UNIPARTS INDIA LIMITED

Our Company was incorporated in New Delhi on September 26, 1994 as 'Uniparts India Limited', a public limited company under the Companies Act, 1956. Our Company received its certificate of commencement of business on September 7, 1998 from the Registrar of Companies, National Capital Territory of Delhi and Haryana. For further details relating to incorporation, corporate structure and change in registered office of our Company, please refer to the chapter "*History and Other Corporate Matters*" beginning on page 161.

Registered Office: Gripwel House, Block-5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India; **Tel:** +91 11 2613 7979; **Fax:** +91 11 2613 3195
Corporate Office: Ground Floor, SB Tower, Plot 1A/1, Sector 16 A, Film City, Noida – 201 301, Uttar Pradesh, India; **Tel:** +91 120 458 1400; **Fax:** +91 120 458 1499
Contact Person: Mr. Lalit Khanna, Company Secretary, Associate Vice-President-Legal and Compliance Officer; **Tel:** +91 120 458 1400; **Fax:** +91 120 458 1499
E-mail: compliance.officer@unipartsgroup.com; **Website**: www.unipartsgroup.com; **Corporate Identity Number**: U74899DL1994PLC061753

PROMOTERS OF OUR COMPANY: MR. GURDEEP SONI AND MR. PARAMJIT SINGH SONI

PUBLIC ISSUE OF UP TO 13,040,000 EQUITY SHARES OF FACE VALUE ₹ 10 EACH ("EQUITY SHARES") OF UNIPARTS INDIA LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION CONSISTING OF A FRESH ISSUE OF 7,000,000 EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO ₹ [●] MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 6,040,000 EQUITY SHARES COMPRISING 4,000,000 EQUITY SHARES ("INVESTOR OFFERED SHARES") BY AMBADEVI MAURITIUS HOLDING LIMITED ("AMBADEVI") AND ASHOKA INVESTMENT HOLDINGS LIMITED ("ASHOKA"), ("ASHOKA" AND "AMBADEVI" ARE TOGETHER REFERRED TO AS THE "INVESTOR SELLING SHAREHOLDERS") AND AGGREGATING UP TO 2,040,000 EQUITY SHARES BY ("INDIVIDUAL OFFERED SHARES") MR. GURDEEP SONI, MR. PARAMJIT SINGH SONI, MR. KARAN SONI AND MS. MEHER SONI (TOGETHER REFERRED TO AS THE "INDIVIDUAL SELLING SHAREHOLDERS") (THE INDIVIDUAL SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDERS ARE TOGETHER REFERRED TO AS THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE"). THE FRESH ISSUE AND THE OFFER FOR SALE ARE TOGETHER REFERRED TO AS THE "ISSUE". THE ISSUE WILL CONSTITUTE AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR DETAILS OF THE EQUITY SHARES OFFERED BY EACH INDIVIDUAL SELLING SHAREHOLDER AND EACH INVESTOR SELLING SHAREHOLDER, SEE THE CHAPTER "*THE ISSUE*" BEGINNING ON PAGE 58.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, THE INDIVIDUAL SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMs AND PUBLISHED IN ONE ENGLISH NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION AND ONE HINDI NATIONAL DAILY NEWSPAPER WITH WIDE CIRCULATION WHICH SHALL ALSO SERVE AS THE REGIONAL LANGUAGE NEWSPAPER WITH WIDE CIRCULATION, WITH HINDI BEING THE REGIONAL LANGUAGE OF DELHI WHERE THE REGISTERED OFFICE IS LOCATED, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE, AND SHALL BE MADE AVAILABLE TO BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding a total of 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**"), by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to Self Certified Syndicate Banks ("**SCSBs**") and the Registered Brokers.

Pursuant to Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**"), the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made through the Book Building Process in compliance with the provisions of Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, (the "**SEBI ICDR Regulations**"), wherein 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers (the "**QIB Category**"). Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors (the "**Anchor Investor Portion**") at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category. Such number of Equity Shares representing 5% of the QIB Category (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remaining QIB Category shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors, subject to valid Bids being received from them at or above the Issue Price, such that subject to availability of Equity Shares, each Retail Individual Investor shall be Allotted not less than the minimum Bid Lot, and the remaining Equity Shares, if available, shall be allotted to all Retail Individual Investors on a proportionate basis. All QIBs (other than Anchor Investors) and Non-Institutional Investors must compulsorily, and Retail Individual Investors may optionally, participate in this Issue though the ASBA process by providing the details of their respective bank accounts in which the corresponding Bid Amounts will be blocked by the SCSBs. Specific attention of investors is invited to the chapter "*Issue Procedure*" beginning on page 372.

RISKS IN RELATION TO THE FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares is ₹ 10 and the Floor Price and the Cap Price are [●] times and [●] times respectively of the face value of our Equity Shares. The Issue Price as determined and justified by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs and as stated in the chapter "*Basis for Issue Price*" beginning on page 100 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 or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**") nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "*Risk Factors*" beginning on page 14.

ISSUER'S AND THE SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

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

Each Individual Selling Shareholder accepts responsibility only for statements expressly made by such Individual Selling Shareholder in relation to itself in this Draft Red Herring Prospectus, and each Investor Selling Shareholder accepts responsibility only for statements expressly made by such Investor Selling Shareholder in relation to itself in this Draft Red Herring Prospectus.

LISTING

The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the BSE and the NSE. The in-principle approvals of the Stock Exchanges for listing the Equity Shares have been received pursuant to letter no. **[●]** dated **[●]** and letter no. **[●]** dated **[●],** respectively. For the purpose of this Issue, [●] shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE ISSUE
ICICI Securities Limited ICICI Centre H.T. Parekh Marg, Churchgate Mumbai 400020 Maharashtra, India **Tel**: +91 22 2288 2460 **Fax**: +91 22 2282 6580 **Email**: uniparts.ipo@icicisecurities.com **Website**: www.icicisecurities.com **Investor grievance email**: customercare@icicisecurities.com **Contact Person**: Mr. Ayush Jain/Mr. Vishal Kanjani **SEBI Regn. No.**: INM000011179	**Edelweiss Financial Services Limited** Edelweiss House Off CST Road, Kalina Mumbai 400 098 Maharashtra, India **Tel**: +91 22 4086 3535 **Fax** +91 22 4086 3610 **Email**: ul.ipo@edelweissfin.com **Website**: www.edelweissfin.com **Investor grievance email**: customerservice.mb@edelweissfin.com **Contact Person**: Mr. Nikhil Kabra **SEBI Regn. No.**: INM0000010650	**India Infoline Limited** 8th Floor, IIFL Centre Kamala City, Senapati Bapat Marg Lower Parel (West) Mumbai 400 013 Maharashtra, India **Tel**: (+91 22) 46464600 **Fax**: (+91 22) 24931073 **Email:** uil.ipo@iiflcap.com **Website**: www.iiflcap.com **Investor grievance email**: ig.ib@iiflcap.com **Contact Person**: Mr. Kunur Bavishi/Mr. Pinak Bhattacharyya **SEBI Regn. No.**: INM000010940	**Link Intime India Private Limited** C 13 Pannalal Silk Mills Compound LBS Marg, Bhandup (West) Mumbai 400 078 Maharashtra, India **Tel:** +91 22 2596 7878 **Fax:** +91 22 2596 0329 **Email:** uil.ipo@linktime.co.in **Website**: www.linkintime.co.in **Investor grievance email**: uil.ipo@linktime.co.in **Contact Person**: Mr. Sachin Achar **SEBI Regn. No.**: INR000004058

BID/ISSUE PERIOD	
BID/ISSUE OPENS ON*: [●]	**BID/ISSUE CLOSES ON (FOR QIBs)**: [●]** **BID/ISSUE CLOSES ON (FOR NON-QIBs): [●]**

***** *Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid/Issue Opening Date.*

*** Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders may, in consultation with the BRLMs, decide to close the Bidding/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

In this Draft Red Herring Prospectus, unless the context otherwise indicates, all references to "**UIL**", "**the Issuer**", "**our Company**", "**the Company**", are to Uniparts India Limited, a company incorporated under the Companies Act, 1956, and having its registered office at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, Delhi, India. Unless the context otherwise indicates, all references to "**we**", "**us**", "**our**" are to UIL and its Subsidiaries.

Company and Selling Shareholders Related Terms

Term	Description
Ambadevi	Ambadevi Mauritius Holding Limited
Articles/Articles of Association/AoA	Articles of Association of our Company
Ashoka	Ashoka Investment Holdings Limited
Auditors/Statutory Auditors	The statutory auditors of our Company, namely, M/s S.C. Varma and Co., Chartered Accountants
Board/Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Compliance Officer	Mr. Lalit Khanna, the Company Secretary and Associate Vice-President-Legal of our Company
Corporate Office	The corporate office of our Company located at Ground Floor, SB Tower, Plot 1A/1, Sector 16 A, Film City, Noida – 201 301, Uttar Pradesh, India
CRISIL Report	A report commissioned by our Company, prepared by CRISIL Limited titled "*Global Precision Machine Parts and 3-Point Linkage Industry*" for the purposes of this Draft Red Herring Prospectus
Director(s)	The director(s) of our Company
Equity Shares	Equity shares of our Company of ₹ 10 each, fully paid up
ESOP 2007	Uniparts Employee Stock Option Plan – 2007
GFPL	The wholly-owned subsidiary of our Company, namely Gripwel Fasteners Private Limited (formerly Unilink Engineering Private Limited)
Group Entities	Companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act, 1956, and disclosed in the chapter "*Our Promoters and Group Entities*" beginning on page 187
Individual Selling Shareholders	Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni
Investor Selling Shareholders	Ashoka Investment Holdings Limited and Ambadevi Mauritius Holding Limited
Kavee	Uniparts Kavee B.V., our Company's erstwhile joint venture with Kramp
KMP/Key Management Personnel	The officers vested with executive powers, and the officers at the level immediately below the Board, as per the SEBI ICDR Regulations. and more particularly listed in the chapter "*Our Management*" beginning on page 170
Kramp	Kramp Groep B.V., our erstwhile joint venture partner
Ludhiana Unit 1	The facility of our Company located at C – 140, D – 126 A and D – 127A, Phase V, Focal Point, Ludhiana, Punjab, India
Ludhiana Unit 2	The facility of our Company located at C – 198, Phase VII, Focal Point, Industrial Area, Ludhiana, Punjab, India and E – 488, Phase VI, Focal Point, Ludhiana, Punjab, India
Memorandum/Memorandum of Association/MoA	The memorandum of association of our Company
Noida Unit	The facility of our Company located at B – 208, A1 and A2, Phase II, Noida, Uttar Pradesh, India
Promoters	The promoters of our Company, namely, Mr. Gurdeep Soni and Mr. Paramjit Singh Soni
Promoter Group	Means and includes such persons and entities constituting the promoter group in terms of Regulation 2 (1)(zb) of the SEBI ICDR Regulations
Registered Office	The registered office of our Company located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, Delhi, India
Selling Shareholders	Individual Selling Shareholders and Investor Selling Shareholders
Subsidiaries	The direct and indirect subsidiaries of our Company, namely, GFPL, UUL, UEBV, UIG and UOI
UEBV	The wholly-owned subsidiary of our Company, namely, Uniparts Europe B.V.
UIG	The wholly-owned subsidiary of our Company, namely, Uniparts India GmbH
UOI	The wholly-owned subsidiary of UUL, namely, Uniparts Olsen Inc.
UUL	The wholly-owned subsidiary of our Company, namely, Uniparts USA Limited
Visakhapatnam Unit	The facility of our Company located at Plot Number 47, Andhra Pradesh Special Economic Zone, Atchutapuram, Visakhapatnam, Andhra Pradesh, India

Issue Related Terms

Term	Description
Allot/Allotment/Allotted	The allotment of Equity Shares pursuant to this Issue to successful Bidders/Applicants
Allottee	A Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchange
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations, 2009
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs on the Anchor Investor Bidding Date
Anchor Investor Bidding Date	The date one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date
Anchor Investor Portion	Up to 60% of the QIB Category, which may be allocated by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount/ASBA	The application (whether physical or electronic) by an ASBA Bidder to make a Bid authorizing the relevant SCSB to block the Bid Amount in the relevant ASBA Account
ASBA Account	Account maintained with a SCSB which will be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bidder(s)/ Applicant(s)	Bidders/Applicants in the Issue who are required to Bid/Apply through ASBA
Banker(s) to the Issue/Escrow Collection Bank(s)/Collecting Bankers	The banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account and Public Issue Account will be opened, and as disclosed in the RHP/Prospectus and, the Bid-cum-Application Forms
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in the chapter "*Issue Procedure*" beginning on page 372
Bid(s)	An indication to make an offer during the Bid/Issue Period by a Bidder (other than Anchor Investors), or during the Anchor Investor Bidding Date by the Anchor Investors, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto permitted under applicable regulations
Bid Amount	The highest value of optional Bids indicated in the Bid-cum-Application Form and payable by the Bidder/blocked in the ASBA Account on submission of a Bid in the Issue
Bid-cum-Application Form	The form in terms of which the Bidder shall make a Bid and which shall be considered as the application for the Allotment of Equity Shares 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 and the Bid-cum-Application Form, including an Anchor Investor unless stated or implied otherwise
Bid/Issue Closing Date	Except in relation to Bids from Anchor Investors, the date after which the Syndicate, the designated branches of the SCSBs and Registered Brokers shall not accept any Bids for the Issue, which shall be the date notified in one English national daily newspaper with wide circulation and one Hindi national daily newspaper with wide circulation which shall also serve as the regional language newspaper with wide circulation, with Hindi being the regional language of Delhi where the Registered Office is located, and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate Members and by intimation to the SCSBs and the Registered Brokers, as required under the SEBI ICDR Regulations. Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs, may consider closing the Bidding by QIBs one Working Day prior to the Bid/Issue Closing Date, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published
Bid/Issue Opening Date	Except in relation to Anchor Investor, the date on which the Syndicate, the SCSBs and the Registered Brokers shall start accepting Bids and which shall be notified in one English national daily newspaper with wide circulation and one Hindi national daily newspaper with wide circulation which shall also

Term	Description
	serve as the regional language newspaper with wide circulation, with Hindi being the regional language of Delhi where the Registered Office is located
Bid/Issue Period	Except in relation to Anchor Investor, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days during which prospective Bidders (excluding Anchor Investors) can submit their Bids, including any revisions thereof
Bid Lot	[●]
Book Building Process/Method	The book building route as provided under SEBI ICDR Regulations, in terms of which this Issue is being made
BRLMs/Book Running Lead Managers	Book Running Lead Managers to the Issue, in this case being ICICI Securities Limited, Edelweiss Financial Services Limited and India Infoline Limited
Broker Centre	Broker centres notified by the Stock Exchanges, where Bidders can submit the Bid cum Application Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band above which the Offer Price and Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted, including any revisions thereof
Controlling Branch	Such branches of the SCSBs which coordinate Bids under this Issue by the ASBA Bidders with the BRLMs, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other websites as may be prescribed by SEBI from time to time
Cut-off Price	The Issue Price, as finalised by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs. Only Retail Individual Investors are entitled to Bid at the Cut-off Price, for a Bid Amount not exceeding ₹ 200,000. No other category of Bidders are entitled to Bid at the Cut-off Price
Demographic Details	The address, bank account details, MICR code, name of Bidders' father/husband, investor status and occupation of a Bidder
Depository	A depository registered with SEBI under the Depositories Act
Designated Branch	Such branches of the SCSBs, which shall collect Bid-cum-Application Forms used by ASBA Bidders, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other websites as may be prescribed by SEBI from time to time
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account, or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the Public Issue Account, as the case may be
Designated Stock Exchange	[●]
DP/Depository Participant	A depository participant as defined under the Depositories Act
DP ID	Depository Participant's Identity Number
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated September 25, 2014 issued in accordance with the Companies Act and SEBI ICDR Regulations, filed with SEBI and which does not contain complete particulars of the price at which the Equity Shares would be issued and the size of the Issue
Edelweiss/Edel	Edelweiss Financial Services Limited
Eligible NRIs	NRIs from 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 or Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
Eligible QFIs	Qualified Foreign Investors 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 to or purchase the Equity Shares offered thereby, and who have opened dematerialized accounts with SEBI registered qualified depositary participants, and are deemed as FPIs under the SEBI FPI Regulations
Escrow Account	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (except ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by our Company, the Selling Shareholders, the Registrar to the Issue, BRLMs, the Syndicate Members, and the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and, where applicable, remitting refunds of the amounts (excluding ASBA Bidders) collected to the Bidders on the terms and conditions thereof
FCNR Account	Foreign Currency Non-Resident Account
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
First/Sole Bidder	The Bidder whose name appears first in the Bid-cum-Application Form or Revision Form

Term	Description
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids will be accepted, including any revisions thereto
Fresh Issue	The issue of 7,000,000 Equity Shares aggregating up to ₹ [●] million by our Company offered for subscription pursuant to the terms of the Red Herring Prospectus
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
ICICI Securities/I-Sec	ICICI Securities Limited
IIFL	India Infoline Limited
IPO	Initial public offering
Issue	This public issue of up to 13,040,000 Equity Shares for cash at the Issue Price aggregating to ₹ [●] and comprises of a Fresh Issue and an Offer for Sale of up to 6,040,000 Equity Shares aggregating up to ₹ [●] million by the Selling Shareholders of which up to, 923,077 Equity Shares are being offered by Ambadevi Mauritius Holding Limited, 3,076,923 Equity Shares are being offered by Ashoka Investment Holdings Limited, 680,000 Equity Shares are being offered by Mr. Gurdeep Soni, 453,334 Equity Shares are being offered by Mr. Paramjit Singh Soni, 453,333 Equity Shares are being offered by Mr. Karan Soni and up to 453,333 Equity Shares are being offered by Ms. Meher Soni, respectively.
Issue Agreement	The agreement dated September 24, 2014 entered into among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Price	The final price, as determined by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs on the Pricing Date, at which the Equity Shares will be issued and Allotted/transferred in terms of the Red Herring Prospectus Unless otherwise stated or the context otherwise implies, the term Issue Price refers to the Issue Price applicable to investors other than Anchor Investors
Issue Proceeds	The proceeds of the Issue that would be available to our Company the and the Individual Selling Shareholders and the Investor Selling Shareholders after the final listing and trading approvals are received
Listing Agreement(s)	The listing agreement(s) to be entered into by our Company with the Stock Exchanges
MICR	Magnetic Ink Character Recognition-nine digits code as appearing on a cheque leaf
Mutual Fund Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, and as disclosed in the DRHP and Bid-cum-Application form
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
Net Proceeds	The proceeds of the Fresh Issue less our Company's share of the Issue related expenses. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter "*Objects of the Issue*" beginning on page 86
Non-Institutional Category	The portion of the Issue being not less than 15% of the Issue consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Investors, subject to valid Bids being received at or above the Issue Price
Non-Institutional Investors	All Bidders, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs (including Anchor Investors) or Retail Individual Investors, and who have Bid for Equity Shares for a cumulative amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Offer for Sale	The offer for sale of up to 6,040,000 Equity Shares aggregating up to ₹ [●] million by the Investor Selling Shareholders of which up to 923,077 Equity Shares are being offered by Ambadevi Mauritius Holding Limited, 3,076,923 Equity Shares are being offered by Ashoka Investment Holdings Limited, and the Individual Selling Shareholders of which up to 680,000 Equity Shares are being offered by Mr. Gurdeep Soni, 453,334 Equity Shares are being offered by Mr. Paramjit Singh Soni, 453,333 Equity Shares are being offered by Mr. Karan Soni and up to 453,333 Equity Shares are being offered by Ms. Meher Soni, respectively.
Price Band	Price band of a minimum price (Floor Price) of ₹ [●] and the maximum price (Cap Price) of ₹ [●] and include revisions thereof by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs
Pricing Date	The date on which our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 containing, inter alia, 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(s)	The bank account(s) opened with the Bankers to the Issue by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders under Section 40 of the Companies Act, 2013 to

Term	Description
	receive money from the Escrow Accounts on the Designated Date, and into which the funds shall be transferred by the SCSBs from the ASBA Accounts
QFIs or Qualified Foreign Investors	Non-resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organization of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI Provided that such non-resident investor shall not be resident in a country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; and (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Issue amounting to 50% of the Issue being [●] Equity Shares, which shall be available for allocation to QIBs on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations
Red Herring Prospectus	The red herring prospectus, including any addenda or corrigenda thereto, issued in accordance with Section 32 of the Companies Act, 2013 and SEBI ICDR Regulations, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid/Issue Opening Date and will become a Prospectus upon filing with the RoC after the Pricing Date
Refund Account	The account(s) opened with the Refund Bank(s), from which refunds (excluding to the ASBA Bidders), if any, of the whole or part of the Bid Amount shall be made
Refund Bank(s)	The bank(s) which are clearing members and registered with SEBI under the SEBI Bankers to an Issue) Regulations, 1994 with whom the Refund Account(s) will be opened, in this case being [●]
Refunds through electronic transfer of funds	Refunds through direct credit, NECS, NEFT or RTGS, as applicable
Registered Broker	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate
Registrar/Registrar to the Issue	Registrar to this Issue, in this case being Link Intime India Private Limited
Regulation S	Regulation S under the Securities Act
Retail Category	The portion of the Issue being not less than 35% of the Issue consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Retail Individual Investors, which shall not be less than minimum Bid Lot, subject to availability in Retail Category and the remaining Equity Shares to be Allotted on a proportionate basis
Retail Individual Investors	Bidders (including HUFs and Eligible NRIs) whose Bid Amount for Equity Shares in the Issue is not more than ₹ 200,000
Revision Form	The form used by the Bidders, including 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)
Securities Act	U.S. Securities Act of 1933, as amended
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, which offer the facility of ASBA, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Specified Location(s)	Bidding centres where the Syndicate shall accept Bid cum Application Forms, a list of which is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time
Stock Exchanges	BSE and NSE, as the context may refer to
Syndicate	The BRLMs and Syndicate Members
Syndicate Agreement	The agreement to be entered into between the BRLMs, the Selling Shareholders, the Syndicate Members, our Company and the Registrar to the Issue in relation to the collection of Bids in this Issue (other than Bids directly submitted to the SCSBs under the ASBA process or to Registered Brokers at the Broker Centres)
Syndicate ASBA Centres	Bidding centres where an ASBA Bidder can submit his Bid-cum-Application Form to the Syndicate Members and prescribed by SEBI from time to time
Syndicate Members	Intermediaries registered with the SEBI to act as syndicate members and who are permitted to carry on the activity as underwriters, in this case being [●], [●] and [●]
Underwriters	The BRLMs and the Syndicate Members

Term	Description
Underwriting Agreement	The agreement among the Underwriters, the Selling Shareholders and our Company to be entered into on or after the Pricing Date
Working Day	Any day, other than a Saturday or a Sunday, on which commercial banks in India are open for business, provided however, for the purpose of the time period between the Bid/Issue Closing Date and listing of the Equity Shares on the Stock Exchanges, "Working Days" shall mean all days excluding Sundays and bank holidays in India in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Technical/Industry Related Terms/Abbreviations

Term	Description
3PL	3-Point Linkage systems
CAD	Computer-aided design
CFM	Construction, forestry and mining
CNC	Computer numerical control
CNH	CNH Global N.V.
FIFO	First-in-first-out
John Deere	Deere & Company
Kubota	Kubota Manufacturing of America Corporation
MIG	Metal inert gas
OEM(s)	Original equipment manufacturer(s)
OHVs	Off-highway vehicles
PMP	Precision machined parts
PTO	Power take off
SPM	Special purpose machinery
VMC	Vertical machining center
GKN	GKN Walterscheid GmbH
Yanmar	Yanmar Company Limited

Conventional and General Terms/Abbreviations

Term	Description
Act or Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds, as defined in, and registered with SEBI under, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AOP	Association of persons
AS/Accounting Standard	Accounting Standards issued by the ICAI
AY	Assessment Year
BG	Bank Guarantee
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category III FPIs	FPIs registered as category III FPIs under the SEBI FPI Regulations, which shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices
CC	Cash Credit
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Procedure Code	Code of Civil Procedure, 1908
CLRA Act	Contract Labour (Regulation and Abolition) Act, 1970
Companies Act, 1956	Companies Act, 1956
Companies Act, 2013	Companies Act, 2013 together with the rules thereunder
Consolidated FDI Policy	Consolidated FDI Policy (Circular 1 of 2014) dated April 17, 2014 issued by the Government of India, Ministry of Commerce and Industry
DDT	Dividend Distribution Tax
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DTA	Domestic Tariff Area
DTAA	Double Taxation Avoidance Agreement
DTC	Direct Taxes Code, 2013
EBITDA	Earnings before interest, tax, depreciation and amortization

Term	Description
ECB	External commercial borrowing
ECB Policy	India's policy on ECB, as notified by the RBI and currently in force
EGM	Extraordinary general meeting
EPS	Earnings per share
ERP	Enterprise resource planning
EU	European Union
€/Euro	The official currency of European Union's member states
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 together with rules and regulations thereunder
Financial Year/Fiscal/FY	Period of 12 months ended March 31 of that particular year, unless otherwise stated
FIPB	Foreign Investment Promotion Board
GoI/Government	Government of India
HNI	High Net Worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IMF	International Monetary Fund
Indian GAAP	Generally Accepted Accounting Principles in India
IT	Information technology
I.T. Act	Income Tax Act, 1961
Kg.	Kilogram
LIBOR	London Interbank Offered Rate
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
Mn/mn	Million
MOU	Memorandum of Understanding
NA	Not Applicable
NAV/Net Asset Value Per Share	Net Asset Value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of Profit and Loss account, divided by number of issued Equity Shares
NCR	National Capital Region
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs, FPIs, FVCIs and QFIs
Non-Resident Indian/NRI	A person resident outside India, as defined in the FEMA (Deposit) Regulations, 2000
NRE Account	Non-Resident External Account
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRI's 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 FEMA
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number allotted under the I.T. Act
PAT	Profit after tax
PBT	Profit before tax
PineBridge Investments	PineBridge Investments Asia Limited and its affiliates
PIO	Persons of Indian Origin
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Macroeconomic Report	RBI Macroeconomic and Monetary Developments First Quarter Review 2013-2014
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana
RONW	Return on Net Worth
₹/Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB(s)	Self-Certified Syndicate Bank(s)

Term	Description
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ESOP Guidelines	Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
SEZ Act	Special Economic Zones Act, 2005
SEZs	Special economic zones
SIA	Secretariat of Industrial Assistance, Department of Industrial Policy & Promotion, Ministry of Commerce and Industry, Government of India
sq.ft	Square feet
State Government	The government of a state of the Union of India
STT	Securities Transaction Tax
UIN	Unique Identification Number
US/USA	United States of America
US GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US$/U.S.$	United States Dollars
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the SCRA, the SEBI Regulations, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, including any terms and abbreviations used in the chapters "*Statement of Tax Benefits*", "*Financial Statements*", "*Outstanding Litigations and Material Developments*" and "*Industry Overview*" and the section "*Main Provisions of the Articles of Association*" beginning on pages 104, 198, 333, 118 and 418, respectively, shall have the meanings given to such terms in these respective chapters or section, as the case may be.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless indicated otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Company's standalone financial statements as of and for the years ended March 31, 2010, 2011, 2012, 2013 and 2014 and consolidated financial statements as of and for the years ended March 31, 2010, 2011, 2012, 2013 and 2014, prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with ICDR Regulations, as stated in the report of the Auditors, M/s S.C. Varma and Co., Chartered Accountants, and included in this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year. Accordingly, all references to a particular Financial Year are to the 12 month period ended March 31 of that year, unless otherwise specified.

All financial and statistical information in this Draft Red Herring Prospectus have been presented in million or in whole numbers where the numbers have been too small to present in million, unless stated otherwise.

There are significant differences between Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Our Company has not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor does our Company provide reconciliation of our financial statements to those under U.S. GAAP or IFRS, and therefore urges you to consult your own advisors regarding such differences and their impact on our financial data. Also see the section "*Risk Factors*" beginning on page 14.

Certain Conventions

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

Currency of Presentation

All references to "Rupees" or "Rs." or "INR" or "₹" are to Indian Rupees, the official currency of the Republic of India. All references to "USD", "$", "U.S. $" and "U.S. Dollars" are to United States Dollars, the official currency of the United States of America. All references to "€" and the "Euro" are to Euro, the official currency of European Union's member states.

Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The exchange rates of the respective foreign currencies as on March 30, 2012, March 28, 2013, March 28, 2014 and July 31, 2014 are provided below:

Currency	Exchange rate into ₹*			
	as on March 30, 2012**	as on March 28, 2013***	as on March 28, 2014****	as on July 31, 2014
1 EURO	68.34	69.54	82.58	80.70
1 USD	51.16	54.39	60.10	60.25

**Source: www.rbi.org.in*

*** Not available for March 31, 2012 on account of it being a holiday.*

**** Not available for March 31, 2013 on account of March 29, 2013 till March 31, 2013 being holidays.*

***** Not available for March 31, 2014 on account of it being a holiday.*

Market and Industry Data

For the purposes of this Draft Red Herring Prospectus, the chapter "*Industry Overview*" quotes, and otherwise includes information from, the CRISIL Report. We have commissioned the CRISIL Report to obtain an independent assessment of the opportunities, dynamics and competitive landscape of the global precision machine parts and 3-point linkage industry. Except for the CRISIL Report, other market and industry data used in this Draft Red Herring Prospectus has been obtained from the Frost & Sullivan Reports 'European Hydraulic Equipment Market for Industrial and Mobile Applications', dated October 2012, 'Analysis of the Hydraulic Equipment Market in India', dated April 2013 and 'Analysis of the North American Hydraulic Cylinders Market', dated March 2013. Other industry data has generally been obtained or derived from publicly available information as well as industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decision should be made based on such information alone. Although our Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us. For further details, please refer to the section "*Risk Factors*" beginning on page 14.

Certain information in the chapters titled "*Summary of Industry*", "*Summary of our Business, Strengths and Strategies*", "*Industry Overview*" and "*Business*" of this Draft Red Herring Prospectus has been obtained from CRISIL Research, a division of CRISIL Limited, which has issued the following disclaimer:

*CRISIL Research, a division of CRISIL Limited ("**CRISIL**") has taken due care and caution in preparing this report ("**CRISIL Report**") based on the information obtained by CRISIL from sources which it considers reliable ("**Data**"). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data/CRISIL Report and is not responsible for any errors or omissions or for the results obtained from the use of Data/CRISIL Report. This CRISIL Report is not a recommendation to invest/disinvest in any company covered in the CRISIL Report. CRISIL especially states that it has no liability whatsoever to the subscribers/users/transmitters/distributors of this CRISIL Report. CRISIL Research operates independently of, and does not have access to information obtained by the CRISIL's Rating Division /CRISIL Risk and Infrastructure Solutions Limited ("**CRIS**"), wich may, in their regular operations, obtain information of a confidential nature. The views expressed in this CRISIL Report are that of CRISIL Research and not of CRISIL's Ratings Division/CRIS. No part of this CRISIL Report may be published/ reproduced in any form without CRISIL's prior written approval.*

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions.

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute "forward-looking statements". All statements regarding our expected financial condition and results of operations, business, plans, objectives, strategies, goals and prospects are forward-looking statements.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although our Company believes the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further, the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the manufacturing industry in India in which our Company operates and our ability to respond to them.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Any loss of a major customer or significant reduction in production and sales of, or demand for, our products from our major customers.
2. Any inability to accurately forecast demand for our products.
3. We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations and cause our quarterly results to fluctuate.
4. A failure to comply with financial and other restrictive covenants imposed on us under our financing agreements.
5. If we are unable to retain and hire key employees or to maintain good relations with our workforce, we may be adversely affected.
6. Availability and cost of raw materials, power and fuel.
7. Our business is impacted by cyclical effects in the global and domestic economy, specifically in the agriculture and CFM sectors.
8. Any insufficiency of cash flows to enable us to fund working capital requirements or to service our working capital loans.
9. Our international sales and operations pose certain risks that may adversely impact sales and earnings.
10. An inability to manage our growth may disrupt our business and reduce our profitability.
11. Any inability to successfully identify and integrate acquisitions.
12. We outsource a portion of our manufacturing processes to certain sub-contractors, which presents numerous risks.
13. We are subject to various law and regulations, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs.
14. Failure to obtain or renew necessary regulatory approvals.
15. Our operational flexibility may be limited in certain respects on account of our obligations under some of our major long-term customer agreements, including pricing of our products.
16. Our reliance on third parties for certain aspects of our business, including raw material suppliers and transporters of our raw materials and products, exposes us to certain risks.
17. Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A material disruption at any of our manufacturing facilities may adversely affect our sales and ability to meet customer demand.
18. The discontinuation or loss of business, with respect to a particular OHV model for which we are a significant supplier.
19. Any failure to compete in all our product lines, including from competitors that may have greater financial and marketing resources.
20. Our business is affected by global economic conditions, especially in the geographies we cater to.

Only statements and undertakings which are specifically "confirmed" or "undertaken" by the Investor Selling Shareholders in this Draft Red Herring Prospectus shall be deemed to be "statements and undertakings made by the Investor Selling Shareholders".

Only statements and undertakings which are specifically "confirmed" or "undertaken" by the Individual Selling Shareholders in this Draft Red Herring Prospectus shall be deemed to be "statements and undertakings made by the Individual Selling Shareholders".

All other statements and/or undertakings in this Draft Red Herring Prospectus shall be statements and undertakings made by our Company.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, the Directors, the Investor Selling Shareholders, the Individual Selling Shareholders, the Syndicate, nor any of their respective affiliates or associates, have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not realize. In accordance with the SEBI ICDR Regulations, our Company, the Investor Selling Shareholders, the BRLMs and the Individual Selling Shareholders, to the statements and undertakings specifically confirmed by them in the DRHP, will ensure that investors in India are informed of material developments until the time of the grant of final listing and trading permissions by the Stock Exchanges for the Equity Shares allotted pursuant to the Issue.

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause our actual results to differ materially from those contemplated by the relevant forward looking statement. For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the section "*Risk Factors*" and the chapters "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operation*" beginning on pages 14, 135 and 308, respectively.

SECTION II: RISK FACTORS

Any investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks, uncertainties and challenges described below, before making an investment in our Equity Shares. You should read this section in conjunction with "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 135 and 308, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

If any or a combination of the following risks, or other risks and uncertainties that are not currently known or are now deemed immaterial, actually materialize, our business, financial condition, results of operations and prospects may suffer, the trading price of our Equity Shares may decline, and all or part of your investment in our Equity Shares may be lost. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned here.

Unless otherwise stated, the financial information in this section is derived from our restated consolidated financial statements as at and for the years ended March 31, 2014, March 31, 2013 and March 31, 2012.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward-Looking Statements" on page 12.

Internal Risk Factors

Risks Relating to Our Business

1. ***We depend on a limited number of customers for a significant portion of our revenues. The loss of a major customer or significant reduction in production and sales of, or demand for our products from, our major customers may adversely affect our business, financial condition, results of operations and prospects.***

A significant majority of our income from operations is from sales to Original Equipment Manufacturers ("**OEMs**"). OEM sales constituted 88.16% of our income from operations in fiscal 2014. Within OEM sales, we depend on a limited number of customers for a significant portion of our revenues. Revenue from our top 10 customers constituted 82.50%, 83.65% and 82.57%, of our income from operations for fiscal 2014, 2013 and 2012, respectively.

Demand for our products is directly related to the production and sales of off-highway vehicles ("**OHVs**") by our major customers. OHV production and sales may be affected by general economic or industry conditions, including seasonal trends in the agriculture sector and cyclical or countercyclical effects in the construction, forestry and mining ("**CFM**") sector, recessionary trends in the global and domestic economies, volatility in new housing construction, as well as evolving regulatory requirements, government initiatives, trade agreements and other factors. OHV manufacturers, particularly in North America and Europe, are burdened with substantial structural costs and challenges, such as pension and healthcare costs, that have impacted their profitability, liquidity and labor relations. In this environment, it is difficult to forecast the potential for labor disputes or the success or sustainability of any strategies undertaken by any of our major customers in response to the current economic or industry environment. Unfavorable industry conditions can also result in an increase in commercial disputes and other risks of supply disruption. A sustained decline in the demand for products produced by our OEM customers could prompt them to cut their production volumes, directly affecting the demand from OEMs for our products.

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer.

2. ***If we are unable to accurately forecast demand for our products, our business, cash flows, financial condition, results of operations and prospects may be adversely affected.***

The volume and timing of sales to our customers may vary due to variation in demand for our customers' products, our customers' attempts to manage their inventory, design changes, changes in their product mix, manufacturing strategy and growth strategy, and macroeconomic factors affecting the economy in general and our customers in particular. Our inability to forecast the level of customer demand for our products, process innovation and value engineering costs as well as inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business and cash flows from

operations. In particular, our inability to accurately forecast demand for products in our emerging product verticals may hinder our planned growth in these verticals.

Demand for our products may depend in part on various factors, including the ability of end-users that still use manual or partially mechanized systems, to understand the value proposition of products for which we supply components and customers' sensitivity to margins and foreign currency exchange fluctuations.

Although we have entered into long term customer agreements with our key OEM customers in accordance with which such customers provide us with forecasts of business volumes, which enable us to predict our income for a portion of our business, the actual orders are only placed by way of on-going purchase orders. The long lead times for new OHV models and related programs for the development and manufacture of our products may make it difficult to predict the timing of income that we will earn in respect of new programs. In addition, actual production volumes may vary from these estimates due to variations in consumer demand for the related OHVs leading to underutilized capacity or incurring additional expenditure to deploy additional resources to meet delivery timelines. In addition, in the event of significant cuts in production schedules announced by customers with little advance notice, we may be unable to respond with corresponding production and inventory reductions. Significant reduction in demand for our products from a major customer may have an adverse effect on our business, financial condition, results of operations and prospects.

Sales from our warehousing facilities in their respective domestic markets ("**Warehouse Sales**") contributed to 26.01% of our consolidated income from operations for fiscal 2014 and we expect that the proportion of our Warehouse Sales may increase, as compared to export sales from Indian locations directly to overseas customers ("**Direct Exports**") and sales from our manufacturing facilities in their respective domestic markets ("**Local Deliveries**"), going forward. As a result, this may lead to a mismatch between increased inventory maintained at our warehouses and actual delivery schedules.

Moreover, as many of our operating expenses are relatively fixed, an unanticipated change in customer demand may adversely affect our liquidity and financial condition. We typically commit to order raw materials and bought-out components from our own suppliers based on customer forecasts and orders. Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and bought-out components and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity. Further, since finished inventory is maintained in our warehouses in anticipation of demand, such products may be susceptible to unanticipated changes in customer preferences which may render our finished products to be obsolete or unutilized in meeting demand to the extent anticipated, thereby adversely affecting our liquidity and financial position.

3. ***We are exposed to foreign currency exchange rate fluctuations, which may harm our results of operations and cause our quarterly results to fluctuate.***

Our financial statements are presented in Indian Rupees. However, our revenues and operating expenses and finance charges of our Subsidiaries are influenced by the currencies of those countries where we manufacture and/or sell our products (for example, the United States, Europe and Japan). The exchange rate between the Indian Rupee and these currencies, primarily the U.S. dollar, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period, due to other variables impacting our business and results of operations during the same period. Moreover, as a significant part of our long term and working capital borrowings are USD and Euro denominated, we expect that our cost of borrowing as well as our cost of raw materials and components incurred by our foreign Subsidiaries may rise during a sustained depreciation of the Indian Rupee against the U.S. Dollar or the Euro.

We may, therefore, suffer losses on account of foreign currency fluctuations for our inventory in our international warehouses, since the prices that our customers pay for our products are only subject to revision for foreign currency fluctuations on a periodic basis and outside a specified range and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers. Moreover, we may be required to reconfigure our loan portfolio from time to time, so as to effectively manage our finance charges.

While we seek to hedge our foreign currency exchange risk by entering into forward exchange contracts, any amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses that we may incur due to such fluctuations. As on March 31, 2014, our total unhedged foreign currency receivables amounted to ₹ 132.02 million, while our total unhedged foreign currency payables amounted to ₹ 2.99 million, the total value of

our outstanding forward exchange contracts amounted to ₹ 591.14 million and the total value of unhedged foreign currency loans amounted to ₹ 450.37 million, on a consolidated basis.

4. ***A failure to comply with financial and other restrictive covenants imposed on us under our financing agreements may cause us to default on these agreements, which may adversely affect our ability to conduct our business and operations.***

As on March 31, 2014, our total long-term borrowings from banks, financial institutions and related parties including current maturities of ₹ 120.49 million amounted to ₹ 557.89 million, while our total short-term borrowings from banks amounted to ₹ 1,565.10 million, on a consolidated basis. Our leverage has several important consequences, including the following:

- a portion of our cash flow will be used towards repayment of debt, which will reduce the availability of cash to fund working capital requirements, capital expenditures, acquisitions and other general corporate purposes;
- our borrowing cost and the existence of encumbrances on a significant portion of our immovable properties may constrain our ability to raise incremental financing in the future, at commercially reasonable terms. For instance, our Noida, Ludhiana and Georgia facilities are mortgaged in favour of our lenders, in connection with our secured borrowings. In the event of enforcement of an event of default in connection with such secured borrowings (which is not waived or cured), our ability to continue to operate our business at such locations may be restricted; and
- fluctuations in interest rates may affect our cost of borrowing, as all or a substantial part of our borrowings is at floating rates of interest.

In particular, our financing agreements require us to maintain certain financial ratios including debt-equity ratio, and to obtain the consent of, or to intimate, our lenders for certain actions including effecting any change in shareholding or directorship of our Company, raising further loans or incurring any major capital expenditure through our Company or our Subsidiaries, issuance of guarantees by our Company or our Subsidiaries, extending loans or advances to our Subsidiaries, or for certain actions including making any material amendments in our Memorandum and Articles of Association. Our failure to comply with financial or restrictive covenants or periodic reporting requirements or to obtain our lenders' consent to take restricted actions in a timely manner or at all may result in the declaration of an event of default by one or more of our lenders, which may accelerate repayment of the relevant loans or increase applicable interest rates or trigger cross-defaults under other financing agreements. For instance, due to an inability to maintain certain financial ratios in the past, we were charged additional interest with effect from April 1, 2009, under the terms of a foreign currency denominated loan facility sanctioned to our Subsidiary, Uniparts Olsen Inc. ("**UOI**"). This facility was repaid in full by UOI and the security was released in April 2013.

An event of default may also affect our ability to raise additional funds or renew maturing borrowings to finance our existing operations and pursue our growth initiatives. The termination of, or declaration or enforcement of default under, any financing agreement (if not waived or cured) may have an adverse effect on our business, financial condition, results of operations and prospects.

For details of our indebtedness, see "*Financial Statements*" and "*Financial Indebtedness*" on pages 198 and 326, respectively.

5. ***We and certain of our Directors, Promoters and Group Entities are involved in certain legal proceedings, which, if determined adversely, may adversely affect our business and financial condition.***

Our Company, Directors, Subsidiaries, Promoters and Group Entities are involved in certain legal proceedings (including central excise and sales tax, transfer pricing matters and commercial disputes) at different levels of adjudication before various courts, tribunals and appellate authorities. In the event of adverse rulings in these proceedings or consequent levy of penalties by other statutory authorities, our Company, Subsidiaries, Promoters or Group Entities may need to make payments or make provisions for future payments, which may increase expenses and current or contingent liabilities and also adversely affect our reputation.

