotation or immediately on the expiry of the terms of his office; or
 - (b) an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act appointed as a Director or reappointed as a director or re-appointed as an Additional or Alternate Director, immediately on the expiry of his term of office; or
 - (c) a person named as a Director of the Company under these Articles as first registered shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.
- (ii) At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of these Article shall be void whether or not objection was taken at the time of its being so moved; provided that where a resolution so moved is passed, no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.

73. MEETINGS OF THE BOARD

- (1) The Board shall hold regular meetings at the registered office of the Company or at such other place as is acceptable to Lexington at least once in every 3 (three) months, and at least 4 (four) such meetings shall be held in every calendar year. Subject to Article 73(3) and unless otherwise agreed to in writing by the Lexington Director, the notice for the regular monthly Board meetings shall be sent to the Directors at least 7 (seven) Business Days prior to the meeting together with the agenda, and the relevant documents for the same, unless all Directors agree to meet at a shorter notice. All notices for all meetings of the Board and Committees shall be in writing, and shall be sent to each of the Directors (with a copy thereof to Lexington) in the manner specified in this Article 73. No meeting of the Board or of a Committee shall be convened at shorter notice without the prior written consent of the Lexington Director.
- (2) The quorum for any meeting of the Board shall be in accordance with the Act, subject to the presence of the Lexington Director (unless waived in writing by Lexington) for the purposes of decisions on the Reserved Matters.

- (3) In the event that the quorum as set forth in Article 73(2) is not achieved at any Board or Committee meeting, the Directors present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum at such Board or Committee meeting despite the Lexington Director not being present, save and except for the purposes of decisions on the Reserved Matters. Notwithstanding anything contained in these Articles and/or any agreement as may be executed amongst the Parties, no discussions and resolutions on the Reserved Matters shall be taken up at the Board and/or Committee and/or by written circulation without the prior written consent of Lexington.

Provided that notwithstanding anything contained herein, Articles 73(1) to (3) shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

- (4) Subject to the provisions of Article 81 and as elsewhere provided in this Article 73, a decision shall be said to have been made and/or a resolution passed at a meeting of the Board only if passed at a validly constituted meeting, and such decisions are approved of by, and the resolution is approved of by, a majority of the Directors, which unless otherwise mandated by applicable Laws, shall mean approval by a majority of the Directors present and voting at such meeting of the Board.
- (5) Subject to applicable Laws, Directors or members of any Committee may participate in meetings of the Board or Committees through video-conference or telephonic conference.
- (6) A written resolution circulated to all the Directors or members of Committees, whether in India or overseas, and signed by a majority of them as approved shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or of any Committee, as the case may be, called and held in accordance with these Articles and any agreement as may be executed amongst the Parties (provided that such written resolution has been circulated in draft form, together with the relevant papers, if any to all the Directors); provided however, that a circular resolution in relation to a Reserved Matter shall be valid and effective only if it has received the written consent of Lexington.
- (7) The provisions of this Article 73 shall apply mutatis mutandis to the meetings of the Committees constituted by the Board.
- (8) Each Promoter undertakes to take such actions as may be necessary (including exercising their votes at General Meetings, meeting of the Board or any Committees thereof), to give effect to the provisions of, and to comply with their obligations under these Articles and/or any agreement as may be executed amongst the Parties, including this Article 73.
- (9) A Director or the Managing Director may at any time and the Managing Director upon the request of a Director shall convene a meeting of the Directors. Notice of every meeting of the Directors of the Company shall be given in writing to every Director for the time being in India or at his usual address in India.
- (10) Subject to the provisions of Section 287 and other applicable provisions (if any) of the Act, the quorum for a meeting of the Board of Directors shall be one third of the total strength of the Board of Directors (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher; provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength, the number of remaining Directors, that is to say, the number of Directors who are not so interested and are present at the meeting not being less than two shall be the quorum during such meeting. A meeting of the Directors for the time being at which quorum is present, shall be competent to exercise all or any of the authorities, powers

and directions by or under the Act or the Articles of the Company, for the time being vested in or exercisable by the Board of Directors generally.

- (11) If a meeting of Board cannot be held for want of quorum, then the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday till the next successive day which is not a public holiday at the same time and place or at such other place as the Directors present at the meeting may fix.
- (12) The Chairman shall be appointed by the Board of Directors from amongst the Directors.
- (13) All meetings of the Directors shall be presided over by the Chairman if present, but if at any meeting of the Directors the Chairman be not present at the time appointed for holding the same, then in that case, the Managing Director, if any present, shall be the Chairman of such meeting, and if the Managing Director be also not present, then in that case the Directors shall choose one of the Directors then present to preside over the meeting.
- (14) Questions arising at any meeting shall be decided by a majority of votes.
- (15) Subject to the provisions of Section 292 of the Act, the Directors may delegate any of their powers to committees as they may think fit they may from time to time remove and discharge any such committee either wholly or in part and either as to persons or purposes but every Committee so formed shall in the exercise of the powers so delegated to it conform with any regulations that may from time to time be imposed on it by the Directors. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purpose of their appointment but not otherwise shall have the like force and effect as if done by the Board.
- (16) The meeting and proceedings of any such Committee consisting of two or more Directors shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far the same are applicable thereto and are not superseded by any regulations made by the Directors under the preceding Article.
- (17)
 - (1) A resolution passed by circulation without a meeting of the Board shall subject to the provisions of and clause 2 hereof and the Act, be as valid and effectual as resolution passed at a meeting of the Board duly called and held.
 - (2) A resolution shall be deemed to have been duly passed by the Board or by a committee by circulation, if 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) for a meeting of the Board or the Committee as the case may be and to all other Directors or Members of the Committee at their usual address in India and it is approved by such of the Directors or Members of the Committee as are then in India or by majority of them as are entitled to vote on the resolution.
 - (3) Subject to the provisions of the Act, a statement signed by the Managing Director or other person authorised in that behalf by the Directors certifying the absence from India of any Director shall for the purpose of this Article be conclusive.
- (18) Subject to the provisions of the Act and these Articles all acts done by any meeting of the Directors or by a committee of Directors 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 person acting as aforesaid, or that they or any of them were or was 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 person had been duly appointed and

was qualified to be a Director; provided that nothing in this article shall deemed to given validity to acts done by the Directors after their appointment had shown to the company to be invalid or to have been terminated.

- (19) The Company shall cause Minutes of the Meetings of the Board of Directors and of Committees of the Board to be duly entered in a book or books provided for the purpose in accordance with the relevant provisions of Section 193 of the Act. The Minutes shall contain a fair and correct summary of the proceedings of the meeting including the following:
- (i) The names of the Directors present at the meeting of the Board of Directors or any Committee of the Board.
 - (ii) All orders made by the Board of Directors or Committees of Board and all appointments of officers and committees of the Board.
 - (iii) All resolutions and proceeding of meeting of the Board of Directors and Committees of the Board.
 - (iv) In the case each resolution passed at meeting of the Board of Directors or Committee of the Board, the name of the Directors, if any, dissenting from or not concurring in the resolutions.
- (20) All such minutes shall be signed by the Chairman of the meeting as recorded or by the person who shall preside as Chairman at the next succeeding meeting and all minutes purported to be signed shall for all purposes whatsoever be prima-facie evidence of the actual passing of the resolutions recorded and the actual and regular transaction or occurrence of the proceedings so recorded and of the regularity of the meeting at which the same shall appear to have taken place.

74. POWERS AND DUTIES OF DIRECTORS

Subject to applicable Laws, the Assets, Business and affairs of the Company shall be managed exclusively by and under the direction of the Board. The Board may exercise all such powers of the Company and do all such lawful acts and things as are permitted under applicable Laws, the Memorandum and these Articles, provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act or any other law or by the Memorandum or these Articles or otherwise to be exercised or done by the Company in General Meeting provided further that in exercising any such power or doing any such act or thing the Board shall be subject to the provisions contained in that behalf in the Memorandum or in these Articles or in any regulations not in consistent therewith duly made thereunder including regulations made by the Company in General Meeting. Further 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.

75. The Board of Directors may from time to time, pay to the members such interim dividends as appear to be justified from the profits of the Company.
76. (i) All Affiliated Party Transactions shall need to be approved by the Board of the Company. A list of existing Affiliated Party Transaction shall be provided to Mr. Rakesh Jhunjhunwala for information. Once this has been noted by Mr. Rakesh Jhunjhunwala, such transaction would not need further approval of the Board, provided the deviation of the value of such transactions is within 20% of the value when noted by Mr. Rakesh Jhunjhunwala. Affiliated Party Transaction shall mean any transaction, agreement or arrangement between the Company and the Promoters and their Affiliates and any transaction, agreement or arrangement between the Company and any entity or firm in which any of the Promoters or any of their Affiliates individually or collectively, have a financial interest of more than 25%.
- (ii) Every notice convening a meeting of the Board shall set out the agenda, in full and in sufficient detail, of the business to be resolved thereat and no item or business shall be resolved at such meeting, unless the same has been stated in full and in sufficient details

in the said notice convening the meeting or unless consented by Mr. Rakesh Jhunjhunwala or by a Nominee Director.