A summary of the proceedings involving our Company, Subsidiaries, Promoters and Group Entities is provided below:

Company

Filed against the Company

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Excise Tax / Customs matters	13	4.49
2.	Value Added Tax, Entry Tax and Sales Tax	10	2.03
3.	Income Tax	22	25.10*
4.	Civil	1	Unascertainable

S. No.	Nature of litigation	Number of cases	Approximate amount involved
5.	Labour	20	Unascertainable
6.	Notices against our Company	8	Unascertainable

** Includes ₹ 1.26 million for TDS matters, for which our Company has not yet received notices.*

Filed by the Company

(in ₹ million)

S. No.	Nature of litigation	Number of cases	Approximate amount involved
1.	Civil	1	67.88

Directors

Refer to the head "*Promoters – Filed against the Promoters*" below for litigation against our Directors who are also our Promoters. Further, other than the matters listed under the head '*Promoters – Filed by the Promoters*', there are no cases by our Directors.

Subsidiaries

(in ₹ million)

S. No.	Name of Subsidiary	Nature of litigation	Number of cases	Approximate amount involved
1.	UOI	Custom Tax	1	Unascertainable
2.	GFPL**	Income Tax	4	Unascertainable

*** There are additional TDS matters of ₹ 1.46 million, for which GFPL has not yet received notices.*

Promoters

Filed against the Promoters

(in ₹ million)

S. No.	Name of Promoter	Nature of litigation	Number of cases	Approximate amount involved
1.	Mr. Gurdeep Soni	Wealth Tax	2	Unascertainable
2.	Mr. Paramjit Singh Soni	Wealth Tax	2	Unascertainable
3.	Mr. Gurdeep Soni	Income Tax	1	5.18 million
4.	Mr. Paramjit Singh Soni	Income Tax	4	Unascertainable

Filed by the Promoters

(in ₹ million)

S. No.	Name of Promoter	Nature of litigation	Number of cases	Approximate amount involved
1.	Mr. Gurdeep Soni	First Information Report	1	Unascertainable
2.	Mr. Gurdeep Soni	Legal Notice	1	5.58
3.	Mr. Paramjit Singh Soni	Legal Notice	1	5.58

Group Entities

Filed against the Group Entities

(in ₹)

S. No.	Name of Group Entity	Nature of litigation	Number of cases	Approximate amount involved
1.	Ace Tractors Parts Limited (formerly known as GKN Walterscheid Gripwel Limited)	Labour Case	1	Unascertainable
2.	Silveroak Estate Private Limited	Income Tax Notices	1	1,60,763
3.	SKG Engineering Private Limited	Income Tax Notices	1	4,750
4.	Amazing Estates Private Limited	Income Tax Notices	1	1,08,650
5.	SGA Trading Private Limited	Income Tax Notices	1	Unascertainable
6.	Tima Trading Private Limited	Income Tax Notices	1	Unascertainable
7.	P. Soni Family Trust	Income Tax Notices	1	Unascertainable

S. No.	Name of Group Entity	Nature of litigation	Number of cases	Approximate amount involved
8.	Gripwel Fasteners	Income Tax Notices	1	Unascertainable
9.	SKG Engineering Private Limited	TDS Notices	3	18,100
10.	P. Soni Family Trust	TDS Notices	2	10,920
11.	Soni Holdings	TDS Notices	1	230
12.	Gripwel Fasteners	TDS Notices	1	280

6. ***If we are unable to retain and hire key employees or to maintain good relations with our workforce, our business and financial condition may be adversely affected.***

Our ability to provide high-quality products and services and to manage the complexity of our business depends, in part, on our ability to retain and attract skilled personnel in the areas of management, product engineering, design, manufacture, servicing, sales, IT and finance. Competition for such personnel is intense and the cost of retaining or replacing such personnel may affect our profitability. In addition, our strategies for growth have placed, and are expected to continue to place, increased demands on our management's and employees' skills and resources. Our future performance would depend on the continued service of our management, key managerial personnel and our employees, and the loss of any key employee and the inability to find an adequate replacement may impair our relationship with key customers and our level of technical expertise, which may adversely affect our business, financial condition, results of operations and prospects. In particular, we rely on the experience and industry relationships of our Promoter, Chairman and Managing Director, Mr. Gurdeep Soni, Promoter and Vice Chairman, Mr. Paramjit Singh Soni, and our Director, Mr. Herbert Coenen. Should their involvement in our business reduce, or should our relationship with these persons deteriorate for any reason in the future, our business, financial condition, results of operations and prospects may be adversely affected.

Further, our manufacturing activities are labor intensive, require our management to undertake significant labor interface, and expose us to the risk of industrial action. Currently, in our U.S., European operations (where none of our employees are represented by a labor union) and in our Indian operations (where we do not have any recognized trade unions), we have maintained a generally positive working environment. Although we have in the past faced work stoppages due to labour unrest in our Noida and Visakhapatnam facilities, which were resolved, we cannot ensure that we will not be subject to work stoppages, strikes or other types of conflicts with our employees or contract workers in the future. Further, we cannot ensure that our employees will not unionize in the future. Any such event, at our current facilities or at any new facilities that we may commission or acquire in the future, may adversely affect our ability to operate our business and serve our customers and impair our relationships with key customers and suppliers, which may adversely impact our business and financial condition.

For details of our management and key managerial personnel, see "*Our Management*" on page 170.

7. ***Failure or disruption of our IT and/or ERP systems may adversely affect our business, financial condition, results of operations and prospects.***

We have implemented various information technology ("**IT**") and/or enterprise resource planning ("**ERP**") solutions to cover key areas of our operations. For instance, we have implemented ERP systems across our operations in the U.S., Germany and our Visakhapatnam and Noida facilities in India, and planned for implementation at one of our Ludhiana facilities, to consolidate data and other key performance parameters at the global level. Other significant ERP solutions include systems designed to provide data security and to allow for collaboration of information across the network, as well as supply chain solutions to cover critical processes in relation to customers and suppliers across our manufacturing facilities. Further, we are dependent on technology in relation to customer order management and dispatches, production planning and reporting, manufacturing processes on the shop floor, financial accounting and scheduling raw material purchase and shipments. We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and functions. While the ERP solutions that we have implemented have enabled us to improve our working capital cycles, despite an increase in our Warehouse Sales, we can provide no assurance that we will be able to do so in the future.

We believe that we have deployed adequate IT disaster management systems including data backup and retrieval mechanisms, in all our facilities. However, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, manage our creditors, debtors and hedging positions, or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and prospects.

8. ***Availability and cost of raw materials, power and fuel may adversely affect our business, financial condition, results of operations and prospects.***

Our business, financial condition, results of operations and prospects are significantly impacted by the availability and cost of raw materials, particularly steel, power and fuel. Steel accounted for over 70% of our raw material in volume terms in fiscal 2014. We purchase steel required for our manufacturing facilities in India primarily through spot contracts in the domestic and international markets. Steel used for products being directly manufactured at our facility in Eldridge, Iowa, is primarily sourced through a procurement programme set up by one of our customers.

While we are not significantly dependent on any single raw material supplier, raw material supply and pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labor costs, labor unrest, natural disasters, competition, import duties, tariffs and currency exchange rates, and there are uncertainties inherent in estimating such variables, regardless of the methodologies and assumptions that we may use. This volatility in commodity prices (in particular, the cost of steel) can significantly affect our raw material costs. Further, volatility in fuel prices can also affect commodity prices worldwide which may significantly increase our raw material costs.

Further, we depend on a steady supply of power for our manufacturing operations for which we primarily rely on the state grids. Recently, for our Visakhapatnam facility, we have also contracted to source private power through the Indian Energy Exchange ("**IEX**"), where the Company is required to bid for power at rates determined by the Central Electricity Regulatory Commission and the State Electricity Regulatory Commission, when the local grid is not in a position to supply power. There can be no assurance that we will be able to renew our agreement for sourcing power from IEX or will be able to source power successfully from the IEX at terms acceptable to us.

India suffers from significant energy shortages and power outages, particularly during the summer months, which has resulted in increased power costs in recent years. In the event of unavailability of constant power supply, we will be dependent on our backup power supply which may not be adequate to operate our facilities at full capacity. Further, the cost of backup power may increase in the event of such unavailability of power. According to the Reserve Bank of India's ("**RBI**") *Macroeconomic and Monetary Developments First Quarter Review 2013-2014*, persistent power shortages have affected the capacity utilization of the manufacturing sector in India, which has resulted in growth in India's industrial sector remaining subdued.

To the extent that we are unable to secure adequate supplies of raw materials, power and fuel on commercially reasonable terms or to pass on price increases to our customers, our profitability may be impaired.

9. ***Our business is impacted by cyclical effects in the global and domestic economy, specifically in the agriculture and CFM sectors, which may have an adverse effect on our business, financial condition, results of operations and prospects.***

Our sales volumes, profitability and liquidity are closely tied to the level of agricultural and CFM activity worldwide, as our customers and end-users operate in the agriculture and CFM sectors and are, therefore, affected by factors that affect the agriculture and CFM sectors, including the levels of investment and production in these specific sectors of the global and domestic economies. The overall contribution of the agriculture and CFM sectors to overall economic growth and stability further underlines the impact caused by the level of activity in the agriculture and CFM sectors.

In particular, the agricultural sector is inherently seasonal and is further impacted by factors including agricultural commodity prices, costs of fertilizers and adverse weather conditions. These effects may not be directly or completely offset by the countercyclical effects in the CFM sector that are caused by increased infrastructural spend and rebuilding or recovery efforts consequent to a period of slowdown or downturn in the agricultural sector. If we are unable to adequately anticipate and respond to changing conditions affecting the agriculture and CFM sectors and the related cyclical and countercyclical effects on our customers and vendors and on our own operations, our business, financial condition, results of operations and prospects may be adversely affected.

Moreover, the seasonal nature of the agriculture sector as well as other cyclical and countercyclical effects in the economy may, at times, hinder comparison of our financial statements for any given fiscal quarter from our financial statements for any other given fiscal quarter.

10. ***We have significant working capital expenses. If we experience insufficient cash flows to enable us to fund working capital requirements or to service our working capital loans, there may be an adverse effect on our business, financial condition, results of operations and prospects.***

Our business requires a high amount of working capital, primarily on account of high inventory levels owing to multiple levels of operations, including backward integrated manufacturing operations as well as forward integrated warehousing. Our working capital requirements have also increased significantly in recent years, due to the general growth in our business, our greater focus on expanding our global service delivery model, increased inventories maintained by us due to a growing proportion of Warehouse Sales by us in recent years, and extended credit periods granted by us to our customers, in certain cases.

If a significant customer defaults on or delays payment on any order to which we have devoted significant resources, it may affect our profitability and liquidity and decrease capital resources available to us for other uses, including our obligations under the credit facilities granted to us by our lenders. This could increase the quantum of payables to our suppliers, which may further result in reduced availability of raw materials and/or increased raw material costs. If we are unable to finance our working capital needs or to secure other financing, when needed, on acceptable commercial terms, it may adversely affect our business, financial condition, results of operations and prospects.

11. ***Our international sales and multi-location operations pose certain risks that may adversely impact sales and earnings.***

We have operations and assets located in India, the U.S. and Europe. As on March 31, 2014, March 31, 2013 and March 31, 2012, our sales in regions outside India ("**International Sales**") amounted to ₹ 7,073.18 million, ₹ 6,863.76 million and ₹ 7,197.32 million, respectively, amounting to 88.84%, 89.81% and 88.29% of our total revenue from operations as on these dates, respectively, on a consolidated basis. Further our revenues are significantly dependent on the economic cycles in the U.S. and Europe, and demand for agricultural and CFM machinery.

A key part of our long-term strategy is to increase our manufacturing, distribution and sales presence in international markets. We are affected by risks inherent in International Sales and operations, including:

- economic cycle and demand for our products in the international markets;
- currency exchange rate fluctuations;
- regional economic or political uncertainty;
- currency exchange controls;
- differing accounting standards and interpretations;
- differing labor regulations;
- differing domestic and foreign customs, tariffs and taxes;
- current and changing regulatory environments;
- difficulty in staffing and managing widespread operations;
- coordinating and interacting with local representatives and counterparties to fully understand local business and regulatory requirements; and
- availability and terms of financing.

Selling products in international markets and maintaining and expanding international operations require significant coordination, capital and resources. Moreover, the length and complexity of our internal production chain make us vulnerable to numerous risks, many of which are beyond our control, which may cause significant interruptions or delays in production or delivery of our products to our customers.

To the extent that we are unable to effectively manage our global operations and risks such as the above (in particular, as we implement our strategy to enter into new markets where we do not have local knowledge and resources), we may be unable to grow or maintain our sales and profitability, or we may be subject to additional unanticipated costs or legal or regulatory action. As a consequence, our business, financial condition, results of operations and prospects may be adversely affected.

12. ***We have delayed filing certain records with the Reserve Bank of India in the past and are in process of compounding such delays.***

Our Company received a letter dated August 21, 2014 from the Reserve Bank of India ("**RBI**") stating that four remittance transactions undertaken by our Company under the overseas direct investment mechanism in relation to Uniparts USA Limited ("**UUL**") were reported with inordinate delay on June 4, 2014, June 2, 2014 and June 12, 2014 (for two transactions). There was also a delay in reporting the acquisition of UOI by UUL. The RBI in its letter stated that such delay was in contravention of regulation 6(2)(vi) of RBI notification no. FEMA120/RB-2004 dated July 7, 2004, as amended, and advised our Company to compound the aforementioned delay. Our Company has filed an application dated September 18, 2014 in this regard. While we believe that there have been no material non compliance in the past, and that material information required for investors to make their investment decision in this Offer has been disclosed in this Draft Red Herring Prospectus, we cannot assure you that we will

not be penalized for delay in regulatory filings in the future. Please see "*Outstanding Litigation and Material Developments*" on page 333.

13. ***An inability to manage our growth may disrupt our business and reduce our profitability.***

As part of our growth strategy, we are committed to continuing to diversify our product offerings, customer base and geographic footprint and minimizing our exposure to individual market and segment declines. Our growth requires us to continuously invest in our operations, evolve and improve our operational, financial and internal controls and administrative infrastructure. In particular, this significantly increases the challenges involved in:

- maintaining high levels of customer satisfaction;
- acquiring new customers and increasing/maintaining contribution from existing customers;
- maintaining the quality and precision level of our products;
- preserving a uniform work culture and environment across our sites and maintaining and improving operational synergies between our sites, including our international locations;
- arranging for adequate financial resources (whether in the form of debt or equity or a combination thereof) for planned improvements and expansions, including the new facilities in which we intend to invest a part of the Net Proceeds, as set out in "*Objects of the Issue*" on page 86;
- obtaining required lender consents;
- managing our relations with our labor force and successfully resolving any labor disputes that may arise from time to time; and
- recruiting, training and retaining sufficient skilled technical, marketing and management personnel.

An inability to manage our growth, including as a result of a failure to adequately respond to any such challenges, risks or uncertainties, may disrupt our business and reduce our profitability.

14. ***We may not be able to satisfy the acquisition component of our growth strategy. If we are unable to successfully identify and integrate acquisitions, our growth strategy and prospects may be adversely affected.***

We have in the past relied on inorganic growth as a key part of our growth strategy (including our strategy of examining opportunities for forward integration, expanding into complementary product verticals, new customer acquisition and exploring newer markets where we do not currently have a presence), we may seek to identify and complete acquisitions and investments that meet our strategic and financial return criteria. Further, we intend to utilise ₹ 150 million from the Net Proceeds towards potential acquisitions and strategic initiatives, for which we have not entered into any definitive agreements. However, there can be no assurance that we will be able to identify suitable acquisition or investment targets, arrange adequate financing on commercially reasonable terms for planned acquisitions or investments, negotiate commercially reasonable terms for the acquisition of, or investment in, target companies or businesses, integrate their operations with our own, retain key employees and customers critical for the target entity and realize our expectations and strategic objectives from planned acquisitions and investments. We cannot assure you that our acquisitions will prove value accretive.

Strategic acquisitions and investments involve several risks, including the following:

- difficulties in arranging adequate financing (whether debt or equity or a combination thereof) on commercially reasonable terms, to complete our planned investments or acquisitions in the budgeted time, cost and manner;
- difficulties or delays in obtaining lender consents required under our financing agreements, prior to undertaking any planned investments or acquisitions;
- potential assumption of unanticipated liabilities and contingencies, including claims from current or former creditors, customers, suppliers, employees and other third parties;
- potential adverse short-term effects on operating results through increased costs or otherwise;
- unforeseen difficulties in extending disclosure and other internal controls and procedures over financial and other reporting and in performing the required assessment and remediation at the newly acquired business;
- unforeseen difficulties in assimilating the operations, personnel, management information systems and other administrative systems of acquired businesses and in transitioning existing operations, users and customers onto our platforms;
- potential disagreements with strategic partners and collaborators;
- diversion of management time and focus, and managing the realignment of our management resources; and
- possible impairment of relationships with customers, suppliers and employees of acquired businesses as a result of changes in ownership and management;

- unforeseen difficulties in complying with regulatory requirements that may be applicable, in case the target is in a different jurisdiction; and
- difficulties in repatriating funds in case acquisition is made in a jurisdiction which has such restrictions.

For instance, we had entered into a joint venture with Kramp Groep B.V. ("**Kramp**") pursuant to which we had invested in Uniparts Kavee B.V. ("**Kavee**"), primarily for the production of hydraulic cylinders. We sold our entire interest in Kavee to Kramp with effect from April 1, 2012. We incurred a net loss of € 275,001 (₹ 17.76 million on cost basis) on account of this transaction. Further, we are also bound by certain mutual non-compete provisions and are prohibited from soliciting certain specific customers of Kramp until December 31, 2014. We believe we have benefited from this transaction due to exposure we gained by our involvement in a new product line as well as industry knowledge of the European markets, although we believe that the long-term focus of Kavee on this product and its customer strategy, including its serviceability, was not aligned to our overall focus and strategy and hence we divested our equity stake in the venture. There can be no assurance that we will be able to succeed in similar ventures in the future.

While we believe that strategic acquisitions can improve our competitiveness and profitability, we may be unable to complete planned acquisitions or investments on schedule or as budgeted or at all, or our due diligence processes may fail to identify all the challenges and liabilities involved in the acquisition or investment. Further, we may be required to expend significant resources and management attention towards such strategic acquisitions which may not fructify. There can be no assurance that any businesses acquired or invested in will perform in accordance with our expectations or that our judgments concerning the value, strengths and weaknesses of businesses acquired or invested in will prove to be correct. Any such risks mentioned above, may reduce our profitability, increase our operating costs, interest and amortization expenses, require us to obtain additional debt and/or equity financing, dilute our goodwill and brand value, or otherwise have an adverse effect on our business, financial condition, results of operations and prospects.

15. ***We intend to utilize ₹806.65 million out of the Net Proceeds to establish manufacturing facilities at Ludhiana and Visakhapatnam. However, we have not, as on the date of this Draft Red Herring Prospectus, acquired land for the proposed Ludhiana facility, purchased or placed orders for any equipment.***

We intend to use ₹ 806.65 million out of the Net Proceeds to establish manufacturing facilities at Ludhiana and Visakhapatnam.

We do not intend to undertake any acquisition of land for the planned new manufacturing facility at Visakhapatnam, as we already have 22.10 acres of vacant land available for utilization at this location. However, as on the date of this Draft Red Herring Prospectus, we have not acquired any land for the proposed Ludhiana facility, which will be acquired from our Company's internal accruals and not out of the Objects of this Issue. While our Board has approved the estimated capacity of 6,000 tons per annum and 7,500 tons per annum for the new facilities proposed to be established at Ludhiana and Visakhapatnam respectively, these capacity estimates are not based on any independent third party reports, and we cannot provide any assurance that the actual final capacity of these facilities will be as approved by our management.

We have not yet purchased any equipment nor placed any orders in relation to our planned projects. We may face time and cost overruns during the construction or implementation of the proposed facilities, including on account of increased costs of sourcing imported and other equipment (i.e., in excess of the estimates and quotations that we are currently relying on) or increased costs of labor or design, construction and commissioning of these projects, including on account of inefficiencies or delays by third party contractors and/or consultants appointed by us, or technical difficulties or adverse weather conditions during the construction phase. We may have only limited control over the timing and quality of services, equipment or other supplies from third party contractors and/or consultants appointed by us, and we may be required to incur additional unanticipated costs to remedy any defect or default in their services or products or to ensure that the planned timelines are adhered to.

Further, as and when we commission our planned manufacturing facilities, our raw material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our new units as well as in realigning our management and other resources and managing our consequent growth.

Further, we will need to procure approvals such as, under the Factories Act, 1948, the Contract Labor (Regulation and Abolition) Act, 1970 (the "**CLRA Act**"), the Water Act and the Air Act from time to time.

In the event that the risks and uncertainties discussed above or any other unanticipated risks, uncertainties, contingencies or other events or circumstances limit or delay our efforts to use the Net Proceeds to achieve the planned growth in our business, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment in our Equity Shares.

16. ***We outsource a portion of our manufacturing processes to certain sub-contractors, which presents numerous risks.***

We outsource the processing of some of our intermediate products in India and U.S., and the operation of one of our warehouses in the U.S., some of which operate from our facilities. We depend on their expertise and rely on them to provide satisfactory products and levels of service. Thus, our manufacturing and warehousing model presents numerous risks, including the following:

- interruptions to the operations of our sub-contractors due to strikes, lockouts, work stoppages or other forms of labour unrest, breakdown or failure of equipment as well as accidents;
- failure by our sub-contractors to comply with applicable law and the directives of relevant governmental authorities;
- insufficient quality controls or failures in the quality controls of our sub-contractors;
- significant adverse changes in the financial or business conditions of our sub-contractors;
- performance by our sub-contractors below expected levels of output or efficiency;
- the possibility that our competitors will engage our sub-contractors, directly or indirectly, and thereby reduce the manufacturing capacity available to us;
- any inability on our part to renew existing agreements with or find replacements for existing sub-contractors; and
- misappropriation of intellectual property by our sub-contractors.

We cannot assure you that we will be successful in continuing to receive uninterrupted supply of intermediate products from our sub-contractors. Any disruption or inefficiencies in the supply chain network may adversely affect our business and results of operations.

17. ***We are subject to various law and regulations, in jurisdictions where we operate, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.***

Our operations are subject to central, state, local and foreign laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes. For instance, we require approvals under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, in order to establish and operate our manufacturing facilities in India. Our operations, facilities and properties in the United States and Germany are also subject to evolving international, federal laws including the Foreign Corrupt Practices Act and Foreign Account Tax Compliance Act, state and local environmental and occupational health and safety laws and regulations, including those governing air emissions, wastewater discharge and the storage and handling of chemicals and hazardous substances.

If we fail to comply with such laws and regulations, we could be subject to significant fines, penalties, costs, liabilities or restrictions on operations, which could negatively affect our financial condition. Regulatory permits required for our operations may also be subject to periodic renewal and, in certain circumstances, modification or revocation. Environmental and occupational health and safety laws and regulations, and the interpretation and enforcement thereof, are subject to change and have tended to become stricter over time, in India and internationally. While we are not aware of any outstanding material claims or obligations, we may incur substantial costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of violations of or liabilities under environmental or health and safety laws or noncompliance with permits required at our facilities, which, as a result, may have an adverse effect on our business and financial condition. For instance, we were required to temporarily shut down operations at one of our Noida facilities for a period of approximately one month, pursuant to notices issued by the National Green Tribunal in July 2013 on account of alleged non-compliance with environmental pollution norms. Although the notices were set aside by the National Green Tribunal on September 10, 2013, we cannot assure you that a similar situation will not recur in the future.

As we supply to the North American and other international markets, we may also become subject to the jurisdiction of the United States and other foreign federal and state regulatory agencies. While we have never had any of our products recalled and are not aware of any current defects in our products that require a recall, we cannot assure you that no such event or circumstance will arise in the future.

In addition, some of our principal customers are agricultural and CFM companies, whose operations are geographically diverse and subject to or affected by a wide array of regulations in the jurisdictions where they operate, such as applicable environmental and health and safety laws and regulations. As a result of changes in regulations and laws relating to such sectors, our customers' operations may be disrupted or curtailed. The cost of compliance with such laws and regulations may also induce certain customers to discontinue or limit certain operations or discourage them from developing new opportunities. As a result of these

factors, demand for our products may be negatively affected by regulations adversely impacting the industries and geographies in which our principal customers operate.

18. ***If more stringent labour laws or other industry standards in India become applicable to us, our profitability may be adversely affected.***

We are subject to a number of stringent labour laws. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. We are also subject to international, federal, state and local laws and regulations, in all jurisdictions where we have operations, governing our relationships with our employees, including those relating to minimum wage, overtime, working conditions, hiring and firing, non-discrimination, work permits and employee benefits.

Further, in order to retain flexibility and control costs, we appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations. Although we do not engage these labourers directly, in the event of default by any independent contractor, we may be held responsible for any wage payments that must be made to such labourers. If we are required to pay the wages of the contracted employees, our results of operations and financial condition could be adversely affected.

If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

19. ***Failure to obtain or renew necessary regulatory approvals may adversely affect our business and financial condition.***

We are required to obtain various regulatory approvals and registrations for our operations, including consents from the local pollution control boards in India to establish and operate our manufacturing facilities in India, and registrations with the relevant tax and labor authorities in India as well as in the U.S. Failure to obtain and maintain any required approvals and registrations may have an adverse effect on our business, financial condition, results of operations and prospects. Further, our approvals and registrations are subject to numerous conditions (for instance, including periodic reporting or audit requirements), some of which may require us to undertake substantial compliance-related expenditure. Breach or non-compliance with specified conditions may result in the suspension, withdrawal or termination of our approvals and registrations or the imposition of penalties by the relevant authorities. As on the date of this Draft Red Herring Prospectus, our Company has applied for but not received, the following approvals:

Description	Date of Application
Application for renewal of authorization for handling hazardous waste under Rule 5 of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 for the Noida Unit from the Uttar Pradesh Pollution Control Board.	July 16, 2014
Combined application for renewal of consent to operate under the Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974 and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 for the Visakhapatnam Unit to the Andhra Pradesh Pollution Control Board, Visakhapatnam.	June 7, 2014
Application No. 2695537 for the registration of following trademark in class 12 category for goods and services (other than a collective mark or certification trade mark) in the register	March 10, 2014
Application for registration of factory license under the Factories Act, 1948 for the Ludhiana Unit 2 from Deputy Director of Factories, Ludhiana for Ludhiana Unit 2 (E-488, Phase VI, Focal Point, Ludhiana).	August 13, 2014
Application for consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 for the Ludhiana Unit 2 to the Punjab Pollution Control Board for Ludhiana Unit 2 (E-488, Phase VI, Focal Point, Ludhiana).	September 18, 2014
Application for consent to operate under the Air (Prevention and Control of Pollution) Act, 1981 for the Ludhiana Unit 2 to the Punjab Pollution Control Board for Ludhiana Unit 2 (E-488, Phase VI, Focal Point, Ludhiana).	September 18, 2014

A suspension, cancellation or refusal to extend our approvals and registrations may require us to cease production at some or all of our manufacturing facilities (or may affect other aspects of our operations), which may have an adverse effect on our business, financial condition, results of operations and prospects.

20. ***Our operational flexibility may be limited in certain respects on account of our obligations under some of our major long-term customer agreements.***

We have entered into long-term customer agreements with some of our key customers. Our pricing terms, payment cycles and permitted adjustments are generally set out in advance in our customer contracts or purchase orders and only allow adjustments beyond a specified range, in the event of significant unanticipated changes in, for instance, raw material prices or currency exchange rate fluctuation. Due to committed delivery schedules at a pre-agreed price, we may not be able to adequately adjust our inventory and raw material costs in the event of an unanticipated change or cancellation in orders from our customers and we may, therefore, in certain events, incur additional costs that we are unable to pass through to our customers or be required to write off certain expenses. For instance, in the event of any inability to deliver our products on a timely basis, we may be subject to certain penalties including the requirement to bear additional freight costs (including air freight) under the terms of our arrangements with our customers.

Due to the packaging, transport and labeling laws that apply to our customers in the jurisdictions in which they operate, we are also required to adhere to standards specified by our customers in relation to the delivery of our products to them and any non-conformity with such specifications may result in the rejection of an order even where there is neither any defect in our product nor any delay or deficiency in the delivery. In the event that we are unable to adhere to specified safety, quality and competitive standards and specifications on packaging transport and labeling, including in relation to on-time delivery or on-site or off-site inspections of our products and facilities or in relation to our committed reporting requirements or the requirement to obtain adequate product liability insurance, we may not be able to continue to enjoy our relationships with such major customers on the same terms over the long-term, or at all. Some of our major long-term customer agreements also require us to obtain the prior approval of our customers before implementing any significant change in manufacturing method, supplier base, factory location, part specification or shipment carrier or prior to sub-contracting or assigning any of our obligations. There can be no assurance that any such consent, if sought by us, will be received within a reasonable time or at all. While various terms of our long-term customer agreements with major customers generally allow us a right of consultation as to difficulties faced by us or provide for certain decisions or adjustments to be made as per mutual agreement, our customers are generally permitted under the terms of such agreements to exercise a high level of discretion. Consequently, we are exposed to the risk that our submissions or requests as to price adjustments or delivery schedules or otherwise may not be agreed to by our customers or our customers may not accede to provide consents sought by us. Any such significant operational constraint may adversely affect our business, financial condition, results of operations and prospects.

Further, under some of our long-term customer agreements, we are required to provide an annual cost reduction in relation to our products. Although we continue to focus on value engineering and process innovation, there can be no assurance that such initiatives will enable us to maintain or improve our margins. Any significant cost reductions that we are not able to compensate for through value engineering and process innovation may, therefore, reduce our profitability.

We are also bound by confidentiality obligations under our non-disclosure agreements with our customers to protect their intellectual property, including in relation to technical data such as product designs, drawings, prototypes and any other intellectual property or proprietary data that may have been shared with us by our customers. While we believe that we have not been in breach of any such confidentiality obligations, an inadvertent breach or any misuse of intellectual property or proprietary data by any of our employees or sub-contractors may expose us to expensive infringement claims and may diminish our goodwill and reputation among our customers, suppliers, lenders, investors and the public, making it difficult for us to operate our business and compete effectively.

21. ***Our reliance on third parties for certain aspects of our business, including raw material suppliers, transporters of our raw materials and products and logistic / warehouse service providers, exposes us to certain risks.***

We rely on third parties for the supply of raw materials, components, contract labor and power required for the manufacture of our products, as well as for certain performance of certain functions and services carried out at our manufacturing, warehousing and office premises including waste management and facility management functions. Our ability to identify and build relationships with reliable vendors worldwide contributes to our growth and our successful management of our inventory as well as other aspects of our operations. Although we have initiated an in-house vendor rating process, we cannot assure you that this process would enable us to identify reliable vendors. Our raw material and component suppliers may fail to consistently deliver products of acceptable quality and within stipulated schedules, or the contractors to whom we have outsourced certain functions and services at our manufacturing, warehousing or office premises may not fulfill specified performance standards, which may adversely affect our operations. We may be required to replace a vendor if its products or services do not meet our safety, quality or performance standards or if a vendor should unexpectedly discontinue operations due to reasons beyond its or our control (including financing constraints caused by credit market conditions).

Factors such as the financial instability of suppliers, vendors' noncompliance with applicable laws, trade restrictions, labor disputes, currency fluctuations, changes in tariff or import policies, severe weather, political uncertainty, terrorist attacks and transport capacity and cost may disrupt our supply chains, which may result in increased costs or delivery delays. Further, increase in competition and/or our competitors having established operations and long-term relationships with suppliers may see us facing challenges to secure adequate supply of raw materials or may increase our overall cost of raw materials. Therefore, there is no assurance that third party suppliers will be able to meet their contractual commitments to us, or that we will not be required to incur additional costs to remedy any deficiencies in their services or to obtain alternative sources of supply in the event that our contracted suppliers should default or be delayed in their performance. A significant disruption in supply of raw material, contract labor, power or third party services for our warehousing operations may, in turn, disrupt our operations and adversely affect our inventory management, business and financial condition, at least until alternative sources of supply of goods and services are arranged.

We also use, and intend to continue to use, third party transporters for the supply of our raw materials and for deliveries of our products to our customers. Increased transportation costs as well as interruptions due to strikes by members of truckers' unions or shipping delays or adverse weather conditions or inadequate transport infrastructure may, to the extent that our losses are not covered by insurance, adversely affect the timely receipt of our raw materials as well as products, resulting in an adverse impact on our business, financial condition, results of operations and prospects.

22. ***Activities involving our manufacturing process can be dangerous and can cause injury to people or property in certain circumstances. A significant disruption at any of our manufacturing facilities may adversely affect our production schedules, costs, sales and ability to meet customer demand.***

Our business involves complex manufacturing processes that can be dangerous to our employees. Although we employ safety procedures in the operation of our facilities and maintain what we believe to be adequate insurance, there is a risk that an accident or death may occur in one of our facilities. An accident may result in destruction of property or equipment, environmental damage, manufacturing or delivery delays, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations and prospects.

In particular, if operations at our manufacturing facilities were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labor dispute, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. For instance, In August 2005, a warehouse owned by UUL located in Augusta, Georgia collapsed during construction. During this period, warehousing operations of UUL were carried out from a public warehouse. We incurred warehousing charges for use of the public warehouse as well as additional legal fees in this regard. Further, in October 2013, a fire affected the heat treatment area of our Visakhapatnam facility. The delivery schedule to our customers during the period from November 2013 to March 2014 was adhered to by outsourcing the heat treatment process to third parties and supplies to our customers were fulfilled without any stoppages. We are in the process of settling our insurance claims and completing repairs at our Visakhapatnam facility. Our Company incurred expenses of ₹ 13.06 million towards outsourcing of the heat treatment process on account of this fire and also incurred additional freight cost to meet our customers' delivery schedules.

Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations and prospects.

23. ***The discontinuation or loss of business, with respect to a particular OHV model for which we are a significant supplier could reduce our sales and profitability.***

Purchase orders from our customers generally provide for the supply of a customer's annual or monthly requirements for components for a particular OHV model, rather than for the supply of a customer's requirements for components for the life of a particular OHV model or for the purchase of a specific quantity of components. Therefore, in the event that a particular OHV model is discontinued by our customer or demand for a particular OHV model is significantly less than anticipated by the relevant customer, it may adversely affect our inventory management and, in turn, our sales and profitability could be adversely affected. In addition, it is possible that our customers could elect to internally manufacture components that are currently produced by outside suppliers, such as us, or source the products from an alternate supplier.

The reduction in demand for, and sales of, our products for any such reason may have a consequent adverse impact on our business, financial condition, results of operations and prospects, particularly to the extent that we unable to sell or appropriately dispose of the inventory for spare parts that we maintain or are required to continue maintaining for any OHV models that are discontinued by our customers or for which there is no longer any significant demand in the markets in which our customers operate.

24. ***We face competition in all our product lines, including from competitors that may have greater financial and marketing resources. Failure to compete effectively may have an adverse impact on our business, financial condition, results of operations and prospects.***

Our domestic and international operations are subject to competitive pressures, in all our product lines. We compete directly and indirectly with other manufacturers and suppliers of engineered components to OEMs (including OEMs that produce such components for their own use) and in the aftermarket. We compete on the performance, functionality, customer service and support, availability, price and brand recognition of our products. Increased competition may force us to improve our process, technical, product and service capabilities and / or lower our prices or result in loss of customers, which may adversely affect our profitability and market share, in turn, affecting our business, financial condition, results of operations and prospects.

The greater financial, marketing, technological and other resources of certain of our competitors may enable them to commit larger amounts of capital in response to changing market conditions, or to achieve substantially more market penetration in certain segments of those markets in which we operate or to anticipate the course of market developments and trends more effectively than we do and to develop product and process innovations and capabilities that may put us at a disadvantage. We may also face competition from new entrants in the market as well as aggressive pricing and marketing strategies by other manufacturers trying to gain market share. Further, competitors in other countries may be more competitive in terms of pricing due to lower labour and other costs. Moreover, some of the other component manufacturers that we compete with may have the benefit of greater consolidation and integration (for instance, including captive consumption of components produced by them) or greater diversification (in terms of other businesses that are not exposed to the economic and financial pressures that affect the OHV components manufacturing business or the agriculture and CFM segments) or lower costs in relation to manufacturing structures and lower costs of transportation in our key markets.

There are several competing producers of varying size and in various geographical markets. Therefore, as the parameters of competition in this business are less firmly established than in certain other types of businesses, we believe that it is difficult to predict how the competitive landscape of our business will develop over the long term. General competitive factors in the market, which may affect the level of competition over the short and medium term, include vulnerability to overall macroeconomic factors, time to market, product features, design, quality, price, delivery, warranty, general customer experience and relationships between producers and their customers.

25. ***An adverse determination in a significant product liability or performance improvement claim or significant replacement costs may adversely affect our business, financial condition, results of operations and prospects.***

The use of our products, often under extreme conditions, carries an inherent risk of product liability claims arising from personal injury, death or property damage due to equipment failure, work accidents, fire or explosion, if our products are defective or are used incorrectly by our customers (or by their customers, who are the end-users).

We have also entered into warranty agreements with certain key OEM customers, where we have long-term supply arrangements with such customers. To the extent that such OEM customers provide a warranty to their end users and incur warranty costs for non-conformity of their products to agreed specifications or standards, our supply arrangements with our OEM customers typically allow us to review warranty claims in order to determine if the failure was caused by a manufacturing defect in our products. If it is determined that the failure was on account of a manufacturing defect in our products, we are typically required to promptly correct or replace those defective products at our own expense, failing which we may be required to reimburse our OEM customers at part acquisition cost, with additives to cover administrative, labor, material and other such costs. In the event of recurring failures, we are typically required to prepare a written corrective action plan. Our standard warranty period for our products is 12-24 months but, in the case of certain specified types of equipment in which our components are used, may extend to 36 months or longer. Where we have not entered into warranty agreements with certain of our customers, any products that are rejected are physically returned to us or scrapped at the customer's end after our approval and debit notes are raised equal to the selling price. Our agreements with certain key OEM customers also provide for Performance Improvement Programs ("**PIP**"), whereby if a particular product or batch of products is found not conforming to the specified quality standards, the product is replaced, followed by a correction program.

There is a risk that we may incur higher than expected warranty or performance improvement costs or become aware of a defective or underperforming product. Further, we may be subject to claims arising from alleged, suspected or actual defects in the products that we manufacture, within the warranty periods extended by us, which may require us to conduct product recalls, or we may be required or requested to participate in product recalls conducted by our OEM customers due to alleged, suspected or actual defects in equipment manufactured by them for their own customers. While we maintain insurance coverage in keeping with what we believe to be the industry standard, we are not insured against punitive damage awards. In the event that any significant product liability, performance improvement or replacement claims are brought against us, which are not covered by insurance or result in recoveries in excess of our insurance coverage, it may adversely affect our business, financial condition, results of operations and prospects. Further, despite insurance coverage, in the event of any future accident or liability involving our products, our customers may delay or withhold payments to us and/or seek to enforce warranty or performance improvement claims against us, and which in turn may, to that extent, diminish our reputation among our customers, suppliers, lenders, investors and the public, making it difficult for us to operate our business and compete effectively, which may adversely affect our business, financial condition, results of operations and prospects.

26. ***Our dependence on our Subsidiary, UOI, exposes us to significant risks.***

We currently conduct a significant portion of our operations, especially in the U.S., through our 100% Subsidiary, UOI, which contributed to 44.76% of our consolidated revenue and 26.5% of our consolidated EBITDA, as of March 31, 2014. We, therefore, rely on UOI for expanding our market share and business in the U.S for U.S. produced products and products from our Indian manufacturing facilities, and consequently our revenues, our free cash flows, investment income, financing proceeds, dividends and other permitted payments. Further, a significant diminution in the value of our investment in UOI may have an adverse effect on our financial condition, results of operations and prospects.

As UOI is a separate and distinct legal entity, it has no obligation to pay dividends and may be restricted from doing so by law or contract, including applicable laws, charter provisions and the terms of its financing arrangements. We cannot assure you that UOI will generate sufficient profits and cash flows, or otherwise be able to pay dividends to us in the future. In addition, our financial condition may be adversely affected, should our equity stake in UOI be diluted or if it ceases to be our subsidiary.

27. ***If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. The auditors of our Subsidiaries, UUL and UOI, have in the past identified certain 'significant deficiencies' in our internal controls, although no such deficiencies have been noted by them which rise to the level of a 'material weakness' in our internal controls. For instance, the auditors of our Subsidiaries, UUL and UOI, have made the following observations in their audit reports issued in respect of UUL and UOI, in the preceding five fiscals, in respect of which they have also acknowledged certain enhanced internal control parameters that have been implemented by us from time to time, or that we are in the process of implementing:

- in relation to fiscal 2014, 2013, 2012, 2011 and 2010, certain misstatements in management accounts in respect of income tax expense and deferred income taxes;
- in relation to fiscal 2014, 2013, 2012 and 2010, certain authorities exercised, and lack of documentation procedures followed, by a third party payroll provider that had been engaged in respect of such past periods;
- in relation to fiscal 2014, 2013 and 2011, certain data entry errors in respect of quantity and price data when recording inventory accounts;
- in relation to fiscal 2014, inventory risk arising in respect of a certain customer, which does not take title to inventory until received, although we recognize revenue and cost of goods sold when inventory is shipped by us, which may impact our ability to accurately report our account balances, notwithstanding our facilities' proximity to the customer's locations;
- in relation to fiscal 2010, certain insufficiencies in policies and procedures followed in respect of write-offs on account of aged, unused customer credits and accounting for tool inventory.

There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

28. ***Our statutory auditors have reported a matter of emphasis in their audit report for fiscal 2010. Further, our statutory auditors have noted that our Company is in the process of receiving intimations from its vendors regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006, due to which related disclosures have not been made in our financial statements.***

Our statutory auditors have in their audit report on the restated consolidated and unconsolidated financial statements of our Company for fiscal 2010 included a matter of emphasis regarding a change in accounting policy (to move from the written-down method of depreciation to the straight-line method of depreciation), due to which our profit for the year increased by Rs. 68.7 million, and appropriate adjustments have been made in this regard in the restated consolidated and unconsolidated financial statements for fiscal 2010.

Further, our statutory auditors have in their audit report on the restated consolidated and unconsolidated financial statements of our Company included in this Draft Red Herring Prospectus, noted that our Company is in the process of receiving intimations from its vendors regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 and, hence, disclosures required pursuant to this statute have not been made in the restated consolidated and unconsolidated financial statements of our Company.

29. ***Our financial statements for previous years may not be directly comparable with each other and for any future periods, on account of Uniparts Kavee B.V. ceasing to be a step-down subsidiary of our Company with effect from April 1, 2012.***

Our financial statements for the preceding five fiscal years included in this Draft Red Herring Prospectus may not be directly comparable with each other in view of Uniparts Kavee B.V., a step-down subsidiary of our Company (where 50% plus one share was held by Uniparts Europe B.V., a 100% Subsidiary of our Company), ceasing to be a step-down subsidiary of our Company, with effect from April 1, 2012 and the financial results of Uniparts Kavee B.V., therefore, not being consolidated with our financial results for fiscal 2013 and 2014 and any future periods.

30. ***Our insurance coverage may not adequately protect us from all material risks and liabilities.***

Our business, including our manufacturing operations in particular, carry an inherent risk of exposure to substantial liability for product liability, property damage, personal injury or death, environmental pollution or other damage. Although we maintain insurance coverage for all anticipated risks, our insurance is subject to customary deductibles, exclusions and limits which may prevent us from fully recovering our losses, or our insurance may not be adequate to cover our liabilities. There may also be certain types of risks for which we are not covered. For instance, we currently do not have product recall insurance. Further, there is no assurance that insurance will be generally available in the future or, if available, that the premiums will be commercially justifiable. If we incur substantial liability which is not covered by insurance or exceed policy limits, our business, financial condition, results of operations and prospects may be adversely affected.

31. ***Our strategy to enhance engineering, product innovation and design competence may not yield the expected benefits.***

We focus on process and product innovation and value engineering solutions in order to meet the requirements of a wider range of OHVs, geographies, applications and other customer specifications, so as to strengthen and diversify our product portfolio and enhance our profit margins. Towards this objective, we continue to develop our in-house value engineering and process innovation capabilities as well as exploring opportunities for collaboration and inorganic growth as well as by continuing to work closely with our customers to upgrade and customize our products.

In our experience, the agriculture and CFM sectors have been tending towards increased mechanization, especially in recent years. Our customers, especially global OEMs, are increasingly developing larger, more technically complex products, projects, processes and applications. To meet our customers' requirements, we must regularly update existing technology or know-how or acquire or develop new technology or know-how. In addition, shifts in customer demand can render existing technologies and machinery obsolete, requiring additional capital expenditures and/or write-downs of assets. Our failure to anticipate and adequately respond to evolving technical and technological specifications and market trends may adversely affect our business, financial condition, results of operations and prospects.

Planned product upgrades may be subject to unanticipated delays or our competitors' products be more effective or innovative and/or less expensive or may garner larger market share due to other reasons beyond our present knowledge or control, thus yielding lower sales and profits relative to our expectations.

32. ***Contingent liabilities which have not been provided for may adversely affect our financial condition.***

As of March 31, 2014, our contingent liabilities not provided for, include the following:

(in ₹ million)

Particulars	As of March 31, 2014
Claims against the Company not acknowledged as debt (excluding cases where the possibility of any outflow in settlement is remote)	
- Sales tax matters	1.09
- Excise matters	1.04
- Income tax	29.74
- Sales tax liability against pending forms	76.58
Guarantees issued by banks and financial institutions on behalf of the Company	
- Sales tax matters	0.03
- Pollution Control Board	0.02
- Excise matters	0.50
Other money for which the Company is contingently liable	
Excise duty outstanding against exports made under bond	3.52
Excise duty outstanding against exports made under declaration/undertaking	7.08
Bond cum legal undertaking to Andhra Pradesh Special Economic Zone	1,409.46
Total	**1,529.05**

Our ascertainable contingent liabilities constitute 62.62% of our consolidated net worth as on March 31, 2014. If these contingent liabilities materialize, fully or partly, our financial condition may be adversely affected. For details, see "*Financial Statements*" on page 198.

33. ***Certain of our immovable properties in India and overseas, and machinery are leased by us. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.***

Certain of our manufacturing and warehousing facilities in India and overseas are held by us on leasehold basis, from third parties, related parties and certain Government authorities on certain terms and conditions. For instance, in relation to one of our leased premises in Ludhiana, the Promoters are required to maintain 51% shareholding in our Company. Further, the leases for these premises require periodic renewal and are subject to periodic escalation of lease payments. As on March 31, 2014, 2013 and 2012, our total lease rentals paid under leases relating to land, building premises and machinery amounted to ₹ 141.66 million, ₹ 140.76 million and ₹ 155.22 million respectively, on a consolidated basis.

If we are unable to renew certain or all of these leases on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future (and may, to that extent, need to revise our raw material sourcing, product manufacturing and raw material and product inventory schedules and/or incur significant costs to relocate or expand our operations elsewhere in order to continue to honor our commitments to our customers). In addition, the terms of certain of our leases require us (as the lessee) to incur certain repair and maintenance costs from time to time and to bear utility charges, and include conditions which may restrict our operational flexibility in certain respects, for instance, requiring us to obtain the lessor's prior consent for certain actions (including making significant structural alterations to the factory building, which may be required if we were to undertake a significant expansion in the future, or for undertaking a corporate restructuring or to sublet, transfer, assign, charge or mortgage such properties).

For details of our immovable properties, see "*Business – Immovable Properties*" on page 152.

34. ***Some of our loans may be recalled by the lenders at any time, which may lead to default in terms of such financing agreements.***

As on March 31, 2014, our loans from banks, which are repayable on demand, amounted to ₹ 2,122.99 million, on a consolidated basis and are liable to be recalled by the respective lenders at any time. Any failure to service such indebtedness, comply with a requirement to obtain lender consent or otherwise perform such obligations under such financing agreements may lead to a termination of one or more of our credit facilities or penalties and acceleration of amounts due under such credit facilities, which may adversely affect our business, financial condition, results of operations and prospects.

35. ***Our Promoters and Directors have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits.***

Our Promoters may be regarded as having an interest in our Company to the extent of Equity Shares held by them and by members of our Promoter Group, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares.

Further, certain of our Promoters may provide loans to us from time to time, and they may be interested to the extent of interest payable by us on such loans. Our Promoters (who are also Directors of our Company), Mr. Gurdeep Soni and Mr. Paramjit Singh Soni, receive remuneration and benefits from our Subsidiaries GFPL and UUL, respectively. Further, Mr. Gurdeep Soni, had received remuneration and benefits from our Company until July 2014. One of our Directors, Mr. Herbert Coenen, receives remuneration and benefits as managing director of our Subsidiary, UIG. Our Promoters and Directors are also interested in relation to lease rentals paid by the Company and in relation to certain property acquired by the Company. For details, see "*History and Other Corporate Matters*", "*Our Management*", "*Our Promoters and Group Entities*" and "*Financial Statements*" on pages 161, 170, 187 and 198, respectively.

While, in our view, all such transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such arrangements not been entered into with related parties.

36. ***There are several restrictions on SEZs and underlying SEZ land in India, which may adversely affect our Visakhapatnam facility and one of our Noida facilities.***

One of our Noida facilities and the whole of our Visakhapatnam facility are classified as special economic zones ("**SEZs**") and our leases for these premises, therefore, restrict our ability to use these locations to manufacture products for domestic sales (i.e., other than for exports) or to undertake any new line of business. Under the prevailing law governing SEZs in India, the land area in an SEZ may be demarcated into a processing area for setting up units for manufacture of products or provision of services, or an area exclusively for trading or warehousing purposes, or a non-processing area for other activities. The lease period for space in the processing area or the free trade and warehousing zone within an SEZ has to be for a minimum period of five years. Moreover, the developer cannot remove goods from the SEZ to the domestic tariff area ("**DTA**") without permission from the relevant authority and, where applicable, certain duties are to be paid for clearance of goods in DTA. There are also certain restrictions on transfer of SEZ units, including the requirement to obtain the approval of the relevant authority for any proposed sale or transfer of an SEZ unit and a lock-in period in terms of the SEZ land having been leased for a minimum period of five years and a minimum operating history of at least two years from commencement of operations of the SEZ unit proposed to be sold or transferred.

Further, the approvals received by us to develop, operate and maintain the SEZs are subject to us fulfilling certain conditions, including compliance with environmental safety standards, applicable standards relating to planning, sewage disposal, pollution control, labor laws and execution of certain guarantees. In the event we are unable to comply with the restrictions under the laws governing SEZs in India, our rights to use our units demarcated as SEZs may be suspended or withdrawn and the guarantees provided by us may be invoked against us as a penalty, which may in turn adversely affect our business, financial condition, results of operations and prospects.

Moreover, the laws and regulations relating to SEZs have been in force only since 2006, and there continues to be some uncertainty with respect to the interpretation and application of such laws and regulations. In the event that regulatory authorities allege non-compliance and may subject us to regulatory action for any reason in the future, we may be subject to consequences including penalties or seizure of land. Any such action or any changes to the SEZ regime may adversely affect our business, financial condition, results of operations and prospects.

37. ***We are entitled to certain tax benefits under the Special Economic Zones Act, 2005 ("SEZ Act") and other fiscal statutes. These tax benefits are available for a definite period of time, which, on expiry or if withdrawn prematurely, may adversely affect our business, financial condition, results of operations and prospects.***

We are entitled to claim certain direct tax exemptions or reimbursements on account of parts of our manufacturing facility in Noida and the whole of our manufacturing facility in Visakhapatnam being situated in SEZs. For instance, we are entitled to exemptions from (or refunds on account of) the following duties and levies:

- duty on import/domestic procurement of goods for development, operation and maintenance of SEZ operations;
- payment of excise duty for goods brought from a DTA into the SEZ for its authorized operations;
- payment of central sales tax, value added tax and service tax; and
- payment of income tax for a period of 15 years from commencement of production at the SEZ, as follows:
    - 100% deduction of income from profits and gains from exports for the first five years;
    - 50% deduction of income from profits and gains from exports for the next five years;
    - 50% deduction of income from profits and gains from exports, which have been credited to the reserve account to be utilized for the purpose of the said business for the next five years.

Our profitability will be affected to the extent that such benefits are not available beyond the periods currently contemplated. Our profitability may be further affected in the future if any benefit under the statute is reduced or withdrawn prematurely or if we are subject to any dispute with the tax authorities in relation to these benefits. Further, under the SEZ Act, we are required to maintain positive net foreign exchange earning that is to be calculated cumulatively for a period of five years from the commencement of our operations carried out from the SEZs. If we fail to maintain positive net foreign exchange earnings, we would be subject to penalties as prescribed under the Foreign Trade (Development and Regulation) Act, 1992, including penalties of up to five times the value of the goods in respect of which contravention is made. In the event that any adverse development in the law or the manner of its implementation affect our ability to benefit from these tax incentives, our business, financial condition, results of operations and prospects may be adversely affected.

38. ***Our Promoters have provided personal guarantees for a significant portion of our borrowings and collateral to secure certain of our loans. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.***

Our Promoters have provided personal guarantees for a significant portion of our borrowings and collateral to secure certain of our loans. If any of these guarantees are revoked or if such collateral is proved insufficient, our lenders may require alternative guarantees or collateral or cancellation of such facilities, entailing repayment of amounts outstanding under such facilities. If we are unable to procure alternative guarantees satisfactory to our lenders, we may need to seek alternative sources of capital, which may not be available to us at commercially reasonable terms or at all, or to agree to more onerous terms under our financing agreements, which may limit our operational flexibility. Accordingly, our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the personal guarantees provided by our Promoters in connection with our Company's borrowings.

39. ***We have entered, and will continue to enter, into related party transactions, which may involve conflicts of interest.***

We have, in the ordinary course of our business, entered into transactions with certain related parties. For instance, we have in the past purchased goods and samples from and sold goods to certain Group Entities, namely, Ace Tractor Parts Limited. We may in the future continue to purchase goods and samples from and sell goods to related parties. In addition, one of our manufacturing facilities and our Registered Office are leased by us from our Group Entities, SKG Engineering Private Limited and Soni Holdings (Partnership Firm), respectively. We have also accepted certain interest-bearing loans and advances from our Promoters and certain Group Entities and certain members of our Promoter Group in the preceding five fiscal years.

While, in our view, all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such arrangements not been entered into with related parties. Further, we cannot assure you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations and prospects.

Further, certain of our Group Entities are authorised pursuant to their memorandum of association to engage in businesses similar to that of our Company. Although they are presently not engaged in business similar to that of our Company, we have not entered into any non-compete agreement with our Group Entities and, we may have a potential conflict of interest between the Group Entities and our Company. For details, see "*Our Promoters and Group Entities*" on page 187.

40. ***Grants of stock options under our employee stock option plan may result in a charge to our profit and loss account and, to that extent, reduce our profitability and financial condition.***

As on the date of this Draft Red Herring Prospectus, 342,824 stock options are remaining to be granted to eligible employees under Uniparts Employee Stock Option Plan-2007 ("**ESOP 2007**").

Under Indian GAAP, the grant of employee stock options results in a charge to our Company's profit and loss account equal to the intrinsic value (which will amortize over the vesting period of these stock options) based on the difference between the fair value of our Equity Shares determined at the date of grant and the exercise price. Our employee stock compensation expense amounted to ₹ 1.67 million for fiscal 2014 and an aggregate of ₹ 23.62million for the period fiscal 2007 to 2014, on a consolidated basis.

41. ***Our quarterly results may fluctuate significantly, which could have a negative effect on the price of our Equity Shares.***

Our quarterly results of operations may fluctuate significantly as a result of a variety of factors, including the seasonal nature of the sectors in which we operate. For instance, a significant portion of our operating profit and cash flows have historically been realized during the third and fourth quarters of each year, primarily due to seasonality and weather conditions. As a result, our financial statements for consecutive quarters may not be directly comparable with each other. Moreover, any significant disruption in our operations or other factors that result in a significant shortfall compared with our expectations for the third and fourth quarters could, consequently, result in a significant shortfall in sales and operating cash flows for the full year.

42. ***Our trademark is not registered under the Trade Marks Act. Our ability to use our intellectual property including our logo may be impaired.***

We have filed an application with the Registrar of Trademarks to register a trademark over our corporate logo and, consequently, do not enjoy the statutory protections accorded to registered trademarks in India or the other geographies in which we operate. In the absence of registration, competitors or other companies may challenge our use of our corporate name and logo or allege that we have breached their intellectual property rights, which may adversely affect our brand image, goodwill and customer relations. Further, we do not have any patents or copyrights on our designs and products. In the event that we become involved in litigation in order to defend our intellectual property claims, we may become subject to significant legal costs and there is no assurance that any such litigation will be resolved in our favor.

For further details, see "*Licenses and Approvals*" on page 345.

43. ***We have sustained operating losses and negative cash flows in the past and may experience earnings declines or operating losses in the future.***

We have sustained negative net cash flow from operating activities as on March 31, 2011, as well as negative net cash flow from investing activities as on March 31, 2014, 2013, 2012, 2011 and 2010 (largely due to significant expenditures on our purchases of fixed assets, including intangible assets, in each of the preceding five fiscals, due to growth in our business during these periods) and negative net cash flow from financing activities as on March 31, 2014, 2013, 2012 and 2010 (largely due to significant increases in our long-term and short-term borrowings and our consequent interest expenditures during these fiscals, necessitated by growth in our business during these periods).

(in ₹ million)

Particulars	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012	As on March 31, 2011	As on March 31, 2010
Net cash flow from/(used in) operating activities	674.18	471.19	223.51	(314.31)	720.22
Net cash flow from/(used in) investing activities	(331.33)	(142.39)	(100.41)	(79.61)	(78.86)
Net cash flow from/(used in) financing activities	(425.30)	(258.77)	(109.54)	385.72	(635.86)

We cannot assure you that we can sustain profitability or avoid losses in the future. We expect that our operating expenses will increase in the future, as a result of our proposed projects. As a result, any decrease or delay in generating additional income, including sales revenues, could result in substantial operating losses.

For further details, see "*Financial Statements*" on page 198.

44. ***Certain of our Group Entities have sustained losses in the past.***

Certain of our Group Entities have sustained losses in the past, as shown below for the preceding three fiscals.

(in ₹ million)

Name of Group Entity	Fiscal 2014	Fiscal 2013	Fiscal 2012
Avid Maintenance Private Limited	-	-	(.59)
Silveroak Estate Private Limited	-	(0.26)	-
G K P Farms Private Limited	(0.03)	(0.008)	-

For details of our Group Entities with negative net worth, see "*Our Promoters and Group Entities*", on page 187.

45. ***We have made a bonus issue of Equity Shares during the last one year.***

We have in the last twelve months prior to filing this Draft Red Herring Prospectus, made a bonus issue of Equity Shares by capitalizing the securities premium account. This being a bonus issue, the Equity Shares were issued to shareholders without any consideration. For further details regarding such issuances of equity shares, see "*Capital Structure*" on page 71.

46. ***We intend to use ₹ 300.00 million out of the Net Proceeds to prepay/repay certain loan facilities.***

The Objects of the Offer include the utilization of ₹ 300.00 million for the prepayment/repayment of certain loan facilities, in full or in part, availed by our Company. The amount utilized to prepay these loan facilities will, therefore, not be available for investment in our business and will not result in any immediate increase in the value of your investment in our Equity Shares.

47. ***Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the Objects of the Offer will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.***

We intend to use the Net Proceeds for the purposes described under "*Objects of the Issue*" on page 86. Our funding requirements and the deployment of the Net Proceeds are based on management estimates and have not been appraised and will not be monitored by any bank, financial institution or other independent agency. In response to the dynamic nature of our business, our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in rescheduling of the proposed utilization of the Net Proceeds and increasing or decreasing expenditure for a particular activity, subject to compliance with applicable law and the investment policies approved by our management.

In the case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the Objects is lower than the proposed deployment, such balance will be used for future growth opportunities, including funding other existing Objects, if required, and general corporate purposes. If estimated utilization of the Net Proceeds is not completely met in a fiscal year, it shall be carried forward.

Further, our management will have significant flexibility in temporarily investing the Net Proceeds and there can be no assurance that we will earn significant interest income on, or that we will not suffer unanticipated diminution in the value of such temporary investments.

48. ***A portion of the proceeds from this Issue will not be available to us.***

As this Issue includes an Offer for Sale of Equity Shares by the Selling Shareholders, the proceeds from the Offer for Sale will be remitted to the Individual Selling Shareholders, which include our Promoters and certain Promoter Group individuals; and the Investor Selling Shareholders, proportionately. Our Company will not benefit from such proceeds.

External Risk Factors

49. ***Our business is affected by global economic conditions, especially in the geographies we cater to, which may have an adverse effect on our business, financial condition, results of operations and prospects.***

Our business depends substantially on global economic conditions. The global economic downturn, which began in 2008, coupled with the global financial and credit market disruptions, weakened end markets, diminished demand and credit availability, and increased borrowing costs. A significant majority of the end users of our products are located and operating in North and South America, Europe, Japan and India and some of them were adversely impacted by the economic downturn in these economies, disruption in banking and financial systems, economic weakness, unfavorable government policies, rising inflation, lowering of spending power and customer confidence, and political uncertainty.

There may also be a number of secondary effects of an economic downturn, such as the insolvency of suppliers or customers, delays in deliveries by suppliers, payment delays and/or stagnant/lower demand by customers. Cuts in federal or central, state and local government investment as well as consequent impairment in infrastructural facilities and infrastructural growth can also drag global and national growth rates down.

While the global economy has recovered to some extent, we are unable to predict with any degree of certainty the pace or sustainability of economic recovery, the volumes of federal or central, state and local government investment, or the effects of regulatory intervention.

For instance, the International Monetary Fund ("**IMF**")'s *World Economic Outlook, July 2014*, forecast of global growth for 2014 has been marked down by 0.3% to 3.4%. The RBI's *Macroeconomic and Monetary Developments, Third Quarter Review, 2013-2014* has projected that global growth, after decelerating for the last three years is poised to improve in 2014, but risks to outlook

remain with uncertainties arising from moves to unwind unconventional monetary policies and possibility of a renewed deflation in the euro area.

If we are unable to successfully anticipate and respond to changing economic and credit market conditions, our business, financial condition, results of operations and prospects may be adversely affected.

50. ***Political, economic or other factors that are beyond our control may have an adverse impact on our business, financial condition, results of operations and prospects.***

The following external risks may have an adverse impact on our business, financial condition, results of operations and prospects, should any of them materialize:

- slowdown in economic growth in the geographies in which we operate (being U.S., Europe and India) especially in the agriculture and CFM sectors may adversely affect our business, financial condition, results of operations and prospects;
- increase in interest rates may adversely impact our access to capital and increase our borrowing costs, which may affect our profit margins and constrain our ability to grow our business and operate profitably;
- the Indian economy has had sustained periods of high inflation in the recent past. High rates of inflation in the geographies in which we operate, including in India, may increase our employee costs and consequently our margins or decrease demand for our products, which may have an adverse effect on our profitability and competitive advantage, to the extent that we are unable to pass on increased employee costs to our customers by increasing the prices of our products;
- a downgrade of India's, the U.S.' or Germany's sovereign rating by international credit rating agencies may adversely impact our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in government or in economic and fiscal policies, may adversely affect economic conditions in the geographies in which we operate;
- natural disasters in the geographies in which we operate may disrupt or adversely affect the economy, on the health of which our business depends;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war in the geographies in which we operate may adversely affect the financial markets, which may impact our business, financial condition, results of operations and prospects;
- increase in agricultural commodity and oil prices may constrain our ability to grow our business and operate profitably; and
- subsidies by government of various countries on farm produce may have an adverse impact on our profitability, to the extent that our ability to maintain profit margins on our products will be constrained.

51. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, financial condition, results of operations and prospects.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes, including the instances briefly mentioned below, may adversely affect our business, financial condition, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy:

- The Companies Act, 2013, together with the rules thereunder (the "**Companies Act**"), contains significant changes to Indian company law, including in relation to the issue of capital by companies, related party transactions, corporate governance, audit matters, shareholder class actions and restrictions on the number of layers of subsidiaries. Moreover, effective April 1, 2014, companies exceeding certain net worth, revenue or profit thresholds are required to spend at least 2% of average net profits from the immediately preceding three financial years on corporate social responsibility projects, failing which an explanation is required to be provided in such companies' annual reports. We may incur increased costs and other burdens relating to compliance with these new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business and results of operations.

- The Government of India proposes to revamp the implementation of direct taxes by way of the introduction of the Direct Taxes Code, 2013 (the "**DTC**"). The DTC proposes to consolidate and amend laws relating to income tax and wealth tax. The DTC, has, among things, specified the manner of aggregation and computation of income, minimum alternate tax, wealth tax, dividend distribution tax, provided for certain tax incentives and has specified penalties in the event of

contravention of the provisions of the DTC. The DTC has specified that dividend distribution tax is payable at the rate of an effective rate of 16.99% by a domestic company, including applicable cess and surcharge. Further, the DTC has specific rates for taxation, including for non-residents. For instance, withholding tax at the rate of 25%, plus effective cess and surcharge, will be applicable for interest (other than specified interest) on any dividends not subject to distribution tax. If the DTC is passed in its present form by both houses of the Indian Parliament and approved by the President of India and then notified in the Gazette of India, the tax impact discussed in this Draft Red Herring Prospectus will be altered by the DTC.

- The Government of India has recently released safe harbor rules with respect to acceptance by the Indian tax authorities of declared transfer prices for certain types of international transactions (including intra-group loans and corporate guarantees and for the manufacture and export of core and non-core automotive components) between an eligible assessee and its associated enterprises, either or both of which are not Indian residents. The benefit, if any, that we may derive from the application of such rules in the future is unclear.

- Until recently, transfer pricing regulations in India covered only cross border transactions. The Finance Act, 2012 extended its scope to cover certain domestic transactions with related parties within India, defined as 'specified domestic transactions'. These domestic transfer pricing provisions became applicable from assessment year 2013-14 on. Transactions will be regarded as 'specified domestic transactions' only in the event that the aggregate value of all such transactions exceeds ₹ 50 million.

- The Government of India has proposed a comprehensive national goods and services tax ("**GST**") regime that will combine taxes and levies by the central and state governments into a unified rate structure. While the Government of India and other state governments have announced that all committed incentives will be protected following the implementation of the GST, given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to this or any other aspect of the tax regime following implementation of the GST. The implementation of this rationalized tax structure may be affected by any disagreement between certain state governments, which could create uncertainty. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

- Securities Laws (Amendment) Bill, 2014 has been recently passed by the Lok Sabha. This bill proposes to provide greater powers to SEBI by amending the Securities and Exchange Board of India Act, 1992, to curb irregularities and frauds in the Indian capital markets (including carrying out search and seizure operations in relation to any investigation and enquiry). This bill also proposes, among other things, enhanced penalties pursuant to the Securities Contracts (Regulation) Act, 1956 and the Depositories Act, 1996, so as to enhance corporate governance in India.

We have not determined the impact of these recent and proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

52. ***Natural calamities could have an adverse impact on the economies of the countries in which we operate.***

India as well as several other countries have experienced natural calamities such as earthquakes, tsunamis, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the economy. For example, as a result of drought conditions in India during fiscal 2003, the agricultural sector recorded negative growth for that period. The erratic progress of the monsoon in 2004 and 2009 affected sowing of certain crops in India. If any of our facilities were to be damaged as a result of an earthquake or other natural calamities, it would reduce our manufacturing or warehousing capacity and adversely affect our business operations, financial condition and results of operations.

53. ***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 Company's financial condition. Our failure to successfully adopt IFRS may have an adverse effect on the price of our Equity Shares.***

Our financial statements, including the financial statements provided in this Draft Red Herring Prospectus, are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Indian GAAP. For details, see "*Presentation of*

Financial, Industry and Market Data" on page 10. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

India has decided to adopt the "Convergence of its existing standards with IFRS" and not the "International Financial Reporting Standards" ("**IFRS**"), which was announced by the MCA, through the press note dated January 22, 2010. These "IFRS based / synchronized Accounting Standards" are referred to in India as IND (AS). Public companies in India, including our Company, may be required to prepare annual and interim financial statements under IND (AS). The MCA, through a press release dated February 25, 2011, announced that it will implement the converged accounting standards in a phased manner after various issues, including tax related issues, are resolved. Further, the Finance Minister, during the Budget speech, 2014, proposed the adoption of IND (AS) by Indian companies from fiscal 2016 on a voluntary basis, and from fiscal 2017 on a mandatory basis. Accordingly, it is not possible to quantify whether our financial results will vary significantly due to the convergence to IND (AS), given that the accounting principles laid down in the IND (AS) are to be applied to transactions and balances carried in books of accounts as on the date of the applicability of the converged standards (i.e., IND (AS)) and for future periods.

Further, we have made no attempt to quantify or identify the impact of the differences between Indian GAAP and IFRS or to quantify the impact of the difference between Indian GAAP and IFRS as applied to its financial statements. There can be no assurance that the adoption of IND-AS will not affect our reported results of operations or financial condition. Any failure to successfully adopt IND-AS may have an adverse effect on the trading price of our Equity Shares.

Moreover, our transition to IFRS reporting may be hampered by increasing competition and increased costs for the relatively small number of IFRS-experienced accounting personnel available as more Indian companies begin to prepare IFRS financial statements. Any of these factors relating to the use of IFRS-converged Indian Accounting Standards may adversely affect our financial condition.

54. ***Our ability to invest in overseas subsidiaries and joint ventures may be constrained by Indian and foreign laws, which may adversely affect our growth strategy and business prospects.***

Under Indian foreign investment laws, with effect from July 3, 2014, an Indian company is permitted to invest in its overseas joint ventures or subsidiaries up to 400% of its net worth as on the date of its last audited balance sheet. This limit also applies to any other form of financial commitment by the Indian company, including in terms of a loan, guarantee or counter guarantee. However, any financial commitment exceeding US$ 1 billion (or its equivalent) in a financial year would require prior approval of the Reserve Bank of India, even when the total financial commitment of the Indian company is within the eligible limit as mentioned above.

Other restrictions include the restriction on an Indian company providing an "open ended" guarantee for an overseas entity (i.e., not specifying the amount and period of the guarantee, upfront). Investment or financial commitment not complying with the stipulated requirements is permitted with the RBI's prior approval. In addition, there are certain routine procedural and disclosure requirements in relation to any such overseas direct investment. These limitations on overseas direct investment may constrain our ability to acquire or increase our stake in overseas entities as well as to provide other forms of financial support to such entities, which may adversely affect our growth strategy and business prospects.

55. ***Our ability to raise capital outside India may be constrained by Indian law, which may adversely affect our financial condition, results of operations and prospects.***

Under India's policy on external commercial borrowing ("**ECB**"), as notified by the RBI and currently in force ("**ECB Policy**"), ECB by an eligible borrower is permitted under the automatic route up to U.S.$ 750 million in a year, with a minimum average maturity of three years for ECB up to US$ 20 million and five years for ECB of US$ 20 million to US$ 750 million, for permissible end-uses. Permissible end uses for ECB include import of capital goods, new projects, modernization or expansion of existing production units in the industrial and certain other specified sectors, as well as import of services and technical know-how and payment of license fees by manufacturing companies. End uses not permitted include working capital, general corporate purposes, repayment of existing Rupee denominated borrowings, investment in real estate and on-lending or investment for acquisition of a company or part thereof (other than an overseas subsidiary or joint venture, subject to existing laws and regulations governing overseas direct investment by Indian companies). Further, the ECB Policy limits the all-in-cost to 500 basis points above the London Interbank Offered Rate or applicable benchmark for ECB with minimum average maturity of over five years. ECB not complying with these requirements is permitted with prior approval of the RBI, in accordance with the ECB Policy. In addition, there are certain routine procedural and disclosure requirements in relation to any such ECB.

Further, in raising funding in the international capital markets, our Company will be required to comply with the unfamiliar capital markets laws of such countries.

These limitations on ECB may constrain our ability to raise cost effective funding for implementing asset purchases, refinancing existing indebtedness, or financing acquisitions and other strategic transactions in the future, which may adversely affect our business, financial condition, results of operations and prospects.

56. ***There may be less information available about companies listed on the Indian securities markets compared to information that would be available if we were listed on securities markets in certain other countries.***

There may be differences between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers and other participants and that of the markets in the U.S. and certain other countries. SEBI governs the Indian capital market (along with the Indian stock exchanges, which also govern the companies whose securities are listed with them) and has issued regulations and guidelines on disclosure requirements, insider trading, substantial acquisitions and takeovers of listed companies and other matters. There may, however, be less publicly available information about companies listed on an Indian stock exchange compared to information that would be available if that company was listed on a securities market in certain other jurisdictions.

57. ***The requirements of being a listed company may strain our resources.***

We have no experience as a listed company and will, on receipt of final listing and trading approvals for our Equity Shares pursuant to this Offer, become subject to increased disclosure and corporate governance requirements and public scrutiny of our affairs. Our Promoters and some of our other Directors and key personnel have also not been associated with any listed company in the past and may, therefore, find increased demands on their time due to a greater requirement for management supervision, or face challenges in implementing the increased disclosure requirements and enhanced financial and other internal controls.

58. ***Investors may not be able to enforce a judgment of a foreign court against us.***

Our Company is a limited liability company incorporated under the laws of India. A majority of our Directors and key personnel are residents of India and a significant portion of our operating assets are located in India. As a result, it may not be possible for investors to effect service of process on us or such persons outside India or enforce judgments obtained against such parties outside India.

Recognition and enforcement of foreign judgments is provided for under Sections 13 and 44A of the Code of Civil Procedure, 1908 (the "**Civil Procedure Code**") on a statutory basis. Section 44A of the Civil Procedure Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside India, which the Government of India has by notification declared to be in reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the same nature of amounts payable in respect of taxes, other charges of a like nature or in respect of a fine or other penalties.

The United Kingdom, Singapore and Hong Kong have been declared by the Government to be reciprocating territories for purposes of Section 44A of the Civil Procedure Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Procedure Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; or (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record.

A suit must be brought in India within three years of the date of judgment in the same manner as any other suit filed to enforce a civil liability in India. It is unlikely that a court in India will award damages on the same basis as a foreign court if an action is brought in India. Further, it is unlikely that an Indian Court will enforce foreign judgment if it viewed the amount of damages awarded as excessive or inconsistent with public policy. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered and any such amount may be subject to income tax in accordance with applicable laws.

Risks Related to our Equity Shares

59. ***Our Promoters and Promoter Group will retain majority shareholding in our Company following the Offer, which will allow them to exercise significant influence over us and may cause us to take actions that are not in our or your best interest.***

After the completion of this Offer, our Promoters and Promoter Group will collectively hold approximately 61.29% of our Company's issued and outstanding Equity Shares (assuming full subscription to the Issue). So long as our Promoters and Promoter Group own a significant portion of our Equity Shares, they will be able to significantly influence the election of our Directors and control most matters affecting our Company, including our business strategies and policies, decisions with respect to mergers, business combinations, acquisitions or dispositions of assets, dividend policies, capital structure and financing, and may also delay or prevent a change of management or control, even if such a transaction may be beneficial to other shareholders of our Company. The interests of our Promoters and Promoter Group, as the controlling shareholders of our Company, may also conflict with our Company's interests or the interests of our Company's other shareholders. As a result, our Promoters and Promoter Group may take actions that conflict with our Company's interests or the interests of other shareholders of our Company.

60. ***There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all, which may restrict your ability to dispose of our Equity Shares.***

In accordance with Indian law and practice, permission for listing and trading of our Equity Shares will not be granted until after certain actions have been completed in relation to this Offer and until Allotment of Equity Shares pursuant to this Offer. Trading in our Equity Shares is expected to commence within 12 Working Days from the Bid/Offer Closing Date. However, we cannot assure you that the trading in our Equity Shares will commence in a timely manner or at all. Any failure or delay in obtaining final listing and trading approvals may restrict your ability to dispose of your Equity Shares**.**

61. ***Our Equity Shares have not been publicly traded prior to this Offer. After this Offer, our Equity Shares may experience price and volume fluctuations and an active trading market for our Equity Shares may not develop. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Offer Price, or at all.***

Prior to this Offer, there has been no public market for our Equity Shares. An active trading market on the Stock Exchanges may not develop or be sustained after this Offer. Moreover, the Offer Price is intended to be determined through a book-building process and may not be indicative of the price of our Equity Shares at the time of commencement of trading of our Equity Shares or at any time thereafter.

The trading price of our Equity Shares after this Offer may be subject to significant fluctuations in response to, among other factors, general economic, political and social factors, developments in India's fiscal regime, variations in our operating results, market conditions specific to the industry that we operate in, developments relating to India (as well as other jurisdictions in which we operate) and volatility in the Indian and global securities market, developments in our business as well as our industry and the perception in the market about investments in our business, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. The trading price of our Equity Shares might also decline in reaction to events that affect the entire market and/or other companies in our industry even if these events do not directly affect us and/or are unrelated to our business, financial condition or operating results.

62. ***Fluctuation in the exchange rate between the Indian Rupee and other foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders.

For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

63. ***You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax ("**STT**") is paid on the transaction. STT is levied on and collected by a domestic stock exchange on which equity shares are sold. Any gain realized on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and on which no STT has been paid, is subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of equity shares is exempt from taxation in India where an exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

The GoI has proposed the introduction of the DTC, to revamp the implementation of direct taxes. If the DTC is passed in its present form by both houses of the Indian Parliament and approved by the President of India and then notified in the Gazette of India, the tax impact discussed above will be altered by the DTC.

64. ***Our Company's ability to pay dividends in the future will depend on our future cash flows, working capital requirements, capital expenditures and financial condition.***

The amount of our future dividend payments, if any, will depend on our future earnings, cash flows, financial condition, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that we will pay dividends. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on our Equity Shares. Additionally, in the future, we may be restricted by the terms of our financing agreements in making dividend payments unless otherwise agreed with our lenders.

65. ***The trading price of our Equity Shares may fluctuate due to volatility of the Indian and global securities markets.***

Stock exchanges in India have in recent years, in line with global developments, experienced substantial fluctuations in the prices of listed securities. The SENSEX, BSE's benchmark index, reduced by around 25%, representing approximately 5,000 points, in the calendar year 2011, subsequently increased by around 26%, representing approximately 4,000 points in the calendar year 2012 and thereafter increased by around 9%, representing approximately 1,600 points in the calendar year 2013. For the period between January 1, 2014 to August 31, 2014, the SENSEX had gained approximately 5,000 points or 25%. Indian stock exchanges have also, in the past, experienced temporary closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, Indian stock exchanges have, from time to time, imposed restrictions on trading in certain securities, limitations on price movements and margin requirements.

66. ***There will be restrictions on daily movements in the price of our Equity Shares, which may adversely affect your ability to sell, or the price at which you can sell, Equity Shares at a particular point in time.***

Subsequent to listing, our Equity Shares will be subject to a daily circuit breaker imposed by the Stock Exchanges on listed companies which will not allow transactions beyond certain volatility in the trading price of our Equity Shares, as well as an index-based market-wide circuit breaker. The percentage limit on our Company's circuit breaker shall be set by the Stock Exchanges based on historic volatility in the price and trading volumes of our Equity Shares and the index-based market-wide circuit breaker shall be set by the Stock Exchanges based on market-wide index variation of 10%, 15% and 20% based on the previous day's closing level of the relevant index. The Stock Exchanges are not required to inform our Company of the percentage limit of the circuit breaker on our Equity Shares from time to time, and may change it without our knowledge. These circuit breakers will effectively limit upward and downward movements in the price of our Equity Shares. As a result, there can be no assurance regarding your ability to sell your Equity Shares over the Stock Exchanges or the price at which you may be able to sell your Equity Shares.

67. ***Under Indian law, foreign investors are subject to investment restrictions that limit our Company's ability to attract foreign investors, which may adversely impact the trading price of our Equity Shares.***

Under foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such pricing or reporting requirements and does not fall under any of the exceptions

specified by the RBI, then the RBI's prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other Government agency can be obtained on any particular terms or at all.

68. ***Any future issuance of Equity Shares may dilute your shareholding, and sales of Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.***

Future equity issuances by our Company or significant sales of Equity Shares after this Offer will dilute investors' holdings in our Company. In addition, the perception that such issuance or sales may occur may adversely affect the trading price of our Equity Shares and impair our future ability to raise capital through offerings of Equity Shares. We cannot predict the effect that sales of Equity Shares by major Equity Shareholders or the availability of Equity Shares for future sale may have on the trading price of our Equity Shares.

69. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities, and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

70. ***Rights of shareholders under Indian law may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

Prominent Notes:

- Initial public offering of up to 13,040,000 Equity Shares of face value ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share aggregating ₹ [●] million, consisting of a Fresh Issue of 7,000,000 Equity Shares by our Company, aggregating ₹ [●] million and an Offer for Sale of up to 6,040,000 Equity Shares by the Selling Shareholders, aggregating ₹ [●] million, comprising, up to 4,000,000 Equity Shares by the Investor Selling Shareholders, aggregating ₹ [●] million and up to 2,040,000 Equity Shares by the Individual Selling Shareholders, aggregating up to ₹ [●] million, respectively. Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company.

- The net worth of our Company as of March 31, 2014 as per our restated consolidated financial statements and restated unconsolidated financial statements included in this Draft Red Herring Prospectus is ₹ 2,441.89 million and ₹ 1,911.19 million, respectively. See "*Financial Statements*" on page 198.

- The net asset value per Equity Share as on March 31, 2014 as per our restated consolidated financial statements and restated unconsolidated financial statements included in this Draft Red Herring Prospectus is ₹ 108.21 and ₹ 84.69, respectively.

- The average cost of acquisition per Equity Share by our Promoters as on date of this Draft Red Herring Prospectus is:

Promoter	Number of Equity Shares Held	Average Cost of Acquisition (₹)
Mr. Gurdeep Soni	14,955,570	9.85
Mr. Paramjit Singh Soni	6,595,090	17.44
Total	**21,550,660**	

As certified by our Auditors by their certificate dated September 25, 2014.

- Our Company has entered into certain related party transactions shown in the table below for the year ended March 31, 2014, based on our restated consolidated financial statements included in this Draft Red Herring Prospectus:

Associates

(₹ in million)

Nature of Transactions	As of March 31, 2014
Purchase of goods/samples	41.07
Rent Paid	10.87
Purchase of Fixed Assets	180.00
Security Deposits	0.17

Key Managerial Personnel and Relatives of KMPs

(₹ in million)

Nature of Transactions	As of March 31, 2014
Loans & Advances Taken	115.36
Loans & Advances Repayment	307.31
Interest Payment	11.16
Managerial Remuneration	68.82
Salaries Allowances	1.73
Current Account receipts	3.34
Current Account payments	3.29

Outstanding balances at the end of the year

(₹ in million)

Closing Balances	As of March 31, 2014
Mr. **Gurdeep Soni**	
- In Due to Directors	0.08
Uniparts ESOP Trust	
- In Loan Account	53.39
SKG Engineering Private Limited	
- In Trade Account	0.62
Farmparts Company (Partnership)	
- In Trade Account	1.25

Details of Personal Guarantees and Collaterals for the Loans/Other facilities taken by the Company from various Banks/Financial Institutions

(₹ in million)

Particulars	As of March 31, 2014
Personal Guarantee	
- Mr. Gurdeep Soni	
-Citi Bank NA	407.50
-Kotak Mahindra Bank Limited	424.20
-ING Vysya Bank Limited	500.00
-Barclays Bank	325.00
-Induslnd Bank	375.00
- Mr. Paramjit Singh Soni	
-Citi Bank NA	407.50
-Kotak Mahindra Bank Limited	424.20
-ING Vysya Bank Limited	500.00
-Barclays Bank	325.00
-Induslnd Bank	375.00
-J.P. Morgan Chase Bank N.A.	1,220.56
Collateral Security	
- Mr. Gurdeep Soni	
-Barclays Bank	325.00
-Citi Bank NA	175.00
- Mr. Paramjit Singh Soni	
-Citi Bank NA	175.00
- Ms. Pamela Soni	
-Barclays Bank	325.00

Particulars	As of March 31, 2014
- Gripwel Fasteners	
-Barclays Bank	325.00
-Kotak Mahindra Bank Limited	150.00

For more information, see "*Financial Statements*" on page 198.

- There has been no financing arrangement whereby the Promoters, Promoter Group, our Directors, or any of their respective relatives have financed the purchase by any other person of securities of our Company other than in the ordinary course of the business of the financing entity during the six months preceding the date of this Draft Red Herring Prospectus.

- For more information on Group Entities that have business or other interests in our Company, see "*Our Promoters and Group Entities*" and "*Financial Statements*" on pages 187 and 198, respectively.

- Investors may contact the BRLM who has submitted the due diligence certificate to SEBI, for any complaints pertaining to the Issue.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section has been obtained or derived from CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014; Frost & Sullivan, Analysis of the North American Hydraulic Cylinders Market, March 2013; Frost & Sullivan, European Hydraulic Equipment Market for Industrial and Mobile Applications; Frost & Sullivan, Analysis of the Hydraulic Equipment Market in India, April 2013.

This information has not been prepared or independently verified by us or by any of our advisors, including the Lead Managers, and should not be relied on as if it had been so prepared or verified.

World Economy Overview

The world is slowly, but steadily, recovering from the economic crisis that afflicted major developed and emerging market economies in 2012. The slowdown – which cut short the rebound in the global economy after the 2008 global financial crisis – was due in part to the contagion effects of the sovereign debt crisis in European nations such as Greece, Cyprus, Ireland, Spain and Portugal. However with the support provided by the European central bank, the risk of the sovereign debt crisis spreading to other European nations is estimated to have reduced significantly. According to the International Monetary Fund ("**IMF**"), the world's key economies are in better shape today than they were in 2012.

The U.S. is leading the way back to economic normalcy. In Europe, the IMF opines that an improvement in sentiment has encouraged GDP growth in France and Germany, while Italy and Spain are inching towards positive growth. IMF estimates also show that emerging markets still account for much of global growth, with their economies expected to expand nearly four times as fast in 2013 vis-à-vis advanced economies. The U.S. Federal Bank's potential withdrawal from quantitative easing remains a major downside for global financial markets; if not properly managed, it has the potential to wreak havoc on many economies and make their currencies vulnerable.