- (iii) Additionally and without prejudice to Article 76(ii) above, no discussions and resolutions, pertaining to a Fundamental Issue which require the affirmative vote of Mr. Rakesh Jhunjhunwala shall be taken up at the Board Meetings unless Mr. Rakesh Jhunjhunwala has consented in writing or the Nominee Director is present at the meeting and gives his approval.
- (iv) It is mandatory for the company to form a Management committee and that there shall be at least one representative of Mr. Rakesh Jhunjhunwala in the committee and that the committee shall meet at least once a month.
- (v) Subject to Applicable Law, Mr. Rakesh Jhunjhunwala shall have the right to nominate one nominee each on the Audit and Compensation Committee appointed by the Board.
- (vi) Any action with respect to the Fundamental Issues stated in Clause 12 of the Jhunjhunwala Agreement shall require affirmative vote of Mr. Rakesh Jhunjhunwala in any general meeting of shareholders of the Company or the consent of the Nominee Director of Mr. Rakesh Jhunjhunwala or written consent of Mr. Rakesh Jhunjhunwala, as the case may be, at any meeting of the Board of Directors or Committee (if such matters are delegated by the Board to such Committee), as the case may be.

Provided that notwithstanding anything contained herein, this Article 76 shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

- 77. (i) Notwithstanding anything to the contrary contained herein, neither the Company nor any other party shall take, approve or otherwise ratify any of the actions, deeds, matters or things described in Schedule 6 of the Subscription and Shareholders Agreement without the approval of the Board of Directors and, if such action, deed, matter or thing may, in the exclusive opinion of the Investor, affect the rights of the Investor under the Subscription and Shareholders Agreement or the Articles, with the prior written consent of the Investor Director.
- (ii) Notwithstanding anything to the contrary contained herein, neither the Company nor any other party shall take, approve or otherwise ratify any of the actions, deeds, matters or things described in Schedule 7 of the Subscription and Shareholders Agreement at any meeting of the Board of Directors or at a General Meeting, without the prior written consent of the Investor Director.

Provided that notwithstanding anything contained herein, this Article 77 shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

78. MANAGING DIRECTOR OR WHOLETIME DIRECTORS

- (1) (a) Subject to the provisions of Sections 269, 316 and 317 and other applicable provisions of the Act, the Board shall, from time to time, appoint one of the Directors as Managing Director of the Company.
- (b) Subject to the provisions of Section 269 and other applicable provisions of the Act, the Board may from time to time appoint whole time Director(s) for such term not exceeding five years at a time, and may from time to time remove, dismiss him from office and appoint another in his place. Such appointment of whole time Director shall be approved by an ordinary or special resolution in the General Meeting as may be required.
- (c) The whole time Director or Directors, so appointed shall carry out such functions and have such powers as may be entrusted and/or delegated to him or them by the Board

of Directors in consultation with the Managing Director. The whole time Director or Directors shall work under the supervision and control of Managing Director.

- (2) The Managing Director shall be a whole time Director of the Company. A Managing Director so appointed shall not while holding the office be subject to retirement by rotation but he shall be taken into account in determining the number of Directors to retire by rotation.
- (3) The remuneration of the Managing Director or Whole time Directors (subject to the provisions of Sections 198, 309 and other applicable provisions of the Act and of these Articles and of any contract between him/them and the Company) shall be in accordance with the terms of his or their contract with the Company.
- (4) Subject to the provisions of the Act and to the terms of resolution of the Company in General Meeting or of any Resolution of the Board, the Managing Director shall have effective control of the day to day Management of the Company, under the superintendence, control and direction of the Board. He may, subject to the approval of the Board, have power to do all, acts, matters, and thinks deemed necessary, power or expedient for carrying on the business and concerns of the Company, including power to appoint, suspend and dismiss officers staff and workman of the Company and to exercise such powers as are delegated to him by the Board or as may be detailed in the agreement between him and the Company in such matters as incurring capital and revenue expenditure on behalf of the Company, entering into contracts, taking suitable legal actions, operating of bank account, making investment and other subjects.

81. LEXINGTON RESERVED MATTERS

- (1) Notwithstanding anything contained elsewhere in these Articles, and in addition thereto, no obligation of the Company shall be entered into, no decision shall be made and no action shall be taken by or with respect to the Company, whether in General Meetings or meetings of the Board or Committees thereof or otherwise, in relation to any of the matters set forth below (collectively, the “**Reserved Matters**”) without following the procedure set forth in this Article 81:
 - (i) Any changes to the Share Capital, including the issuance, redemption, Transfer, conversion or buy-back of any Shares, debentures or other securities of the Company or redemption, conversion, retirement or repurchase of any shares, debentures or other securities, share-splits, issuance of bonuses, issue of debentures or warrants, grant of any options over Shares, restructuring and reduction of capital, any reclassification or creation of new class or series, change in the preferences, privileges or rights of Shares or determining the timing, pricing and place or exchange of any IPO and appointment of the merchant bankers in relation thereto, or any offering of equity/equity-linked securities including in an initial public offering;
 - (ii) Any amendment, reclassification or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of, any of the Lexington Shares;
 - (iii) Reclassification of any outstanding Shares into shares having differential or preferential rights as to dividends, voting or otherwise or Assets senior to or at par with the Lexington Shares;
 - (iv) Direct or indirect redemption, retirement, purchase or other acquisition by the Company of any equity interest of the Company;
 - (v) Commencement of any new line of business or making of any investment (other than short-term deposits with banking institutions and investments in securities in the Ordinary Course of Business);
 - (vi) Acquisition of shares, Assets, business, a business organization or a division of any other Person, creation of legal entities, incorporated joint ventures or partnerships, mergers, demergers, spin-offs, sale of Assets, acquisitions, reorganization, restructuring, reconstruction, Change in Control, amalgamations, consolidations, creation of any new Subsidiaries, other similar or related actions, either by or of any of the Group Entities, other than the acquisition of shares and/or other securities

and/or Assets in the Ordinary Course of Business not exceeding such value as may be agreed amongst the Parties pursuant to any agreement executed amongst them;

- (vii) Any sale, Transfer or other disposition of the Company and/or any of the Subsidiaries or any change in the capital structure of the Company and/or its Subsidiaries, except for a sale of Assets in the Ordinary Course of Business;
- (viii) Any action which would lead to the listing/de-listing of the Company or of any subsidiary shares on any stock-exchange, appointment of any advisers in connection with a potential sale (or flotation on any new stock exchanges) of shares or other securities of the Company or of any Subsidiary;
- (ix) The creation, approval, and issuance thereunder, of any equity option scheme, management stock option scheme or similar incentive compensation arrangement, or any change, modification or amendment of any existing equity option plan;
- (x) Any arrangements, agreements, commitments, undertakings, Contracts or transactions (including any amendments or termination thereto) by the Company, or any Director, with any Affiliates or any Related Party, any of the Promoters, the Existing Investors and their respective Affiliates;
- (xi) The approval and adoption of the annual Financial Statements of the Company;
- (xii) The approval, adoption and modification of the Business Plan;
- (xiii) Changes in the constitution of the Board;
- (xiv) Delegation of authority or any of the powers of the Board to any Person or Committee;
- (xv) Any change in the accounting methods or policies or any change in Tax elections, or Tax accounting or seeking any new Tax deduction/exemptions;
- (xvi) Appointment of or change in the statutory or internal auditors;
- (xvii) Commencement of bankruptcy, liquidation, winding up, dissolution, composition with creditors, sale of Assets, other similar or related actions, either by or of any Group Entity;
- (xviii) Any change in the registered office of the Company;
- (xix) The grant to any potential or subsequent financial or strategic investor of any rights which are more favorable than those granted to Lexington;
- (xx) Any amendment, supplement, modification or restatement to the Charter Documents of any of the Group Entities;
- (xxi) Dissolution, winding-up or liquidation, commencement of bankruptcy, composition with creditors, sale of Assets, other similar or related actions by the Company, whether or not voluntary, or any restructuring or reorganization which has a similar effect;
- (xxii) Any declaration of dividends and/or other distributions on the Shares and other securities of the Company, whether by cash or otherwise;
- (xxiii) Borrowings, guarantees or creation of any form of security interests or Encumbrance on the Assets of the Company in excess of the limits approved in the Business Plan;
- (xxiv) Capital expenditures or acquisitions of Assets in excess of the approved capital expenditure limit in the Business Plan in any Financial Year;
- (xxv) Appointment, removal or determining and modifying the remuneration and compensation of Directors, Key Employees and any other senior Officers;

- (xxvi) The acquisition or sale of shares, securities, bonds, debentures or partnership interests or any other form of investments in any Person;
 - (xxvii) A material change to the Company, including the conversion of the Company from private to public in accordance with the Act;
 - (xxviii) Any sale, disposal, Transfer or license of any intellectual property; and
 - (xxix) Any agreement or commitment to give effect to any of the foregoing.
- (2) In the event that any matter, decision, action or resolution relating to a Reserved Matter is proposed to be considered or passed:
- (i) In a meeting of the Board or any Committee;
 - (ii) By written circulation;
 - (iii) In a General Meeting; or
 - (iv) In any other manner, the Company shall inform Lexington in such manner as set forth in Articles 27(2) and/or 73(1), as may be applicable (or such shorter period as may be consented to by Lexington in writing), prior to the occurrence of any of the events set forth in Articles 81(2)(i) to 81(2)(iv) to consider or pass such Reserved Matter. The Reserved Matters shall be considered approved, if they have been approved only by the prior written consent of Lexington.

Provided that notwithstanding anything contained herein, this Article 81 shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

82. The Promoters including Mr. Manoj Gupta, the Company, Lexington, Mr. Jhunjhunwala and Beacon agree and acknowledge that notwithstanding anything to the contrary contained in these Articles, in the event of any matter, decision, action or resolution in respect of the Reserved Matters set forth in Article 81 above, the Company shall inform each of Mr. Jhunjhunwala and Beacon at least seven Business Days (or such shorter period as may be consented to by Mr. Jhunjhunwala and Beacon in writing) prior to any meeting of the Board or shareholders of the Company or consideration by the Company in any other manner of such matter, decision, action or resolution. A Reserved Matter shall be considered by the Company and/or the Promoters for approval only after such Reserved Matter has been approved by Mr. Jhunjhunwala and Beacon in writing. References to Lexington in the Reserved Matters shall be deemed to be references to Mr. Jhunjhunwala or Beacon, as applicable, and references to Lexington Shares shall be deemed to be references to Equity Shares held by Mr. Jhunjhunwala or Beacon, as applicable.

Provided that notwithstanding anything contained herein, this Article 82 shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

BORROWING POWERS

84. Subject to the provisions of Sections 58A, 292 and 293 of the Act and these Articles, the Directors shall have the powers, from time to time at their discretion, by a resolution passed at a meeting of the Board and not by resolution by circulation, to accept deposits from members, either in advance calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums moneys for the purposes of the Company provided that the total amount borrowed at any time together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Banker's in the ordinary course of business) shall not, without the consent of the Company in General Meeting, 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. Such consent shall be obtained by an ordinary resolution which shall provide

for the total amount up to which moneys may be borrowed by the Board. The expression "Temporary Loans" in this article means loans repayable on demand or within six months from the date of the loan, such as short term cash credit arrangements, discounting of bills and the issue of other short term loans of seasonal character but does not include loans raised for the purpose of financing expenditure of a capital nature.

85. Subject to the provisions of the Act and these Articles, the Directors may, by resolution passed at the meeting of the Board and not by resolution by circulation, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of bonds, perpetual or redeemable bonds, debentures or debenture-stock, or other securities issued or to be issued by the company shall be under control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
86. Subject to the provisions of these Articles, 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 conditions and in such manner and for such consideration as they shall consider to be for the benefit of the Company.
87. Save as provided in Section 108 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of debenture, bonds. If the Board refuses to register the transfer the Company shall send to the transferee and to the transferor, notice of the refusal.
88. Subject to the provisions of the Act and these Articles, 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 special privileges and conditions as to redemption, surrender, drawings, allotment of shares, attending (but not voting) at general meeting, appointment of Directors and otherwise. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meetings.
89. If any uncalled capital of the Company is included in or charged by way of any mortgage or other security by the Directors, the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.
90. Subject to the provisions of the Act and these Articles, if the Directors or any or them or any other person shall incur or be about to incur any liability whether as principal or surety 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 of, on, over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or any other person so becoming liable as aforesaid from any loss in respect of such liability, banks or they may themselves advance money to the Company on such interest as may be approved by the Directors.
91. The Directors may, from time to time, secure the payment of such money in such manner and upon such terms and conditions in all respects as they deem fit and in particular by the issue of bonds or debentures or by pledge, mortgage, charge or any other security on all or any properties of the Company (both present and future) including its uncalled capital for the time being.

100. EVENTS OF DEFAULT

- (1) The occurrence of each of the following events shall be considered an “**Event of Default**”:
 - (i) If any of the Group Entities and/or the Promoters are/is in breach or fails to observe or comply with any term, representation, warranty, covenant, undertaking or obligation contained under these Articles and/or any agreement as may be executed

amongst the Parties, which breach or failure, if capable of cure or remedy, has not been cured or remedied within 14 (fourteen) days of the receipt of written notice of such breach or failure from Lexington;

- (ii) Any of the Group Entities and/or the Promoters being convicted for fraud or violation of any applicable Laws and/or the initiation of disciplinary action by any Governmental Authority, including any undisclosed litigation against any of the Group Entities or the Promoters for any period prior to October 12, 2009;
 - (iii) Any Liquidation Event or similar proceedings in respect of any Group Entity and/or the Promoters, whether voluntary or otherwise;
 - (iv) The appointment of a receiver, liquidator or administrator in respect of the Assets of any Group Entity or of the Promoters by a court of competent jurisdiction in any proceeding for insolvency, winding up or bankruptcy or similar proceeding initiated by a Third Party;
 - (v) The commencement, or threat by notice, of any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings, requisition or disputes are commenced or threatened in relation to these Articles and/or any agreement as may be executed amongst the Parties or the transactions contemplated thereunder or against any of the Group Entities and/or the Promoters;
 - (vi) Any Change in Control without the consent of Lexington;
 - (vii) The occurrence of any Prohibited Transfer;
 - (viii) Any Financial Indebtedness of any Group Entity and/or the Promoters is not paid when due nor within any originally applicable grace period and any secured creditor of any Group Entity and/or the Promoters (as applicable) initiates action for breach, including without limitation, by enforcing any security created in such creditor's favour;
 - (ix) It becomes unlawful for any Group Entity and/or any Promoter to perform any of their respective obligations under any of these Articles and/or any agreement as may be executed amongst the Parties or any Group Entity or any Promoter repudiates or evidences an intention to repudiate any agreement as may be executed amongst the Parties;
 - (x) The Company losing the full time services of Mr. Amit Mittal;
- (2) Notwithstanding anything stated in Article 100(4) below, upon the occurrence of an Event of Default, Lexington may immediately, by a written notice (the “**Default Notice**”), require the Group Entities and the Promoters to remedy the Event of Default within 60 (sixty) days of the Default Notice (the “**Cure Period**”). If the Event of Default remains unremedied after the expiry of the Cure Period:
- (i) Lexington may, at its sole discretion and option, exercise any or all of, or a combination of, the following remedies, notwithstanding (a) the other rights of Lexington under these Articles and any agreement as may be executed amongst the Parties and (b) the rights of the Existing Investors under these Articles, and in addition thereto:
 - (a) Freely Transfer up to all of the Lexington Shares to any Person (including to a Restricted Entity), and may assign all or any of the Lexington Shares and/or any of its rights under these Articles and/or any agreement as may be executed amongst the Parties (including to a Restricted Entity), without the prior consent of any Person; and/or
 - (b) Appoint an equal number of Directors as the Existing Investors on the Board such that Lexington and the Existing Investors would collectively have majority representation on the Board. The Promoters shall cause such number of their nominee Directors to forthwith submit letters of resignation

to the Company as may be required to give effect to the foregoing provisions of this Article 100(2)(i)(b).

- (ii) Any and all restrictions on Lexington under the terms of any agreement as may be executed amongst the Parties shall cease to apply.
 - (iii) The Promoters shall vote all Shares now or hereafter owned by any of them, whether beneficially or otherwise, or as to which it has voting power, in accordance with the instructions of Lexington and the Existing Investors (acting collectively) at any General Meeting or, at the option of Lexington, provide proxies without instructions to Lexington for the purposes of General Meetings.
- (3) The occurrence of any of the following events shall be deemed an **“Existing Investor Event of Default”**:
- (i) If any of the Company and/or the Promoters are/is in breach or fails to observe or comply with any term, representation, warranty, covenant, undertaking or obligation contained in any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters, which breach or failure, if capable of cure or remedy, has not been cured or remedied within fourteen days of the receipt of written notice of such breach or failure from Mr. Jhunjhunwala and/or Beacon;
 - (ii) Any of the Company and/or the Promoters being convicted for fraud or violation of any applicable Laws and/or the initiation of disciplinary action by any Governmental Authority, including any undisclosed litigation against any of the Company and/or the Promoters;
 - (iii) The appointment of a receiver, liquidator or administrator in respect of the assets of the Company and/or of the Promoters by a court of competent jurisdiction in any proceeding for insolvency, winding up or bankruptcy or similar proceeding initiated by a Third Party;
 - (iv) The commencement, or threat by notice, of any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings, requisition or disputes are commenced or threatened in relation to any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters or the transactions contemplated therein or against any of the Company and/or the Promoters;
 - (v) Any change in Control of the Company or a consolidation or merger of the Company or any transfer of all or substantially all of the assets of the Company, without the consent of Beacon and Mr. Jhunjhunwala;
 - (vi) The transfer of any Equity Shares by any of the Promoters in contravention of any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters;
 - (vii) It becomes unlawful for any of the Promoter and/or the Company to perform any of their respective obligations under any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters or any of the Company and/or the Promoters repudiates or evidences an intention to repudiate any such agreement;
 - (viii) Any Financial Indebtedness of any of the Company and/or the Promoters is not paid when due nor within any originally applicable grace period and any secured creditor of any of the Company and/or the Promoters (as applicable) initiates action for breach, including without limitation, by enforcing any security created in such creditor’s favor;
 - (ix) The Company losing the full time services of Mr. Amit Mittal; or
 - (x) Failure by the Company to issue and allot any Equity Shares to Beacon in accordance with any agreement entered into by Beacon with the Company and/or the Promoters.