3-Point Linkage (3PL) Market

Global 3PL Market

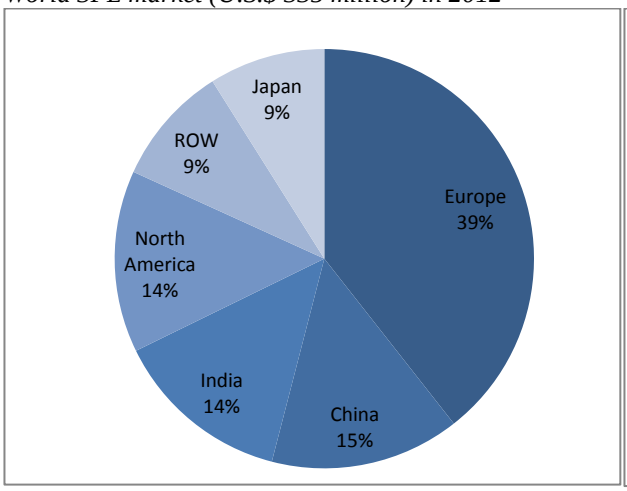
The size of the global 3PL market in 2012 was estimated at U.S.$ 335 million (grew at a CAGR of around 2% during 2008-12). The market is expected to grow to U.S. $ 374 million in 2015 (at a CAGR of 3.7% for the 3 year period 2012-2015), buoyed by robust growth in tractor production volumes in China and India and steady growth in North America.

In 2012 Europe accounted for approximately 39% of the global 3PL market, followed by China (approximately 15%), North America and India (each at approximately 14%), and the rest of the world and Japan (each at 9%).

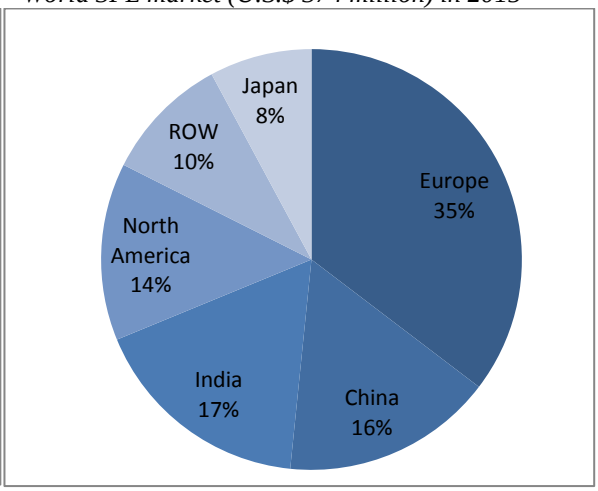
In 2015 it is estimated that Europe will account for approximately 35% of the global 3PL market, followed by India (approximately 17%), China (approximately 16%), North America (approximately 14%), rest of the world (approximately 10%) and Japan (approximately 8%). India is expected to be the fastest growing market over the period 2012-2015 followed by China.

The major driver of 3PL demand is tractors, which is, in turn, a function of agriculture growth. Higher agriculture growth boosts farm incomes, resulting in higher tractor sales. Each tractor requires one 3PL to attach implements to the tractor, hence demand for 3PL is directly linked to demand for tractors. Tractor production in India grew at a CAGR of 14.2% from 2008-12 and estimated to grow at a CAGR of 10.3% from 2012-15. In 2015, nearly 41 per cent of the global production of tractors is expected to be in India.

World 3PL market (U.S.$ 335 million) in 2012



World 3PL market (U.S.$ 374 million) in 2015



(Source: Industry reports, CRISIL Research)

North American 3PL Market

North America is one of the largest agricultural equipment markets in the world in value terms. This market is generally considered mature, with recent years seeing a rise in agricultural equipment sales due to strong income generation, favourable tax incentives, large farms dominating crop production, and high production of capital-intensive crops such as corn (fuelled by increased demand for ethanol), soybean and wheat. The demand for 3PL (seen in terms of North America's 3PL market value) grew to approximately U.S.$ 47 million in 2012, at a CAGR of approximately 5% in the four-year period 2008-2012.

Demand for 3PL (seen in terms of North America's 3PL market value) is estimated to grow to approximately U.S.$ 53 million, at a CAGR of almost 4% in the three-year period 2012-2015.

European 3PL Market

The European 3PL market is estimated at U.S.$ 132 million in 2012, having declined at a CAGR of approximately - 2.5% in the four-year period 2008-2012.

The European 3PL market is estimated at U.S.$ 130 million in 2015.*European 3PL market value (in U.S.$ million)*

Indian 3PL market

Comparatively young by world standards, the Indian tractor market has expanded at a spectacular pace. In the past, the market was dominated by mid-sized tractors with an engine capacity of 30-40 HP. In recent years, it has diversified, which is evident in the rising demand for both bigger (over 50 HP) and smaller (below 20 HP) tractors. In the three-year period 2012-2015, the size of India's 3PL market is expected to grow at a CAGR of approximately 10% (compared to a CAGR of approximately 14% for the five-year period 2008-2012).

In the three-year period 2012-2015, India's tractor supply is expected to grow at a CAGR of approximately 10%, which is expected to encourage demand for 3PL. This growth is expected to be driven by increased mechanization in India's agricultural sector.

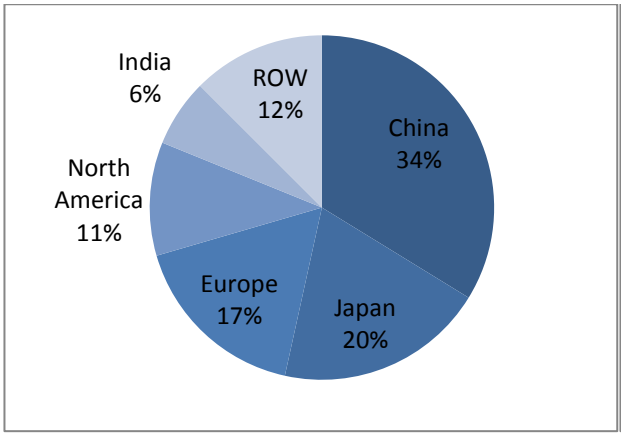
PMP Market

Global PMP Market

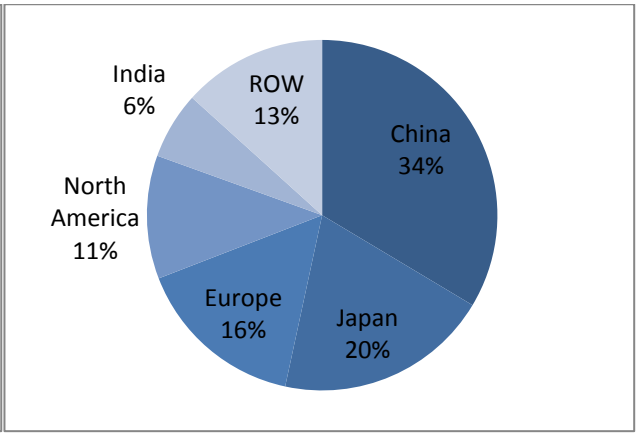
The size of the global PMP market for articulated joints for the Construction, Farming and Mining sectors (CFM) was estimated at U.S.$ 624 million in 2012, with approximately 54% of the demand coming from Japan, Europe, North America and India, which is expected to remain largely unchanged in 2015.

The global market for PMP for articulated joints is expected to grow at approximately 5.3% CAGR in the three-year period 2012-2015 (compared to approximately - 1.9% in the five-year period 2007-2012) with the North American, European and Indian production registering CAGR of approximately 7.6%, 2.6% and 4.4%, respectively, in the three year period 2012-2015 (compared to approximately - 7.4%, - 8% and 7%, respectively, in the five-year period 2007-2012). This growth in construction equipment production and the revival of the global declining trend that was seen during 2007-2012 (primarily due to the global financial crisis in 2008-2009) is fuelled primarily by increase in urbanization and construction spending, especially on infrastructure projects.

Worldwide PMP Market (U.S.$ 624 million) in 2012



Worldwide PMP Market (U.S.$ 728 million) in 2015



(Source: Industry reports, CRISIL Research)

North American PMP Market

North America is the second largest manufacturer of construction equipment after Asia in terms of production value. North America contributed approximately 11% of the global market demand for PMP for articulated joints (at approximately U.S.$ 66 million in 2012)and is expected to register a CAGR of approximately 7.6% in the three year period 2012-2015 (compared to approximately -7.4% CAGR in the five-year period 2007-2012), driving expansion in the global market.

European PMP Market

Europe is the third largest consumer of PMP (at approximately USD 106 million in size in 2012) for articulated joints in the global market, contributing approximately 17% of the total PMP for articulated joints demand in the global market, is expected to register a CAGR of approximately 2.6% in the three year period 2012-2015 (compared to approximately -8% CAGR in the five-year period 2007-2012).

Indian PMP Market

India, contributing approximately 6% of the total PMP for articulated joints demand in the global market (at approximately U.S.$ 40 million in 2012), is expected to grow at a CAGR of approximately 4.4% in the three-year period 2012-2015 (compared to a CAGR of approximately 7% in the five-year period 2007-2012), despite a decline in 2013 due to a fall in investment in infrastructure projects.

Hydraulic Cylinders Market

North American Hydraulic Cylinders Market

The North American hydraulic cylinders market (which, in this context, includes the U.S. and Canada) accounted for revenue of U.S.$ 1,482.2 million in 2012 and is expected to grow at a CAGR of 5.6% to U.S. $ 2,056.1 million by 2018.

European Hydraulic Cylinder Market

The European hydraulic cylinder market accounted for revenue of U.S.$ 1,751 million in 2011.

In 2012 and 2013, the growth rate is expected to decline to 5.1 and 4.7 per cent, respectively, due to the impact of the European debt crisis that is likely to result in a liquidity crunch for the market participants. In addition, the growth of alternative technologies such as electric drives are likely to reduce growth rates. However, the growth rate is expected to increase to 5.1 per cent in 2014, due to the expected moderate economic recovery and the increase in the growth of more than 5.0 per cent by end user industries such as the agricultural machinery, material handling, and construction machinery industries.

Indian Hydraulic Cylinders Market

The Indian hydraulic cylinders market, which accounted for revenue of Rs. 11,449 million in 2012, has two main end-use segments:

- Mobile applications, accounting for approximately 81.8% of the Indian hydraulic cylinders market (including construction equipment, material handling, agriculture equipment and others).

- Industrial applications, accounting for approximately 18.2% of the Indian hydraulic cylinders market (including industrial machinery, metals and mining, power, cement and others).

The Indian hydraulic cylinder market is seen as a growth market, characterized by extreme customer price sensitivity and a high degree of market concentration (with approximately 86.5% market share being held by the top three companies in 2012) in the organized market.

SUMMARY OF OUR BUSINESS, STRENGTHS AND STRATEGIES

Unless otherwise stated, the financial information in this section is derived from our restated consolidated financial statements as at and for the years ended March 31, 2014, March 31, 2013 and March 31, 2012. Financial information as at and for the years ended March 31, 2014 and March 31, 2013 do not include financial information for Kavee, which ceased to be our subsidiary with effect from April 1, 2012.

Overview

We are a global manufacturer and supplier of engineering systems, solutions, assemblies and components, including 3-point linkage systems ("**3PL**") and precision machined parts ("**PMP**"), primarily catering to off-highway vehicles ("**OHVs**") in the agriculture, and construction, forestry and mining ("**CFM**") sectors. Based on the global addressable market size, in the CRISIL Report, we estimate that we had a 19.2% market share in the global 3PL market (in terms of value) and a 7.4% market share in the global PMP market in the CFM sector (in terms of value), in fiscal 2013 (assuming USD 1 = ₹ 54.37 for fiscal 2013). In addition to our established product verticals of 3PL and PMP, we have a presence in the complementary product verticals of hydraulic cylinders and power take off ("**PTO**") applications.

We supply our products to over 25 countries in North and South America, Europe, India and Japan. We primarily serve Original Equipment Manufacturers ("**OEMs**"), through our global service delivery model based on our dual-shore integrated manufacturing, warehousing and supply chain management systems and solutions, operating out of six manufacturing facilities (five in India and one in the US) and three warehouses located across three continents.

We also cater to the aftermarket requirements of our customers primarily in the agriculture sector. We are focused on providing replacement of 3PL parts to organized aftermarket retailers and distributors in North America, Europe, South Africa and Australia. We manufacture all the critical parts that form the 3PL assembly, which includes top link, lower link, drawbar, chain stabilizers and linkage pins. Some of the other products sold by us in the aftermarket segment include weather caps, PTO parts, pins, leveling boxes, straps, hitch balls, lynch pins, R-clips, weldons, ratchet jacks and balls.

We believe that our diversified product range across the agriculture and CFM sectors, our market share, dual-shore integrated manufacturing, warehousing and supply chain solutions, together with our scale of operations and our technical and value-engineering expertise, catering to several global OEMs as well as the aftermarket segment, serve to differentiate us from other producers of engineering systems. We believe we are well positioned to benefit from increasing mechanization, particularly in the agriculture and CFM sectors. We are committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies, industry sectors, customers, product platforms and foreign currencies.

We have long-term relationships and, in many cases, preferred supplier status, with marquee global OEM players in the agriculture and CFM sectors, such as Deere & Company ("**John Deere**"), GKN Walterscheid Gmbh ("**GKN**"), Tractors and Farm Equipment Limited ("**TAFE**"), Bobcat (a Doosan company) and Kubota Corporation ("**Kubota**"). We also have long-standing relationships with several respected organized aftermarket players in Europe and the US, such as Kramp and Blount International Inc. ("**Blount**"). We have also received several prestigious awards and certifications from our customers.

As part of our global service delivery model, we have set up facilities in India, the United States and Europe. In India, we have five manufacturing and distribution facilities, two at Ludhiana in the state of Punjab, one at Visakhapatnam in the state of Andhra Pradesh, and two at Noida in the state of Uttar Pradesh. One of our Noida facilities and our Visakhapatnam facility, are located in Special Economic Zones ("**SEZs**"), and are dedicated to our export operations. Our Ludhiana facilities are the source of machined forgings and structural fabrications for our other Indian facilities, and are the first level of processing for a majority of our products. One of our Noida facilities serves as a hub for our aftermarket sales in the U.S. and Europe, while the other serves as a hub for our domestic OEM sales. Our Visakhapatnam facility serves as a hub for our export OEM sales. In the United States, we have a manufacturing, warehousing and distribution facility at Eldridge in the state of Iowa, acquired pursuant to our acquisition in 2005 of Olsen Engineering LLC, now known as Uniparts Olsen Inc. ("**UOI**"), and a warehousing and distribution facility at Augusta in the state of Georgia. In Germany, we have set up a warehousing and distribution facility in Hennef, which serves as our base for serving our key European customers.

We are promoted by first generation entrepreneurs, Mr. Gurdeep Soni, who is our Chairman and Managing Director, and Mr. Paramjit Singh Soni, who is our Vice Chairman, who have close to three decades of experience in this business.

Ashoka Investments Holdings Limited and Ambadevi Mauritius Holding Limited have invested in our Company and such investments are managed and advised by PineBridge Investments, a global asset manager with extensive experience in emerging and developed markets. We believe such investments have helped significantly enhance and strengthen our financial and other internal controls.

Our consolidated revenues in fiscal 2014, 2013 and 2012 aggregated to ₹ 8,170.57 million, ₹ 7,963.83 million and ₹ 8,399.41 million, respectively, with the agriculture sector accounting for 67.49%, 67.55% and 71.50%, and the CFM sector accounting for 32.41%, 32.45% and 28.50%, of our consolidated revenues, in fiscal 2014, 2013 and 2012, respectively. Our 3PL vertical accounted for 47.89%, 45.32% and 43.59%, the PMP vertical accounted for 50.07%, 52.97% and 44.47%, the hydraulic cylinders vertical accounted for 0.03%, 0.06% and 10.33% (including sales from Kavee, which ceased to be our subsidiary with effect from April 1, 2012), and PTO vertical accounted for 1.94%, 1.62% and 1.59%, of our consolidated revenues in fiscal 2014, 2013 and 2012, respectively. Our consolidated Earnings Before Interest, Tax, Depreciation and Amortization ("**EBITDA**") in fiscal 2014, 2013 and 2012 aggregated to ₹ 914.27 million, ₹ 797.74 million and ₹ 695.33 million, respectively, and our consolidated Profit After Tax ("**PAT**") in fiscal 2014, 2013 and 2012 aggregated to ₹ 435.61 million, ₹ 391.65 million and ₹ 261.97 million, respectively.

Our sales in regions outside India ("**International Sales**") accounted for 88.84%, 89.81% and 88.29% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. Sales from our manufacturing facilities in their respective domestic markets ("**Local Deliveries**") contributed to 46.34%, 48.53% and 53.22% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively, while export sales from Indian locations directly to overseas customers ("**Direct Exports**") from India contributed to 27.65%, 25.46% and 26.02%, respectively, and sales from our warehousing facilities in their respective domestic markets ("**Warehouse Sales**") (i.e., sales from our warehousing facilities in their respective markets) contributed to 26.01%, 26.01% and 20.75%, respectively, in the same periods.

Strengths & Strategies

Strengths

We believe the following are our principal competitive strengths:

- A leading market presence in the 3PL and PMP product verticals.
- Strong global service delivery model, through strategically located facilities in India, the U.S. and Europe.
- Long-term relationships with marquee global customers, including major OEMs.
- Backward and forward integrated operations.
- Integrated operations from concept-to-supply solutions across the OHV component value chain.
- Consistent financial performance and strong financial position.
- Experienced and qualified team of professionals.

Strategies

We are committed to continuing to increase our market shares across our product verticals and to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to particular sectors, markets and customers. Towards this objective, our growth and competitive strategies are as follows:

- Increasing share of customer spend per vehicle.
- Increasing geographical penetration and increasing addressable market.
- Targeting new customer accounts and expanding existing customer accounts.
- Inorganic growth via strategic acquisitions and alliances.

- Enhancing engineering, innovation and design competence.
- Enhancement of manufacturing and warehousing capacities and capabilities.

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial statements derived from our standalone and consolidated financial statements for and as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010. These financial statements have been prepared in accordance with Indian GAAP and the Companies Act, 1956 and restated in accordance with the SEBI ICDR Regulations and are presented in "*Financial Statements*" on page 198. The summary financial statements presented below should be read in conjunction with our standalone and consolidated financial statements, the notes and annexures thereto and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on page 308.

RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

Rs. In Million

	Particulars	As at				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
I	**EQUITY AND LIABILITIES**					
A	**Shareholders' Funds**					
	Share Capital (V)	220.53	220.53	220.41	220.41	220.41
	Reserves and Surplus (VI)	2,244.65	2,007.62	1,705.26	1,602.38	1,555.00
	Total Shareholders' Funds	**2,465.18**	**2,228.15**	**1,925.67**	**1,822.79**	**1,775.41**
B	**Non-Current Liabilities**					
	Long Term Borrowings (VII)	437.40	384.29	287.49	506.94	451.57
	Deferred Tax Liabilities	366.46	261.68	192.44	142.51	135.56
	Other Long Term Liabilities	51.32	51.55	52.05	48.01	50.04
	Long Term Provisions (VIII)	56.38	59.64	68.87	55.66	44.61
	Total Non-Current Liabilities	**911.56**	**757.16**	**600.85**	**753.12**	**681.78**
C	**Current Liabilities**					
	Short Term Borrowings (IX)	1,565.10	1,903.55	2,053.36	1,765.17	1,303.83
	Trade Payables (X)	518.90	383.79	561.47	554.67	302.31
	Other Current Liabilities (XI)	523.87	513.60	868.83	773.55	527.30
	Short Term Provisions (VIII)	97.02	47.64	29.17	31.51	26.33
	Total Current Liabilities	**2,704.88**	**2,848.58**	**3,512.82**	**3,124.91**	**2,159.77**
D	Minority Interest	-	-	112.87	99.45	99.23
	TOTAL EQUITY AND LIABILITIES (A + B + C + D)	**6,081.63**	**5,833.89**	**6,152.21**	**5,800.26**	**4,716.18**
II	**ASSETS**					
E	**Non-current assets**					
	Fixed Assets (XII)					
	-Tangible Assets	1,958.79	1,764.40	1,875.66	1,923.20	1,963.27
	-Intangible Assets	38.98	14.80	20.47	21.72	20.41
	-Capital Work in Progress	20.59	23.33	19.39	7.41	5.57
	-Intangible Assets under Development	3.23	37.21	7.55	3.74	8.23
	Goodwill Arising on Consolidation	568.24	564.49	554.88	539.02	543.39
	Long Term Loans and Advances (XIII)	213.15	178.18	147.72	96.96	58.92
	Other Non Current Assets	0.02	0.02	0.02	0.02	0.03
	Total Non-Current Assets	**2,802.99**	**2,582.42**	**2,625.71**	**2,592.07**	**2,599.81**
F	**Current Assets**					
	Inventories(XIV)	2,177.44	2,120.40	2,326.27	1,991.84	1,360.76
	Trade Receivables (XV)	819.72	800.16	966.22	956.41	551.01
	Cash and Bank Balances (XVI)	78.12	145.30	74.29	58.73	66.79
	Short-Term Loans and Advances (XVII)	113.75	120.27	91.00	122.69	109.73
	Other Current Assets (XVIII)	89.61	65.34	68.72	78.51	28.08
	Total Current Assets	**3,278.63**	**3,251.47**	**3,526.51**	**3,208.19**	**2,116.37**
	TOTAL ASSETS (E + F)	**6,081.63**	**5,833.89**	**6,152.21**	**5,800.26**	**4,716.18**

RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
INCOME					
Revenue from Operations (XIX)	8,120.81	7,791.15	8,328.11	6,538.35	4,233.13
Other Revenue from Operations (XX)	35.79	40.14	58.70	73.16	40.90
Other Income (XXI)	13.98	132.54	12.60	39.34	326.02
Total Revenue	**8,170.57**	**7,963.83**	**8,399.41**	**6,650.85**	**4,600.05**
EXPENDITURE					
Cost of Raw Materials and Components Consumed (XXII)	3,041.80	3,130.29	3,960.83	3,298.30	1,724.70
Purchase of Traded Goods (XXIII)	53.08	55.06	54.20	-	-
Change in Inventories of Finished, Work in Progress and Traded Goods (XXIV)	79.33	70.11	(241.70)	(512.26)	230.19
Employee Benefits Expenses (XXV)	1,582.24	1,460.01	1,517.77	1,254.37	954.09
Other Expenses (XXVI)	2,499.85	2,450.62	2,412.98	2,245.13	1,346.82
Total Expenditure	**7,256.31**	**7,166.09**	**7,704.08**	**6,285.54**	**4,255.79**
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	**914.27**	**797.74**	**695.33**	**365.31**	**344.26**
Depreciation and Amortization (XXVII)	166.32	150.92	154.75	122.47	112.64
Earnings Before Interest and Tax (EBIT)	**747.95**	**646.83**	**540.58**	**242.84**	**231.62**
Finance Costs (XXVIII)	146.84	159.79	199.30	165.29	202.88
Restated Profit Before Tax (PBT)	**601.11**	**487.03**	**341.29**	**77.55**	**28.75**
Less:- Tax Expenses					
-Current Tax	97.74	78.57	33.04	21.73	10.46
- MAT Credit	(26.32)	(36.86)	(4.59)	(7.13)	(23.35)
-Deferred Tax	94.08	53.67	40.55	11.04	31.61
Total Tax Expenses	**165.50**	**95.38**	**69.00**	**25.63**	**18.72**
Restated Profit After Tax (PAT)	**435.61**	**391.65**	**272.29**	**51.92**	**10.02**
Profit/ (Loss) of Minority interest	-	-	10.32	(1.24)	(29.40)
Restated Profit for the Year	**435.61**	**391.65**	**261.97**	**53.16**	**39.42**

RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASH FLOW

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A.CASH FLOW FROM OPERATING ACTIVITIES					
Restated Profit Before Tax	601.11	487.03	341.29	77.55	28.75
Non-Cash Adjustment to Reconcile Profit Before Tax to Net Cash					
- Depreciation/Amortization on Continuing Operations	166.32	150.92	154.75	122.92	112.64
- Employee Stock Compensation Expense	1.67	0.47	1.81	2.49	9.11
- Loss/(Profit) on Sale of Fixed Assets	(2.26)	(2.33)	(2.51)	(0.32)	5.78
- Deferred Tax	10.70	15.57	9.38	(4.08)	(14.10)
- Interest Expenses	126.36	140.38	171.11	144.21	191.91
- Dividend Income	-	-	(0.02)	(0.12)	-
- Interest Income	(1.12)	(1.87)	(0.45)	(0.19)	(1.43)
- Effects of consolidation (refer note 2)	(179.36)	(120.87)	(183.72)	(5.11)	79.88
Operating Profit Before Working Capital Changes (As Restated)	**723.42**	**669.28**	**491.64**	**337.36**	**412.53**
Movements in Working Capital :					
Increase/(Decrease) in Trade Payable	135.12	(177.68)	6.79	252.37	(40.32)
Increase/(Decrease) in Short Term Provisions	(3.98)	5.26	(2.34)	5.18	(9.45)
Increase/(Decrease) in Other Long Term-Liabilities	(0.23)	(0.50)	4.04	(2.03)	(7.48)
Increase/(Decrease) in Long Term Provisions	(3.26)	(9.23)	13.22	11.05	8.53
Increase/(Decrease) in Other Current Liabilities	23.86	(289.83)	102.45	233.03	(172.84)
Decrease/(Increase) in Trade Receivables	(19.56)	166.06	(9.81)	(405.40)	117.30
Decrease/(Increase) in Inventories	(57.04)	205.87	(334.43)	(631.08)	287.08
Decrease/(Increase) in Other Current Assets	(24.27)	3.38	9.79	(50.43)	15.89
Decrease/(Increase) in Long-Term Loans & Advances	(34.97)	(30.45)	(50.76)	(38.04)	(12.45)
Decrease/(Increase) in Other Non-Current Assets	-	-	-	0.01	0.08
Decrease/(Increase) in Short-Term Loans & Advances	6.52	(29.26)	31.69	(12.97)	79.04
Cash Generated from/(used in) Operations	**745.60**	**512.90**	**262.29**	**(300.96)**	**677.94**
Direct Taxes Paid (net of refunds)	(71.41)	(41.71)	(28.45)	(14.59)	12.89
Cash flow from/ (used in) operation	**674.18**	**471.19**	**233.84**	**(315.56)**	**690.82**
Less: Minority Interest	-	-	10.32	(1.24)	(29.40)
Net Cash Flow from/ (used in) Operating Activities (A)	**674.18**	**471.19**	**223.51**	**(314.31)**	**720.22**
B.CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets, including Intangible Assets,	(339.88)	(152.78)	(109.09)	(89.26)	(106.17)
Proceeds from Sale of Fixed Assets	7.43	7.27	8.21	9.34	33.59
Loan Given to ESOP Trust	-	-	-	-	(7.71)
Amount Received from ESOP Trust	-	1.25	-	-	-
Interest Income	1.12	1.87	0.45	0.19	1.43
Dividend Received		-	0.02	0.12	-
Net Cash Flow from/ (used in) Investing Activities (B)	**(331.33)**	**(142.39)**	**(100.41)**	**(79.61)**	**(78.86)**
C.CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	-	-	-	-	75.22
Proceeds from Premium on Issue of Equity Shares	-	-	-	-	263.28
Long-Term Borrowings (net)	39.52	31.41	(226.61)	68.59	(360.97)
Short-Term Borrowings (net)	(338.46)	(149.80)	288.18	461.35	(421.48)
Interest Paid	(126.36)	(140.38)	(171.11)	(144.21)	(191.91)
				-	-
Net Cash Flow from/ (used in) Financing Activities (C)	**(425.30)**	**(258.77)**	**(109.54)**	**385.72**	**(635.86)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(82.45)**	**70.02**	**13.56**	**(8.20)**	**5.51**
Cash and Cash Equivalents at the beginning of the year	**145.30**	**74.29**	**58.73**	**66.79**	**61.85**
Effects of exchange difference on cash and cash equivalent held in foreign currency	**15.26**	**0.99**	**2.01**	**0.14**	**(0.56)**
Cash and Cash Equivalents at the end of the year	**78.12**	**145.30**	**74.29**	**58.73**	**66.79**

RESTATED STANDALONE SUMMARY STATEMENT OF ASSETS AND LIABILITIES

Rs. In Million

	Particulars	As at				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
I	**EQUITY AND LIABILITIES**					
A	**Shareholders' Funds**					
	Share Capital (V)	220.53	220.53	220.41	220.41	220.41
	Reserves and Surplus (VI)	1,713.92	1,647.95	1,530.94	1,559.92	1,527.99
	Total Shareholder's Funds	**1,934.46**	**1,868.49**	**1,751.35**	**1,780.33**	**1,748.40**
B	**Non-Current Liabilities**					
	Long Term Borrowings (VII)	309.23	157.30	90.75	351.52	254.70
	Long Term Provisions (VIII)	38.42	37.89	50.12	41.62	34.36
	Deferred Tax Liability (Net)	128.23	82.95	51.48	41.61	35.46
	Total Non-Current Liabilities	**475.88**	**278.14**	**192.35**	**434.75**	**324.52**
C	**Current Liabilities**					
	Short Term Borrowings (IX)	831.49	970.31	1,045.35	1,254.77	874.81
	Trade Payables (X)	261.84	151.18	135.70	203.94	53.00
	Other Current Liabilities (XI)	348.59	374.82	611.52	630.82	459.58
	Short Term Provisions (VIII)	59.27	44.99	20.63	15.98	24.27
	Total Current Liabilities	**1,501.19**	**1,541.30**	**1,813.21**	**2,105.50**	**1,411.66**
	TOTAL EQUITY AND LIABILITIES (A + B + C)	**3,911.52**	**3,687.93**	**3,756.91**	**4,320.57**	**3,484.58**
II	**ASSETS**					
D	**Non-current assets**					
	Fixed Assets (XII)					
	-Tangible Assets	1,453.36	1,266.26	1,291.32	1,346.27	1,362.37
	- Intangible Assets	37.95	14.41	19.98	21.41	20.11
	- Capital Work in Progress	20.15	21.01	14.48	5.31	5.57
	- Intangible Assets under Development	3.23	37.21	8.31	3.74	8.23
	Non-Current Investments (XIII)	502.64	502.64	520.40	520.40	514.46
	Long Term Loans and Advances (XIV)	159.59	150.83	127.62	303.96	280.54
	Other Non-Current Assets(XV)	-	-	0.32	0.13	34.11
	Total Non-current assets	**2,176.91**	**1,992.36**	**1,982.42**	**2,201.22**	**2,225.39**
E	**Current Assets**					
	Inventories (XVI)	794.28	786.13	803.08	904.05	657.56
	Trade Receivables (XVII)	728.77	729.00	791.97	1,019.12	420.03
	Cash and Bank Balances (XVIII)	28.48	27.66	39.12	25.32	55.08
	Short-Term Loans and Advances (XIX)	118.09	108.15	93.75	114.40	103.82
	Other Current Assets (XX)	65.00	44.64	46.57	56.47	22.70
	Total Current Assets	**1,734.62**	**1,695.57**	**1,774.49**	**2,119.36**	**1,259.19**
	TOTAL ASSETS (D + E)	**3,911.52**	**3,687.93**	**3,756.91**	**4,320.57**	**3,484.58**

RESTATED STANDALONE SUMMARY STATEMENT OF PROFIT AND LOSS

Rs. In Million

Particulars	Year ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
INCOME					
Revenue from Operations (XXI)	4,184.20	4,041.92	4,474.37	3,787.64	2,113.07
Other Revenue from Operations (XXII)	35.79	40.14	58.70	73.16	40.90
Other Income (XXIII)	17.07	120.64	26.69	107.95	271.14
Total Revenue	**4,237.06**	**4,202.70**	**4,559.75**	**3,968.76**	**2,425.10**
EXPENDITURE					
Cost of Raw Materials and Components Consumed (XXIV)	1,794.66	1,782.68	1,980.73	1,743.48	891.55
Purchase of Traded Goods (XXV)	38.03	115.36	315.54	325.55	109.69
Change in Inventories of Finished, Work in Progress and Traded Goods (XXVI)	28.04	12.38	124.93	(199.86)	(37.90)
Employee Benefits Expenses(XXVII)	663.12	604.10	546.29	460.78	356.30
Other Expenses (XXVIII)	1,326.99	1,310.50	1,369.45	1,401.70	754.46
Total Expenditure	**3,850.85**	**3,825.02**	**4,336.95**	**3,731.65**	**2,074.09**
Earnings before Interest ,Tax ,Depreciation and Amortization (EBITDA)	**386.21**	**377.69**	**222.81**	**237.10**	**351.01**
Depreciation and Amortization (XXIX)	120.04	109.57	105.30	80.46	73.41
Earnings before interest and tax (EBIT)	**266.17**	**268.11**	**117.50**	**156.64**	**277.61**
Finance Costs (XXX)	107.52	90.25	138.42	121.07	146.27
Earnings before Exceptional items and Tax	**158.65**	**177.86**	**(20.92)**	**35.57**	**131.33**
Provision for Permanent Diminution in Value of Investments	-	17.76	-	-	-
Restated Profit before tax	**158.65**	**160.09**	**(20.92)**	**35.57**	**131.33**
Less:- Tax Expenses					
-Current Tax	33.30	32.07	-	7.13	23.35
-MAT Credit Entitlement	(10.63)	(32.07)	-	(7.13)	(23.35)
-Deferred Tax	45.28	31.47	9.88	6.15	57.29
Total Tax expenses	**67.94**	**31.47**	**9.88**	**6.15**	**57.29**
Restated Profit After Tax	**90.70**	**128.62**	**(30.79)**	**29.43**	**74.04**

RESTATED STANDALONE SUMMARY STATEMENT OF CASH FLOW

Rs. In Million

Particulars	Year ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A.CASH FLOW FROM OPERATING ACTIVITIES					
Restated Profit before Tax	158.65	160.09	(20.92)	35.57	131.33
Non-Cash Adjustment to Reconcile Profit Before Tax to Net Cash Flows					
- Depreciation/Amortization Expenses	120.04	109.57	105.30	80.46	73.41
- Employee Stock Compensation Expense	1.67	0.47	1.81	2.49	9.11
- Preliminary Expenditure w/off	-	-	-	-	-
- Provision for Permanent Diminution in Value of Investment	-	17.76	-	-	-
- Loss/(Profit) on Sale of Fixed Assets	1.82	1.32	0.72	0.00	5.56
- Interest Expenses	95.27	77.55	122.90	110.15	137.52
- Dividend Income	-	-	(0.02)	(0.12)	-
- Interest Income	(1.44)	(1.60)	(13.61)	(12.87)	(27.38)
Operating Profit Before Working Capital Changes (as restated)	**376.01**	**365.17**	**196.19**	**215.69**	**329.54**
Movements in working capital :					
Increase/(decrease) in Trade Payable	110.66	15.48	(68.23)	150.94	(20.33)
Increase/(decrease) in Short Term Provisions	(12.13)	11.16	4.65	(8.29)	(10.37)
Increase/(decrease) in Long Term Provisions	0.53	(12.24)	8.50	7.27	(0.88)
Increase/(decrease) in Other Current Liabilities	(8.04)	(238.08)	20.09	172.03	(275.35)
Decrease/(increase) in Trade Receivables	0.23	62.98	227.15	(599.09)	169.62
Decrease/(increase) in Inventories	(8.15)	16.95	100.96	(246.49)	(3.76)
Decrease/(increase) in Other Non Current Assets	-	0.32	(0.19)	33.98	(15.65)
Decrease/(increase) in Other Current Assets	(20.37)	1.94	9.89	(33.77)	21.28
Decrease/(increase) in Long-Term Loans & Advances	(8.76)	(23.21)	176.35	(23.42)	244.41
Decrease/(increase) in Short-Term Loans & Advances	(9.93)	(14.41)	20.66	(10.58)	65.11
Cash generated from/(used in) operations	**420.05**	**186.06**	**696.01**	**(341.74)**	**503.60**
Direct Taxes Paid (net of refunds)	22.67	-	-	-	-
Net Cash Flow from/ (used in) Operating Activities (A)	**397.39**	**186.06**	**696.01**	**(341.74)**	**503.60**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed assets, including Intangible Assets,	(300.90)	(118.66)	(68.04)	(66.90)	(105.25)
Loan Given to ESOP Trust	-	-	-	-	(7.71)
Amount Received from ESOP Trust	-	1.25	-	-	-
Proceeds from Sale of Fixed Assets	3.25	2.95	4.66	5.99	11.80
Dividend Received	-	-	0.02	0.12	-
Interest Received	1.44	1.60	13.61	12.87	27.38
Investments in Subsidiary Companies	-	-	-	(5.94)	(327.76)
Net Cash Flow from/ (used in) Investing Activities (B)	**(296.21)**	**(112.86)**	**(49.75)**	**(53.85)**	**(401.53)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	-	-	-	-	75.22
Proceeds from Premium on Equity Shares	-	-	-	-	263.28
Proceeds from Long Term Borrowings	301.71	233.93	13.73	167.03	133.95
Repayments of Long-Term Borrowings	(167.98)	(165.99)	(313.88)	(71.00)	(368.04)
Short-Term Borrowings (net)	(138.82)	(75.05)	(209.41)	379.95	(50.02)
Interest Paid	(95.27)	(77.55)	(122.90)	(110.15)	(137.52)
Net Cash Flow from/ (used in) Financing Activities (C)	**(100.36)**	**(84.65)**	**(632.47)**	**365.83**	**(83.12)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**0.82**	**(11.46)**	**13.79**	**(29.76)**	**18.95**
Cash and Cash Equivalents at the beginning of the year	**27.66**	**39.12**	**25.32**	**55.08**	**36.13**
Cash and Cash Equivalents at the end of the year	**28.48**	**27.66**	**39.12**	**25.32**	**55.08**

THE ISSUE

The following table summarises the Issue details:

Public Issue of Equity Shares	Up to 13,040,000 Equity Shares aggregating to ₹ [●] million
of which	
Fresh Issue*	7,000,000 Equity Shares
Offer for Sale of up to **	6,040,000 Equity Shares
The Issue consists of:	
1. QIB Category	[●] Equity Shares
of which:	
Anchor Investor Portion[#]	[●] Equity Shares
of which:	
Reservation for Mutual Funds	[●] Equity Shares
Balance for all QIBs (including Mutual Funds)	[●] Equity Shares
QIB Category less the Anchor Investor Portion	[●] Equity Shares
of which:	
Available for allocation to Mutual Funds	[●] Equity Shares
Balance for all QIBs (including Mutual Funds)	[●] Equity Shares
2. Non Institutional Category	Not less than [●] Equity Shares
3. Retail Category	Not less than [●] Equity Shares
Pre and post Issue Equity Shares	
Equity Shares outstanding prior to the Issue	45,133,758 Equity Shares
Equity Shares outstanding after the Issue	52,133,758 Equity Shares[##]
Use of Issue Proceeds	Refer to the chapter "*Objects of the Issue*" beginning on page 86.

**The Fresh Issue has been authorised by a resolution of the Board of Directors, dated September 18, 2014 and by a resolution of the shareholders of our Company in the AGM held on September 20, 2014 pursuant to Section 62 of the Companies Act, 2013.*

***The Individual Selling Shareholders specifically confirm that the proportion of the Equity Shares offered by way of the Offer for Sale have been held by the Individual Selling Shareholders for a period of atleast one year, prior to the date of filing this Draft Red Herring Prospectus. The Individual Selling Shareholders further specifically confirm that 680,000 Equity Shares held by Mr. Gurdeep Soni, 453,334 Equity Shares held by Mr. Paramjit Singh Soni, 453,333 Equity Shares held by Mr. Karan Soni, 453,333 Equity Shares held by Ms. Meher Soni, which are being offered as part of the Offer for Sale have been authorised by each Individual Selling Shareholder pursuant to letters dated September 18, 2014, respectively.The Investor Selling Shareholders specifically confirm that the proportion of the Equity Shares offered by way of the Offer for Sale have been held by the Investor Selling Shareholders for a period of atleast one year, prior to the date of filing this Draft Red Herring Prospectus. The Investor Selling Shareholders further specifically confirm that 923,077 Equity Shares held by Ambadevi Mauritius Holding Limited and 3,076,923 Equity Shares held by Ashoka Investment Holdings Limited, which are being offered as part of the Offer for Sale have been authorised by Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited pursuant to the resolutions passed by their board of directors each dated September 17, 2014.*

[#]*Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. For further details, please refer to the chapter "Issue Procedure" beginning on page* 372. *In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Category.*

[##]*Assuming full subscription to the Offer.*

Allocation to all categories, except any Anchor Investors and Retail Individual Investors, shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of shares in Retail Individual Investor Category, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, see the chapter "*Issue Procedure*" beginning on page 372.

Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable law.

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company, collectively, hold 21,550,660 Equity Shares, which constitutes 47.75% of the issued, subscribed and paid-up Equity Share capital of our Company.

GENERAL INFORMATION

Our Company was incorporated as "Uniparts India Limited" on September 26, 1994 in New Delhi, India. Our Company received a certificate of commencement of business on September 7, 1998 from the RoC. For further details relating to incorporation, corporate structure, change in registered office of our Company, please refer to the chapter "*History and Other Corporate Matters*" beginning on page 161.

For information on the business of our Company, please refer to the chapter "*Business*" beginning on page 135.

Registered Office of our Company

Uniparts India Limited
Gripwel House
Block – 5
Sector C 6 & 7
Vasant Kunj
New Delhi – 110 070, India

Tel: +91 11 2613 7979
Fax: +91 11 2613 3195

Corporate Office of our Company

Uniparts India Limited
Ground Floor
SB Tower
Plot 1A/1
Sector 16 A
Film City
Noida – 201 301
Uttar Pradesh, India

Tel: +91 120 458 1400
Fax: +91 120 458 1499
Website: www.unipartsgroup.com
Corporate Identity Number: U74899DL1994PLC061753
Registration Number: 55-61753

For details of changes in the Registered Office, please refer to the chapter "*History and Other Corporate Matters*" beginning on page 161.

Address of the RoC

Our Company is registered with the RoC, situated at the following address:

Registrar of Companies
National Capital Territory of Delhi and Haryana

4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110 019, India

Board of Directors

Our Board comprises:

Name	Designation	DIN	Address
Mr. Gurdeep Soni	Chairman and Managing Director, Executive and Non-Independent	00011478	Silveroak Estates, #142 Mall Road, Kishengarh, Vasant Kunj, New Delhi – 110 070, India

Name	Designation	DIN	Address
Mr. Paramjit Singh Soni	Vice Chairman, Executive and Non-Independent	00011616	614 High Hampton Dr, Martinez, GA 30907 – 9125, Columbia, USA
Mr. Alok Nagory	Non-executive Independent Director	00478140	7/197 Moti Sadan, Swarup Nagar, Kanpur, Uttar Pradesh – 208 002, India
Mr. Ashish Kumar Agarwal	Nominee Director, Non-executive and Non-Independent	00139386	Flat No. 402, 4th Floor, B Wing, Vivarea Building, M A Road, Jacob Circle, Mumbai – 400 011, Maharashtra, India
Mr. Herbert Coenen	Director, Executive and Non-Independent	00916001	Vinxeler Str. 74, Koenigswinter, Germany – 53639
Mr. M.R. Umarji	Non-executive Independent Director	00307435	B – 702, Pataliputra Co-operative Housing Society, 4 Bunglows, Near Kamdhenu Shop, Andheri (W), Mumbai – 400 053, Maharashtra, India
Mr. Sharat Krishan Mathur	Non-executive Independent Director	01217742	E – 323, 1st Floor, Greater Kailash – 1, New Delhi – 110 048, India
Ms. Shradha Suri	Non-executive Independent Director	00176902	E – 7, Panchsheel Park, New Delhi – 110 017, India

For further details of our Board of Directors, please refer to the chapter "*Our Management*" beginning on page 170.

Company Secretary and Compliance Officer

Our Company has appointed Mr. Lalit Khanna, the Company Secretary and Associate Vice-President-Legal, as the Compliance Officer of our Company. His contact details are as follows:

Mr. Lalit Khanna
Ground Floor
SB Tower
Plot 1A/1
Sector 16 A
Film City
Noida – 201 301
Uttar Pradesh, India

Tel: + 91 120 458 1400
Fax: + 91 120 458 1499
E-mail: compliance.officer@unipartsgroup.com

Chief Financial Officer

Mr. Sanjiv Kashyap is our Chief Financial Officer. His contact details are as follows:

Mr. Sanjiv Kashyap
Ground Floor
SB Tower
Plot 1A/1
Sector 16 A
Film City
Noida – 201 301
Uttar Pradesh, India

Tel: +91 120 458 1400
Fax: + 91 120 458 1499
E-mail: sanjiv.kashyap@unipartsgroup.com

Bidders may contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, including non-receipt of Allotment Advice, credit of Allotted Equity Shares in the respective

beneficiary account or refund orders, etc.

Investors may contact the BRLMs for any complaint pertaining to the Issue. All grievances relating to the non-ASBA process must be addressed to the Registrar to the Issue quoting full name of the sole or first Bidder, Bid-cum-Application Form number, address of the Bidder, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the Syndicate Member or the Registered Broker where the Bid was submitted, and cheque or draft number and issuing bank thereof.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Broker Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker, as the case may be, where the Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

Selling Shareholders

The details of our Investor Selling Shareholders are set forth below:

1. *Ashoka Investment Holdings Limited*

Ashoka Investment Holdings Limited ("**Ashoka**") is a company incorporated under the laws of Mauritius. Its registered office is located at C/o International Financial Services Limited, IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius.

2. *Ambadevi Mauritius Holding Limited*

Ambadevi Mauritius Holding Limited ("**Ambadevi**") is a company incorporated under the laws of Mauritius. Its registered office is located at C/o International Financial Services Limited, IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius.

For more details regarding the Investor Selling Shareholders, please refer to the chapters "*History and Other Corporate Matters*" and "*Capital Structure*" beginning on pages 161 and 71, respectively.

For details of certain of our Individual Selling Shareholders, namely, Mr. Gurdeep Soni and Mr. Paramjit Singh Soni, please see the chapter "*Our Promoters and Group Entities*" on page 187.

The details of our other Individual Selling Shareholders, Mr. Karan Soni and Ms. Meher Soni, are set forth below:

1. *Mr. Karan Soni*

Mr. Karan Soni is the son of Mr. Paramjit Singh Soni. He resides at 4301, Loz Feliz Blvd. Apartment 4, Los Angeles, CA – 90027, USA.

2. *Ms. Meher Soni*

Ms. Meher Soni is the daughter of Mr. Paramjit Singh Soni. She resides at 614, High Hampton Dr., Martinez, GA, 30907 – 9125, USA.

If required, we will obtain necessary regulatory approvals for the sale of shares by Mr. Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni, as part of the Offer for Sale prior to allocation of the Equity Shares in the Issue.

Book Running Lead Managers

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: uniparts.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor grievance email: customercare@icicisecurities.com
Contact Person: Mr. Ayush Jain/Mr. Vishal Kanjani
SEBI Regn. No.: INM000011179

Edelweiss Financial Services Limited

Edelweiss House
Off CST Road
Kalina
Mumbai – 400 098
Maharashtra, India

Tel: +91 22 4086 3535
Fax: +91 22 4086 3610
Email: ul.ipo@edelweissfin.com
Website: www.edelweissfin.com
Investor grievance Email: customerservice.mb@edelweissfin.com
Contact Person: Mr. Nikhil Kabra
SEBI Regn. No.: INM0000010650

India Infoline Limited

8th Floor
IIFL Centre
Kamala City
Senapati Bapat Marg
Lower Parel (West)
Mumbai – 400 013
Maharashtra, India

Tel: +91 22 4646 4600
Fax: +91 22 2493 1073
Email: uil.ipo@iiflcap.com
Website: www.iiflcap.com
Investor grievance Email: ig.ib@iiflcap.com
Contact Person: Mr. Kunur Bavishi/Mr. Pinak R Bhattacharyya
SEBI Regn. No.: INM000010940

Syndicate Members

[●]

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

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 7878

Fax: +91 22 2596 0329
Email: uil.ipo@linktime.co.in
Website: www.linkintime.co.in
Investor grievance email: uil.ipo@linktime.co.in
Contact Person: Mr. Sachin Achar
SEBI Regn. No.: INR000004058

Domestic Legal Counsel to our Company

J. Sagar Associates

Sandstone Crest
Opposite Park Plaza Hotel
Sushant Lok – Phase 1
Gurgaon – 122 009
Haryana, India

Tel: +91 124 439 0600
Fax: +91 124 439 0617

Domestic Legal Counsel to the Underwriters

Amarchand & Mangaldas & Suresh A. Shroff & Co.

Amarchand Towers
216 Okhla Industrial Estate, Phase – III
New Delhi – 110 020
India

Tel: +91 11 2692 0500
Fax: +91 11 2692 4900

Domestic Legal Counsel to the Investor Selling Shareholders

AZB & Partners

Plot No. A – 8
Sector – 4, Noida
Uttar Pradesh – 201301
India

Tel: + 91 120 417 9999
Fax: + 91 120 417 9900

Statutory Auditors of our Company

M/s S.C. Varma and Co.

A – 60
N.D.S.E. Part – I
New Delhi – 110 049
India

Tel: +91 11 2464 8247/2464 9845
Fax: +91 11 2464 9330
E-mail: scvarma@scvandco.com
Firm Registration No.: 000533N

The audited and restated consolidated as well as standalone financial statements of our Company as on and for the five fiscal years ended March 31, 2010, 2011, 2012, 2013 and 2014 included in this Draft Red Herring Prospectus have been audited by, and the examination reports thereon as well as the statement on tax benefits included in the chapter

"*Financial Statements*" and "*Statement of Tax Benefits*" beginning on pages 198 and 104, respectively, of this Draft Red Herring Prospectus have been prepared by, M/s S.C. Varma and Co.

Bankers to the Issue and Escrow Collection Banks

[●]

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

Refund Bank(s)

[●]

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

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is available at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time. Details relating to the Designated Branches of SCSBs collecting the Bid-cum-Application Forms used by the ASBA Bidders are available at the abovementioned link.

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid-cum-Application Forms from the members of the Syndicate is available on the website of the SEBI (http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) and updated from time to time.

Broker Centres

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012, Bidders can submit Bid-cum-Application Forms with the Registered Brokers at the Broker Centres, a list of which is available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid-cum-Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Bankers to our Company

Citibank NA

DLF Square, 9th Floor, M – Block
Jacaranda Marg, DLF City, Phase II
Gurgaon – 122 002
Haryana, India

Tel.: +91 124 418 6926
Fax: +91 124 401 2138
Email: akshay.kumar.seksaria@citi.com
Website: www.online.citibank.co.in/
Contact Person: Mr. Akshay Seksaria

DBS Bank

Capitol Point
Baba Kharak Singh Marg
Connaught Place
New Delhi – 110 001

ING Vysya Bank Limited

19th Floor, Tower A
Building No. 5
DLF Cyber City
Gurgaon – 122 002
Haryana, India

Tel.: +91 124 6181 316
Email: saurabh.tanwar@ingvysyabank.com
Website: www.ingvysyabank.com
Contact Person: Mr. Saurabh Tanwar

Kotak Mahindra Bank Limited

Ambadeep Building
14 KG Marg
Kasturbha Gandhi Marg
New Delhi – 110 001

India

Tel.: +91 11 3041 8888
Fax: +91 11 3041 8899
Email: vikramsamvedi@dbs.com
Website: www.dbs.com/in
Contact Person: Mr. Vikram Samvedi

India

Tel.: +91 11 6608 4248
Fax: +91 11 6608 4209
Email: manmeetpal.singh@kotak.com
Website: www.kotak.com
Contact Person: Mr. Manmeet Pal Singh

IndusInd Bank Limited

3rd Floor, Building No. – 10
Tower – B, DLF Cyber City
Gurgaon – 122 002
Haryana, India

Tel.: +91 124 4749 500
Fax: +91 124 4749 565
Email: anurag.mathur@indusind.com
Website: www.indusind.com
Contact Person: Mr. Anurag Mathur

Statement of Inter-se Allocation of Responsibilities of the BRLMs

The following table sets forth the responsibilities of the BRLMs in relation to the Issue:

S. No.	Activities	Responsibility	Coordinating
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, size of issue, allocation between primary and secondary, etc.	I-Sec, Edel and IIFL	I-Sec
2.	Due diligence of the Company's operations/management/ business plans/ legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalization of Prospectus and RoC filing of the same, follow up and coordination till final approval from all regulatory authorities	I-Sec, Edel and IIFL	I-Sec
3.	Drafting and approval of statutory advertisement and application forms	I-Sec, Edel and IIFL	I-Sec
4.	Drafting and approval of other publicity material including non-statutory advertisement, corporate advertisement, brochure, etc.	I-Sec, Edel and IIFL	Edel
5.	Appointment of all other intermediaries (e.g. Registrar(s), Printer(s) and Banker(s) to the Issue, advertising agency etc.)	I-Sec, Edel and IIFL	I-Sec
6.	International Institutional Marketing; allocation of investors for meetings and finalizing road show schedules and preparation and finalization of the road-show presentation and FAQs	I-Sec, Edel and IIFL	Edel
7.	Domestic Institutional Marketing (including banks/mutual funds); allocation of investors for meetings and finalizing road show schedules	I-Sec, Edel and IIFL	I-Sec
8.	Non-Institutional Marketing of the Issue, which will cover, inter alia: 1. Finalising Media and PR strategy 2. Formulating strategies for marketing to Non-Institutional Investors	I-Sec, Edel and IIFL	IIFL
9.	Retail Marketing of the Issue, which will cover, inter alia, 1. Formulating marketing strategies, preparation of publicity budget 2. Finalising Media and PR strategy 3. Finalising centres for holding conferences for brokers etc.	I-Sec, Edel and IIFL	I-Sec
10.	Pricing and managing the book	I-Sec, Edel and IIFL	Edel

11.	Coordination with Stock-Exchanges for: 1. book building software, bidding terminals etc. 2. payment of 1% security deposit through cash and bank guarantee	I-Sec, Edel and IIFL	Edel
12.	Finalising collection centres and follow-up on distribution of publicity and Issue material including form, prospectus and deciding on the quantum of the Issue material	I-Sec, Edel and IIFL	IIFL
13.	Post-issue activities, which shall involve essential follow-up steps including follow-up with bankers to the issue and Self Certified Syndicate Banks to get quick estimates of collection and advising the issuer about the closure of the issue, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, listing of instruments, dispatch of certificates or demat credit and refunds and coordination with various agencies connected with the post-issue activity such as registrars to the issue, bankers to the issue, Self Certified Syndicate Banks etc. Including responsibility for underwriting arrangements, as applicable Coordinating with Stock Exchanges and SEBI for Release of 1% security deposit post closure of the issue	I-Sec, Edel and IIFL	IIFL
14.	Payment of the applicable Securities Transaction Tax ("**STT**") on sale of unlisted equity shares by the Individual Selling Shareholders and the Investor Selling Shareholders under the Offer for Sale included in the Issue to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004	I-Sec, Edel and IIFL	IIFL

IPO Grading

No credit agency registered with SEBI has been appointed for the purposes of obtaining a grading for the Issue, as IPO grading is not mandatory.

Credit Rating

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

Experts

Except for the Auditors' reports dated September 21, 2014 on the restated standalone and restated consolidated financial statements of the Company, respectively, the statement of tax benefits dated September 21, 2014, provided by M/s S.C. Varma and Co. and the report dated September 10, 2014, provided by Raman Anil & Associates Private Limited, our Company has not obtained any expert opinions. The term "expert" shall not be construed to mean an "expert" as defined under the Securities Act. The Statutory Auditors, M/s S.C. Varma and Co., and Raman Anil & Associates Private Limited have provided their written consent for the inclusion of their reports and for being named as an "expert" in this Draft Red Herring Prospectus, and such consents have not been withdrawn as on the date of this Draft Red Herring Prospectus.

Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required.

Monitoring Agency

In terms of Regulation 16(1) of the SEBI ICDR Regulations, we are not required to appoint a monitoring agency for the purposes of this Issue as the Fresh Issue size shall not exceed ₹ 5,000 million. As required under the listing agreements with the Stock Exchanges and Section 177 of the Companies Act, 2013, the Audit Committee constituted by the Board of our Company will monitor the utilisation of the proceeds of the Issue. We will disclose the utilisation of the proceeds of the Issue, including interim use, under a separate head in the Company's quarterly financial disclosures and annual audited financial statements until the proceeds of the Issue remain unutilised, to the extent required under applicable laws and regulations.

Appraising Agency

None of the objects of this Issue for which Net Proceeds will be utilised have been appraised by an independent agency.

Book Building Process

Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid-cum-Application Forms. The Price Band and the minimum Bid Lot size will be decided by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, published in one English national daily newspaper with wide circulation and one Hindi national daily newspaper with wide circulation which shall also serve as the regional language newspaper with wide circulation, with Hindi being the regional language of Delhi where the Registered Office is located, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website.

The Issue Price shall be determined by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- Our Company;
- The Selling Shareholders;
- The BRLMs;
- The Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters;
- SCSBs through whom ASBA Bidders would subscribe in this Issue;
- Registered Brokers;
- The Registrar to the Issue; and
- Escrow Collection Bank(s).

This Issue is being made through the Book Building Process where 50% of the Issue shall be Allotted on a proportionate basis to QIBs provided that our Company may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, of which at least one-third will be available for allocation to domestic Mutual Funds. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs (including Mutual Funds) subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than 5% of the QIB Category (excluding the Anchor Investor Portion), allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Category (excluding the Anchor Investor Portion), after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the QIB Category (excluding the Anchor Investor Portion) and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.

Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue will be available for allocation to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Category will not be allowed to be met with spill-over from other categories or a combination of categories.

QIBs (other than Anchor Investors) and Non-Institutional Investors shall compulsorily submit their Bids through ASBA, which would entail blocking of funds in the ASBA Account rather than the transfer of funds to the respective Escrow Accounts. Retail Individual Investors have the option of submitting their Bids under the ASBA Process or through cheques/demand drafts. Anchor Investors are not permitted to participate through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the QIB Category and Non-Institutional Investors Bidding in the Non-Institutional Category are not allowed to withdraw or lower their Bid(s) (both in terms of number of Equity Shares and Bid Amount) at any stage during the Issue or after the Bid/Issue Closing Date. **Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until finalization of the Basis of Allotment. Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to the Anchor Investors will be on a discretionary basis.** For further details, please refer to the chapters "*Terms of the Issue*" and "*Issue Procedure*" beginning on pages 369 and 372, respectively.

Our Company will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. Each of the Individual Selling Shareholders and the Investor Selling Shareholders confirm that it/they will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI, as applicable to such Investor Selling Shareholders or Individual Selling Shareholders in relation to the Equity Shares offered by such Investor Selling Shareholders or Individual Selling Shareholders under the Offer for Sale.

In this regard, our Company and the Selling Shareholders have appointed ICICI Securities Limited, Edelweiss Financial Services Limited and India Infoline Limited as the BRLMs to manage the Issue and procure subscriptions for the Issue.

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

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue. This example does not take into account Bidding under ASBA process and bidding by Anchor Investors.)*

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

Bid Quantity	Bid Price (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	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 equity shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. The issuer and the selling shareholders, in consultation with the book running lead managers will finalise the Issue Price at or below such cut-off price, i.e., at or below ₹ 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.

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (please refer to "*Issue Procedure – Who Can Bid?*" on page 374). Please note that all Bidders other than Anchor Investors are entitled to Bid through ASBA. In this regard, please refer to the chapter "*Issue Procedure*" beginning on page 372;

2. Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form;

3. Ensure that the Bid-cum-Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid-cum-Application Form;

4. Except for Bids (i) on behalf of the Central or State Government and the officials appointed by the courts, and (ii) from the residents of the state of Sikkim, each of the Bidders should mention their PAN allotted under the Income Tax Act, 1961 ("**I.T. Act**") in the Bid cum Application Form. In accordance with the SEBI ICDR Regulations, PAN would be the sole identification number for participants transacting in the securities market is required to be

provided, irrespective of the amount of transaction. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details (as defined below) received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in active status; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. Applications in which the PAN is not mentioned will be rejected. For further details please refer to "*Issue Procedure – Bidders / Applicants Depository Account Details*" on page 386;

5. Ensure the correctness of your Demographic Details (as defined in the "*Issue Procedure – Bidders / Applicants Depository Account Details*" on page 386) given in the Bid-cum-Application Form with the details recorded with your Depository Participant;

6. Ensure the correctness of your PAN, DP ID and Client ID given in the Bid-cum-Application Form. Based on these parameters, the Registrar will obtain details of the Bidders from the Depositories including the Bidder's name and bank account number, among others;

7. Bids by ASBA Bidders will have to be submitted to the Designated Branches of the SCSBs or Syndicate Members at Syndicate ASBA Centres or the Broker Centre with the Registered Brokers. ASBA Bidders should ensure that ASBA Accounts have adequate credit balance at the time of submission of the Bid-cum-Application Form to the SCSB, Registered Brokers or Syndicate to ensure that the Bid-cum-Application Form is not rejected;

8. Bids by QIBs (other than Anchor Investors) and Non-Institutional Investors will only have to be submitted through the ASBA process; and

9. Bids by non-ASBA Bidders will have to be submitted to the Syndicate (or their authorized agents) at the bidding centres or the Registered Brokers at the Broker Centres.

For further details for the method and procedure for Bidding, please refer to the chapter "*Issue Procedure*" beginning on page 372.

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

Underwriting Agreement

After the determination of the Issue Price and allocation of the Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that it or their Syndicate Members do not fulfill their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and are subject to certain conditions to closing, as specified there in. The Underwriting Agreement is dated [●], and has been approved by the Board of Directors/committee of our Company. The Investor Selling Shareholders have confirmed that the Underwriting Agreement dated [●] has been approved by their respective boards of directors.

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

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

Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (₹ in million)
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned would be finalised after the pricing and actual allocation of the Equity Shares is determined.

In the opinion of the Board of Directors of our Company (based on the representations made to our Company by the

Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s).

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

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in this Issue, except for ASBA Bids procured by the Syndicate Member(s). The Underwriting Agreement shall specify the role and obligations of each Syndicate Member.

CAPITAL STRUCTURE

The share capital of our Company as of the date of this Draft Red Herring Prospectus, before the Issue and after the Issue, is set forth below:

(in ₹ except share data)

S. No.	Particulars	Aggregate Value at Face Value	Aggregate value at Issue Price
A	**Authorised Share Capital**		
	60,000,000 Equity Shares	600,000,000	
B	**Issued, Subscribed and Paid Up Capital before the Issue**		
	45,133,758 Equity Shares	451,337,580	
C	**Present Issue in terms of this Draft Red Herring Prospectus**		
	Up to 13,040,000 Equity Shares	130,400,000	[●]
	which consists of		
	Fresh Issue***** of 7,000,000 Equity Shares	70,000,000	[●]
	Offer for Sale****** of up to 6,040,000 Equity Shares	60,400,000	[●]
	1. QIB Category of [●] Equity Shares	[●]	[●]
	Of which:		
	Anchor Investor Portion[#] of [●] Equity Shares	[●]	[●]
	QIB Category less the Anchor Investor Portion of [●] Equity Shares	[●]	[●]
	Of which:		
	Available for allocation to Mutual Funds of [●] Equity Shares	[●]	[●]
	Balance for all QIBs (including Mutual Funds) of [●] Equity Shares	[●]	[●]
	2. Non Institutional Category of not less than [●] Equity Shares	[●]	[●]
	3. Retail Portion of not less than [●] Equity Shares	[●]	[●]
D	**Issued, Subscribed and Paid Up Equity Share Capital after the Issue**		
	52,133,758 Equity Shares[##]	521,337,580	[●]
E	**Securities Premium Account**		
	Before the Issue	864,602,079	
	After the Issue	[●]	

**The Fresh Issue has been authorized by a resolution of the Board of Directors, dated September 18, 2014 and by a resolution of the shareholders of our Company in an AGM held on September 20, 2014 under Section 62(1)(c) of the Companies Act, 2013.*

*** Ambadevi Mauritius Holding Limited, Ashoka Investment Holdings Limited, Mr. Gurdeep Soni, Mr.Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni are offering up to 923,077 Equity Shares, 3,076,923 Equity Shares, 680,000 Equity Shares, 453,334 Equity Shares, 453,333 Equity Shares and 453,333 Equity Shares, respectively, as part of the Offer for Sale. Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited are offering Equity Shares by way of Offer for Sale pursuant to the resolutions passed by their board of directors each dated September 17, 2014. Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni are offering Equity Shares pursuant to the letters dated September 18, 2014, respectively. The Investor Selling Shareholders specifically confirm that the proportion of the Equity Shares offered by each of them by way of the Offer for Sale have been held by such Investor Selling Shareholders for a period of atleast one year prior to the date of filing this Draft Red Herring Prospectus. The Individual Selling Shareholders specifically confirm that the proportion of the Equity Shares offered by each of them by way of the Offer for Sale have been held by such Individual Selling Shareholders for a period of atleast one year prior to the date of filing this Draft Red Herring Prospectus.*

[#]Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the Anchor Investor Allocation Price. For further details, please refer to the chapter "Issue Procedure" beginning on page 372. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Category.

[##] Assuming full subscription to the Offer.

Changes to the Authorized Share Capital since Incorporation:

Date of Shareholders Resolution	Nature of Change
March 25, 2005	Amendment to Clause V of the Memorandum of Association to reflect increase in authorised share capital from ₹ 1,000,000 divided into 100,000 Equity Shares of ₹ 10 each to ₹ 150,000,000 divided into 15,000,000 Equity Shares of ₹ 10 each.
September 22, 2008	Amendment to Clause V of the Memorandum of Association to reflect increase in authorised share capital from ₹ 150,000,000 divided into 15,000,000 Equity Shares of ₹ 10 each to ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each.
September 10, 2013	Amendment to Clause V of the Memorandum of Association to reflect increase in authorised share capital from ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each to ₹ 600,000,000 divided into 60,000,000 Equity Shares of ₹ 10 each.

Notes to Capital Structure

1. Paid up Equity Share Capital History of our Company

Date of Allotment of Equity Shares	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid up Capital (₹)
October 3, 1994	70	10	10	Cash	Allotment to the subscribers to the MoA[1]	70	700
December 14, 1998	90	10	10	Cash	Preferential Allotment[2]	160	1,600
March 28, 2000	99,750	10	10	Cash	Preferential Allotment[3]	99,910	999,100
March 31, 2005	7,992,990	10	10	Cash	Preferential Allotment[4]	8,092,900	80,929,000
February 2, 2007	3,237,160	10	10	N.A.	Bonus Issue[5]	11,330,060	113,300,600
February 2, 2007	350,400	10	135	Cash	Preferential Allotment[6]	11,680,460	116,804,600
June 12, 2007	252,513	10	294.71	Cash	Preferential Allotment[7]	11,932,973	119,329,730
September 25, 2007	2,544,530	10	294.75	Cash	Preferential Allotment[8]	14,477,503	144,775,030
March 27, 2009	567,081	10	10	Cash	Preferential Allotment[9]	15,044,584	150,445,840
August 4, 2009	7,522,295	10	45	Cash	Rights Issue[10]	22,566,879	225,668,790
April 4, 2014	22,566,879	10	10	N.A.	Bonus Issue [11]	45,133,758	451,337,580
Total						**45,133,758**	**451,337,580**

1 *Initial allotment of 10 Equity Shares each to Mr. Kirpal Singh, Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mrs. Harjit K. Singh, Mrs. Pamela Soni, Mrs. Sarabjit Soni and Mr. Joginder S. Chatha, pursuant to subscription to the Memorandum of Association.*

2 *Allotment of 90 Equity Shares to Mr. Paramjit Singh Soni.*

3 *Allotment of 19,590 Equity Shares to Mr. Kirpal Singh, 19,590 Equity Shares to Mr. Gurdeep Soni, 19,500 Equity Shares to Mr. Paramjit Singh Soni, 1,990 Equity Shares to Mrs. Harjit K. Singh, 19,490 Equity Shares to Mrs. Pamela Soni and 19,590 Equity Shares to Mrs. Sarabjit Soni.*

4 *Allotment of 385,100 Equity Shares to Mr. Kirpal Singh, 3,217,500 Equity Shares to Mr. Gurdeep Soni, 3,217,500 Equity Shares to Mr. Paramjit Singh Soni, 240,800 Equity Shares to Mrs. Harjit K. Singh, 466,090 Equity Shares to Mrs. Pamela Soni and 466,000 Equity Shares to Mrs. Sarabjit Soni.*

5 *Bonus issue (in the ratio of two Equity Shares for every five existing Equity Shares) of 161,880 Equity Shares to Mr. Kirpal Singh, 1,294,840 Equity Shares to Mr. Gurdeep Soni, 1,294,840 Equity Shares to Mr. Paramjit Singh Soni, 97,120 Equity Shares to Mrs. Harjit K. Singh, 194,236 Equity Shares to Mrs. Pamela Soni, 194,240 Equity Shares to Mrs. Sarabjit Soni and four Equity Shares to Mr. Angad Soni.*

6 *Allotment of 350,400 Equity Shares to Uniparts ESOP Trust.*

7 *Allotment of 59,126 Equity Shares to Mr. Andrew Warren Code, 59,126 Equity Shares to Mr. James Norman Hallene, 59,126 Equity Shares to Mr. Kevin John Code, 19,140 Equity Shares to Mr. Dennis Francis DeDecker, 10,435 Equity Shares to Mr. Mark Louis Dawson, 13,910 Equity Shares to Mr. Melvin Keith Gibbs, 2,570 Equity Shares to Mr. Marc Christopher Dorau, 5,455 Equity Shares to Mr. Bradley Lorenz Miller, 8,235 Equity Shares to Mr. Walter James Gruber, 3,480 Equity Shares to Ms. Mary Louise Arp, 2,780 Equity Shares to Ms. Diana Lynn Craig, 7,185 Equity Shares to Ms. Wendy Reichard Hammen, 1,670 Equity Shares to Mr. Craig A. Johnson and 275 Equity Shares to Ms. Misty Marie Richardson.*

8 *Allotment of 587,199 Equity Shares to Ambadevi Mauritius Holding Limited and 1,957,331 Equity Shares to Ashoka Investment Holdings Limited.*

9 *Allotment of 130,865 Equity Shares to Ambadevi Mauritius Holding Limited and 436,216 Equity Shares to Ashoka Investment Holdings Limited.*

10 *Rights issue in the ratio of one Equity Share for every two existing Equity Shares. Allotment of 2,492,595 Equity Shares to Mr. Gurdeep Soni, 2,492,595 Equity Shares to Mr. Paramjit Singh Soni, 309,934 Equity Shares to Mrs. Pamela Soni, 339,920 Equity Shares to Mrs. Sarabjit Soni, 24,986 Equity Shares to Mr. Angad Soni, 175,200 Equity Shares to Uniparts ESOP Trust, 29,563 Equity Shares to Mr. Andrew Warren Code, 29,563 Equity Shares to Mr. James Norman Hallene, 29,563 Equity Shares to Mr. Kevin John Code, 9,570 Equity Shares to Mr. Dennis Francis DeDecker, 6,955 Equity Shares to Mr. Melvin Keith Gibbs, 1,285 Equity Shares to Mr. Marc Christopher Dorau, 2,728 Equity Shares to Mr. Bradley Lorenz Miller, 4,118 Equity Shares to Mr. Walter James Gruber, 1,740 Equity Shares to Ms. Mary Louise Arp, 1,390 Equity Shares to Ms. Diana Lynn Craig, 3,593 Equity Shares to Ms. Wendy Reichard Hammen, 835 Equity Shares to Mr. Craig A. Johnson, 138 Equity Shares to Ms. Misty Marie Richardson, 359,032 Equity Shares to Ambadevi Mauritius Holding Limited, 1,196,774 Equity Shares to Ashoka Investment Holdings Limited, 5,000 Equity Shares to Mr. Arjun Soni and 5,218 Equity Shares to Ms. Rini Kalra.*

11 *Bonus issue (in the ratio of one Equity Share for every one existing Equity Share), allotment of 7,477,785 Equity Shares to Mr. Gurdeep Soni, 3,297,545 Equity Shares to Mr. Paramjit Singh Soni, 989,760 Equity Shares to Mrs. Pamela Soni, 25,000 Equity Shares to Mr. Angad Soni 5,000 Equity Shares to Mr. Arjun Soni,2,600,000 Equity Shares to Ms. Meher Soni, 2,600,000 Equity Shares to Mr. Karan Soni, 1,077,096 Equity Shares to Ambadevi Mauritius Holding Limited, 3,590,321 Equity Shares Ashoka Investment Holdings Limited, 525,600 Equity Shares to Uniparts ESOP Trust, 88,689 Equity Shares to Mr. Andrew Warren Code, 88,689 Equity Shares to Mr. James Norman Hallene, 88,689 Equity Shares to Mr. Kevin John Code, 28,710 Equity Shares to Mr. Dennis Francis DeDecker, 10,435 Equity Shares to Mr. Mark Louis Dawson, 20,865 Equity Shares to Mr. Melvin Keith Gibbs, 3,855 Equity Shares to Mr. Marc Christopher Dorau, 8,183 Equity Shares to Mr. Bradley Lorenz Miller, 12,353 Equity Shares to Mr. Walter James Gruber, 5,220 Equity Shares to Ms. Mary Louise Arp, 4,170 Equity Shares to Ms. Diana Lynn Craig, 10,778 Equity Shares Ms. Wendy Reichard Hammen, 2,505 Equity Shares to Mr. Craig A. Johnson, 413 Equity Shares to*

Ms. Misty Marie Richardson, and 5,218 Equity Shares to Ms. Rini Kalra.

As on the date of this DRHP, our Company has not issued any preference shares.

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

3. Our Company has not issued or allotted any Equity Shares in terms of any scheme approved under Sections 391-394 of the Companies Act, 1956.

4. Since incorporation, our Company has not issued any Equity Shares out of its revaluation reserves.

5. Except as set out below, our Company has not issued any Equity Shares at a price which may be lower than the Issue Price in the preceding one year.

Date of Allotment	No. of Equity Shares	Face Value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of Consideration	Nature of Allotment	Allottees
April 4, 2014	22,566,879	10	10	N.A.	Bonus Issue in the ratio of 1:1	Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mrs. Pamela Soni, Mr. Angad Soni, Mr. Arjun Soni, Ms. Meher Soni, Mr. Karan Soni, Ambadevi Mauritius Holding Limited, Ashoka Investment Holdings Limited, Uniparts ESOP Trust, Mr. Andrew Warren Code, Mr. James Norman Hallene, Mr. Kevin John Code, Mr. Dennis Francis DeDecker, Mr. Mark Louis Dawson, Mr. Melvin Keith Gibbs, Mr. Marc Chistopher Dorau, Mr. Bradley Lorenz Miller, Mr. Walter James Gruber, Ms. Mary Louise Arp, Ms. Diana Lynn Craig, Ms. Wendy Reichard Hammen, Mr. Craig A. Johnson, Ms. Misty Marie Richardson and Ms. Rini Kalra.

6. Except as disclosed above, our Company has not issued any shares in the last two years.

7. **Build-up of Promoters' Shareholding, Promoters' Contribution and Lock-in**

Build-up of Equity Shares held by the Promoters

As on the date of this Draft Red Herring Prospectus, the Promoters of our Company, collectively, hold 21,550,660 Equity Shares, which constitutes 47.75% the issued, subscribed and paid-up Equity Share capital of our Company, and none of the Equity Shares held by the Promoters is subject to any pledge.

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

S. No.	Name of the Promoters	Date of Allotment / Transfer / Transmission	Nature of Issue / Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Consideration
1.	Mr. Gurdeep Soni	October 3, 1994	Allotment to the first subscribers to the MoA	10	10	10	Cash
		March 28, 2000	Preferential Allotment	19,590	10	10	Cash
		March 31, 2005	Preferential Allotment	3,217,500	10	10	Cash
		February 2, 2007	Bonus Issue	1,294,840	10	-	N.A.
		March 27, 2008	Transmission[1]	169,960	10	N.A	N.A.

S. No.	Name of the Promoters	Date of Allotment / Transfer / Transmission	Nature of Issue / Transaction	No. of Equity Shares	Face Value (₹)	Issue/ Transfer Price per Equity Share (₹)	Consideration
		December 26, 2008	Transfer[2]	283,290	10	10	Cash
		August 4, 2009	Rights Issue	2,492,595	10	45	Cash
		April 4, 2014	Bonus Issue	7,477,785	10	-	N.A.
		Total (A)		**14,955,570**			
2.	Mr. Paramjit Singh Soni	October 3, 1994	Allotment to the first subscribers to the MoA	10	10	10	Cash
		December 14, 1998	Preferential Allotment	90	10	10	Cash
		March 28, 2000	Preferential Allotment	19,500	10	10	Cash
		March 31, 2005	Preferential Allotment	3,217,500	10	10	Cash
		February 2, 2007	Bonus Issue	1,294,840	10	-	N.A.
		March 27, 2008	Transmission[3]	169,960	10	N.A.	N.A.
		December 26, 2008	Transfer[4]	283,290	10	10	Cash
		August 4, 2009	Rights Issue	2,492,595	10	45	Cash
		December 24, 2012	Transfer[5]	(4,180,240)	10	10	Gift
		April 4, 2014	Bonus Issue	3,297,545	10	-	N.A.
		Total (B)		**6,595,090**			
		Total (A) + (B)		**21,550,660**			

1 *Transmission of 169,960 Equity Shares from Late Mrs. Harjit K. Singh to Mr. Gurdeep Soni*.
2 *Transfer of 283,290 Equity Shares from Mr. Kirpal Singh to Mr. Gurdeep Soni.*
3 *Transmission of 169,960 Equity Shares from Late Mrs. Harjit K. Singh to Mr. Paramjit Singh Soni.*
4 *Transfer of 283,290 Equity Shares from Mr. Kirpal Singh to Mr. Paramjit Singh Soni*.
5 *Transfer of 1,580,240 Equity Shares from Mr. Paramjit Singh Soni to Ms. Meher Soni and transfer of 2,600,000 Equity Shares from Mr. Paramjit Singh Soni to Mr. Karan Soni.*

The Promoters of our Company have confirmed to the Company and the BRLMs that the Equity Shares held by the Promoters have been financed from their personal funds, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

The Promoters of our Company, Mr. Gurdeep Soni and Mr. Paramjit Singh Soni sold 10,000 equity shares each, held by them, in GFPL (formerly Unilink Engineering Private Limited) to Olsen Engineering LLC (now known as Uniparts Olsen Inc.) on November 25, 2005. On January 21, 2008, Uniparts Olsen Inc. transferred its entire shareholding (including the aforementioned 20,000 equity shares) in GFPL to our Company.

Details of the Shareholding of the Promoters and the Promoter Group

The table below presents the shareholding pattern of the Promoters and Promoter Group as on the date of this Draft Red Herring Prospectus.

S. No.	Name of the shareholder	Pre-Issue		Post-Issue*		No. of Equity Shares Pledged
		No. of Equity Shares	Percentage Holding (%)	No. of Equity Shares	Percentage Holding (%)	
Promoters						
1.	Mr. Gurdeep Soni	14,955,570	33.14	14,275,570	27.38	Nil
2.	Mr. Paramjit Singh Soni	6,595,090	14.61	6,141,756	11.78	Nil
Promoter Group						
1.	Mrs. Pamela Soni	1,979,520	4.39	1,979,520	3.80	Nil
2.	Mr. Angad Soni	50,000	0.11	50,000	0.10	Nil
3.	Mr. Arjun Soni	10,000	0.02	10,000	0.02	Nil
4.	Mr. Karan Soni	5,200,000	11.52	4,746,667	9.10	Nil
5.	Ms. Meher Soni	5,200,000	11.52	4,746,667	9.10	Nil
	Total	**33,990,180**	**75.31**	**31,950,180**	**61.29**	

** Assuming full subscription of the Offer for Sale portion.*

a. *Details of Equity Shares offered as Offer for Sale by the Investor Selling Shareholders*

Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited, are offering up to 923,077 Equity Shares and upto 3,076,923 Equity Shares, respectively aggregating upto 4,000,000 Equity Shares by way of Offer for Sale. Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited have specifically confirmed that their boards of directors have authorized their proportion of the Offer for Sale pursuant to the resolutions, each dated September 17, 2014. The Investor Selling Shareholders specifically confirm that the proportion of the Equity Shares offered by each of them by way of the Offer for Sale have been held by such Investor Selling Shareholder for a period of atleast one year, respectively prior to the date of filing this Draft Red Herring Prospectus.

b. *Details of Equity Shares offered as Offer for Sale by the Individual Selling Shareholders*

Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni, and Ms. Meher Soni are offering up to 680,000 Equity Shares, up to 453,334 Equity Shares, up to 453,333 Equity Shares, and up to 453,333 Equity Shares, respectively, aggregating upto 2,040,000 Equity Shares as Offer for Sale in this Issue. The Offer for Sale has been authorized by Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Ms. Meher Soni and Mr. Karan Soni pursuant to their letters dated September 18, 2014, respectively. The Individual Selling Shareholders specifically confirm that the proportion of the Equity Shares offered by each of them by way of the Offer for Sale have been held by such Individual Selling Shareholder for a period of atleast one year, respectively prior to the date of filing this Draft Red Herring Prospectus.

c. *Details of Promoters' Contribution Locked-in for Three Years*

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue paid up capital of our Company, held by the Promoters shall be locked-in for a period of three years from the date of Allotment of Equity Shares in the Issue.

Mr. Gurdeep Soni and Mr. Paramjit Singh Soni, the Promoters, have, pursuant to letters dated September 24, 2014, consented to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Promoters' contribution and have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Promoters' contribution from the date of filing this Draft Red Herring Prospectus until the commencement of the lock-in period specified above or for such other time as required under SEBI ICDR Regulations.

The Equity Shares which are being locked-in are eligible for computation of Promoters' contribution in accordance with the provisions of the SEBI ICDR Regulations. Details of Promoters' shareholding that is eligible for Promoters' contribution is as provided below:

Name of Promoter	Number of Equity Shares locked in as part of Promoters' Contribution*	Face Value	Percentage of pre-Issue Capital	Percentage of post-Issue Capital
Mr. Gurdeep Soni	[●]	10	[●]	[●]
Mr. Paramjit Singh Soni	[●]	10	[●]	[●]
Total	[●]		[●]	20%

** All the above Equity Shares were fully paid-up at the time of allotment. Details of Equity Shares to be locked-in will be included in the Prospectus to be filed with the RoC.*

The Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as 'promoters' under the SEBI ICDR Regulations. The Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, our Company confirms the following:

i. The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the last three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves, or unrealised profits of our Company or from a bonus issue against

Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

ii. The Company has not been formed by the conversion of a partnership firm into a company;

iii. The Equity Shares held by Promoters and offered for minimum 20% Promoters' contribution are in dematerialised form and not subject to any pledge;

iv. The Equity Shares offered for Promoters' contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters' contribution subject to lock-in;

v. The Promoters have given undertakings to the effect that they shall not sell, transfer or dispose of, in any manner, the Equity Shares forming part of the minimum Promoters' contribution from the date of filing this DRHP with SEBI until the date of commencement of lock-in in accordance with SEBI ICDR Regulations; and

vi. The Promoters' contribution does not include any Equity Shares acquired during the preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Issue.

Consent has been obtained from the Promoters for their contribution, constituting not less than 20% post-Issue fully diluted capital to be locked-in for a period of three years from the date of Allotment in the Issue.

d. ***Details of pre-Issue Equity Share Capital Locked-in for One Year***

In terms of Regulation 36(b) and Regulation 37 of SEBI ICDR Regulations, except for (a) the minimum Promoters' Contribution and 6,040,000 Equity Shares offered in Offer for Sale in this Issue, the entire pre-Issue share capital comprising of [●] Equity Shares of our Company and any unsubscribed portion of the Offer for Sale by Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni will be locked-in for a period of one year from the date of Allotment in this Issue. However, this shall not apply to (i) Equity Shares Allotted to employees under ESOP 2007 prior to this Issue, and (ii) Equity Shares held by Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited as they are foreign venture capital investors, and such category of investors is exempt from lock-in requirements pursuant to Regulation 37 of SEBI ICDR Regulations.

e. ***Lock-in of Equity Shares Allotted to Anchor Investors***

Equity Shares Allotted to Anchor Investors, in the Anchor Investor Portion if any, shall be locked-in for a period of 30 days from the date of Allotment of Equity Shares in the Issue.

f. ***Other Requirements in respect of Lock-in***

Locked-in Equity Shares of our Company held by the Promoters and locked-in for a period of one year can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan. Further, the Equity Shares constituting 20% of the fully diluted post-Issue capital of our Company held by the Promoters that are locked-in for a period of three years from the date of Allotment of Equity Shares in the Issue, may be pledged only if the loan has been granted by the banks or financial institutions for the purpose of financing one or more Objects of the Issue and the pledge of such Equity Shares is one of the terms of sanction of such loan.

The Equity Shares held by persons other than the Promoters prior to the Issue and locked-in may be transferred to any other person holding the Equity Shares which are locked-in subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. Further, Equity Shares held by the Promoters may be transferred to and among the Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI Takeover Regulations, as applicable. The transferee shall not be eligible to transfer such Equity Shares until the lock-in period stipulated in the SEBI Takeover Regulations has expired.