- (4) The Promoters, the Company, Mr. Jhunjhunwala and Beacon agree that upon the occurrence of an Existing Investor Event of Default, Mr. Jhunjhunwala and Beacon may immediately, by Default Notice, require the Company and the Promoters to remedy the Existing Investor Event of Default within the Cure Period. If the Existing Investor Event of Default remains unremedied after the expiry of the Existing Investor Cure Period:
- (i) Each of Mr. Jhunjhunwala and Beacon, severally and not jointly, may, at its sole discretion and option, exercise any or all of, or a combination of, the following remedies, notwithstanding the other rights or obligations of Mr. Jhunjhunwala and Beacon, pursuant to any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters:
 - (a) Terminate any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters to which any of Mr. Jhunjhunwala or Beacon, respectively, is a party in accordance with the terms thereof;
 - (b) Freely transfer any Equity Shares held by any of Mr. Jhunjhunwala or Beacon, respectively, to any person (including to any competitor), and may assign all or any of the Equity Shares held by any of Mr. Jhunjhunwala or Beacon, respectively, and/or any of its rights under any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters (including to any competitor), without the prior consent of any person; and/or
 - (c) Appoint such number of directors on the Board as may be required, such that Beacon, Lexington and Mr. Jhunjhunwala are each entitled to nominate an equal number of directors on the Board and collectively Control the Company and have the right to appoint the majority of the directors on the Board. The Promoters shall cause such number of their nominee directors to forthwith submit letters of resignation to the Company as may be required to give effect to the provisions of this Article 100(4)(i)(c).
 - (ii) The Promoters shall vote all Equity Shares now or hereafter owned by any of them, whether beneficially or otherwise, or as to which they have voting power, in accordance with the instructions of Mr. Jhunjhunwala at any General Meeting or, at the option of Mr. Jhunjhunwala, provide proxies without instructions to Mr. Jhunjhunwala for the purposes of General Meetings.
 - (iii) The Promoters shall vote all Equity Shares now or hereafter owned by any of them, whether beneficially or otherwise, or as to which they have voting power, in accordance with the instructions of Beacon at any General Meeting or, at the option of Beacon, provide proxies without instructions to Beacon for the purposes of General Meetings.
 - (iv) Following the exercise of the votes attaching to their Equity Shares under Articles 100(4)(i), (ii) and (iii) above and to give effect to similar rights held by Lexington under these Articles and/or any agreement as may be executed amongst the Parties, the Promoters shall vote all Equity Shares now or hereafter owned by any of them, whether beneficially or otherwise, or as to which they have voting power, in accordance with the collective instructions of Mr. Jhunjhunwala, Beacon and Lexington at any General Meeting or, at the option of Mr. Jhunjhunwala, Beacon and Lexington, provide proxies without instructions to each of Mr. Jhunjhunwala, Beacon and Lexington for the purposes of General Meetings.

Provided that notwithstanding anything contained herein, this Article 100 shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

100A. LIQUIDATED DAMAGES

- (1) Notwithstanding anything contained elsewhere in these Articles, upon the occurrence of any or all of the events set forth in Articles 100A(2)(i) and/or 100A(2)(ii), Lexington shall have the right, at its sole option and discretion, to require any of the Group Entities and/or the Principal Promoters to forthwith pay as liquidated damages such amount as may be agreed amongst the Parties pursuant to any agreement executed amongst them (the “**Liquidated Damages**”).
- (2) Lexington and each of the Group Entities and the Principal Promoters agree and acknowledge that the occurrence of any or all of the following events shall be deemed to result in Losses to Lexington to the extent of its aggregate investment in the Company by virtue of erosion in the value of its investment and the Group Entities and the Principal Promoters shall be jointly and severally liable to pay Lexington the Liquidated Damages:
 - (i) Upon the occurrence of any event which would, or is likely to, lead to the occurrence of the Event of Default set forth in Article 100(1)(i) owing to any misrepresentation in, inaccuracy in or breach of the representations and warranties made and/or given by any of the Group Entities and/or the Principal Promoters to Lexington under any agreement as may be executed amongst them in relation to:
 - (a) Taxes;
 - (b) Compliance with Laws and litigation; and
 - (c) Employee benefit plans; and/or
 - (ii) Upon the compulsory acquisition, expropriation or seizure of all or any substantial part of the Business or Assets of any Group Entity by any Governmental Authority or other authority (whether *de jure* or *de facto*) owing to an act attributable to any Group Entity and/or the Promoters.
- (3) Lexington and each of the Group Entities and the Principal Promoters agree and acknowledge that the amount of the Liquidated Damages payable by any of the Group Entities and/or the Principal Promoters is reasonable compensation for Losses suffered or incurred by Lexington based on a genuine estimate of the Losses that Lexington would suffer or incur owing to the occurrence of the events set forth in Articles 100A (2)(i) and/or 100A(2)(ii).
- (4) The right of Lexington to receive the Liquidated Damages pursuant to the occurrence of any event set forth in Article 100A(2)(i) shall be notwithstanding, and in addition to, the rights of Lexington set forth in Article 100(2), and any and all restrictions on Lexington under the terms of any agreement as may be executed amongst the Parties shall cease to apply.
- (5) In addition to the right of Lexington to receive the Liquidated Damages pursuant to the occurrence of the event set forth in Article 100A(2)(ii), Lexington shall be entitled to exercises its rights under Article 100(2)(i)(a) and any and all restrictions on Lexington under the terms of any agreement as may be executed amongst the Parties shall cease to apply.
- (6) The right of Lexington to receive the Liquidated Damages under this Article 100A shall include the right of the nominees, representatives, Affiliates and assigns of Lexington to receive the Liquidated Damages.
- (7) The Promoters, the Company, and Beacon agree that upon the occurrence of any or all of the events set forth in Articles 100A(8)(i) and/or 100A(8)(ii), Beacon shall have the right, at its sole option and discretion, to require any of the Company and/or the Promoters to forthwith pay jointly and/or severally as liquidated damages, an amount equivalent such amount as may be agreed to pursuant to any agreement entered into by each of Beacon with the Company and/or the Promoters, any unpaid dividends and legal fees (the “**Beacon Liquidated Damages**”). The right of Beacon to receive the Beacon Liquidated Damages under Articles 100A(7), (8) and (9) shall include the right of the nominees, representatives, Affiliates, successors and assigns of Beacon to receive the Beacon Liquidated Damages.

- (8) The Promoters, the Company and Beacon agree and acknowledge that the occurrence of any or all of the following events shall be deemed to result in loss or damage to Beacon to the extent of its aggregate investment in the Company by virtue of erosion in the value of its investment and the Promoters and the Company shall be jointly and severally liable to pay Beacon the Beacon Liquidated Damages:
- (i) Upon the occurrence of any event which would, or is likely to, lead to the occurrence of an Existing Investor Event of Default owing to any misrepresentation in, inaccuracy in or breach of the representations and warranties contained in any agreement entered into by Mr. Jhunjhunwala and/or Beacon with the Company and/or the Promoters made and/or given by any of the Company and/or the Promoters in relation to:
 - (a) Taxes;
 - (b) Compliance with applicable Law; and
 - (c) Employee benefit plans;
 - (ii) Upon the compulsory acquisition, expropriation or seizure of all or any substantial part of the business or assets of the Company or any Subsidiary by any Governmental Authority or other authority (whether *de jure* or *de facto*) owing to an act attributable to the Company, any Subsidiary and/or the Promoters.
- (9) The Promoters, the Company and Beacon agree and acknowledge that the amount of the Beacon Liquidated Damages payable by any of the Company and/or the Promoters is reasonable compensation for losses suffered or incurred by Beacon based on a genuine estimate of the loss or damage that Beacon would suffer or incur owing to the occurrence of the events set forth in Articles 100A(8)(i) and/or 100A(8)(ii). The right of Beacon to receive the Beacon Liquidated Damages pursuant to the occurrence of any event set forth in Articles 100A(8)(i) and/or 100A(8)(ii) shall be notwithstanding, and in addition to, the rights of Beacon set forth in Article 100(4).

Provided that notwithstanding anything contained herein, this Article 100A shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

100B. The Promoters, the Company, Mr. Jhunjhunwala and Beacon agree and acknowledge that the rights of Mr. Jhunjhunwala and Beacon under these Articles shall not in any way prejudice the exercise by Lexington of similar rights held by it under these Articles and/or any agreement executed as may be executed by Lexington, the Promoters and the Group Entities.

Provided that notwithstanding anything contained herein, this Article 100B shall terminate, cease to remain in effect and shall be deemed to fall away without any further action by any party (including the Company or any of its shareholders) immediately on the commencement of trading of the Equity Shares of the Company on any Recognized Stock Exchange.

101. WINDING UP

Winding up when necessary will be done in accordance with the requirements of the Act or statutory modification thereto.

102. DIVIDENDS

- (i) The profit of the company, subject to the provision of these Articles, shall be divisible among the members in proportion to the amount of capital paid up on the shares held by them respectively. Provided always that capital paid up on a share during the period in respect of which a dividend is declared, shall unless the terms of issue otherwise provide, only entitle the holder of such share to an apportioned amount of such dividend proportionate to the capital from time to time paid up, during such period on such share.
- (ii) Where capital is paid up in advance of calls upon the footing that the same shall carry interest,

such capital shall not whilst carrying interest confer a right to dividend or to participate in profits.

- (iii) The company may pay dividends in proportion to the amount paid up or credited as paid up or credited as paid on each share, where a larger amount is paid up or a credited as paid up on shares than no others.
- (iv) The Company in General Meeting may, subject to the provisions of Section 205 of the Act, declare a dividend to be paid to the members according to their respective rights and interests in the profit and subject to the provisions of the Act may fix the time for its payment. When a dividend has been so declared either the dividend shall be paid or the warrant in respect thereof shall be posted within 42 days of the date of the declaration to the shareholders entitled to the payment of the same.
- (v) Subject to the provision of the Act the Board shall in accordance with Section 205 (2A) of the Act before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and such application may at the discretion, either be employed in the business of the company or be invested in such investments. The Board may also carry forward any profit which it may think prudent.
 - (a) No larger dividend shall be declared than is recommended by the Directors but the Company in General Meeting may declare a smaller dividend. No dividend shall be payable except out of the profits of the year or any other undistributed profits of the Company, or otherwise than in accordance with the provisions of Sections 205, 206 and 207 of the Act and no dividend shall carry interest as against the Company. The declaration of the Directors as to the amount of the net profits of Company shall be conclusive.
 - (b) No unclaimed or unpaid dividend shall be forfeited by the Company and the same shall be dealt with in accordance with Sections 205A and 205B of the Act.
- (vi) Subject to the provisions of the Act, the Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.
- (vii) Subject to the provisions of the Act, the Directors may retain the dividends payable upon any shares in respect of which any person hereof, is entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect of such shares of shall duly transfer the same. The provisions of this Article shall apply to any interest created in a share either by reason of transmission or by operation of law or otherwise.
- (viii) Subject to the provisions of the Act 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 howsoever either alone or jointly with any other person or persons, and the Directors may deduct from the interest or dividend payable to any member all sums of money due from him to the Company.
- (ix) A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
- (x) Unless otherwise directed any dividend may be paid by cheque or warrant sent through post to the Registered address of the members or person entitled to the shares or in the case of joint holders to that one of them first named in the Register in respect of the joint holding. Every such cheque or warrant 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 lost in transaction or for any dividend lost to the member or other person entitled thereof by the forged endorsement of any cheques or warrant or the fraudulent or improper recovery thereto by any other means.
- (xi) No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the unclaimed dividend shall be dealt with in accordance with the provision

of Section 205A of the Act.

- (xii) Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members for such amount as the meeting fixes, but so that the call to each member shall not exceed the dividend payable to him and so that the call may be made payable at the same time as the dividend may, if so arranged between the company and the members be set off against the call.
- (xiii) Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days, to a special account to be opened by the company in that behalf in any scheduled bank, to be called "A2Z Maintenance & Engineering Services Limited" Unpaid Dividend Account".

Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 205C of the Act.

No unclaimed or unpaid dividend shall be forfeited by the Board.

INDEMNITY

- 103.(i) Except as otherwise provided in this Article 103, the Company and each Principal Promoter, jointly and severally, (the "**Indemnifying Party**") undertakes to indemnify, defend and hold harmless each of the Investor and its directors, officers and agents (each, an Indemnified Party) to the fullest extent permitted by law from and against any and all Claims, actions, losses, damages, penalties, costs, charges, expenses, suits, or proceedings of whatever nature made, suffered or incurred, including, without limitation, any legal or other fees and expenses actually incurred in connection with investigating, disputing, preparing or defending any action or claim (collectively, Losses) resulting from or arising out of a breach by the Indemnifying Party of the Subscription and Shareholders Agreement or any misrepresentation or misstatement by the Indemnifying Party in the Subscription and Shareholders Agreement.
- (ii) In connection with the obligation of the Indemnifying Party to indemnify for expenses as set forth in Article 103(i) above, the Indemnifying Party shall, upon presentation of appropriate invoices containing reasonable detail, reimburse each Indemnified Party for all such expenses (including reasonable fees, disbursements and other charges of any counsel incurred by the Indemnified Party in any action between the Indemnifying Party and the Indemnified Party or between the Indemnified Party and any third party) as they are incurred by such Indemnified Party; provided, however, that if an Indemnified Party is reimbursed under this Article for any expenses, such reimbursement of expenses shall be refunded to the extent it is finally judicially determined that the Losses in question resulted primarily from the willful misconduct or gross negligence of such Indemnified Party.
- (iii) If a Claim is brought by a third party against an Indemnified Party for which indemnification is provided in the Subscription and Shareholders Agreement, the Indemnified Party shall notify the Indemnifying Party promptly in writing of any such claim and subject to the Indemnified Party being reasonably satisfied with the Indemnifying Party's conduct of the defence to such claim, the Indemnified Party shall:
 - a. allow the Indemnifying Party to conduct, at the Indemnifying Party's expense, any litigation and negotiations for a settlement of the claim; and
 - b. at the request and expense of the Indemnifying Party, provide the Indemnifying Party with all reasonable assistance required by the Indemnifying Party in support of any such defence or action, provided always that the Indemnifying Party shall not admit or settle any such claim without the prior written consent of the Indemnified Party.
- (iv) The omission of an Indemnified Party to notify the Indemnifying Party of any such Claim shall not relieve the Indemnifying Party from any liability which it may have to such Indemnified Party.

- (v) If the Indemnifying Party assumes the defence of the Claim set out in Article 103(iii) above, the Indemnifying Party shall:
 - (a) promptly and in any event within a period of 15 days from the Indemnified Party's notification as set out in Article 103(iii), notify the Indemnified Party that it has assumed such defence;
 - (b) at all times have regard for the interests and reputation of the Indemnified Party;
 - (c) consult and keep the Indemnified Party informed in relation to any negotiations, settlement or litigation; and
 - (d) not admit or settle any such claim without the express prior written consent of the Indemnified Party.
- (vi) If the Indemnifying Party does not assume the defence of the claim set out in Article above, in accordance with Article 103(v), the Indemnified Party may defend the claim in such manner as it may deem appropriate, and the Indemnifying Party shall indemnify the Indemnified Party in relation to such claim.

104. INDEMNITY AND RESPONSIBILITY

- (a) Subject to the provision of Section 201 of the Act, every Director of the Company or the Managing Director, Manager, Secretary and other officer or employee of the Company and all Trustees (if any) for the time being acting in co-relation to any of the affairs of the Company and every one of them 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 (including travelling expenses) which any such Director, Managing Director, Officer or employee and the trustees (if any) for the time being acting in co-relation to any of the affairs of the Company may incur or become liable to by reason of any contract entered into any act or deed done by him as such Director, Officer or servant or in any way in the discharge of his duties.
- (b) Subject to as aforesaid every Director, Managing Director, Manager, Secretary or other officer or employee of the Company or the Trustees (if any) for the time being acting in relation to any of the affairs of the Company and every one of them shall be indemnified against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or in connection with any applications under Section 633 of the Act, in which relief is given to him by court.

106. KEY MAN INSURANCE

The Company shall purchase Key Man Insurance policy of such amounts as may be decided by the Board with benefits payable to the Company covering the Key Employees and such of the promoters as may be identified by Mr. Rakesh Jhunjhunwala.

SECTION IX: 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 the Company or entered into more than two years before the date of this Prospectus) which are or may be deemed material have been entered or are to be entered into by the Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, to be delivered to the Registrar of Companies, NCT of Delhi & Haryana, located at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi 110 019, India for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company at O-116, 1st Floor, DLF Shopping Mall, Arjun Marg, DLF Phase-I, Gurgaon, Haryana 122 002, India, from 10.00 a.m. to 4.00 p.m. on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts

1. Engagement letter for appointment of the BRLMs and the CBRLM.
2. Issue Agreement dated July 28, 2010, among the Company, the Selling Shareholders, the BRLMs and the CBRLM.
3. Agreement dated July 19, 2010 among the Company, the Selling Shareholders and the Registrar to the Issue.
4. Escrow Agreement dated December 6, 2010 among the Company, the Selling Shareholders, the BRLMs, the CBRLM, the Syndicate Members, the Escrow Collection Banks and the Registrar to the Issue.
5. Syndicate Agreement dated December 6, 2010 among the Company, the Selling Shareholders, the BRLMs, the CBRLM, the Syndicate Members and the Registrar to the Issue.
6. Underwriting Agreement dated December 16, 2010 among the Company, the Selling Shareholders, the BRLMs, the CBRLM, the Syndicate Members and the Registrar to the Issue.