8. **Shareholding Pattern of our Company**

The table below represents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category code	Category of shareholder	Pre Issue							Post Issue				
		No. of share holders	Total number of shares	No. of shares held in dematerialised form	Total shareholding as a % of total no of shares		Shares pledged or otherwise encumbered		No. of share holders	Total number of shares	No. of shares held in dematerialised form	Total shareholding as a % of total no of shares	Shares pledged or otherwise encumbered
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a percentage				As a % of (A+B)	As a % of (A+B+C)	
(A)	**Shareholding of Promoter and Promoter Group**												
(1)	**Indian**												
(a)	Individual /HUF	4	16,995,090	16,995,090	37.65%	37.65%	0	0	4	16,315,090	16,315,090	[●]	[●]
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0	0	0	0	[●]	[●]
(c)	Bodies Corporate	0	0	0	0	0	0	0	0	0	0	[●]	[●]
(d)	Financial Institutions / Banks	0	0	0	0	0	0	0	0	0	0	[●]	[●]
(e)	Any others (specify)	0	0	0	0	0	0	0	0	0	0	[●]	[●]
	Sub-Total A(1) :	**4**	**16,995,090**	**16,995,090**	**37.65%**	**37.65%**	**0**	**0**	**4**	**16,315,090**	**16,315,090**	[●]	[●]
(2)	**Foreign**												
(a)	Individuals (NRIs/Foreign Individuals)	3	16,995,090	16,995,090	37.65%	37.65%	0	0	3	15,635,090	15,635,090	[●]	[●]
(b)	Bodies Corporate	0	0	0	0	0	0	0	0	0	0	[●]	[●]
(c)	Institutions	0	0	0	0	0	0	0	0	0	0	[●]	[●]
(d-i)	QFI- Individual	0	0	0	0	0	0	0	0	0	0	[●]	[●]
(d-ii)	QFI - Corporate								0	0	0	[●]	[●]
(e)	Others	0	0	0	0	0	0	0	0	0	0	[●]	[●]
	Sub-Total A(2) :	**3**	**16,995,090**	**16,995,090**	**37.65%**	**37.65%**	**0**	**0**	**3**	**15,635,090**	**15,635,090**	[●]	[●]
	Total A=A(1)+A(2)	**7**	**33,990,180**	**33,990,180**	**75.31%**	**75.31%**	**0**	**0**	**7**	**31,950,180**	**31,950,180**	[●]	[●]
(B)	**Public Shareholding**												
(1)	**Institutions**								[●]	[●]	[●]	[●]	[●]
(a)	Mutual Funds /UTI	0	0	0	0.00	0.00	0	0.00	0	0	0	[●]	[●]
(b)	Financial Institutions /Banks	0	0	0	0.00	0.00	0	0.00	0	0	0	[●]	[●]
(c)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00	0	0	0	[●]	[●]
(d)	Venture Capital Funds	0	0	0	0.00	0.00	0	0.00	0	0	0	[●]	[●]
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00	0	0	0	[●]	[●]
(f)	FIIs	0	0	0	0.00	0.00	0	0.00	0	0	0	[●]	[●]
(g)	Foreign Venture Capital Investors	2	9,334,834	9,334,834	20.68%	20.68%	0	0.00	2	5,334,834	5,334,834	[●]	[●]

Category code	Category of shareholder	Pre Issue							Post Issue					
		No. of share holders	Total number of shares	No. of shares held in dematerialised form	Total shareholding as a % of total no of shares		Shares pledged or otherwise encumbered		No. of share holders	Total number of shares	No. of shares held in dematerialised form	Total shareholding as a % of total no of shares		Shares pledged or otherwise encumbered
					As a % of (A+B)	As a % of (A+B+C)	No. of shares	As a percentage				As a % of (A+B)	As a % of (A+B+C)	
(h-i)	QFI-Individual	0	0	0	0.00	0.00	0	0.00	0	0	0	0		[●]
(h-ii)	QFI-Corporate	0	0	0	0.00	0.00	0	0.00	0	0	0	0		[●]
(i)	Others	0	0	0	0.00	0.00	0	0.00	0	0	0	0		[●]
	Sub-Total B(1) :	**2**	**9,334,834**	**9,334,834**	**20.68%**	**20.68%**	**0**	**0.00**	2	**5,334,834**	**5,334,834**	**[●]**		**[●]**
(2)	**Non-Institutions**													
(a)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(b)	Individuals	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(i)	Individuals holding nominal share capital up to ₹ 100,000	4	21,886	0	0.05%	0.05%	0	0	4	21,886	0	**[●]**		**[●]**
(ii)	Individuals holding nominal share capital in excess of ₹ 100,000	12	759,658	24,000	1.68%	1.68%	0	0.00	12	759,658	24,000	**[●]**		**[●]**
(c)	QFI	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(d)	Others								0	0	0	**[●]**		**[●]**
(d-i)	Foreign bodies	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(d-ii)	Directors	0	0	0	0.00	0.00	0	0.00	0	0	0			
(d-iii)	Non-Resident Indians	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(d-iv)	Overseas Corporate Bodies	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(d-v)	Clearing Members	0	0	0	0.00	0.00	0	0.00	0	0	0	**[●]**		**[●]**
(d-vi)	Trusts (Uniparts ESOP Trust)	1	1,027,200	1,027,200	2.28%	2.28%	0	0	1	1,027,200	1,027,200	**[●]**		**[●]**
	Sub-Total B(2) :	**17**	**1,808,744**	**1,051,200**	**4.01%**	**4.01%**	**0**	**0.00**	**17**	**1,808,744**	**1,051,200**	**[●]**		**[●]**
	Total B=B(1)+B(2)	**19**	**11,143,578**	**10,386,034**	**24.69%**	**24.69%**	**0**	**0**	**19**	**7,143,578**	**6,386,034**	**[●]**		**[●]**
	Total (A+B) :	**26**	**45,133,758**	**44,376,214**	**100.00 %**	**100.00 %**	**0**	**0**	**26**	**39,093,758**	**38,336,214**	**[●]**		**[●]**
(C)	**Shares held by custodians, against which Depository Receipts have been issued**													
(1)	Promoter and Promoter Group	0	0	0	0	0	0	0	0	0	0	0		[●]
(2)	Public	0	0	0	0	0	0	0	0	0	0	0		[●]
	Grand Total (A+B+C)	**26**	**45,133,758**	**44,376,214**	**100.00 %**	**100.00 %**	**0**	**0**	**26**	**39,093,758**	**38,336,214**	[●]		[●]

Public shareholders holding more than 1% of the pre-Issue paid up capital of the Company:

The details of the public shareholders holding more than 1% of the pre-Issue paid up capital of the Company and their pre-Issue and post-Issue shareholding are set forth in the table below:

S. No.	Name of the shareholder	Pre-Issue		Post-Issue*	
		No. of Equity Shares	Percentage Holding (%)	No. of Equity Shares	Percentage Holding (%)
1.	Ambadevi Mauritius Holding Limited	2,154,192	4.77	1,231,115	2.36
2.	Ashoka Investment Holdings Limited	7,180,642	15.91	4,103,719	7.87
3.	Uniparts ESOP Trust	1,027,200	2.28	1,027,200	1.97
	Total	**10,362,034**	**22.96**	**6,362,034**	**14.10**

** Assuming full subscription of the Offer for Sale portion.*

Our Company has not issued any depository receipts and hence does not have any outstanding depository receipts and locked-in Equity Shares.

9. **Equity Shares held by Top Ten Shareholders**

(a) Set forth below is a list of our Company's 11* largest shareholders as on the date of this Draft Red Herring Prospectus and 10 days prior to filing this Draft Red Herring Prospectus.

S. No.	Name of the Shareholder	No. of Shares	Percentage (%)
1.	Mr. Gurdeep Soni	14,955,570	33.14
2.	Ashoka Investment Holdings Limited	7,180,642	15.91
3.	Mr. Paramjit Singh Soni	6,595,090	14.61
4.	Mr. Karan Soni	5,200,000	11.52
5.	Ms. Meher Soni	5,200,000	11.52
6.	Ambadevi Mauritius Holding Limited	2,154,192	4.77
7.	Mrs. Pamela Soni	1,979,520	4.39
8.	Uniparts ESOP Trust	1,027,200	2.28
9.	Mr. Andrew Warren Code	177,378	0.39
10.	Mr. James Norman Hallene	177,378	0.39
11.	Mr. Kevin John Code	177,378	0.39
	Total	**44,824,348**	**99.31**

**Although our Company is only required to disclose the 10 largest shareholders, we are disclosing our Company's 11 largest shareholders since the number of Equity Shares held by Mr. Andrew Warren Code, Mr. James Norman Hallene and Mr. Kevin John Code are the same.*

(b) Set forth below is a list of our Company's 10 largest shareholders as of two years prior to the date of filing this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	No. of Shares	Percentage (%)
1.	Mr. Gurdeep Soni	7,477,785	33.14
2.	Mr. Paramjit Singh Soni	7,477,785	33.14
3.	Ashoka Investment Holdings Limited	3,590,321	15.91
4.	Ambadevi Mauritius Holding Limited	1,077,096	4.77
5.	Mrs. Sarabjit Soni	1,019,760	4.52
6.	Mrs. Pamela Soni	989,760	4.39
7.	Uniparts ESOP Trust	525,600	2.33
8.	Mr. Andrew Warren Code	88,689	0.39
9.	Mr. James Norman Hallene	88,689	0.39
10.	Mr. Kevin John Code	88,689	0.39
	Total	**22,424,174**	**99.37**

10. There has been no subscription to or sale or purchase of Equity Shares, within three years preceding the date of filing of

this DRHP, by the Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre-Issue share capital of our Company.

11. **Employee Stock Option Plan**

The Company instituted an employee stock option plan, namely the Uniparts Employee Stock Option Plan 2007 ("**ESOP 2007**"), pursuant to a resolution of the Board of Directors dated January 8, 2007 and resolution of the shareholders in an EGM dated February 2, 2007. The objective of ESOP 2007 is to retain and attract key talent, replace current performance bonus with long term incentive, and to create wealth opportunities for employees. The ESOP 2007 is in compliance with SEBI ESOP Guidelines.

As on the date of this DRHP, the Company has granted 750,594 options under ESOP 2007, out of which 54,218 options have lapsed/been cancelled and 12,000 options have been exercised. The remaining outstanding 684,376 options are exercisable into 684,376 Equity Shares, which represents 1.52% of the pre-Issue paid-up equity capital of the Company. Further, 469,707 options have vested and 214,669 options are pending vesting. The following table sets forth the particulars of the options granted under ESOP as of the date of filing of the DRHP:

Particulars	**Details**
Options granted as of the date of the DRHP	750,594
Options granted in last 3 years and on cumulative basis	**2014**: 37,720 | **2013**: 28,825 | **2012**: 26,209 | **Cumulative**: 92,754
Pricing formula	Black scholes option valuation model has been used for determining the fair value of an option granted under ESOP scheme.
Exercise price of Options (as adjusted on allocation of employee bonus units)	Exercise Price of the options was ₹ 135 per share. Following the rights issue in 2009, exercise price of the options was fixed at ₹ 105 per Equity Share. Pursuant to the bonus issue on April 4, 2014, exercise price of the outstanding options was fixed at ₹ 52.50.
Options vested	469,707
Options exercised	12,000
The total number of Equity Shares arising as a result of exercise of options (including options that have been exercised)	696,376
Options forfeited /lapsed/cancelled	54,218
Variation of terms of options	None
Money realised by exercise of options	₹ 1,260,000
Total number of options in force	684,376
Person wise details of options granted to	
1. Directors, Key Management Personnel and other management personnel	Please refer to Note 1 below
2. Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Please refer to Note 2 below
3. Identified employees who are granted 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	Nil
Fully diluted EPS pursuant to issue of Equity Shares on exercise of options in accordance with the relevant	₹ 19.30 per Equity Share for the year ended March 31, 2014.

Particulars	Details
accounting standard	
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company had used fair value of options and impact of this difference on profits and EPS of the Company	Not applicable, since the Company has used fair value of options for the purpose of recognizing the employee compensation cost.
Impact of the above on the profits and EPS of our Company with reference to standalone/consolidated financials	Not applicable.
Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Not applicable, since market price is not available for an unlisted company.
Method and significant assumptions used to estimate the fair value of options granted during the year	Please refer to Note 3 below
Vesting Schedule	Please refer to Note 4 below
Lock-in	None
Impact on profits and on EPS of the last three years if the Company had followed accounting policies specified in clause 13 of the SEBI ESOP Guidelines in respect of options granted in the last three years	Impact on profit for last three years: • Fiscal 2014: ₹ 1,670,130 • Fiscal 2013: ₹ 467,519 • Fiscal 2012: ₹ 18,12,404 Impact on EPS for last three years: • Fiscal 2014: ₹ 0.07 per share • Fiscal 2013: ₹ 0.02 per share • Fiscal 2012: ₹ 0.08 per share
Intention of the holders of Equity Shares allotted on exercise of options to sell their Equity Shares within three months after the listing of Equity Shares pursuant to the Issue	A holder of Equity Shares has expressed his intention to sell 12,000 Equity Shares allotted on exercise of options within three months after the date of listing of the Equity Shares pursuant to the initial public offer.
Intention to sell Equity Shares arising out of ESOP 2007 within three months after the listing of Equity Shares by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP 2007, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	Not applicable.

Note 1: Details regarding employee stock options granted to Directors, Key Management Personnel and other management personnel under ESOP 2007 are set forth below:

Name of Director	Total no. of options granted	No. of options exercised	Total no. of options outstanding	No. of Equity Shares held
Mr. Herbert Coenen	451,336	Nil	451,336	Nil
Name of Key Management Employees and Other Management Personnel	**Total no. of options granted**	**No. of options exercised**	**Total no. of options outstanding**	**No. of Equity Shares held**

Ms. Rini Kalra	117,878	Nil	117,878	Nil
Mr. Rajiv Puri	40,388	Nil	40,388	Nil
Mr. Lester Lawrence	21,826	Nil	21,826	Nil
Mr. Jaswinder Singh Bhogal	52,948	Nil	52,948	Nil
Mr. Harpreet Singh Khurana	28,024	12,000	Nil	Nil
Mr. Swaraj Singh Bhullar	5,991	Nil	Nil	Nil
Mr. Ajay Dhir	3,430	Nil	Nil	Nil
Mr. Sanjeev Bhat	10,984	Nil	Nil	Nil
Mr. Arun Shukla	8,533	Nil	Nil	Nil
Mr. Arun Choughle	9,256	Nil	Nil	Nil

Note 2: Details of employees who received a grant in any one year of options amounting to 5% or more of the options granted during the year under ESOP 2007 are set forth below:

Year of grant	Name of the Employee	No. of options granted	No. of options exercised	No. of Equity Shares held
2006 – 2007	Mr. Herbert Coenen	84,580	Nil	Nil
	Mr. Harpreet Singh Khurana	6,051	Nil	Nil
	Mr. Swaraj Singh Bhullar	5,991	Nil	Nil
2007 – 2008	Mr. Herbert Coenen	18,256	Nil	Nil
	Mr. Rajiv Puri	4,334	Nil	Nil
	Mr. Harpreet Singh Khurana	8,500	Nil	Nil
	Mr. Sanjeev Bhat	3,237	Nil	Nil
	Mr. Arun Shukla	2,965	Nil	Nil
	Mr. Arun Kumar Choughule	3,371	Nil	Nil
2008 – 2009	Mr. Herbert Coenen	25,000	Nil	Nil
2009 – 2010 (Pursuant to rights issue)	Mr. Herbert Coenen	63,918	Nil	Nil
	Mr. Harpreet Singh Khurana	7,276	Nil	Nil
2010 – 2011	Mr. Herbert Coenen	12,449	Nil	Nil
	Mr. Rajiv Puri	3,760	Nil	Nil
	Mr. Jaswinder Singh Bhogal	2,367	Nil	Nil
	Ms. Rini Kalra	10,336	Nil	Nil
2011 – 2012	Mr. Rajiv Puri	3,643	Nil	Nil
	Mr. Jaswinder Singh Bhogal	5,101	Nil	Nil
	Ms. Rini Kalra	11,268	Nil	Nil
	Mr. Harpreet Singh Khurana	6,197	Nil	Nil
2012 – 2013	Mr. Rajiv Puri	6,290	Nil	Nil
	Ms. Rini Kalra	22,535	Nil	Nil
	Mr. Harpreet Singh Khurana	Nil	12,000	12,000
2013 – 2014	Mr. Jaswinder Singh Bhogal	11,255	Nil	Nil
	Ms. Rini Kalra	5,000	Nil	Nil
	Mr. Herbert Coenen	21,465	Nil	Nil
2014 – 2015	Mr. Jaswinder Singh Bhogal	15,502	Nil	Nil
	Ms. Rini Kalra	19,600	Nil	Nil
2014 – 2015 (Pursuant to bonus issue)	Mr. Herbert Coenen	225,668	Nil	Nil
	Mr. Rajiv Puri	20,194	Nil	Nil
	Mr. Jaswinder Singh Bhogal	18,723	Nil	Nil
	Ms. Rini Kalra	49,139	Nil	Nil

Note 3: Method and significant assumptions used to estimate the fair value of options granted during the year

Our Company has adopted the Black-Scholes method to estimate the fair value of option with the following assumptions:

Grant Date	Expected volatility	Expected risk free return	Expected life	Expected dividend
Grant – 1	48.61%	Note 3A	7 Years	Nil
Grant – 2	54.38%		7 Years	Nil
Grant – 3	59.67%		7 Years	Nil
Grant – 4	37.92%		7 Years	Nil
Grant – 5	35.32%		7 Years	Nil
Grant – 6	31.57%		7 Years	Nil
Grant – 7	34.11%		7 Years	5%
Grant – 8	38.13%		7 Years	5%
Grant – 9	39.92%		7 Years	5%
Grant – 10	44.25%		7 Years	5%

Note 3A: Expected risk free return

Vesting percentage	Grant 1	Grant 2	Grant 3	Grant 4	Grant 5	Grant 6	Grant 7	Grant 8	Grant 9	Grant 10
33%	7.91%	7.82%	7.32%	7.95%	8.13%	7.94%	9.01%	9.01%	9.05%	8.63%
33%	7.95%	7.90%	7.46%	7.99%	8.24%	7.96%	9.09%	9.06%	9.09%	8.64%
34%	7.97%	7.98%	7.59%	8.03%	8.33%	7.97%	9.15%	9.10%	9.12%	8.66%

Note 4: The vesting schedule for the options granted under ESOP 2007 shall be as follows:

Vesting period from the date of grant of options	Percentage of options (%)
On completion of 24 months	33
On completion of 36 months	33
On completion of 48 months	34

12. Except for certain rights granted to the Investor Selling Shareholders, pursuant to the investment agreement dated September 13, 2007 and the shareholders agreement dated September 25, 2007 amongst our Company, the Promoters and the Investor Selling Shareholders, our Company, the Selling Shareholders, the Promoters, the Directors and the BRLMs have no existing buyback and/or standby arrangements and or any other similar arrangements for the purchase of Equity Shares being offered through this Issue. Our Company, the Promoters and the Investor Selling Shareholders have also entered into a letter agreement dated September 22, 2014 which provides that the investment agreement and shareholders agreement will terminate upon commencement of trading of the Equity Shares being offered pursuant to this Issue. Further, the Promoters and the Investor Selling Shareholders have entered into a letter agreement dated September 22, 2014 which inter-alia provides for certain restrictions on the transfer of Equity Shares by our Promoters. For further details relating to the investment agreement, shareholders agreement and the letter agreements, please see the chapter "*History and Other Corporate Matters*" beginning on page 161.

13. During the past six months immediately preceding the date of this Draft Red Herring Prospectus, the Promoters, members of the Promoter Group or the Directors of our Company and their relatives and associates have not purchased/sold any Equity Shares of our Company and its Subsidiaries.

14. Except for options granted pursuant to ESOP 2007, there are no outstanding warrants, financial instruments or any rights, which would entitle the Promoters or the shareholders or any other person any option to acquire/receive any Equity Shares after the Issue.

15. Our Company has not raised any bridge loans against the Net Proceeds of the Issue.

16. There are no partly paid-up Equity Shares as on date of this Draft Red Herring Prospectus and the Equity Shares to be Allotted pursuant to this Issue shall be fully paid-up.

17. No person connected with the Issue shall offer any incentive, whether directly or indirectly in any manner, whether in cash, kind, services or otherwise to any Bidder.

18. The Company presently does not intend or propose any further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment and rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with the SEBI until the Equity Shares have been listed on the Stock Exchanges.

19. Our Company presently does not have any intention or proposal and is not considering and has not entered into negotiations to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of equity (including issue of securities convertible into or exchangeable for, directly or indirectly, for Equity Shares) whether on a preferential basis or bonus or rights issue or further public offering or qualified institutions placement or otherwise, except that if our Company enters into acquisitions, joint venture(s) or any other arrangements, our Company may consider raising additional capital to fund such activities or to use Equity Shares as currency for acquisitions or participation in such joint ventures at any time during the aforementioned six months.

20. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

21. Except for the sale of Equity Shares by the Promoters and members of the Promoter Group in the Offer for Sale, the Promoters and members of the Promoter Group and Group Entities will not participate in the Issue.

22. The total number of Shareholders of our Company as on the date of this Draft Red Herring Prospectus is 26.

23. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares of our Company are subject to pledge.

24. Our Company has not made any public issue of its Equity Shares or rights issue of any kind since its incorporation except for the rights issue made by our Company in 2009 as disclosed above.

25. As on the date of this Draft Red Herring Prospectus, neither the BRLMs nor their respective associates hold any Equity Shares.

26. Except as provided below, none of the Directors or KMPs have any shareholding in our Company as on the date of this Draft Red Herring Prospectus:

S. No.	Name of the Shareholder	Director/KMP	No. of Equity Shares
1.	Mr. Gurdeep Soni	Director	14,955,570
2.	Mr. Paramjit Singh Soni	Director	6,595,090
3.	Ms. Rini Kalra	KMP	10,436

27. Any over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearer multiple of the minimum Allotment lot while finalizing the Allotment, subject to minimum Allotment being equal to [●] Equity Shares, which is the minimum Bid size in this Issue. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue as a result of which the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotments so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased so as to ensure that 20% of the post-Issue paid up capital is locked-in.

28. The Issue is being made for at least 25% of the post Issue paid-up capital pursuant to Rule 19(2)(b)(i) of SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, the Issue is being made through the Book Building Process where in 50% of the Issue shall be available for allocation to QIBs on a proportionate basis. Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue will be available for allocation to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price. The Allotment of Equity Shares to each Retail Individual Investor shall not be less than minimum Bid Lot, subject to availability of Equity Shares in Retail Investor category, and the remaining available Equity Shares, if any, shall be Allotted on proportionate basis. Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be reserved for allocation to domestic Mutual Funds only subject to Bids received at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Category. Such number of Equity Shares representing 5% of the QIB Category (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 QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

29. Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable law.

30. Neither the Promoters, nor members of the Promoter Group, nor Directors or their relatives have sold or purchased or financed the purchase of Equity Shares by any other person, other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI.

31. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of registering the Red Herring Prospectus with the RoC and the Bid/Issue Closing Date, if any, shall be reported to the Stock Exchanges within 24 hours of such transaction.

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Issue consists of a Fresh Issue of 7,000,000 Equity Shares by our Company, aggregating to ₹ [●] million and an Offer for Sale of up to 6,040,000 Equity Shares by the Selling Shareholders, aggregating to ₹ [●] million.

Proceeds of Offer for Sale

The proceeds from the Offer for Sale (net of the Issue related expenses incurred by the Individual Selling Shareholders and Investor Selling Shareholders, respectively) shall be received by the Selling Shareholders proportionately. Our Company shall not receive any proceeds from the Offer for Sale.

Issue Proceeds

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

S. No.	Particulars	Amount* (in ₹ million)
1)	Gross Proceeds of the Issue	[●]
2)	Proceeds of the Offer for Sale	[●]
3)	Issue Expenses in relation to the Fresh Issue	[●]
4)	Net Proceeds of the Fresh Issue (excluding the proceeds of the Offer for Sale and the Issue Expenses) ("**Net Proceeds**")	[●]

** To be finalised upon determination of the Issue Price.*

Objects of the Issue

Our Company intends to use the Net Proceeds for the following Objects:

S. No.	Particulars	Amount (in ₹ million)
1.	Establishment of a new manufacturing facility at Visakhapatnam	522.25
2.	Establishment of a new manufacturing facility at Ludhiana	284.40
3.	Repayment/pre-payment, in full or part, of certain borrowings	300.00
4.	Acquisitions and other strategic initiatives	150.00
5.	General corporate purposes*	[●]
	Total	[●]

** To be finalised upon determination of the Issue Price.*

In addition to the aforementioned Objects, our Company expects to receive the benefits of listing of its Equity Shares on the Stock Exchanges, including among other things, enhancing the visibility of our brand.

The main objects clause of our Memorandum of Association and objects incidental or ancillary to the main objects, enable our Company to undertake our existing activities and the activities for which funds are being raised by our Company in the Fresh Issue.

Schedule of Implementation and Deployment, Detailed Utilization of Net Proceeds, Requirement of Funds and Means of Finance

The total fund requirement and the detailed utilization of Net Proceeds is as set forth below:

(In ₹ million)

S. No.	Expenditure Items	Total Estimated Expenditure	Amount to be deployed from Net Proceeds**	Estimated schedule of deployment of Net Proceeds in Fiscal		
				2015	2016	2017
1.	Establishment of a new manufacturing facility at Visakhapatnam	522.25	522.25	-	-	522.25
2.	Establishment of a new	284.40	284.40	-	284.40	-

S. No.	Expenditure Items	Total Estimated Expenditure	Amount to be deployed from Net Proceeds**	Estimated schedule of deployment of Net Proceeds in Fiscal		
				2015	2016	2017
	manufacturing facility at Ludhiana					
3.	Repayment/ pre-payment, in full or part, of certain borrowings	300.00	300.00	-	300.00	-
4.	Acquisitions & Other Strategic Initiatives	150.00	150.00	-	150.00	-
5.	General Corporate Purposes[#]	[●]	[●]	[●]	[●]	[●]
	Total	**[●]**	**[●]**	[●]	[●]	[●]

[#]*To be finalised upon determination of Issue Price.*

*** No funds have been deployed towards the Objects of the Issue. The entire estimated expenditure is proposed to be met from the Net Proceeds.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and current quotations from suppliers and have not been appraised by any bank, financial institution or any other external agency. We operate in a competitive and dynamic environment. In view of the same, we may have to revise our business plan from time to time and the expenditure, fund requirements and deployment schedule may also change as a result of variations in cost estimates on account of a variety of factors such as changes in design or configuration of the projects, incremental pre-operative expenses and external factors such as changes in the business environment and exchange rate fluctuations, which may not be within the control of the management and may entail rescheduling and / or revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. Our Company's historical capital expenditure may not be reflective of its future capital expenditure plans.

In the event that the estimated utilization of the Net Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year.

We propose to meet the requirement of the Objects of the Issue entirely out of the Net Proceeds and, hence, no amount is proposed to be raised through any other means of finance. In case of a shortfall in the Net Proceeds, we may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and/or other lenders.

We propose to fund the requirements of the objects detailed above entirely from the Net Proceeds. Accordingly, Paragraph VII C of Part A of Schedule VIII and Regulation 4(2)(g) of the SEBI ICDR Regulations (which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue) do not apply.

Details of Objects of the Issue

1. Establishment of a new manufacturing facility at Visakhapatnam

We propose to utilize ₹ 522.25 million out of the Net Proceeds for establishment of a new manufacturing facility with forging capability at Visakhapatnam, in the state of Andhra Pradesh. This facility will be set up on the land parcel adjacent to our existing manufacturing facility in Visakhapatnam, situated within an SEZ.

Our existing manufacturing facility in Visakhapatnam was commissioned in 2008 and is situated within an SEZ, dedicated to our export operations. This is currently our largest and most recently set up facility and is set up across an aggregate area of approximately 30 acres and an aggregate built-up area of 234,544 sq. ft, including 22.10 acres of unutilized area, a part of which is proposed to be utilized for setting up the new manufacturing facility at Visakhapatnam. As per management estimates, the new facility at Visakhapatnam will have an estimated built-up area of approximately 100,000 sq. ft. and an estimated additional capacity of 7,500 tons per annum. The facility is expected to commence trial production by June 2017, which is expected to continue for approximately 3 months, before commencement of commercial production.

For more information on our Visakhapatnam facility, including the location, equipment and machinery installed, technology and processes and raw material and infrastructural facilities, see "*Business*" on page 135.

The details of the investment required for proposed establishment of a new manufacturing facility at Visakhapatnam are set out below:

(In ₹ million)

S. No.	Particulars	Total estimated cost
1.	Machinery and equipment	280.28
2.	Setting up of Forge shop	26.19
3.	Civil, electrical and other works	177.01
4.	Information, communication and technology ("**ICT**")	38.77
	Total	**522.25**

No funds have been deployed on the project so far.

a. Machinery and Equipment

The following table sets out the details of the machinery and equipment we believe we require for the new facility at our Visakhapatnam and the estimated cost break-up:

(In ₹ million)

S. No.	Particulars	Total estimated cost
1.	CNC Machines	144.85
2.	Drilling, Tapping & SPM	3.62
3.	Thread Rolling	18.22
4.	Induction Hardening	25.42
5.	Surface Grinder	1.57
6.	Centerless Grinder	18.84
7.	Cutting Machine	4.80
8.	Honing Machine	3.83
9.	Utility & Generator Set	14.44
10.	Welding Machine	14.08
11.	Quality Aids	3.87
12.	Production Aids	3.80
13.	Electrification	22.95
	Total	**280.28**

Details of quotations received for the above items are as provided below:

S. No.	Particulars	Cost per unit in ₹ (including packing charges)	Quantity	Suppliers	Amount in ₹ million	Date Of Quotation
1.	**CNC Machines**					
a.	CNC Turning Center 12" Chuck (LR30T L7 CNC LATHE)	3,608,300	8	Lakshmi Machine Works Limited	28.87	September 12, 2014
b.	CNC Turning Center 8" Chuck (LL20T L3 CNC LATHE)	2,135,000	20	Lakshmi Machine Works Limited	42.70	September 12, 2014
c.	CNC Turning Center 10" Chuck (LL25T L5 CNC LATHE)	2,617,550	6	Lakshmi Machine Works Limited	15.71	September 12, 2014
d.	CNC Turning Center 10" Chuck (LL20T L5 CNC LATHE)	2,193,700	10	Lakshmi Machine Works Limited	21.94	September 12, 2014
e.	(JV 55) Vertical Machine Centre 600 X 400	2,598,500	3	Lakshmi Machine Works Limited	7.80	September 12, 2014
f.	JV Kraft Vertical Machine Center	2,887,500	2	Lakshmi Machine Works Limited	5.78	September 12, 2014
g.	HMC (LH 45)	11,036,200	2	Lakshmi Machine Works Limited	22.07	September 12, 2014
	Total				**144.85**	
2.	**Drilling, Tapping & SPM**					
a.	Three Spindle Drilling Machine	487,500	3	Mintech Hydraulics	1.46	August 22, 2014
b.	Drilling Head Gang Machine	487,500	3	Mintech Hydraulics	1.46	August 12, 2014
c.	Double Spindle Drilling Machine	345,500	2	Mintech Hydraulics	0.69	August 12, 2014

	Total				**3.62**	
3.	**Thread Rolling**					
a.	Thread Rolling Machine Modal - MTR-50	3,643,680	5	MTE Industries Private Limited	18.22	September 12, 2014
	Total				**18.22**	
4.	**Induction Hardening**					
a.	Induction Hardening Machine	4,896,000	5	Inductotherm (India) Private Limited	24.48	September 12, 2014
b.	Inductors & Quench Rings	89,760	10	Inductotherm (India) Private Limited	0.90	September 12, 2014
c.	Commissioning costs	40,000	-	Inductotherm (India) Private Limited	0.04	September 12, 2014
	Total				**25.42**	
5.	**Surface Grinder**					
a.	Surface Grinding Machine Model - MSG-41P	717,500	1	MTE Precision Components	0.72	September 12, 2014
b.	Surface Grinding Machine Model - MSG-62P	854,000	1	MTE Precision Components	0.85	September 12, 2014
	Total				**1.57**	
6.	**Centerless Grinder**					
a.	Centerless Grinder GN120CNC	3,768,900	5	Parishudh Machines Private Limited	18.84	August 14, 2014
	Total				**18.84**	
7.	**Cutting Machine**					
a.	Horizontal Band Saw Machine Modal FCAF-245	480,176	10	Precitech	4.80	September 5, 2014
	Total				**4.80**	
8.	**Honing Machine**					
a.	Honing Machine (Dia 40mm - 100 mm Stroke 200mm - 1500mm)	1,275,000	3	Arms Automation	3.83	September 12, 2014
	Total				**3.83**	
9.	**Utility & Generator Set**					
a.	Diesel Generator Set 300 KVA	2,088,000	2	Jacksons	4.18	September 5, 2014
b.	Diesel Generator Set 365 KVA	2,445,000	3	Jacksons	7.34	September 5, 2014
c.	Air Compressor Model – Gae-15	731,300	4	Times Marketing Private Limited	2.93	September 6, 2014
	Total				**14.44**	
10.	**Welding Machine**					
a.	MIG Welding Machine Model - KMI - 600 (Thyristorised Based)	138,000	7	Migatronic	0.97	August 30, 2014
b.	MIG Welding Machine Model - Omega 400 S-L-Basic (IGBT Inverter Based)	345,000	5	Migatronic	1.73	August 30, 2014
c.	MIG Welding Machine Model - Omega 550 S-L-Basic (IGBT Inverter Based)	395,000	3	Migatronic	1.19	August 30, 2014
d.	FANUC Welding Robo - Model Roboweld(ARC Mate 100ic)	1,700,000	6	Fanuc India Private Limited	10.20	September 12, 2014

	Total				**14.08**	
11.	**Quality Aids**					
a.	Measuring Instruments and Gauges	3,869,100	-	Instech Engineers	3.87	September 5, 2014
	Total				**3.87**	
12.	**Production Aids**					
a.	Godrej Fully Electric Stacker model ES 1530	699,900	5	Godrej Storage solution	3.50	August 30, 2014
b.	Hydraulic Hand Pallet Truck Maini Make (810 X 550 Mm) (Nylon Wheels)	20,000	15	Promat Systems	0.30	August 30, 2014
	Total				**3.80**	
13.	**Electrification**					
a.	Electrification	22,948,847	-	Fast Switchgear Service Center	22.95	August 19, 2014
	Total				**22.95**	

b. Forging Floor

Our Visakhapatnam facility is a large consumer of forgings towards its end product. With the establishment of the new facility at Visakhapatnam the requirement of forgings is slated to grow. We therefore propose to set up an inhouse forging capacity at Visakhapatnam. We have existing process knowledge base owing to our existing forge shop at Ludhiana. Also, inhouse production would save freight costs otherwise incurred.

Forging Floor	Cost per unit in ₹ (including packing charges)	Quantity	Suppliers	Amount in ₹ million	Date Of Quotation
Friction Drop Hammer - 500 Kg Cap.	1,960,000	1	Rattan Hammers	1.96	August 30, 2014
Friction Drop Hammer - 750 Kg Cap.	2,520,000	1	Rattan Hammers	2.52	August 30, 2014
Friction Drop Hammer - 1000 Kg Cap.	3,080,000	1	Rattan Hammers	3.08	August 30, 2014
Friction Drop Hammer - 1250 Kg Cap.	3,640,000	1	Rattan Hammers	3.64	August 30, 2014
Friction Drop Hammer - 1500 Kg Cap.	4,340,000	1	Rattan Hammers	4.34	August 30, 2014
Friction Drop Hammer - 2000 Kg Cap.	5,040,000	1	Rattan Hammers	5.04	August 30, 2014
Power Press 'H' Frame - 50 ton	270,000	1	Rattan Hammers	0.27	August 30, 2014
Power Press 'H' Frame - 75 ton	390,000	1	Rattan Hammers	0.39	August 30, 2014
Power Press 'H' Frame - 100 ton	510,000	1	Rattan Hammers	0.51	August 30, 2014
Power Press 'H' Frame - 150 ton	720,000	1	Rattan Hammers	0.72	August 30, 2014
Power Press 'H' Frame - 200 ton	960,000	1	Rattan Hammers	0.96	August 30, 2014
Power Press 'H' Frame - 250 ton	1,200,000	1	Rattan Hammers	1.20	August 30, 2014
Power Press 'H' Frame - 300 ton	1,560,000	1	Rattan Hammers	1.56	August 30, 2014
Total				**26.19**	

c. Civil, Electrical and other works

The following table sets out the details of the civil, electrical and other works and the estimated cost break-up:

S. No.	Particulars	Amount in ₹ million
1.	Mass excavation and levelling	2.80
2.	Production shed	134.72
3.	Internal roads	26.43
4.	Underground water tank	9.93
5.	Storm water, sewage drain	3.13
	Total	**177.01**

d. ICT

The following table sets out the details of the ICT work and the estimated cost break-up:

S. No.	Particulars	Total estimated project cost (in ₹ million)
1.	Hardware	21.67
2.	Software	17.10
	Total	**38.77**

2. Establishment of a new manufacturing facility at Ludhiana

We propose to utilize ₹ 284.40 million out of the Net Proceeds for establishment of a new manufacturing facility in Ludhiana in the state of Punjab with an estimated capacity of 6,000 tons per annum based on management estimates. As per management estimates, we would need approximately 1.5 acres of land to build the facility with an estimated built-up area of approximately 50,000 sq. ft. The land for the proposed facility has not yet been acquired, but is proposed to be acquired from internal accruals and not from the Objects of the Issue.

Estimated Cost

The detailed break-up of the estimated cost and description of cost items required for setting up the proposed new manufacturing facility is as follows:

S. No.	Particulars	Amount in ₹ Million
1.	Machinery and Equipment	163.73
2.	Civil, Electrical, Interiors and other works	93.84
3.	ICT	26.83
	Total	**284.40**

No funds have been deployed on the project so far.

a. Machinery and Equipment

The following table sets out the details of the Machinery and Equipment and the estimated cost break-up:

S. No.	Particulars	Amount in ₹ Million
1.	CNC Machines	42.47
2.	Drilling, Tapping & SPM	2.64
3.	Thread Rolling	10.93
4.	Induction Hardening	5.38
5.	Centerless Grinder	7.54
6.	Cutting Machine	2.40
7.	Diesel Generator Set	9.17
8.	Welding Machine	3.15
9.	Quality Aids	3.87
10.	Production Aids	1.60
11.	Automatic Zinc Plating Plant	19.89
12.	CED Painting Plant	14.60
13.	Sealed Quench Furnace	26.31
14.	Electrification	13.77

	Total	**163.73**

Details of quotations received for the above items are as provided below:

S. No.	Particulars	Cost per unit	Quantity	Suppliers	Amount in ₹ million	Date Of Quotation
1.	**CNC Machines**					
a.	CNC Turning Center 12" Chuck (LR30T L7 CNC LATHE)	3,608,300	4	Lakshmi Machine Works Limited	14.43	September 12, 2014
b.	CNC Turning Center 8" Chuck (LL20T L3 CNC LATHE)	2,135,000	4	Lakshmi Machine Works Limited	8.54	September 12, 2014
c.	CNC Turning Center 10" Chuck (LL25T L5 CNC LATHE)	2,617,550	2	Lakshmi Machine Works Limited	5.24	September 12, 2014
d.	CNC Turning Center 10" Chuck (LL20T L5 CNC LATHE)	2,193,700	4	Lakshmi Machine Works Limited	8.77	September 12, 2014
e.	(JV 55)VMC 600 X 400 with rotary table	2,598,500	1	Lakshmi Machine Works Limited	2.60	September 12, 2014
f.	JV Kraft Vertical Machine Center	2,887,500	1	Lakshmi Machine Works Limited	2.89	September 12, 2014
	Total				**42.47**	
2.	**Drilling, Tapping & SPM**					
a.	Three Spindle Drilling Machine	487,500	2	Mintech Hydraulics	0.98	August 22, 2014
b.	Drilling Head Gang Machine	487,500	2	Mintech Hydraulics	0.98	August 12, 2014
c.	Double Spindle Drilling Machine	345,500	2	Mintech Hydraulics	0.69	August 12, 2014
	Total				**2.64**	
3.	**Thread Rolling**					
a.	Thread Rolling Machine Modal - MTR-50	3,643,680	3	MTE Industries Private Limited (Perfect Marketing & Company)	10.93	September 12, 2014
	Total				**10.93**	
4.	**Induction Hardening**					
a.	Induction Hardening Machine	4,896,000	1	Inductotherm (India) Private Limited	4.90	September 12, 2014
b.	Inductors & Quench Rings	89,760	5	Inductotherm (India) Private Limited	0.45	September 12, 2014
c.	Commissioning costs	40,000	-	Inductotherm (India) Private Limited	0.04	September 12, 2014
	Total				**5.38**	
5.	**Centerless Grinder**					
a.	Parishudh Make 3-Axis CNC Centreless Grinding Machine, Model GN – 120 CNC	3,768,900	2	Parishudh Machines Private Limited	7.54	August 14, 2014
	Total				**7.54**	
6.	**Cutting Machine**					
a.	Horizontal Band Saw Machine Modal FCAF-245	480,176	5	Precitech	2.40	September 5, 2014
	Total				**2.40**	
7.	**Utility & Generator Set**					
a.	Diesel Generator Set 300 KVA	2,088,000	1	Jacksons	2.09	September 5,

						2014
b.	Diesel Generator Set 365 KVA	2,445,000	2	Jacksons	4.89	September 5, 2014
c.	Air Compressor Model – Gae-15	731,300	3	Times Marketing Private Limited	2.19	September 6, 2014
	Total				**9.17**	
8.	**Welding Machine**					
a.	MIG Welding Machine Model - KMI - 600 (Thyristorised Based)	138,000	3	Migatronic	0.41	August 30, 2014
b.	MIG Welding Machine Modal - Omega 400 S-L-Basic (IGBT Inverter Based)	345,000	3	Migatronic	1.04	August 30, 2014
c.	FANUC Welding Robo - Modal Roboweld (ARC Mate 100ic)	1,700,000	1	Fanuc India Private Limited	1.70	September 12, 2014
	Total				**3.15**	
9.	**Quality Aids**					
a.	Measuring Instruments & Gauges	3,869,100	-	Instech Engineers	3.87	September 12, 2014
	Total				**3.87**	
10.	**Production Aids**					
a.	Godrej Fully Electric Stacker model ES 1530	699,900	2	Godrej Storage Solution (Urja Systems)	1.40	August 30, 2014
b.	Hydraulic Hand Pallet Truck Maini Make (810 X 550 Mm) (Nylon Wheels)	20,000	10	Promat Systems	0.20	September 12, 2014
	Total				**1.60**	
11.	**Plating Plant**					
a.	Automatic Zinc Plating Plant	19,892,966	1	P S Global Engineering Company	19.89	August 14, 2014
	Total				**19.89**	
12.	**CED Painting Plant**					
a.	CED Painting Plant	14,600,000	1	P S Global Engineering Company	14.60	August 14, 2014
	Total				**14.60**	
13.	**Sealed Quench Furnace**					
b.	Sealed Quench Furnace	26,310,500	1	Ipsen Technologies Private Limited	26.31	September 12, 2014
	Total				**26.31**	
14.	**Electrification**					
a.	Electrification	13,769,308	-	Fast Switchgear Service Center	13.77	August 19, 2014
	Total				**13.77**	

b. Civil, electrical, interiors and other works

The following table sets out the details of the civil, electrical and other works and the estimated cost break-up:

S. No.	Particulars	Amount in ₹ million
1.	Mass excavation and levelling	2.85
2.	Production shed	86.27

3.	Office Block Interiors	4.73
	Total	**93.84**

d. ICT

The following table sets out the details of the ICT work and the estimated cost break-up:

S. No.	Particulars	Amount in ₹ million
1.	Hardware	17.21
2.	Software	9.62
	Total	**26.83**

3. Repayment/ pre-payment, in full or part, of certain borrowings

Our Company has entered into financing arrangements with various banks/financial institutions. These arrangements include secured and unsecured loans from banks/ financial institutions and others. For details of our debt financing arrangements, see the chapter titled *"Financial Indebtedness"* on page 326.

We propose to utilize an amount of ₹ 300 million out of the Net Proceeds towards repayment/ pre-payment, in full or in part, of certain loans availed by our Company. We may repay or refinance some of our existing loans set out in the table below prior to Allotment. Accordingly, we may utilize the Net Proceeds for repayment or pre-payment of any such loans. However, the aggregate amount to be utilized from the Net Proceeds towards repayment/pre-payment of loans (including refinanced loans availed) would not exceed ₹ 300 million.

We believe that such repayment/pre-payment will help reduce our outstanding indebtedness and our debt-equity ratio and will result in an enhanced equity base and enable utilization of our internal accruals for further investment in business growth and expansion in new projects. In addition, we believe that the strength of our balance sheet and the leverage capacity of our Company will improve significantly, which shall enable us to raise further resources in the future at competitive rates to fund potential business development opportunities and plans to grow and expand our business in the coming years.

The following table provides details of certain loans availed by our Company out of which we may repay/pre-pay, in full or in part, any or all of the loans from the Net Proceeds, without any obligation to any particular bank/ financial institution:

S. No.	Name of the Lender(s)	Purpose and Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Prepayment Penalty
1.	**Citibank N.A.**	**Fund based**: Fund Based Working Capital – ₹ 600 million Sub-limit of above: Export Pre/Post Shipment – ₹ 600 million Cash Credit ("**CC**") / Working Capital Demand Loan ("**WCDL**") – ₹ 100 million Ad-hoc Facility – ₹ 200 million for 6 months **Non Fund based:** Sight LC ("**SLC**") / Bank Guarantees ("**BGs**") – ₹ 7.5 million	497.10 (1)	LIBOR+2.75%	Export Loan: Maximum tenor of 180 days CC: Revolving basis WCDL: Maximum tenor of 1 year BGs: Maximum tenor of 2 years	Nil

S. No.	Name of the Lender(s)	Purpose and Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Prepayment Penalty
					SLC: 180 days	
2.	**ING Vysya Bank Limited**	**Fund based:** Packing Credit/Pre-shipment Credit in Foreign Currency ("**PCL/PCFC**")[2] – ₹ 350 million Sub-limit of above: Post Shipment Limit ("**PSL**") / Export Bill Re-Discounting ("**EBRD**") – ₹ 350 million CC – ₹ 210 million WCDL – ₹ 170 million Foreign Currency Loan ("**FCL**") – ₹ 210 million	139.71 [1]	PCL/PCFC: LIBOR+3.50% PSL/EBRD: LIBOR+3.50% ING Vysya Bank Rate ("**IVBR**") plus 3.00%. At negotiated rate with minimum of IVBR.	PCL/PCFC: Maximum 180 days PSL/EBRD- Maximum 180 days CC: October 31, 2014 WCDL: Maximum up to180 days with rollover option FCL: Maximum up to 90 days with cooling period of one day	Nil
3.	**Kotak Mahindra Bank Limited**	Working Capital Term Loan ("**WCTL**") – ₹ 61.30 million Sublimit of above: Foreign Currency Term Loan ("**FCTL**")[3] – ₹ 61.30 million	57.00	Kotak Mahindra Bank Base Rate plus 1.90%, presently 11.90%	WCTL: 14 months	Nil
		Fund based: Pre-shipment export credit[4] – ₹ 300 million Sub-limit of above: Post-shipment export credit – ₹ 300 million Cash credit of ₹ 20 million	239.84 [1]	LIBOR+3.00%	Pre-shipment/Post-shipment export credit: 180 days	
		Non-fund based BG – ₹ 0.40 million Receivable Finance (Mahindra & Mahindra) – ₹ 40 million		LIBOR+3.00%	Bank Guarantee: 2 years Receivable Finance: Maximum tenor of 64 days	
4.	**Barclays Bank PLC**	**Fund based** Short Term Loan / Overdraft – ₹	**-**	10.90%	Maximum term of 12 months	Nil

S. No.	Name of the Lender(s)	Purpose and Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Prepayment Penalty
		100 million				
		Non-Fund based Stand by Letter of Credit ("**SBLC**") – ₹ 225 million				
5.	**Indusind Bank Limited**	**Fund based** Term Loan – ₹ 300 million CC/Overdraft – ₹ 75 million Sub-limit of CC: WCDL – ₹ 75 million Packing credit – ₹ 75 million Post-shipment export credit / Foreign Bills Purchased / Discounted – ₹ 75 million	300.00 41.48 [(1)]	Base Rate plus 1%, presently 12% 1.5% above base rate, presently 12.5% LIBOR+3.50% LIBOR+3.50%	Corporate Term Loan: Door to door tenor not to exceed 60 months CC/WCDL: Repayable on demand Packing credit /Post-shipment export credit: 180 days	Pre-payment penalty for Term Loan of 2% shall be charged in the event of pre-payment of loan before 24 months. However no pre-payment penalty will be charged if our Company completes the initial public offer before 24 months and the Term Loan gets repaid from the Net Proceeds. CC/Overdraft – Nil
		Letter of Credit – ₹ 75 million Bank Guarantee – ₹ 75 million			Letter of Credit: not exceeding 90 day	

[(1)]The facility has been availed in USD. US$ 1= ₹ 60.56 as on July 31, 2014 (Source: www.in.reuters.com)

[(2)]ING Vysya Bank Limited as part of the facility, has also provided a Loan Equivalent Factor for Forwards facility of ₹ 120 million.

[(3)]Kotak Mahindra Bank Limited as part of the facility, has also provided an Interest Rate Swap (mark-to-market) facility of ₹ 2.5 million.

[(4)]Kotak Mahindra Bank Limited as part of the facility, has also provided a Forwards (mark-to-market) facility of ₹ 100 million.

**The amounts outstanding as of July 31, 2014 are as certified by the lenders and do not contain particulars of the overdraft taken by our Company against fixed deposits.*

***The security created by our Company in favour of the lenders rank first pari passu for all purposes and for all intents and without any preferences or priority of one lender over the other lenders.*

** As certified by M/s. S.C. Varma and Co., Chartered Accountants, by their certificate dated September 23, 2014. Further, M/s. S.C. Varma and Co., Chartered Accountants have confirmed that we have utilized the above borrowings for the purposes for which the loans were sanctioned.*

Out of the Net Proceeds, we may repay or pre-pay, in full or in part, all or any of the above loans. The selection of loans proposed to be repaid and/or pre-paid from our loan facilities provided above shall be based on various factors including, the timing of this Issue, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan.

Some of our financing agreements provide for the levy of prepayment penalties. In the event that there are any pre-payment penalties required to be paid under the terms of the relevant financing agreements, the amount of such pre-payment penalties shall be paid by our Company out of our internal accruals.

4. Acquisitions and Other Strategic Initiatives

In pursuit of our strategy of inorganic growth through strategic acquisitions and alliances, we continue to evaluate opportunities for continued backward integration and to identify targets or partners for forward integration, including by way of selectively evaluating targets or partners for strategic acquisitions and investments, so as to strengthen our global supply chain, our range of value-added services and our customer portfolio, and to benefit from economies of scale, leveraging multi-locational operational synergies, knowledge sharing and acquiring new product platforms in order to strengthen our position as an integrated, full system solutions provider for the agriculture and CFM segments. Our strategy is to seek to acquire businesses with high growth potential, along with their existing customer relationships and product and process competencies, and to integrate and grow their businesses through enhanced quality and delivery parameters, engineering support, integration of IT systems and ERP platforms coupled with our management know-how and experience. In particular, we intend to explore opportunities in Europe, which would give us a manufacturing base in the continent, as well as opportunities in the U.S. to complement our existing business. We may also seek to expand our worldwide warehousing and distribution operations, based on demand and delivery logistics in various geographies, to fuel our growth going forward.

We believe that we have benefited significantly from our strategic acquisition in 2005 of UOI, which catalyzed the growth of our PMP product vertical and our sales to the CFM sector. Our investment in Kavee (a joint venture with Kramp, a long-term customer that we continue to supply to), which ceased to be our subsidiary with effect from April 1, 2012, also contributed significantly to our acquisition of product and process knowledge for our hydraulic cylinders vertical, in which we commenced manufacturing and sales from India in fiscal 2012. In light of the foregoing, we believe that we have a track record of growing inorganically through strategic acquisitions and investments. We believe that we have been successful in acquiring and integrating overseas assets and ventures in the past and will continue to benefit from such initiatives, thereby expanding our market share, customer base and geographical footprint.

For information on our past acquisitions, including our acquisition of UOI (previously known as Olsen Engineering LLC) in 2005, as well as our strategies for future growth, see the chapters "*History and Other Corporate Matters*" and "*Business – Strategies - Inorganic growth via strategic acquisitions and alliances*" on pages 161 and 139, respectively.

We intend to utilise ₹ 150 million from the Net Proceeds towards such potential acquisitions and strategic initiatives. As on the date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements towards any such potential acquisitions or strategic initiatives. This amount is based on our management's current estimates of the amounts to be utilized towards this Object, considering our discussions and negotiations with potential targets and partners and other relevant considerations. The actual deployment of funds will depend on a number of factors, including the timing, nature, size and number of strategic initiatives undertaken, as well as general macro or microeconomic factors affecting our results of operation, financial condition and access to capital. These factors will also determine the form of investment for these potential strategic initiatives, i.e., whether they will involve equity, debt or any other instrument or combination thereof. The portion of the Net Proceeds allocated towards this Object may not be the total value or cost of any such strategic initiatives, but is expected to provide us with sufficient financial leverage to enter into binding agreements. In the event that there is a shortfall of funds required for such strategic initiatives, such shortfall shall be met out of the portion of the Net Proceeds allocated for general corporate purposes and/or through our internal accruals or debt financing (including by means of a domestic or international capital markets offering) or any combination thereof.

5. General Corporate Purposes

The Net Proceeds will be first utilised towards the aforesaid items and the balance is proposed to be utilised for general corporate purposes, including but not restricted to brand building and marketing expenses, strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies, other than those mentioned above, which our Company may face in the

ordinary course of business, or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

We, in accordance with the policies of our Board, will have flexibility in utilising the Net Proceeds for general corporate purposes, as mentioned above, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The quantum of utilization of funds towards each of the above purposes will be determined by the Board, based on the amount actually available under this head and the business requirements of our Company, from time to time.

Project Appraisal

None of the Objects of the Issue has been appraised by any bank, financial institution or other external agency.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus which are required to be repaid from the Net Proceeds.

Interim Use of Net Proceeds

Our Company, in accordance with the policies formulated by its Board from time to time, will have flexibility in deploying the Net Proceeds. The particular composition, timing and schedule of deployment of the Net Proceeds will be determined by our Company based on the development of the projects and market circumstances. Pending utilization of the Net Proceeds for the purposes described above, our Company intends to temporarily invest the funds in interest-bearing liquid instruments, including deposits with banks or financial institutions and investments in money market mutual funds and other investment grade securities and financial products.

Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹ [●] million, and shall include the expenses set out in the table below.

The Issue related expenses include, among others, BRLMs' fees, underwriting fees, selling commissions/ brokerage, SCSBs' commissions/fees, printing and distribution expenses, legal counsel fees, statutory advertisement expenses, marketing and roadshow expenses, registrar and depository fees, auditor fees, filing fees, fees for usage of book building facility and listing fees.

Other than listing fees and expenses in relation to the legal counsel to the Company, which will be paid by the Company, expenses in relation to the legal counsel to the Individual Selling Shareholders which will be paid by the Individual Selling Shareholders, and expenses in relation to the legal counsel to the Investor Selling Shareholders which will be paid by the Investor Selling Shareholders, all expenses which directly relate to the Issue will be borne by the Company, the Individual Selling Shareholders and the Investor Selling Shareholders in proportion to the Equity Shares offered by each of them as part of the Issue. Expenses for corporate advertisements relating to the Company's business shall be paid by the Company.

Activity	Expenses* (In ₹ million)	Percentage of the Issue Expenses*	Percentage of the Issue size*
BRLMs' fees, Registrar's fees, Underwriting commissions, brokerages and selling commissions (including commissions to SCSBs# for ASBA and Non-Syndicate Registered Brokers)	[●]	[●]	[●]
Fees paid to the Bankers to the Issue, processing fees to the SCSBs for processing Application Forms procured by the Syndicate at Syndicate ASBA Centres or Non-Syndicate Registered Brokers and submitted to the SCSBs	[●]	[●]	[●]
Advertising and marketing expenses, printing, stationery and distribution expenses	[●]	[●]	[●]
SEBI processing fees, listing fees and other costs	[●]	[●]	[●]

Activity	Expenses* (In ₹ million)	Percentage of the Issue Expenses*	Percentage of the Issue size*
associated with listing including processing fees of Stock Exchanges, bidding software expenses, depository charges etc.			
Others (audit fees, legal fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses*	[●]	[●]	[●]

**To be incorporated after finalization of the Issue Price.*

 # The SCSBs would be entitled to a processing fees of ₹ [●] per Bid cum Application Form, for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs

Monitoring of utilization of funds

As the size of the Fresh Issue is an amount not exceeding ₹ 5,000 million, as per the SEBI ICDR Regulations, there is no requirement for appointment of a monitoring agency. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

In accordance with the Listing Agreement, our Company will disclose the utilization of the Net Proceeds under a separate head along with any details in relation to such portion of the Net Proceeds as have not been utilized, also indicating any interim investments of such unutilized portion of the Net Proceeds in our Company's balance sheet for the relevant financial years. Further, pursuant to clause 49 of the Listing Agreement, our Company shall, on a quarterly basis, disclose to its Audit Committee the uses and applications of the Net Proceeds and, on an annual basis, prepare a statement of funds utilized for purposes other than those stated in the Red Herring Prospectus and Prospectus and place it before the Audit Committee, until such time as the Net Proceeds have been utilized in full. This statement shall be certified by the statutory auditors of our Company and then placed before the Audit Committee, enabling it to make appropriate recommendations to the Board. Further, in accordance with clause 43A of the Listing Agreement, our Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement including any material deviations in the utilization of the Net Proceeds from the Objects of the Issue as stated in the Red Herring Prospectus and Prospectus. This information will also be published in newspapers simultaneously with our Company's interim or annual financial results, after placing the same before the Audit Committee.

Other Confirmations

None of the equipment described above, across various proposed projects is used or second hand in nature and our Company does not propose to purchase any used or second hand equipment from the Net Proceeds.

The prices for the equipment proposed to be purchased, as set out above, are as per the quotations received from the respective suppliers. We will obtain fresh quotations at the time of actual placement of the order for the respective equipments. The actual cost would, thus, depend on the prices finally settled with the suppliers and, to that extent, may vary from the above estimates.

Our Promoters and certain members of our Promoter Group will receive a portion of the proceeds of the Offer for Sale, net of their respective share of Issue Expenses, as Selling Shareholders, in proportion to the Equity Shares being offered by them in the Offer for Sale portion through the Issue. There are no existing or anticipated transactions in relation to the utilization of Net Proceeds with any of our Promoters, Directors, Key Managerial Personnel or Group Companies and no part of the Net Proceeds is intended to be paid by our Company as consideration to any of our Promoters, Directors, Key Managerial Personnel or Group Entities, and our Promoters, Directors, Key Managerial Personnel and Group Entities do not have any existing or anticipated interest in our proposed acquisition of the equipment, plant and machinery for the Objects set out above in this section, or in the entities from which we have obtained quotations for the purposes set out above in this section.

Variation in Objects

In accordance with Section 27 of the Companies Act, 2013, the Company shall not vary the Objects without the Company being authorised to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act, 2013. Pursuant to the Companies Act, 2013, the Promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Issue in accordance with the Articles of Association of the Company and as may otherwise be prescribed by SEBI.

BASIS FOR ISSUE PRICE

The Issue Price of ₹ [●] will be decided by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs on the basis of assessment of market demand for the offered Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10 per share and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times of the face value at the higher end of the Price Band.

Investors should also refer to the sections "*Risk Factors*" and "*Financial Information*" and the chapter "*Business*" beginning on pages 14, 198 and 135, respectively, to get a more informed view before making the investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors which form the basis of the Issue Price are:

1. Market leadership in key product verticals;
2. Strategically located facilities;
3. Long term relationships with dominant global customers in both agriculture as well as CFM sectors;
4. Ability to customize products and services as per specific requirements of the customers;
5. Streamlined production and operational synergies through horizontal and vertical integration;
6. Experienced professionals and management team; and
7. Consistent financial performance.

For a detailed discussion of the above qualitative factors, which form the basis for computing the Issue Price, please refer to the section "*Risk Factors*" and the chapter "*Business*" beginning on pages 14 and 135, respectively.

QUANTITATIVE FACTORS

Information presented in this section is derived from our Company's restated standalone financial statements and restated consolidated financial statements for fiscal years 2014, 2013 and 2012, prepared in accordance with the Indian GAAP, the Companies Act and the SEBI ICDR Regulations. For more details on the financial information, please see the section "*Financial Information*" beginning on page 198.

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

1. **Basic and Diluted Earnings Per Share ("EPS")**

As per restated standalone financial statements:

Period	Basic Earnings Per Share (₹)	Diluted Earnings Per Share (₹)	Weights
Fiscal 2014	4.11	4.02	3
Fiscal 2013	5.83	5.70	2
Fiscal 2012	(1.40)	(1.40)	1
Weighted Average	3.77	3.68	

As per restated consolidated financial statements:

Period	Basic Earnings Per Share (₹)	Diluted Earnings Per Share (₹)	Weights
Fiscal 2014	19.75	19.30	3
Fiscal 2013	17.76	17.36	2
Fiscal 2012	11.89	11.61	1
Weighted Average	17.78	17.37	

Note:

EPS can be defined as below:

Basic EPS: Net Profit available to Equity Shareholders *divided* by weighted average number of Equity Shares outstanding during the year.

Diluted EPS: Net Profit available to Equity Shareholders *divided* by weighted average number of Equity Shares outstanding during the year *plus* Potentially Dilutive Shares.

Net Profit available to Equity Shareholders: Net Profit available to Equity Shareholders has been defined as Restated Profit after tax (concern share) plus addition on change in holding in consolidated companies less dividend on preference shares of consolidated entities and tax on dividend paid by consolidating companies.

The EPS has been calculated in accordance with Accounting Standard 20 – "Earnings Per Share" issued by the Institute of Chartered Accountants of India.

2. **Price Earning Ratio ("P/E") in relation to the Price Band of ₹ [●] to ₹ [●] per Equity Share**

1. P/E based on Basic EPS for the year ended March 31, 2014:

As per restated standalone financial statements:

Particulars	**P/E**
P/E based on Basic EPS of ₹ 4.11 for the year ended March 31, 2014 at the Floor Price	[●]
P/E based on Basic EPS of ₹ 4.11 for the year ended March 31, 2014 at the Cap Price	[●]

As per restated consolidated financial statements:

Particulars	**P/E**
P/E based on Basic EPS of ₹ 19.75 for the year ended March 31, 2014 at the Floor Price	[●]
P/E based on Basic EPS of ₹ 19.75 for the year ended March 31, 2014 at the Cap Price	[●]

2. P/E based on Diluted EPS for the year ended March 31, 2014:

As per restated standalone financial statements:

Particulars	**P/E**
P/E based on Diluted EPS of ₹ 4.02 for the year ended March 31, 2014 at the Floor Price	[●]
P/E based on Diluted EPS of ₹ 4.02 for the year ended March 31, 2014 at the Cap Price	[●]

As per restated consolidated financial statements:

Particulars	**P/E**
P/E based on Diluted EPS of ₹ 19.30 for the year ended March 31, 2014 at the Floor Price	[●]
P/E based on Diluted EPS of ₹ 19.30 for the year ended March 31, 2014 at the Cap Price	[●]

3. **Return on Net Worth ("RoNW")**

As per restated standalone financial statements:

Period	**RoNW (%)**	**Weight**
Fiscal 2014	4.75	3
Fiscal 2013	6.89	2
Fiscal 2012	(1.76)	1
Weighted Average	4.38	

As per restated consolidated financial statements:

Period	RoNW(%)	Weight
Fiscal 2014	17.84	3
Fiscal 2013	17.59	2
Fiscal 2012	13.60	1
Weighted Average	17.05	

Note 1: Return on Net Worth has been computed as Net Profit available to Equity Shareholders divided by Net Worth for Equity Shareholders.

Note 2: Net Worth for Equity Shareholders has been computed as sum of share capital and reserves less revaluation reserve and miscellaneous expenditure (to the extent not written off/adjusted).

Note 3: Net Profit available to Equity Shareholders has been defined as Restated Net Profit after tax (concern share) plus addition on change in holding in consolidated companies less dividend on preference shares of consolidated entities and tax on dividend paid by consolidating companies.

4. **Minimum Return on Net Worth required to maintain pre-Issue EPS for the year ended March 31, 2014**

As per restated standalone financial statements:

- The minimum return on increased net worth required to maintain pre-Issue Basic EPS for the year ended March 31, 2014 is [●] at the Floor Price and [●] at the Cap Price.

- The minimum return on increased net worth required to maintain pre-Issue Diluted EPS for the year ended March 31, 2014 is [●] at the Floor Price and [●] at the Cap Price.

As per restated consolidated financial statements:

- The minimum return on increased net worth required to maintain pre-Issue Basic EPS for the year ended March 31, 2014 is [●] at the Floor Price and [●] at the Cap Price.

- The minimum return on increased net worth required to maintain pre-Issue Diluted EPS for the year ended March 31, 2014 is [●] at the Floor Price and [●] at the Cap Price.

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

As per restated standalone financial statements:
- Net Asset Value per Equity Share each as on March 31, 2014: ₹ 84.69
- Net Asset Value per Equity Share each after the Issue: ₹ [●]
- Issue Price per Equity Share: [●]

As per restated consolidated financial statements:
- Net Asset Value per Equity Share each as on March 31, 2014: ₹ 108.21
- Net Asset Value per Equity Share each after the Issue: ₹ [●]
- Issue Price per Equity Share: [●]

Note: Net Asset Value per Equity Share has been computed as Net Worth for Equity Shareholders divided by the weighted average number of Equity Shares outstanding during the year.

The Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

6. **Comparison with Industry Peers**

There are no listed companies in India that engage in a business similar to that of our Company. Hence, it is not possible to provide an industry comparison in relation to our Company.

This Issue Price of ₹ [●] per Equity Share is [●] times the face value of ₹ 10 per equity share. The Issue Price has been determined by the Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, on the basis of the demand from investors for the Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters. The BRLMs believe that the Issue Price of ₹ [●] is justified in view of the above parameters. Prospective investors should also review the entire Red Herring Prospectus, including, in particular, the sections "*Risk Factors*" and "*Financial Information*" and the chapters "*Industry Overview*" and "*Business*" beginning on pages 14, 198, 118 and 135, respectively, to obtain a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the section "*Risk Factors*" beginning on page 14 or any other factors that may arise in the future and you may lose all or part of your investments.

STATEMENT OF TAX BENEFITS

To:

The Board of Directors
Uniparts India Limited
Gripwel House,
Block 5, C 6 & 7
Vasant Kunj
New Delhi 110070, India

Ladies and Gentlemen:

Sub: Statement of possible tax benefits available to the company and its shareholders on proposed Public Issue of Shares under the existing tax laws.

We hereby confirm that the enclosed annexure states the possible tax benefits available to Uniparts India Limited (hereinafter referred to as "**the Company**") and its shareholders under the current tax laws presently in force in India. Several of these benefits are dependent on the Company and/or its shareholders fulfilling the conditions prescribed under the relevant provisions of the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on the business imperatives, the Company may or may not choose to fulfil.

The benefits discussed in the annexure are not exhaustive. This statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for individual professional tax advice.

Each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We do not express any opinion or provide any assurance as to whether:

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to the notes to this annexure.

No assurance is given that the Revenue Authorities/Courts will concur with the views expressed herein. The views expressed herein are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the views, consequent to such change.

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

For S.C. Varma and Co.
Chartered Accountants
Firm Regn. No:000533N

(S.C. Varma)
Partner
M.No.11450

Place: New Delhi

Date: September 21, 2014

ANNEXURE TO STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO UNIPARTS INDIA LIMITED ("**THE COMPANY**") AND ITS SHAREHOLDERS

TAXATION

The information provided below sets out the possible tax benefits available to the shareholders, including prospective shareholders, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of purchase, ownership and disposal of equity shares, under the tax laws presently in force in India. It is not exhaustive or comprehensive analysis and is not intended to be a substitute for professional advice.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

The following is based on the provisions of the Income-tax Act, 1961 ("**the Act**") as of the date hereof. The Act is amended every fiscal year.

1. Levy of Income Tax

Tax implications under the Act are dependent on the residential status of the tax payer. We summarize herein below the provisions relevant for determination of residential status of a tax payer.

1.1 Residential status of an Individual –

As per the provisions of the Act, an individual is considered to be a resident in India during any FY if he or she is present in India for:

i. a period or periods aggregating to 182 days or more in that FY; or

b) a period or periods aggregating to 60 days or more in that FY and for a period or periods aggregating to 365 days or more within the four preceding years; or

in the case of a citizen of India or a person of Indian origin living abroad who visits India and in the case of a citizen of India who leaves India for the purposes of employment outside India in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days.

Subject to complying with certain prescribed conditions, individuals may be regarded as "Resident but not ordinarily resident".

1.2. Residential status of a Company –

A company is resident in India if it is formed and incorporated under the Companies Act, 1956 or Companies Act, 2013, or if the control and management of its affairs is situated wholly in India.

1.3. Residential status of a Hindu Undivided Family ("HUF"), Firm or Association of Persons ("AOP") –

An HUF, firm or other AOP is resident in India except when the control and management of its affairs is situated wholly outside India.

A person who is not a resident in India would be regarded as "Non-Resident".

1.4. Scope of Taxation

In general, a person who is "resident" in India in a tax year is subject to tax in India on its global income. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or arises or is deemed to accrue or arise to such person in India is subject to tax in India. In the instant case, the

income from the equity shares of the Company would be considered to accrue or arise in India, and would be taxable in the hands of all categories of tax payers irrespective of their residential status unless specifically exempt (e.g. Dividend). However, a relief may be available under applicable Double Taxation Avoidance Agreement ("**DTAA**") to certain non-residents investors.

1.5 Tax Considerations

As per the taxation laws in force, the tax benefits/consequences as applicable to the Company and the prospective shareholders are stated as under. 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 the fulfilling such conditions:

2. Benefits available to the Company - Under the Income Tax Act, 1961 and Other Tax Laws

2.1. Special Tax Benefits

The Company has one unit in Special Economic Zone (SEZ) established at Visakhapatnam (AP), which is eligible for the following exemptions –

71. Duty free import/domestic procurement of goods for development, operation and maintenance of SEZ unit.
72. 100% Income Tax exemption on export income for SEZ unit under Section 10AA of the Income Tax Act subject to payment of tax on MAT basis for first 5 years, 50% for next 5 years thereafter and 50% of the export profit ploughed back for next 5 years.
73. External commercial borrowing by SEZ units upto US$ 500 million in a year without any maturity restriction through recognized banking channels.
74. Exemption from Central Sales Tax.
75. Exemption from Service Tax.
76. Exemption from State VAT and other levies as extended by the respective State Governments.

2.2. General Tax Benefits

2.2.1. As per Section 10(34) of the Act, any income received by the Company by way of dividends on which Dividend Distribution Tax ("**DDT**") has been paid, shall not form part of the total income of the Company and accordingly would be exempt in its hands.

Under Section 14A of the Act, no deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax including dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Income-tax Rules, 1962 ("**Rules**").

However, the Company would be liable to pay DDT at 15% (plus applicable surcharge and education cess and secondary & higher education cess) on the total amount declared, distributed or paid as dividends. In calculating the amount of dividend on which DDT is payable, dividends (if any, received by the Company during the tax year and subject to fulfilment of the conditions), shall be reduced by:

- dividends received from a subsidiary of the Company (A company shall be a subsidiary of another company, if such other company, holds more than half in nominal value of the equity share capital of the company); and

- such subsidiary has paid DDT on such dividends under Section 115-O of the Act.

2.2.2. As per Section 10(35) of the Act, the following income shall be exempt in the hands of the Company:

i) Income received in respect of the units of a Mutual Fund specified under clause (23D) of Section 10; or

ii) Income received in respect of the units from the Administrator of the Specified undertaking; or

iii) Income received in respect of units from the specified company.

However, as per the proviso, the above provisions are not applicable to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified company or of a mutual fund.

2.4. Computation of Capital Gains

2.4.1 Capital assets may be categorized into short-term capital assets and long-term capital assets based on the period for which they are held by a tax payer.

Shares in a company, listed securities or units or zero coupon bonds will be considered as long-term capital assets if they are held for a period exceeding 12 months. Consequently, capital gains arising on sale of these assets held for more than 12 months are considered as "long-term capital gains". Capital gains arising on sale of these assets held for a period of 12 months or less are considered as "short-term capital gains".

2.4.2. As per Section 10(38) of the Act, capital gains arising from transfer of a long-term capital asset (being an equity share in the Company or a unit of an equity oriented fund), where the transaction of sale is chargeable to Securities Transaction Tax ("**STT**"), shall be exempt in the hands of the Company.

For this purpose "Equity oriented fund" means a fund –

i) Where the investible funds are invested by way of equity shares in the domestic companies to the extent of more than 65% of the total proceeds of such funds; and

ii) Which has been set up under a scheme of a Mutual fund specified under Section 10(23D).

However, the long-term capital gains arising on sale of share or units as referred above shall not be reduced while calculating the book profit under the provisions of Section 115JB of the Act. In other words, such book profit shall include the long-term capital gain as referred to in Section 10(38) of the Act and the Company will be required to pay MAT @ 18.5% (plus applicable surcharge, education cess and secondary & higher education cess) on such book profit.

2.4.3. Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains (as defined in para 2.4.1 above), a deduction of indexed cost of acquisition is available. Indexed cost of acquisition means the cost of acquisition multiplied by Cost Inflation Index ("**CII**") of the FY in which the asset is transferred and divided by the CII of the FY in which the asset was first held by the tax payer.

2.4.4. As per the provisions of Section 112 of the Act, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds (other than exempt under Section 10(38) of the Act), will be charged to tax at the concessional rate of 20% (plus applicable surcharge and cess) after considering indexation benefits in accordance with and subject to the provisions of Section 48 of the Act or at 10% (plus applicable surcharge and cess) without indexation benefits, at the option of the Company. Under Section 48 of the Act, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/improvement.

2.4.5. As per the provisions of Section 111A of the Act, short-term capital gains (as defined in para 2.4.1 above) on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess). Short-term capital gains arising from transfer of shares, other than those covered by Section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

2.4.6. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in such bonds cannot exceed Rs.5,000,000. If only a part of the capital gains is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bear to the whole of the capital gain. However, in case the long term specified assets are transferred or converted into money within 3 years from the date of acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

2.5. Depreciation Allowance

2.5.1. Under Section 32(1) 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 and intangible assets such as patent, trademark, copyright, know-how, licenses, or any other business or commercial rights of similar nature if such intangible assets are acquired after 31 March 1998.

2.5.2. As per provision of Section 32(1)(iia) of the Act, the Company is entitled to claim additional depreciation at the rate of 20% of the actual cost of any new machinery or plant, subject to fulfilment of following conditions:

- New asset is acquired and installed after 31 March 2005;
- Additional depreciation shall be available on all new plant and machinery acquired other than the following assets:

a) Ships and Aircraft;

b) Any machinery or plant which, before its installation by the company, was used either within or outside India by any other person;

c) Any machinery or plant installed in any office premises or any residential accommodation, including accommodation in the nature of a guest-house;

d) Any office appliances or road transport vehicles; or

e) Any machinery or plant, the whole of the actual cost of which is allowed as a deduction in computing the income under the head Profits and gains from business and profession for any year.

2.6. Carry forward of unabsorbed depreciation and unabsorbed business losses

2.6.1. Under Section 32(2) of the Act, where full effect cannot be given to any depreciation allowance under Section 32(1) of the Act in any FY, owing to there being no profits or gains chargeable for that FY, or owing to the profits or gains chargeable being less than the depreciation allowance, then, subject to the provisions of Section 72(2) and Section 73(3) of the Act, depreciation allowance or the part of depreciation allowance to which effect has not been given, as the case may be, shall be added to the amount of the depreciation allowance for the following FY and deemed to be part of that depreciation allowance, or if there is no such depreciation allowance for that previous year, be deemed to be the depreciation allowance for that FY, and so on for the succeeding FYs.

2.6.2. Under Section 72(1) of the Act, where for any FY, the net result of the computation under the head "Profits & Gains of Business or Profession" is a loss to the Company (not being a loss sustained in a speculation business), then to the extent to which such loss can be set off against income under any other head of income (other than salary) for the same year, it shall be eligible to be carried forward and available for set off only against income from business under

head "Profits & Gains of Business or Profession" for subsequent FYs. As per Section 72(3) of the Act, the loss carried forward can be set off subject to a limit of 8 FYs immediately succeeding the FY for which the loss was first computed. However, as per Section 80 of the Act, only a loss which has been determined in pursuance of a return filed in accordance with the provisions of Section 139(3) of the Act shall be carried forward and set off under Section 72(1) of the Act.

2.7. MAT credit

Under Section 115JAA of the Act, tax credit shall be allowed in respect of MAT paid under Section 115JB of the Act for any AY commencing on 1 April 2006 and any subsequent AY. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. The credit is available for set off only when tax becomes payable under the normal provisions of the Act. The tax credit can be utilized to the extent of difference between the tax under the normal provisions of the Act and tax payable under MAT for that year. Credit in respect of MAT paid for AY 2011-12 and any subsequent AYs shall be available for set-off up to 10 AYs immediately succeeding the AY for which the MAT credit initially arose.

2.8. Amortization of certain expenditure

2.8.1. Under Section 35D of the Act, a company is eligible for deduction in respect of specified preliminary expenditure incurred by it in connection with extension of its undertaking or in connection with setting up new unit for an amount equal to 1/5th of such expenditure over 5 successive Assessment Years subject to conditions and limits specified in that Section.

2.8.2. Specified expenditure includes expenditure in connection with the issue, for public subscription, of shares in or debentures of the company, being underwriting commission, brokerage and charges for drafting, typing, printing and advertisement of the prospectus.

2.9. Investment Allowance

A manufacturing company shall be eligible for claiming investment allowance deduction at 15 per cent of the investment made in new plant and machinery (acquired and installed) till 31st March, 2017, if the aggregate cost exceeds INR 1 billion. However, in respect of investment made on or after 1 April 2014, the threshold of INR 1 billion has been reduced to INR 250 million by the Finance Act, 2014.

3. Benefits available to Resident Shareholders under the Act

3.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after 1 April 2003) received from a domestic company is exempt in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

3.2. Computation of capital gains

3.2.1. Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred in connection with the transfer of a capital asset from the sale consideration to arrive at the amount of capital gains. However, in respect of long-term capital gains, deduction of indexed cost of acquisition/improvement is available. Indexed cost of acquisition means the cost of acquisition multiplied by CII of the FY in which the asset is transferred and divided by the CII of the first FY during which the asset was first held by the tax payer.

3.2.2. As per the provisions of Section 111A of the Act, short-term capital gains (as defined in para 2.4.1 above) on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus

applicable surcharge, education cess and secondary & higher education cess). Short-term capital gains arising from transfer of shares in the Company, other than those covered by Section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

3.2.3. As per the provisions of Section 112 of the Act, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds (other than exempt under section 10(38) of the Act), will be charged to tax at the concessional rate of 20% (plus applicable surcharge and cess) after considering indexation benefits in accordance with and subject to the provisions of section 48 of the Act or at 10% (plus applicable surcharge and cess) without indexation benefits, at the option of the Company. Under Section 48 of the Act, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/improvement.

3.3. Capital Gains - not subject to Income-Tax

3.3.1. According to Section 10(38) of the Act, long-term capital gains on sale of equity shares, where the transaction of sale is chargeable to STT, shall be exempt from tax. However, in case of a shareholder being a company, gains arising from transfer of above referred long-term capital asset shall be taken into account for computing the book profit for the purposes of computation of MAT under Section 115JB of the Act.

3.3.2. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company would be exempt from tax if such capital gains are invested within 6 months after the date of such transfer in specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956.

The investment made in such bonds cannot exceed Rs. 5,000,000. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years from the date of its acquisition, the amount so exempted shall be chargeable to tax during the year of such transfer or conversion.

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

3.3.3. As per provision of Section 54F of the Act, long term capital gains [in case not covered under Section 10(38)] arising from the transfer of any capital asset (not being residential house property) held by an Individual or HUF will be exempt from tax, if net consideration is utilized, within a period of one year before or two year after the date of transfer, for purchase of a residential house, or for construction of a residential house within three years.

3.4. Income from Business Profits

Where the equity shares form a part of stock-in-trade of shareholder, any income realized from disposition of the equity shares would be chargeable under the head "profit and gains of business or profession" as per the provisions of the Act. The nature of the equity shares held by the shareholder (i.e. whether held as "investment" or as "stock-in-trade") is usually determined inter-alia on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases and sales and the ratio between purchases and sales and the holding period.

As per Section 36(xv) of the Act, an amount equal to the STT paid by the tax payer in respect of the taxable securities transactions entered into in the course of his business during the FY will be allowable as deduction, if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession".

3.5. Income from other sources

3.5.1. Section 56(2)(vii)

With effect from October 1, 2009, where any property, other than immovable property (including shares), is received by an individual/HUF:-

(a) without consideration and the aggregate fair market value of such property exceeds Rs. 50,000, or

(b) for a consideration which is less than the aggregate fair market value of such property by at least Rs. 50,000,

then the difference between fair market value and consideration paid will be taxable as income from other sources.

This provision is applicable only if shares are held by the shareholders as a capital asset.

This provision is not applicable where shares are received in any of the following modes, namely –

1. From any relative;
2. On the occasion of marriage of the individual;
3. Under a will or by way of inheritance;
4. In contemplation of death of the payer or donor;
5. From any local authority as defined in Explanation to Section 10(20);
6. From any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to in Section 10(23C); or
7. From any trust or institution registered under Section 12AA.

3.5.2. Section 56(2) (viia)

Where any property, being shares of a company in which public is substantially interested is received by a firm or a company (not being a company in which public is substantially interested on or after 1 June 2010):-

a) without consideration and the aggregate fair market value of such property exceeds Rs.50,000, or

b) for a consideration which is less than the aggregate fair market value of such property by at least Rs. 50,000,

then the difference between fair market value and consideration paid will be taxable as income from other sources.

However, as per the proviso, the above clause is not applicable to any such property received by way of a transaction not regarded as transfer under clause (via) or (vic) or (vicb) or (vid) or (vii) of Section 47.

3.5.3. Section 56(2)(viib)

With effect from April 1, 2012, where a company in which public are not substantially interested, receives, in any previous year, from any person being a resident, any consideration for issue of shares, which exceeds the face value of such shares, then the aggregate consideration received for such shares, as exceeds the fair market values of the shares as computed under the provisions of rule 11U and 11UA of the Income Tax Rules, 1962, will be taxable as income from other sources.

However the above provisions are not applied in case where the consideration for issue of shares is received.

a) by a venture undertaking from a venture capital company or a venture capital fund, or

b) by a company from a class or classes of persons as notified by central Government.

4. Benefits available to Non-resident shareholder (Other than Foreign Institutional Investors) under the Act

4.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after April 1, 2003) received from a domestic company is exempt in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

The Company, however, shall be liable to pay DDT on such dividends as discussed in para 2.2.1 above.

4.2. Computation of capital gains

4.2.1. Under Section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company are exempt from tax, where the transaction of sale is chargeable to STT.

4.2.2. Section 48 of the Act contains special provisions relating to computation of capital gains, in the hands of non-residents arising from transfer of shares of an Indian company which were purchased in foreign currency. Computation of capital gains has to be done by converting the cost of acquisition, expenditure incurred wholly and exclusively in connection with such transfer, and the full value of consideration into the same currency that was initially used to acquire such shares. The capital gain (i.e. sale proceeds less cost of acquisition) computed in the original foreign currency is then converted into Indian Rupees at the prevailing exchange rate. Non-resident shareholders are not entitled to indexation benefit (for a detailed discussion on indexation, refer para 2.4.3 above).

4.2.3. As per the provisions of Section 112 of the Act, long-term capital gains (as defined in para 2.4.1 above) [to the extent not exempt under Section 10(38) of the Act] would be subject to tax at a rate of 20% (plus applicable surcharge, education cess and secondary & higher education cess) and at the rate of 10% on long term capital gains arising from sale of unlisted securities without giving effect to the first and second proviso to section 48.

However, as per the proviso to Section 112(1) of the Act, if the tax on long-term capital gains resulting on transfer from listed securities or units or zero coupon bonds [to the extent not exempt under Section 10(38) of the Act], calculated at the rate of 20% (with indexation benefit) exceeds the tax on long-term gains computed at the rate of 10% (without indexation benefit), then such gains are chargeable to tax at a concessional rate of 10% (without indexation benefit) (plus applicable surcharge, education cess and secondary & higher education cess).

4.2.4. As per the provisions of Section 111A of the Act, short-term capital gains (as defined in para 2.4.1 above) on sale of equity shares, where the transaction of sale is chargeable to STT, shall be subject to tax at the rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess), in addition to the other requirements, as specified in the Section. Short-term capital gains arising from transfer of shares in a Company, other than those covered by Section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

4.3. Capital Gains- not subject to Income-Tax

4.3.1. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company would be exempt from tax if such capital gains is invested within 6 months after the date of such transfer in specified assets, being bonds issued by (to the extent permitted under prevalent laws):

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

The investment made in such bonds cannot exceed Rs. 5,000,000. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years

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

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

4.3.2. As per provision of Section 54F of the Act, long term capital gains (as defined in para 2.4.1 above) [not being long term capital gains covered under Section 10(38) of the Act] arising from transfer of the any capital asset (not being residential house property) held by an Individual or HUF will be exempt from tax, if net consideration is utilized, within a period of one year before or two years after the date of transfer, for purchase of a residential house, or for construction of a residential house within three years.

4.4. Special benefit available to Non-resident Indian shareholders

In addition to some of the general benefits available to non-resident shareholders, where equity shares of the Company have been subscribed by Non-Resident Indians ("**NRI**") i.e. an individual being a citizen of India or person of Indian origin who is not a resident, in convertible foreign exchange, they have the option of being governed by the provisions of Chapter XIIA of the Act, which *inter alia* entitles them to the following benefits:

4.4.1. In accordance with Section 115E of the Act, income from investment or income from long-term capital gains on transfer of assets other than specified asset (including shares of an Indian company) shall be taxable at the rate of 20% in the hands of a NRI. Income by way of long term capital gains in respect of a specified asset [as defined in Section 115C (f) of the Act], shall be chargeable to income-tax at 10%.

4.4.2. As per the provisions of Section 115G of the Act, NRIs are not required to file a return of income under Section 139(1) of the Act, if the income chargeable under the Act consists of only investment income or capital gains arising from the transfer of specified long term capital asset or both, and arises out of assets acquired, purchased or subscribed in convertible foreign exchange, and provided tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the Act.

4.4.3. As per the provision of Section 115H of the Act, where a person who is an NRI in any previous year, becomes assessable as resident in India in respect of total income of any subsequent year, the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income derived from any foreign exchange asset being an assets specified under sub clause (ii), (iii), (iv) or (v) of Section 115(C)(f) for that AY and for every subsequent AY until there is transfer or conversion of such asset. For this provision to apply, the NRI is required to file a declaration along with his return of income for the AY in which he becomes assessable as resident in India.

4.4.4. In accordance with Section 115I of the Act, where a NRI opts not to be governed by the provisions of Chapter XII-A for any AY, his total income for that AY (including income arising from investment in the company) will be computed and tax will be charged according to the other provisions of the Act.

4.5. Taxability as per DTAA

4.5.1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of Section 90(2) of the Act, the provision of the DTAA would prevail over the provisions of the Act to the extent they are more beneficial to the non-resident.

4.5.2. As per the amendment introduced by Finance Act, 2012, Section 90(4) has been inserted which provides that an assessee being a non-resident, shall not be entitled to claim any relief under Section 90(2) unless a certificate containing such particulars as may be prescribed, of his being a resident in any country outside India, is obtained by him from the government of that country or any specified territory.

In other words, the tax payers shall be entitled to be governed by the provisions of the DTAA only when they obtain a tax residency certificate (containing particulars as may be prescribed) from the Government of the country of residence of such non-resident tax payer.

5. Benefits available to Foreign Institutional Investors ("FIIs") under the Act

5.1. Dividends exempt under Section 10(34) of the Act

Under Section 10(34) of the Act, any income by way of dividends (declared, distributed or paid on or after April 1, 2003) received from a domestic company is exempt in the hands of the shareholders, if such dividends are subject to DDT under Section 115-O of the Act.