Material Documents

1. The Company's Memorandum of Association and Articles of Association, as amended.
2. The Company's certificate of incorporation, as amended.
3. Board resolution dated June 2, 2010 authorizing the Issue.
4. Shareholders' resolutions dated June 8, 2010 authorizing the Issue.
5. Resolution dated July 19, 2010 of the board of directors of Beacon and the consents and authorization letters each dated July 19, 2010 from Mr. Amit Mittal, Mrs. Babita Shivswaroop Gupta, Mrs. Nipa Sheth and Mr. Rakesh Radheyshyam Jhunjhunwala, respectively, and dated July 20, 2010 from Beacon authorizing the Offer for Sale.
6. Certified true copies of resolutions of the Board dated November 14, 2009 and March 18, 2010 appointing or varying the terms of appointment of the Company's executive Directors.
7. Examination Report of the Auditors, S.R. Batliboi & Associates, Chartered Accountants, dated November 10, 2010 included in this Prospectus.
8. Copies of annual reports of the Company for the years ended March 31, 2006, 2007, 2008, 2009 and 2010.
9. Consent of the Auditors, S.R. Batliboi & Associates, Chartered Accountants, for inclusion of their report dated November 10, 2010 on the restated summary statements in the form and context in which they appear in this Prospectus.

10. Consents of the Auditors, the Bankers to the Company, the Selling Shareholders, the BRLMs, the CBRLM, the Syndicate Members, the Registrar to the Issue, the Escrow Collection Bank(s), the Bankers to the Issue, Monitoring Agency, Legal Advisors, the Underwriters, the Directors of the Company and the Company Secretary and Compliance Officer, to act in their respective capacities.
11. Subscription and Shareholders' Agreement dated June 28, 2006 among Mr. Rakesh Radheyshyam Jhunjhunwala, the Company, Mr. Amit Mittal, Mrs. Dipali Mittal and Mr. Manoj Gupta.
12. Subscription and Shareholders' Agreement dated August 31, 2007 among the Company, Beacon, Mr. Amit Mittal, Mrs. Dipali Mittal, Mr. Shiv Swaroop Gupta, Shiv Swaroop Gupta HUF and Mr. Manoj Gupta.
13. Investment Agreement dated October 2, 2009 among the Company, A2Z Infrastructure, A2Z Infraserivces, A2Z Powertech, A2Z Powercom, Selligence, Mr. Amit Mittal, Mrs. Dipali Mittal, Mrs. Babita Shivswaroop Gupta, Shiv Swaroop Gupta HUF and Lexington.
14. Inter-se agreement dated October 2, 2009 among Beacon, Mr. Rakesh Radheyshyam Jhunjhunwala, Lexington, the Company and A2Z Infrastructure, A2Z Infraserivces, A2Z Powertech, A2Z Powercom, Selligence, Mr. Amit Mittal, Mrs. Dipali Mittal, Mrs. Babita Shivswaroop Gupta, Mr. Manoj Gupta and Shiv Swaroop Gupta HUF.
15. Investor Agreement dated July 20, 2010 among the Company, A2Z Infrastructure, A2Z Infraserivces, A2Z Powertech, A2Z Powercom, Selligence, Mr. Rakesh Radheyshyam Jhunjhunwala, Beacon, Lexington, Mr. Amit Mittal, Mrs. Dipali Mittal, Shiv Swaroop Gupta HUF, Mr. Shiv Swaroop Gupta, Mrs. Babita Shivswaroop Gupta and Mr. Manoj Gupta.
16. Investment and Shareholder's Agreement dated August 13, 2009 and Amendment Agreement dated August 16, 2010 among CNCS Facility Solutions Private Limited, Mr. Nozer P. Daruwala, Mr. Roomy N. Daruwala, Mr. Vishaant D. Gala, Mr. Anand Shah, Imatek and the Company.
17. Business Transfer Agreement dated May 1, 2010 among Mr. Ajay Chowdhury, Mr. Manoj Chowdhury, Mr. Surendar Chowdhury and the Company transferring the business of Surendar Chowdhury & Brothers, a partnership firm, to the Company as a going concern.
18. Business Transfer Agreement dated June 10, 2010 among Mr. Mohammad Rashid, Mr. Abdul Basit, Mr. Mohammad Nasir and the Company transferring the business of Mohd. Rashid Contractors, a partnership firm, to the Company as a going concern.
19. Business transfer agreement dated June 10, 2010 among Mr. Mohammad Nasir, Mr. Abdul Basit, Mr. Zakir Hussain, Mr. Mahboob-ur-Rehman and the Company transferring the business of En-Tech Engineers and Contractors, a partnership firm, to the Company as a going concern.
20. Memorandum of Understanding between the partners of Star Transformers and the Company dated April 1, 2010 and August 3, 2010.
21. Amended and restated agreement dated September 27, 2010 among Infrastructure Leasing & Financial Services Limited, Mr. Ravi Parthasarathy, Mr. Hari Sankaran, Mr. Arun K. Saha, Mr. Vibhav Kapoor, Mr. Ramesh C. Bawa, Mr. Karunakaran Ramchand, Mr. Shahzaad Dalal and Mr. Sachin Gupta (as Trustees of IL&FS Employees Welfare Trust), IL&FS Trust Company Limited (a trustee of IL&FS Infrastructure Equity Fund), IPMSL, the Company, A2Z Infraserivces, Imatek, CNCS and Mr. Amit Mittal.
22. Certificates dated November 8, 2010 from VBR & Associates, Chartered Accountants, certifying the expenditure incurred until October 25, 2010 and the deployment of funds in respect of the projects included in the Objects of the Issue.
23. Certificate dated July 19, 2010 from VBR & Associates, Chartered Accountants, certifying that the loan from L&T Infrastructure Finance was utilized for the purpose it was sanctioned.
24. Report dated November 18, 2010 from the Auditors in connection with the acquisitions of the subsidiaries IPMSL, Mansi Bijlee, Mirage Bijee and Madhya Bijlee.

25. Detailed project reports prepared by Cethar Consulting Engineers Private Limited, Manalee Engineering Limited and Dr. Ing N.K. Gupta Technical Consultants Private Limited in connection with certain projects mentioned in the section “Objects of the Issue”.
26. Letters dated October 6, 2010 and November 19, 2010 and IPO grading report dated October 19, 2010 issued by Credit Analysis & Research Limited, a credit rating agency.
27. In-principle listing approvals dated October 7, 2010 and October 8, 2010 from the BSE and the NSE, respectively.
28. Tripartite Agreement among NSDL, the Company and Alankit Assignments Limited dated September 5, 2007.
29. Tripartite Agreement among CDSL, the Company and Alankit Assignments Limited dated December 10, 2007.
30. Due diligence certificate dated July 28, 2010 to SEBI from the BRLMs and the CBRLM.
31. Application by the Company dated August 6, 2010 to the RBI in respect of the transfer of the Equity Shares by the Selling Shareholders in the Offer for Sale.
32. RBI approval letters no. FE.CO.FID.No./11090/10.21.209/2010-11 dated November 3, 2010 and FE.CO.FID.No./11849/10.21.209/2010-11 dated November 11, 2010.
33. SEBI letter no. CFD/DIL/ISSUES/SK/VT/17866/2010 dated August 27, 2010.
34. SEBI letter no. CFD/DIL/ISSUES/SK/VT/23700/2010 dated October 18, 2010.
35. SEBI letter no. CFD/DIL/ISSUES/SK/VT/27714/2010 dated November 25, 2010.

Any of the contracts or documents mentioned in this Prospectus 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 with applicable laws.

DECLARATION

The relevant provisions of the Companies Act, 1956, and the regulations or guidelines issued by the Government of India and/or the Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules, regulations or guidelines issued or made thereunder, as the case may be. We further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF THE COMPANY

Mr. Amit Mittal
Managing Director

Mrs. Dipali Mittal
Whole-time Director

Mr. Surender Kumar Tuteja

Mr. Rakesh Radheyshyam Jhunjhunwala

Mr. Manish Gupta

Mr. Brij Raj Singh

Mr. Gaurav Mathur

Mr. Vinod Sagar Wahi

Mr. Rajeev Thakore

SIGNED BY THE GROUP CHIEF FINANCIAL OFFICER

Mr. Rakesh Gupta

SIGNED BY THE CHIEF EXECUTIVE OFFICER

Mr. Ashok K. Saini

Date: December 16, 2010
Place: Gurgaon

DECLARATION OF THE SELLING SHAREHOLDERS

Each Selling Shareholder certifies that all the statements in this Prospectus in relation to such Selling Shareholder are true and correct. Each Selling Shareholder assumes responsibility only for statements in relation to such Selling Shareholder in this Prospectus.

SIGNED BY ALL THE SELLING SHAREHOLDERS

Mr. Amit Mittal

Mrs. Babita Shivswaroop Gupta

Beacon India Investors Limited

Mrs. Nipa Sheth

Mr. Rakesh Radheyshyam Jhunjhunwala

Date: December 16, 2010

Place: Gurgaon

November 19, 2010

Mr. Rakesh Gupta
A2Z Maintenance & Engineering Services Ltd
Plot no 44,
Sec 32, Institutional area,
Gurgaon – 122001.

Confidential

Dear Sir,

IPO Grading

Please refer to our letter dated October 06, 2010 and your request for the **revalidation** dated November 15, 2010 of the grading of the Initial Public Offering (IPO) of A2Z Maintenance & Engineering Services Ltd (A2Z).

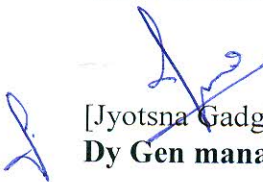
2. CARE has retained '**CARE IPO Grade 4' [Grade Four]** to the proposed IPO issue of A2Z. '**CARE IPO Grade 4' [Grade Four]** indicates **above average fundamentals**. CARE assigns IPO grades on a scale of Grade 5 to Grade 1, with Grade 5 indicating strong fundamentals and Grade 1 indicating poor fundamentals. CARE's IPO grading is an opinion on the fundamentals of the issuer. The grade assigned to any individual issue represents a relative assessment of the 'fundamentals' of the issuer.
3. Please note that wherever '**CARE IPO Grade 4' [Grade Four]** appears, it should invariably be followed by the definition '**CARE IPO Grade 4' [Grade Four]** indicates 'above average fundamentals'.
4. The explanatory notes regarding the grading symbols of CARE for IPO grading are given in **Annexure 1**.
5. Please arrange to get the grading revalidated, in case the proposed IPO issue is not made within two months from the date of this letter.
6. Please note that the IPO grading is a one time exercise undertaken before an IPO issue and it does not have any ongoing validity.

7. Please note that as per the existing regulations, CARE is required to disclose all IPO gradings. As such, in the absence of any request for review of grading within a week of this letter, CARE will disclose this IPO grading to the public.
8. Please note that the disclaimer as given hereunder should be disclosed wherever the IPO grading assigned by CARE is mentioned, including offer document and issue prospectus.

If you need any clarification, you are welcome to approach us in this regard.

Thanking You,

Yours faithfully,



[Jyotsna Gadgil]
Dy Gen manager



[Santosh Vasudevan]
Rating Analyst

Encl : As above

DISCLAIMER:

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Annexure 1

CARE IPO grading Scale

CARE IPO grade	Evaluation
CARE IPO Grade 5	Strong fundamentals
CARE IPO Grade 4	Above average fundamentals
CARE IPO Grade 3	Average fundamentals
CARE IPO Grade 2	Below average fundamentals
CARE IPO Grade 1	Poor fundamentals

710, Surya Kiran,
19, Kasturba Gandhi Marg,
New Delhi-110001
Ph. : 23716199, 23318701
Fax : +91-11-23318701
Website : www.careratings.com

October 19, 2010

Mr. Rakesh Gupta
A2Z Maintenance & Engineering Services Ltd
Plot no 44,
Sec 32, Institutional area,
Gurgaon – 122001

Dear Sir,

IPO Grading

2. The rationale for the IPO C...

2. The rationale for the IPO Grading is attached as **Annexure - I**. Kindly note that the rationale would be published in the forthcoming issue of our quarterly journal, 'CAREVIEW'.
3. A write-up on the above IPO Grading is proposed to be issued to the press shortly. A draft of the press release is enclosed for your perusal as **Annexure - II**.
4. We request you to peruse the Rationale and Press Release and offer your comments, if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by October 26, 2010 we will proceed on the basis that you have no comments to offer.

If you have any further clarifications, you are welcome to approach us.
Thanking you.

Thanking you,

Yours faithfully,

Jyotsna Gadgil
[Jyotsna Gadgil]
Dy General Manager

Encl: As above

[Santosh Vasudevan]
Analyst

Annexure I
Grading Rationale

A2Z Maintenance & Engineering Services Ltd.

IPO Grading

CARE IPO Grade 4

CARE has assigned a 'CARE IPO Grade 4' to the proposed Initial Public Offer (IPO) of A2Z Maintenance & Engineering Services Ltd (A2Z). CARE IPO Grade 4 indicates above average fundamentals. CARE assigns IPO grades on a scale of Grade 5 to Grade 1, with Grade 5 indicating strong fundamentals and Grade 1 indicating poor fundamentals. CARE's IPO grading is an opinion on the relative assessment of the fundamentals of the issuer.

The grading reflects A2Z's strong business profile marked by its demonstrated track record of a healthy growth and profitable operations in Engineering Procurement and Construction (EPC) in the power transmission & distribution business, proven execution abilities, healthy order book position and above average profitability and return metrics. The grading also takes into account the strength derived from the experienced & qualified promoters and management team, its ability to successfully identify and scale up in opportunities in the Renewable Power Generation (RPG) & Municipal Solid Waste (MSW) business, policy incentives such as preferential tariffs, Renewable Purchase Obligations (RPOs) etc, provided by the Government of India (GoI) in renewable power in order to make such projects commercially viable.

The grading, however, is constrained by significant capex planned over the next two years in new business lines, project implementation risks associated with various RPG and MSW projects where A2Z has no prior track record, the relatively higher cost of power generation from RPG and risks on account of the availability and sourcing of biomass fuel.

Background

Incorporated in January 2002, as A2Z Maintenance Services Private Ltd, A2Z was renamed 'A2Z Maintenance & Engineering Services Private Ltd' in May 2005.

Subsequently, the company became a public limited company in March 2010. Mr. Amit Mittal, the present promoter of A2Z, acquired the equity of the company from its shareholders in December 2003 and February 2004. A2Z was initially engaged in the Facility Management Services (FMS) business and entered the EPC business of Power transmission and distribution in financial year 2006.

A2Z is primarily engaged in providing EPC in power transmission and distribution sectors with a focus mainly on distribution. The company has been in this business since 2006 and EPC services include the installation of distribution line infrastructure upto 33 KV, construction of substations etc. In the transmission line, its services include Extra High Tension (EHT) substations and transmission lines. A2Z has the experience of successfully executing EPC contracts in a difficult environment in places like Jammu & Kashmir, Himachal Pradesh etc. EPC contracts are usually awarded pursuant to various central government policies and schemes such as the Re-structured Accelerated Power Development and Reform Program (R-APDRP) and the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) and the policies of the state governments. The company has established a strong presence in the power distribution sector in India within a short period and is pre-qualified to bid for various large power-sector players. The clientele includes leading state and national-level power-sector (generation and transmission) companies.

A2Z has recently focused on the diversification of its business line by providing EPC services to power generation companies and companies in the road and telecom sectors. Additionally, it is also focused on other business such as generating power from renewable energy sources, providing FMS business, providing MSW management services and developing IT solutions for power utility companies.

Promoters and Management

A2Z has a strong management team with its personnel having vast experience in the power and EPC industry and in project execution. The management team is headed by

Mr. Amit Mittal, the promoter and managing director. Mr. Mittal has approximately 20 years of experience in project management and execution and is supported by qualified and experienced professionals, well-versed in technical as well as financial aspects. The board consists of nine directors, including three independent directors. The chairman of the Board is an independent and non-executive director.

The current diversification into the RPG as well as MSW business displays the management's ability to identify emerging business opportunities and scale up by acquiring projects in these areas and thus, de-risk and diversify its core business of EPC. Though the lack of track record poses the execution challenges in the proposed diversification plans, the management has proven its execution capabilities in the past by successfully diversifying from the FMS business to the unrelated EPC business.

Current Operations

A2Z undertakes project management, turnkey contracting and its management in the power sector including design, supply, erection, installation and maintenance of electrical transmission lines, feeder renovation, setting up substations and allied services, mainly for central and state electricity utilities and also for certain private power companies. The company has an order book position of Rs.1383.52 cr as on March 31, 2010 with major clients being State and Central electricity utilities. The company had hived off its FMS division to its subsidiary, A2Z Infraservices Ltd, in FY09, thereby directing focus to the EPC business. The FMS division had contributed around 5.5% of the total revenues in FY08.

New projects

Renewable Energy Generation Business:

A2Z has recently entered into the power generation business through sources of fuel such as biomass, Refuse Derived Fuel (RDF), agro waste, rice husk, bagasse etc. While many of these projects are being set up through subsidiaries, some of the projects are being set up in A2Z itself to avail tax benefits.

A handwritten signature in blue ink, appearing to be "Jyoti".A handwritten signature in blue ink, appearing to be "Siv".

A2Z is constructing three 15 MW renewable energy co-gen projects in sugar mills located in state of Punjab on a Build Own Operate Transfer (BOOT) basis and are expected to operationalize in March FY11. The total cost of the project is estimated at Rs.246.03 cr and the projects are proposed to be financed by a combination of debt and equity in the ratio of 2.6:1, for which the debt has been sanctioned by banks. The company has received feasibility clearance for connectivity by Punjab State Electricity Board (PSEB) and the civil work has commenced for the project. Though the proposed co-generation plants are based on multiple feedstock, the cost and steady availability of the alternate biomass fuels would be a key factor to successful operations and profitability of these plants.

A2Z is also setting up five 15 MW biomass-based power-generation projects in Rajasthan which are expected to operationalize in FY12. The total cost of all the five projects is estimated at Rs.400 cr and the projects are proposed to be financed by a combination of debt and equity in the ratio of 2.4:1, for which the term debt has been sanctioned by bank. The projects are at initial stages and there are no long term fuel contracts and the supply is dependent upon the local sourcing of crop residue as fuel.

In addition, A2Z is setting up a 15 MW biomass-based power project at Kanpur, Uttar Pradesh under its subsidiary, A2Z Infrastructure Ltd, where the company shall primarily use RDF generated from its MSW business as a source of fuel. The project is expected to commence operations from FY11 onwards. The total project cost of Rs.85.0 cr, is proposed to be funded in debt to equity of 2.4:1, for which debt has been sanctioned by banks. The company is also undertaking MSW management at various locations which will provide the Kanpur plant with adequate raw material feed stock to generate power.

A2Z's subsidiary, Manse Bijlee, has been awarded a contract to set up ten Integrated Resource Recovery Facility (IRRFs) at five locations in the State of Punjab, with each IRRF consisting of one rice mill with a capacity of at least 20 TPH together with biomass-based generation power plant of at least an aggregate capacity of 10 MW each.

A handwritten signature in blue ink, appearing to be "SAG".A handwritten signature in blue ink, appearing to be "SVK".

The total cost of setting up one IRRF is estimated at Rs.102.33 cr. which is proposed to be entirely funded by utilizing the net proceeds of the IPO. A2Z is yet to finalize the funding pattern for the remaining nine IRRFs.

Though the cost of setting up a renewable power plant is lower as compared to conventional sources, the cost of generations is higher. Hence A2Z would be highly dependent on government support for the allocation of land, preferential tariffs, depreciation and tax benefits, Renewable Energy Certificates (REC) and Renewable Purchase Obligation (RPO).

MSW Business

A2Z has commenced its MSW business in FY 2008 by identifying opportunities provided by new public-private participation initiatives of the Government of India in such projects. It has been awarded contracts to handle approximately 5,200 TPD of MSW. The current contracts are a combination of projects that involve only Collection and Transportation (C&T) activities, only processing activities, only Processing and Disposal (P&D) activities and combined C&T and P&D activities through IRRFs on a BOOT basis. An IRRF model is based on the utilization of waste as a resource and aims to recover, recycle and process as much waste as possible and reduce the quantity of material sent to a landfill. The company has been allotted six IRRF contracts, two C&T contracts, five P&D contracts and a processing contract at various parts of India having a tenure varying from 7-30 years. Most of the MSW projects are currently in nascent stages of land allotment, environment clearance etc and currently operations have commenced only in Kanpur (P&D) and in Patna, Indore, Varanasi and Meerut (C&T).

IPO Details

The company is proposing to make a public offer of equity shares amounting to an aggregate of Rs.750 cr and an offer for sale of 5,056,193 shares by existing shareholders. The total number of shares for fresh issue shall be decided on the finalization of price band so as to mobilize about Rs.750 cr. The price band for the issue is yet to be decided.

The IPO proceeds shall be used to finance the construction of biomass power-generation projects, investment in subsidiaries engaged in the business of FMS, MSW and biomass-based power-generation business, repayment of a term loan, finance working capital needs and for general corporate purposes of the company. The total cost of project and the estimated IPO funding for the same are as follows:

Rs Cr			
S. No.	Particulars	Estimated total cost	To be financed through IPO
1	Investment in three biomass (bagasse)-based power cogeneration projects of 15 MW each in the State of Punjab	246.03	68.03
2	Investment in five biomass-based power generation projects of 15 MW each in the State of Rajasthan	400	120
3	Investment in Subsidiaries		
(i)	Share capital in a2z Infrastructure for the 15 MW biomass-based power generation project in Kanpur	85	25
(ii)	Share capital in a2z Infrastructure and its subsidiaries for certain MSW projects	238.36	42.34
(iii)	Share capital in Mansi Bijlee Private Limited the subsidiary that will implement one rice mill and associated rice-husk based biomass power generation project in the State of Punjab	102.33	102.33
4	Repayment of loan granted by L&T Infrastructure Finance to the Company	41.66	41.66
5	Working capital requirements	125	125
6	General corporate purposes	-	[*]
	Total	[*]	[*]

Financials

With a robust revenue stream, the operating income of A2Z grew at a CAGR of 83% from FY07-10. The company has been getting orders from various state governments as well as private players. PBILDT margin has also been showing a growing trend over the years except in FY10 when it declined on account of higher material costs. PAT margin also declined due to the fall in PBDILT margin in FY10. The company had a collection period of 205 days in FY10. This includes the retention money kept by the principal. Also due to the nature of business, the major part of sales is booked in the last quarter due to which the debtors' period is higher. Out of the total debtors of Rs.787 crore on March 31, 2010, the company has realized Rs.344 crore till July 31, 2010. Overall gearing as on

March 31, 2010 stood at 0.85 times, significantly lower than 1.16 times as on March 31, 2009 due to the ploughback of profits and the issue of additional equity shares and bonus shares in FY10.

Industry overview

Power Sector Overview

The power sector in India is slowly moving from a regulated return framework to a market-driven pricing mechanism. This has provided a major boost for private entrepreneurs to enter the power sector and set up projects. Currently, significant traction has been achieved in the generation space, while the transmission and the distribution segment is slowly opening to the private sector. Demand for EPC services in the power transmission lines and power distribution business is largely dependent on the development, demand and new investments in the power generation, transmission and distribution sectors. Transmission systems in India have traditionally been government-funded through budgetary support and external borrowings, besides internal resources of companies such as Power Grid Corporation of India Limited (PGCIL). With the enactment of the Electricity Act 2003, the focus on Accelerated Power Development Reforms Programme (APDRP) and the privatization route for the Transmission & Distribution (T&D) Sector, the demand for domestic transmission and sub-transmission lines has increased from State Electricity Boards (SEBs)/Transmission companies as well as from the private sector. The domestic market is highly competitive since the orders are given on the basis of lowest bids. The companies providing a comprehensive supply and erection contracts have better margins than pure suppliers of transmission towers.

Renewable Energy in India

Renewable energy-based power capacities have registered the highest pace of growth in the overall capacity additions in India compared to non renewable sources, increasing their share of the total power capacity from 2% in FY 2003 to around 10% in FY 2010. Nonetheless, contribution from renewable energy sources towards overall the generation has been low at around 3% due to low plant load factors of renewable capacities. The aim

for the XI FYP, as stated by the working group of the Planning Commission in its Report of the Working Group on New and Renewable Energy for the XI FYP (2007-2012) (published in December 2006), is a capacity addition of 14,000 MW from renewable energy (grid-interactive) during the eleventh plan period.

Municipal Solid Waste Management in India

Urban waste generation is rapidly increasing in India with population expansion and economic development. MSWM is a part of public health and sanitation, and is entrusted to the municipal government for execution. Urban local bodies spend about Rs.500 to Rs.1,500 per ton on solid waste for collection, transportation, treatment and disposal. The problems of collection, transport, proper use and disposal have become a huge task, straining both financial resources of the civic bodies and their physical capabilities, in addition to the problem of the availability of disposal sites. The Government has initiated various schemes like Jawaharlal Nehru National Urban Renewal Mission and the Urban Infrastructure Development Scheme for Small and Medium Towns to address concerns of MSW management.

Financial Performance

(Rs in cr)

Y.E. Mar.31,	2008	2009	2010
	A	A	A
Income from Operations	463.3	686.2	1118.4
PBILDT	84.4	145.0	205.4
Interest	15.0	48.5	62.4
Depreciation	1.3	1.2	2.5
Other Income	2.4	11.9	5.9
PBT	70.5	107.2	146.4
PAT (After def Tax)	44.5	68.9	94.9
Gross Cash Accruals	44.1	70.0	95.6
Financial Position			
Equity Share capital	19.1	21.7	57.3
Preference Share Capital	75.0	0.0	0.0
Net Worth	158.3	227.1	415.4

Key Ratios			
<i>Growth(%)</i>			
Growth in Total income (%)	155.59	49.94	61.04
Growth in PAT (%)	280.85	54.82	37.83
<i>Profitability (%)</i>			
PBILDT / Total Income (%)	18.2	21.1	18.4
PAT / Total Income (%)	9.6	9.9	8.4
ROCE (%)	45.8	40.3	33.2
RONW (%)	44.8	35.7	29.5
EPS (Rs.)	9.41	10.80	17.71
<i>Solvency</i>			
<i>Long Term</i>			
Debt Equity Ratio	0.1	0.2	0.2
Overall Gearing	0.8	1.2	0.9
Interest coverage (times)	5.6	3.0	3.3
Term Debt/GCA	0.1	0.3	1.0
<i>Liquidity</i>			
Current ratio	1.5	1.4	1.5
Quick ratio	1.5	1.4	1.5
Avg. Colln. Period (days)	175.0	210.0	205.0
Average Creditors (days)	82.0	95.0	90.0
Operating cycle (days)	99.0	120.0	116.0

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October 6, 2010

Mr. Rakesh Gupta
A2Z Maintenance & Engineering Services Ltd
Plot no 44,
Sec 32, Institutional area,
Gurgaon – 122001

Confidential

Dear Sir,

IPO Grading

Please refer to your request for grading of the Initial Public Offering (IPO) of A2Z Maintenance & Engineering Services Ltd (A2Z)

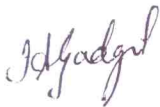
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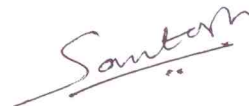
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Thanking You,

Yours faithfully,

A handwritten signature in black ink, appearing to read "Jyotsna Gadgil".

[Jyotsna Gadgil]
Dy. General Manager

A handwritten signature in black ink, appearing to read "Santosh".

for [Deepak Batra]
Manager

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Annexure 1

CARE IPO grading Scale

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