No deduction is permitted in respect of expenditure incurred in relation to earning of income which is not chargeable to tax e.g. dividends exempt under Section 10(34) of the Act. The expenditure relatable to "exempt income" needs to be determined in accordance with the provisions specified in Section 14A of the Act read with Rule 8D of the Rules.

5.2. Taxability of Capital Gains

5.2.1. As per the provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB) is taxable at the rate of 20%. No deduction is allowed from such income in respect of any expenditure or allowance or deduction under Chapter VI-A of the Act.

As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows;

Nature of income	*Rate of tax (%)*
Long term capital gain {Other than exempt U/s 10(38)}	10
Short term capital gain {Other than referred to in section 111A}	30

The above tax rates would be increased by the applicable surcharge, if tax payer is a foreign company whose total income under the Act exceeds rupees 10 million or 100 million, education cess and secondary & higher education cess.

5.2.2. The benefits of indexation provided by Section 48 of the Act (for discussion on indexation, refer para 2.4.3 above) and foreign currency fluctuation protection as of the Act are not available to an FII. According to Section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to STT shall be subject to tax at a rate of 15% (plus applicable surcharge, education cess and secondary & higher education cess) in addition to the other requirements, as specified in the Section.

5.3. Capital Gains- not subject to Income-Tax

5.3.1. Under Section 10(38) of the Act, long term capital gains (as defined in para 2.4.1 above) arising to a shareholder on transfer of equity shares in the Company are exempt from tax, where the sale transaction has been entered into on a recognized stock exchange of India and STT has been paid on the same.

5.3.2. Under Section 54EC of the Act and subject to the conditions specified therein, long-term capital gains arising on the transfer of equity shares of the Company would be exempt from tax if such capital gains is invested within 6 months after the date of such transfer in specified assets, being bonds issued by:

a) National Highway Authority of India constituted under Section 3 of The National Highway Authority of India Act, 1988;

b) Rural Electrification Corporation Limited, the Company formed and registered under the Companies Act, 1956.

The investment made in such bonds cannot exceed Rs. 5,000,000. If only part of the capital gain is so reinvested, the exemption available shall be in the same proportion as the cost of long term specified assets bears to the whole of the capital gain. However, in case the long term specified asset is transferred or converted into money within 3 years

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

As long term capital gains covered under Section 10(38) of the Act are exempt from tax, there is no requirement to invest under Section 54EC of the Act in such cases.

5.4. Income from Business Profits

Where the equity shares form a part of its stock-in-trade, any income realized in the disposition of the equity shares will be chargeable under the head "profit and gains of business or profession", taxable in accordance with the DTAAs between India and the country of tax residence of the FII read with the Act. The nature of the equity shares held by the FII is usually determined inter-alia on the basis of the substantial nature of the transactions, the manner of maintaining books of account, the magnitude of purchases and sales and the ratio between purchases and sales and the holding.

If the income realised from the disposition of equity shares is chargeable to tax in India under the head "Profits and gains of business or profession", as per Section 36(xv) of the Act, an amount equal to the STT paid by the tax payer in respect of the taxable securities transactions entered into in the course of his business during the previous year, is permitted as a deduction, if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession".

Business profits, if taxable in India, may be subject to tax at the rate of 30% (plus applicable surcharge, education cess and secondary & higher education cess).

5.5. Taxability as per DTAA

5.5.1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country in which the non-resident has fiscal domicile. As per the provisions of Section 90(2) of the Act, the provision of the Act would prevail over the provisions of the DTAA to the extent they are more beneficial to the non-resident.

5.5.2. As per the amendments introduced by the Finance Act, 2012, Section 90(4) has been inserted which provides that an assessee being a non-resident, shall not be entitled to claim any relief under Section 90(2) unless a certificate containing such particulars as may be prescribed, of his being a resident in any country outside India, is obtained by him from the government of that country or any specified territory.

6. Benefits available to Mutual Funds under the Act

As per the provisions of Section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or regulations made there under, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India would be exempt from income-tax, subject to the conditions as the Central Government may by notification in the Official Gazette specify in this behalf. However, the Mutual Funds shall be liable to pay tax on distributed income to unit holders under Section 115R of the Act.

7. Benefits available to Venture Capital Companies/Funds

7.1. Under Section 10(23FB) of the Act, any income of Venture Capital Companies/Funds (set up to raise funds for investment in venture capital undertaking) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. "Venture capital undertaking" means a venture capital undertaking referred to in the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 made under the Securities and Exchange Board of India Act, 1992.

7.2. As per Section 115U of the Act, any income accruing/arising/received by a person from his investment in venture capital companies/funds would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments been made directly in the venture capital undertaking.

7.3. Further, as per Section 115U(5) of the Act, the income accruing or arising to or received by the Venture Capital Company/Funds from investments made in a Venture Capital Undertaking if not paid or credited to a person (who has made investments in a Venture Capital Company/Fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.

8. DTAA Benefits

8.1. As per the provisions of Section 90(2) of the Act, an investor has an option to be governed by the provisions of the Act or the provisions of a DTAA that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

8.2. As per the amendments introduced by the Finance Act, 2012, Section 90(4) has been inserted which provides that an assessee being a non-resident, shall not be entitled to claim any relief under Section 90(2) unless a certificate containing such particulars as may be prescribed, of his being a resident in any country outside India, is obtained by him from the government of that country or any specified territory.

9. Benefits available under the Wealth-Tax Act, 1957

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

10. 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. However as per the provisions of Section 56(2)(viia) of the Act, a tax liability would arise where the shares of a company are gifted by any person(s) to a firm or a company in which the public is not substantially interested in the hands of such recipient of shares

11. Loss under the head "Capital Gains"

In general terms, loss arising from transfer of a capital asset in India can only be set off against capital gains. Long term capital loss arising on sale of equity shares not subjected to STT during a year is allowed to be set-off only against long term capital gains. A short term capital loss can be set off against capital gains whether short term or long term. To the extent that the loss is not absorbed in the year of transfer, it may be carried forward for a period of eight years immediately succeeding the year for which the loss was first determined and may be set off against the capital gains assessable for such subsequent years. In order to set off a capital loss as above, the investor (resident/non-resident) is required to file appropriate and timely income-tax returns in India.

Notes:

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

2. The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws presently in force in India as amended by the Finance Act, 2014. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws.

3. This Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

4. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the Double Taxation Avoidance Agreement, if any, between India and the country/specified territory (outside India) in which the non-resident has fiscal domicile.

5. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

6. The tax rates (including rates for tax deduction at source) mentioned in this Statement are applicable for AY 2015-16 and are exclusive of surcharge and education cess. Surcharge @ 5% and 10% is applicable in case of resident companies where total income under the Act exceeds Rs. 10 million and 100 million respectively. In case of foreign companies, surcharge @ 2% and 5% is applicable in case the total income exceeds Rs. 10 million and 100 million crore respectively.

7. We have not considered the provisions of Direct Tax Code Bill, 2010 for the purpose of this Statement.

For S.C. Varma and Co.
Chartered Accountants
Firm Regn. No:000533N

(S.C. Varma)
Partner M.No.11450

Place: New Delhi

Date: September 21, 2014

SECTION V: ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information in this section has been obtained or derived from CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014; Frost & Sullivan, Analysis of the North American Hydraulic Cylinders Market, March 2013; Frost & Sullivan, European Hydraulic Equipment Market for Industrial and Mobile Applications; Frost & Sullivan, Analysis of the Hydraulic Equipment Market in India, April 2013.

This information has not been prepared or independently verified by us or by any of our advisors, including the Lead Managers, and should not be relied on as if it had been so prepared or verified.

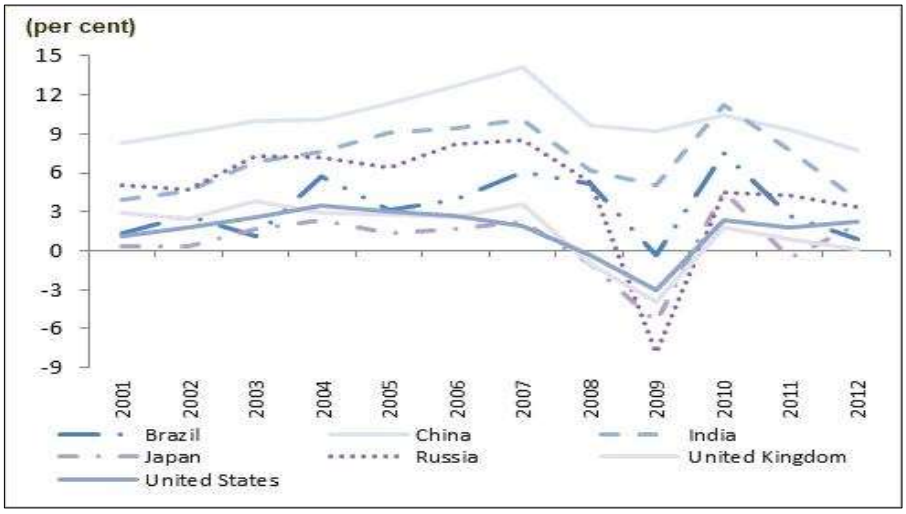
World Economy Overview

(Source: CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014)

The world is slowly, but steadily, recovering from the economic crisis that afflicted major developed and emerging market economies in 2012. The slowdown – which cut short the rebound in the global economy after the 2008 global financial crisis – was due in part to the contagion effects of the sovereign debt crisis in European nations such as Greece, Cyprus, Ireland, Spain and Portugal. However with the support provided by the European central bank, the risk of the sovereign debt crisis spreading to other European nations is estimated to have reduced significantly. According to the International Monetary Fund ("**IMF**"), the world's key economies are in better shape today than they were in 2012.

The U.S. is leading the way back to economic normalcy. In Europe, the IMF opines that an improvement in sentiment has encouraged GDP growth in France and Germany, while Italy and Spain are inching towards positive growth. IMF estimates also show that emerging markets still account for much of global growth, with their economies expected to expand nearly four times as fast in 2013 vis-à-vis advanced economies. The U.S. Federal Bank's potential withdrawal from quantitative easing remains a major downside for global financial markets; if not properly managed, it has the potential to wreak havoc on many economies and make their currencies vulnerable.

Growth in select economies from 2001 to 2012



(Source: World Economic Outlook Database (IMF), CRISIL Research)

U.S. Economy Overview

The U.S. has a diverse, dynamic and resilient economy, with high per capita income and GDP of approximately U.S.$ 16 trillion in 2012 and accounting for over one-fifth of nominal world output.

Following credit market dislocations and the global financial crisis of 2008, real US GDP growth turned negative (approximately -0.4% in 2008 and approximately -3.1% in 2009). Large problems in the housing, financial and automotive

sectors, combined with unusual turbulence in credit and equity markets, affected consumer and business confidence. The U.S. economy has recovered gradually since the last quarter of 2012 and is now leading the way back to economic normalcy. IMF forecasts for the U.S. economy show a gradual recovery with GDP growth projections of approximately 1.7% in 2013 and approximately 2.7% in 2014.

The U.S. is also enjoying a boom in domestic energy production primarily due to technological advances in exploration techniques. As a result of developments in shale gas production, total US natural gas production rose by 27% from 2005 to 2011 Continuation or acceleration of such trends could potentially support growth in investments and raise future U.S. growth rates and help its international competitiveness.

Agriculture accounted for approximately 1.2% of U.S. GDP in 2012, and its share has generally remained stable over the last decade. Agricultural output grew at approximately 1% between 2001 and 2011, primarily driven by increase in productivity through development of new technology. Due to scientific and technological progress, the US is one of the world's most productive agricultural economies. In 2011, the country's cereal yield was 6,818 kg per hectare, much higher than the world average of 3,708 kg per hectare, according to World Bank database.

Industrial activity accounted for approximately 19% of U.S. GDP in 2012, while the investments accounted for 16% of GDP in 2012. Going ahead, with expectation of gradual recovery in the real estate sector and tailwinds in domestic energy production (shale gas), the share of investments in GDP is expected to gradually increase. IMF projects total investments to grow at nearly 8 per cent over the next 5 years, which will increase the share of investment in GDP to about 20 per cent by 2017.

European Economy Overview

The European Union ("**EU**"), comprising 28 member states, had a GDP of approximately U.S.$ 16.5 trillion in 2012. The EU has contracted by approximately 0.1% in the past five years, with many nations in the region reeling under recessionary conditions. The economic crisis in 2008-2009 was characterized by a distinction between a strong and homogeneous core consisting mainly of Germany, France and the Netherlands, and a struggling periphery, mainly in Southern Europe.

The IMF opines that an improvement in sentiment has boosted GDP growth in France and Germany, whereas Italy and Spain are inching towards positive growth. However, a meaningful recovery from the recession in the Euro zone is not yet in sight. The IMF recently lowered its GDP forecast for the EU to approximately - 0.1% in 2013 and forecast a fragile recovery of approximately 1.2% in 2014. The main reasons for the weaker forecast are lower growth expectations in Germany this year and more pronounced recession in the Netherlands and Italy.

Agriculture accounts for approximately 1.5% of EU GDP. Agricultural cereal yields grew at 1.1% per year from 2001 to 2011 but the area under crop cultivation declined at a rate of around 1% per year, thereby limiting any significant growth in overall agricultural output.

The contribution of industry in the EU economy shrank to about approximately 25% in 2011, driven by the slowdown in manufacturing and construction, owing to the recession in the Euro zone. The investment to GDP ratio was only 17% in 2012 and has been steadily declining from about 21% in 2000 given the poor economic environment in European nations. Going ahead, with gradual improvement in the economic outlook and investment climate, IMF projects total investments in the European Union to grow at about 3% over the next 5 years

Indian Economy Overview

The U.S.$ 1.8 trillion Indian economy was the world's second fastest growing economy before the global financial crisis of 2008. India's GDP grew at an average rate of approximately 9.5% in the period 2005-2007, fuelled by growth-enhancing reforms, a structural uplift in savings and investments, rising affordability and consumption, and a thriving global economy.

However, due to the effects of the global financial crisis, GDP growth slowed to an average of approximately 5.6% during 2008 and 2009. To encourage growth, the government provided a stimulus package, which resulted in a brief revival in 2010 (GDP grew by approximately 11.2%), before another reversal in growth. The Indian economy grew at a decade low of approximately 4.7% in 2013.

There is an uptick in growth in the third quarter of 2013 (GDP grew at an estimated 4.8%) led by a mild upturn in industry and a sharp pick-up in agriculture. Industry growth rose to an estimated 2.4% during this quarter (compared to an estimated 0.2% in the preceding quarter). The revival in industry was driven by improvement in the core sectors – mining, utilities and construction. Manufacturing showed signs of recovery, registering approximately 1% growth in this quarter (compared to over approximately 1% decline in the preceding quarter), boosted by strong exports and a marginal pick-up in domestic consumption. Growth was expected to be higher in the second half of 2013, boosted by a pick-up in consumption growth due to above-normal monsoons and strong growth in exports.

Consequently, India's overall GDP was expected to grow at approximately 5.8% in 2014, with revival in industries and improvement in the investment environment.

India's overall GDP is expected to grow at an average rate of approximately 6.5% over 2014-2015 to 2018-2019 (despite lower than average growth of approximately 7% during 2008-2009 to 2012-2013).

India's economy has undergone a structural change; from being a traditional agrarian economy, it has become a service dominated one, with the share of agriculture in GDP being approximately 16% in 2011. However, over half the total work force in India is still reliant on the agricultural sector.

Agricultural growth remains vulnerable to the vagaries of the monsoons. Further, there has been continuous fragmentation in land holdings and a relatively low cereal crop yield (relative to the world average). Therefore, there is potential to improve crop productivity as well as farm mechanization in India. The Planning Commission has set a target of 4% annual growth for agriculture.

India's growth scenario is expected to be shaped by the industrial sector, having approximately 27% share in overall GDP. To encourage growth, the Planning Commission shifted its focus towards development of infrastructure; as a percentage of GDP, investment in infrastructure rose from approximately 6% in 2006-2007 to approximately 8% in 2011-2012. Industrial growth is currently weak due to dampened domestic consumption, a subdued investment climate, limited fiscal power to spur growth and slow progress on the reforms agenda.

Rising demand for infrastructure is fuelling an increase in construction activity. Total construction expenditure (in industrial and infrastructure projects) is expected to grow 1.7 times to Rs. 18.3 trillion over the period 2012-2013 to 2016-2017. Construction spend is expected to be propelled by infrastructure projects (approximately 86% share). Infrastructure is expected to grow at approximately 12% compound annual growth rate ("**CAGR**") over the next five years, led by higher investments in roads, urban infrastructure, and irrigation and power projects – all key thrust areas for the government.

3-Point Linkage (3PL) Market

(Source: CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014)

A 3PL system consists of a group of different assemblies that are linked to a tractor and is used to attach various implements to the tractor. A 3PL system allows attaching an implement like a plough to a tractor at three coupling points (resembling a triangle or the letter A), so that the orientation of the implement is fixed with respect to the tractor.

3PLs are composed of three movable arms. The two lower arms – called the lower links or draft links – are controlled by a hydraulic system (controlled by the operator, and for which there is usually a variety of settings available), and provide lifting, lowering and tilting capabilities to the implement. The upper centre arm – called the top link – acts as a connecting rod and is not powered by the tractor's hydraulic system. Each arm has an attachment device to connect the implements to the hitch.

While 3PL was standardized following a global industry-wide agreement among tractor and implement manufacturers in the 1960s, the design features of a 3PL system are highly dependent on the market that the 3PL is intended to service. Design features can be classified as follows:

- Standard (basic design with simple joints, used on lower horsepower tractors and in the economy segment).

- Telescopic (the top link is usually a standard design, with basic ball joints at the implement end, while the lower links have a device allowing the slip end to be disengaged and joined, by having the tractor positioned in a certain proximity to the implement – instead of having standard ball joints at the implement end).

- Quick coupler (the lower links are equipped with a claw, allowing the operator to connect or disconnect an implement from his seat – this has significant advantages with regard to safety and comfort, particularly considering the size and weight of implements connected to a tractor).

- Frame coupler (this is a version of a quick coupler, using an A-frame or single piece joining the tractor with the implement – this is primarily a North American specification, with limited relevance globally).

Global 3PL Market

The size of the global 3PL market in 2012 was estimated at U.S.$ 335 million (grew at a CAGR of around 2% during 2008-12). The market is expected to grow to U.S. $ 374 million in 2015 (at a CAGR of 3.7% for the 3 year period 2012-2015), buoyed by robust growth in tractor production volumes in China and India and steady growth in North America.

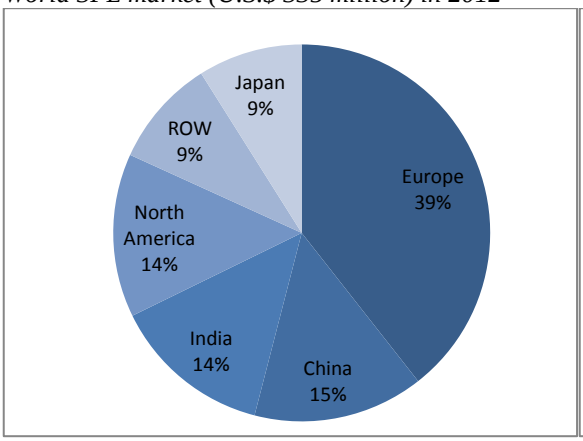
In 2012 Europe accounted for approximately 39% of the global 3PL market, followed by China (approximately 15%), North America and India (each at approximately 14%), and the rest of the world and Japan (each at 9%).

In 2015 it is estimated that Europe will account for approximately 35% of the global 3PL market, followed by India (approximately 17%), China (approximately 16%), North America (approximately 14%), rest of the world (approximately 10%) and Japan (approximately 8%). India is expected to be the fastest growing market over the period 2012-2015 followed by China.

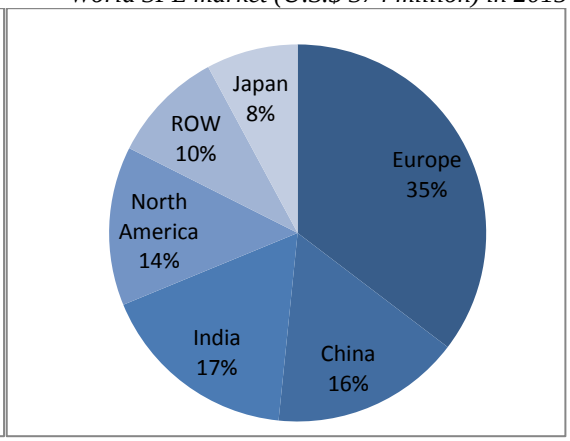
The major driver of 3PL demand is tractors, which is, in turn, a function of agriculture growth. Higher agriculture growth boosts farm incomes, resulting in higher tractor sales. Each tractor requires one 3PL to attach implements to the tractor, hence demand for 3PL is directly linked to demand for tractors. Tractor production in India grew at a CAGR of 14.2% from 2008-12 and estimated to grow at a CAGR of 10.3% from 2012-15. In 2015, nearly 41 per cent of the global production of tractors is expected to be in India.

Approximately two-thirds of the global 3PL market in 2012 was estimated to represent the >60 horsepower tractor segment, with approximately one-third representing the <60 horsepower segment (due to the relatively lower price of 3PLs in lower horsepower tractors). The size of the global 3PL market is estimated to have grown at a CAGR of approximately 2% during the period 2008-2012.

World 3PL market (U.S.$ 335 million) in 2012



World 3PL market (U.S.$ 374 million) in 2015



(Source: Industry reports, CRISIL Research)

Global Tractor Production

Tractors represent the largest segment of the global agricultural equipment market. Hence, a major driver of 3PL demand is tractors.

In 2012, global tractor production was 1.6 million units, with India in the clear lead, accounting for approximately 36%, followed by China (approximately 23%), Europe (approximately 14%), Japan (approximately 10%), North America (approximately 9%) and the rest of the world. Although India and China together have a share of almost 59% of global tractor production, their share in global 3PL demand, in value terms, is relatively lower at approximately 29%, primarily due to higher ratio of lower horsepower tractors in total production and lower per assembly price of 3PL in these regions.

Approximately 70% of global tractor demand (estimated at 1.6 million units in 2012) is contributed by the <60 horsepower segment, which is driven primarily by India, China, Japan, and other developing economies, while the remaining >60 horsepower segment is driven primarily by Europe and North America. However, only approximately one-third of demand in the global 3PL market (estimated at U.S.$ 335 million in 2012) is estimated to come from the <60 horsepower segment, due to the relatively lower price of 3PL in lower horsepower tractors, while the remaining two-thirds of demand in the global 3PL market are estimated to come from the >60 horsepower segment.

North America alone, being one of the most mature tractor markets, is estimated to contribute approximately 9% of global tractor demand in 2012 and approximately 14% of global 3PL demand in 2012; by 2015, its share of global tractor demand is expected to fall to approximately 8% and that of global 3PL demand is expected to remain at approximately 14%.

The long-term outlook for the global tractor market is positively guided by strong population and economic growth and increase in demand for food in developing countries. In the future, demand for tractors is expected to grow steadily, fuelled by increasing mechanization of agriculture in most economies. During the three-year period 2012-2015, tractor demand from North America and Europe (the two most important 3PL markets, together contributing nearly half of global demand in terms of value) is expected to grow at a marginal CAGR of approximately 1%. This would reflect a moderate or flat expected growth in mature markets such as North America, Europe and Japan, while, in contrast, tractor demand is expected to witness significant growth in the BRIC nations (Brazil, Russia, India and China) during the same period, due to an expected increase in farming activities.

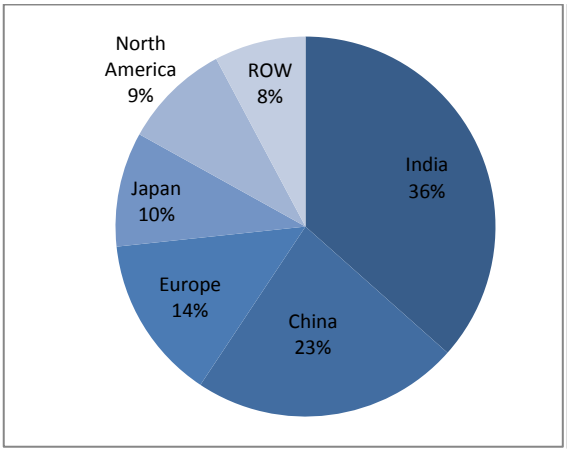
Other important demand drivers expected to continue to support the global tractor market, going forward, include the following:

- Increase in engine power in all regions; in particular, the price per unit is expected to increase and the market is expected to expand in value terms in North America and EU.
- Scarcity of labor.
- Increasing demand for productivity improvement.
- Credit availability.
- Subsidies offered by governments towards farm mechanization.
- Season and weather conditions, which influence demand patterns in the farm tractors market and can cause short-term cyclicalities overlaying growth.

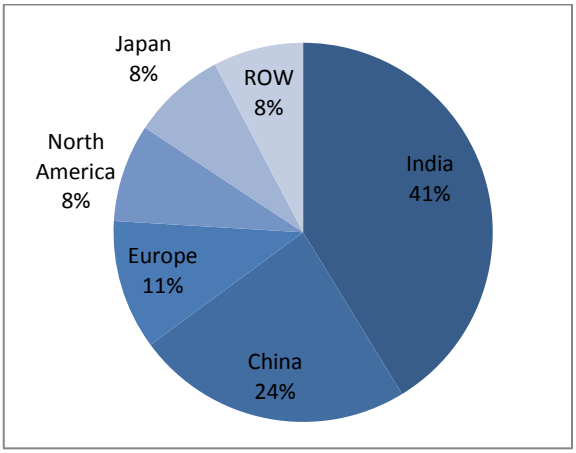
Global tractor production in 2015 is estimated at 1.96 million units, with India maintaining its lead at approximately 41%, followed by China (approximately 24%)), Europe (approximately 11%), North America, Japan and the rest of the world (approximately 8% each).

During the three-year period 2012-2015, global tractor production is expected to grow at a CAGR of approximately 6.5%, with India registering the highest CAGR (approximately 10.3%), followed by China, the rest of the world, North America (approximately 3.4%), Japan, and Europe (with flat to marginal degrowth).

World tractor production: 1.6 million units in 2012



World tractor production: 1.96 million units in 2015



(Source: Industry reports, CRISIL Research)

North American 3PL Market

North America is one of the largest agricultural equipment markets in the world in value terms. This market is generally considered mature, with recent years seeing a rise in agricultural equipment sales due to strong income generation, favourable tax incentives, large farms dominating crop production, and high production of capital-intensive crops such as corn (fuelled by increased demand for ethanol), soybean and wheat. The demand for 3PL (seen in terms of North America's 3PL market value) grew to approximately U.S.$ 47 million in 2012, at a CAGR of approximately 5% in the four-year period 2008-2012.

Demand for 3PL (seen in terms of North America's 3PL market value) is estimated to grow to approximately U.S.$ 53 million, at a CAGR of almost 4% in the three-year period 2012-2015.

North American 3PL market value (in U.S.$ million)

North American agricultural equipment market

North America is one of the largest agricultural equipment markets in the world in value terms, with the U.S. being the largest manufacturer (followed by Canada and Mexico), driving output in the region. During the four-year period 2008-2012, driven by strong demand, tractor production increased at a CAGR of approximately 2%, mainly in the >100 horsepower segment (production of >100 horsepower tractors increased at a CAGR of approximately 19% during the period 2008-2012).

In North America, tractors are a mix of lower and higher horsepower categories, mainly dominated by two-wheel drive (2WD) tractors. In 2012, half the tractors sold were in the <40 horsepower segment, with tractors in the >100 horsepower contributing approximately 18% of the North American tractor sales market.

In North America, farm consolidation is largely complete (with the average U.S. farm size having remained stagnant at approximately 230 acres since 1990) with large farms accounting for approximately 85% of total production, and little additional land is expected to be accessed for additional crop production. Improved efficiency (due to technological developments, such as larger and faster equipment) combined with economies of scale have resulted in large farms generating superior profits and returns on investment, as compared with smaller farms.

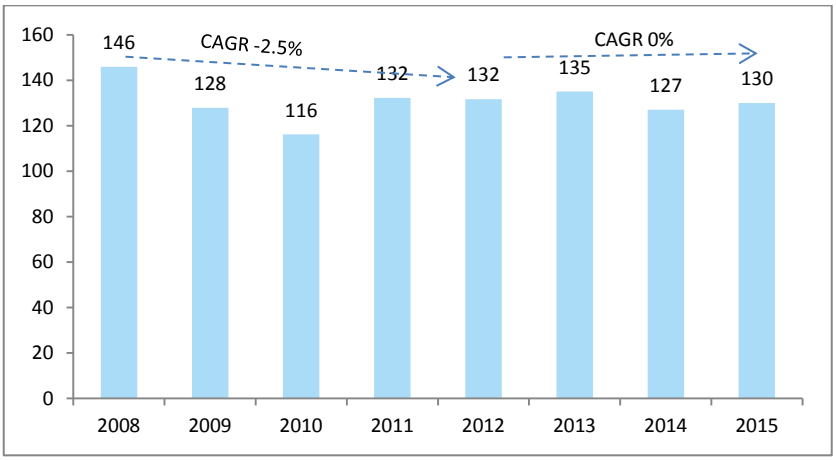
In coming years, while tractor demand is expected to continue to grow, the increasing requirement to achieve scale advantages and operating efficiencies may limit demand for tractors in North America to few segments of the market, especially to the higher horsepower segment.

By 2015, overall tractor production in North America is expected to increase to approximately 0.16 million units, at a CAGR of approximately 3.4%. In the three-year period 2012-2015, while tractor sales are also expected to be advanced due to the introduction of tier 4-engines.

European 3PL Market

The European 3PL market is estimated at U.S.$ 132 million in 2012, having declined at a CAGR of approximately - 2.5% in the four-year period 2008-2012.

The European 3PL market is estimated at U.S.$ 130 million in 2015.*European 3PL market value (in U.S.$ million)*



(Source: Industry reports, CRISIL Research)

European agricultural equipment market

The European agricultural equipment is also generally considered mature, with generally stable demand. Despite the European agricultural sector being supported by government subsidies and better income generation, which have helped support agricultural equipment production in the region, European tractor production in the four-year period 2008-2012 registered a marginal decline of 2.5%.

The European agricultural sector is presently dominated by livestock rather than crop production, as well as being characterized by smaller farm sizes and a more diversified crop pattern as compared to North America (which partially explains the difference in equipment demand between the North American and European markets).

Government measures are expected to drive agricultural and farm efficiency (including agricultural subsidies under the EU's Common Agricultural Policy and the EU's bio fuel policies, which are expected to increase crop prices and farm receipts as well as tractor demand). Consequently, it is expected that the European agricultural sector would see increased mechanization and consolidation in land holdings in coming years.

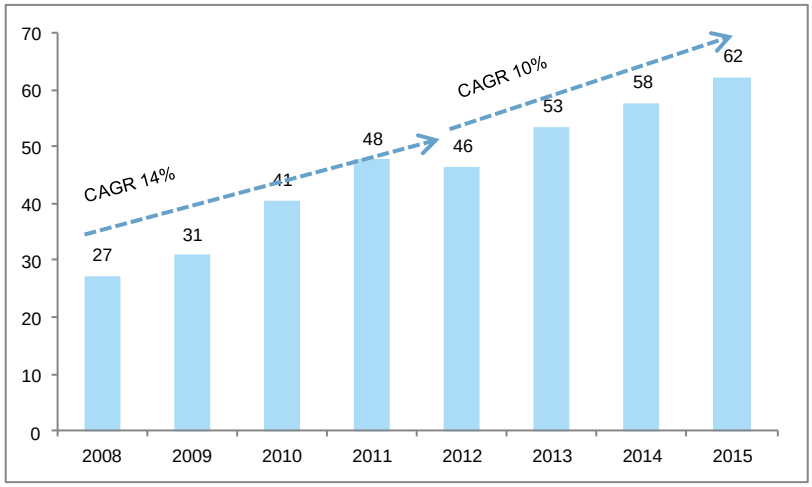
The European agricultural equipment machinery market is estimated to have grown at approximately 2-3% in 2013. Between 2012 and 2015, overall tractor production in Europe is expected to remain generally stable. However, the value of tractors

produced and sold in Europe is expected to rise and the market is expected to grow in value terms over the long term, due to an expected increase in average power and technology deployed.

Indian 3PL market

Comparatively young by world standards, the Indian tractor market has expanded at a spectacular pace. In the past, the market was dominated by mid-sized tractors with an engine capacity of 30-40 HP. In recent years, it has diversified, which is evident in the rising demand for both bigger (over 50 HP) and smaller (below 20 HP) tractors. In the three-year period 2012-2015, the size of India's 3PL market is expected to grow at a CAGR of approximately 10% (compared to a CAGR of approximately 14% for the five-year period 2008-2012).

Indian 3PL market value (in U.S.$ million)



(Source: Industry reports, CRISIL Research)

Indian agricultural equipment market

Key features of the Indian agricultural equipment market include the following:

- Irrigation and monsoons play a key role.
- Small landholdings limit mechanization advantages.
- Credit availability is on the rise.
- Minimum support price for foodgrains.
- Cropping patterns.
- Increase in cash crop production.
- Growing need for greater precision in farm operations.
- Upgradation by farmers to allow mechanization.
- Significant demand being generated by haulage and construction
- Rising farm incomes

In the three-year period 2012-2015, India's tractor supply is expected to grow at a CAGR of approximately 10%, which is expected to encourage demand for 3PL. This growth is expected to be driven by increased mechanization in India's agricultural sector.

PMP Market

(Source: CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014)

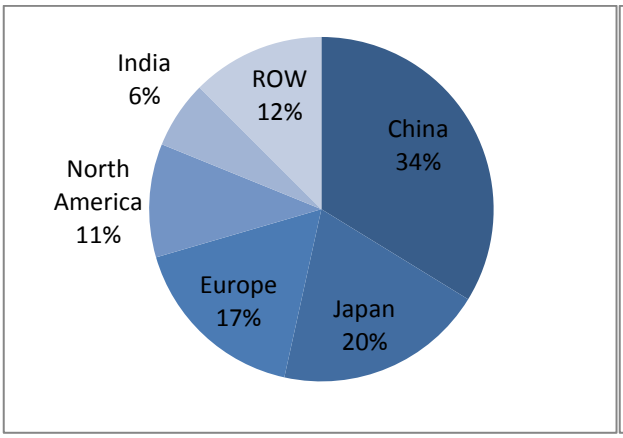
PMP is a group of components requiring stringent material and manufacturing specifications and controls, including pin, bushes and bosses used in articulated joints across construction, forestry and mining equipment segments.

Global PMP Market

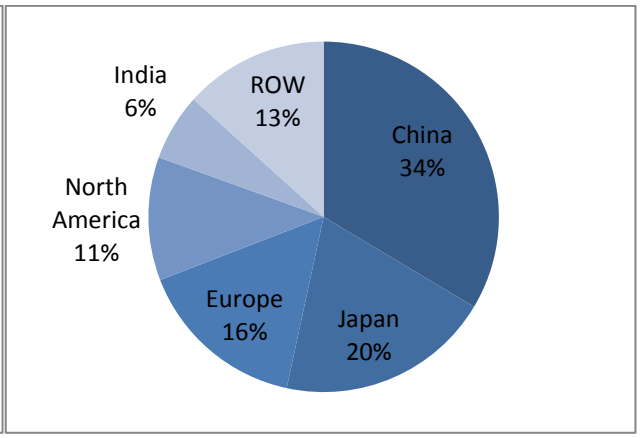
The size of the global PMP market for articulated joints for the Construction, Farming and Mining sectors (CFM) was estimated at U.S.$ 624 million in 2012, with approximately 54% of the demand coming from Japan, Europe, North America and India, which is expected to remain largely unchanged in 2015.

The global market for PMP for articulated joints is expected to grow at approximately 5.3% CAGR in the three-year period 2012-2015 (compared to approximately - 1.9% in the five-year period 2007-2012) with the North American, European and Indian production registering CAGR of approximately 7.6%, 2.6% and 4.4%, respectively, in the three year period 2012-2015 (compared to approximately - 7.4%, - 8% and 7%, respectively, in the five-year period 2007-2012). This growth in construction equipment production and the revival of the global declining trend that was seen during 2007-2012 (primarily due to the global financial crisis in 2008-2009) is fuelled primarily by increase in urbanization and construction spending, especially on infrastructure projects.

Worldwide PMP Market (U.S.$ 624 million) in 2012

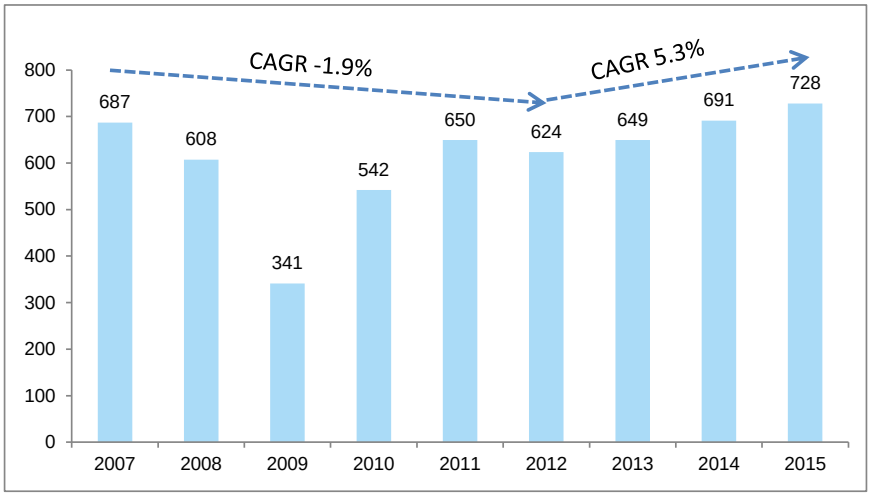


Worldwide PMP Market (U.S.$ 728 million) in 2015



(Source: Industry reports, CRISIL Research)

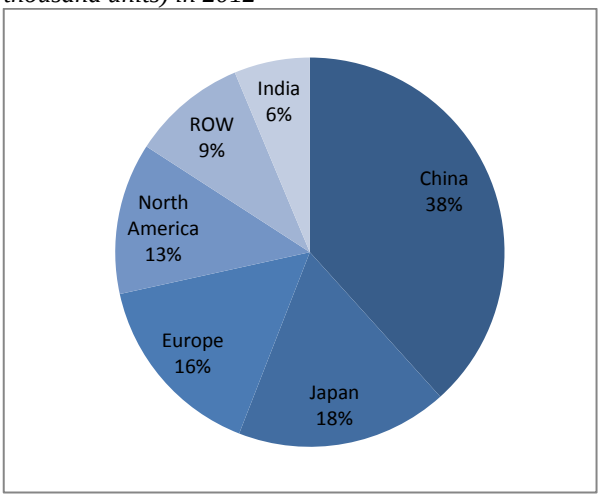
PMP for Articulated Joints - Market Value (in U.S.$ million)



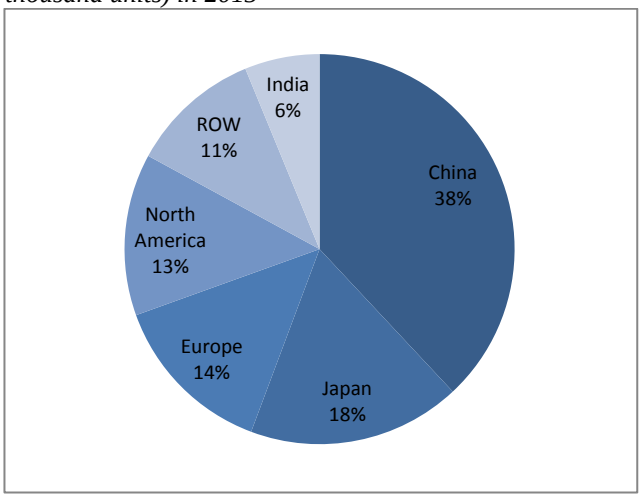
(Source: Industry reports, CRISIL Research)

The construction equipment industry is the major user of PMP for articulated joints, accounting for approximately 97% of total demand, followed by forestry equipment (approximately 3%).

Worldwide construction equipment market (985 thousand units) in 2012



Worldwide construction equipment market (1,151 thousand units) in 2015



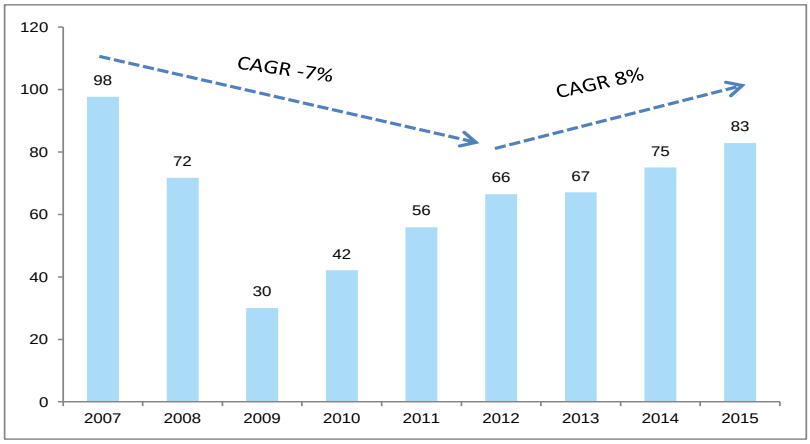
(Source: Industry reports, CRISIL Research)

North American PMP Market

North America is the second largest manufacturer of construction equipment after Asia in terms of production value. North America contributed approximately 11% of the global market demand for PMP for articulated joints (at approximately U.S.$ 66 million in 2012)and is expected to register a CAGR of approximately 7.6% in the three year period 2012-2015 (compared to approximately -7.4% CAGR in the five-year period 2007-2012), driving expansion in the global market.

This growth is expected primarily due to increased construction spending and strong growth in the residential housing sector, buoyant exports due to step up in demand in the emerging economies, along with a boom in the mining sector and step-up in infrastructure investment.

North American PMP market value (in U.S.$ million)

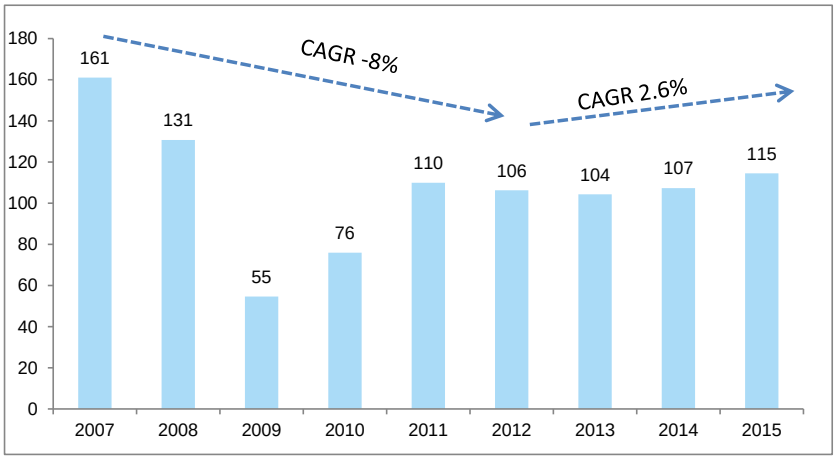


(Source: Industry reports, CRISIL Research)

European PMP Market

Europe is the third largest consumer of PMP (at approximately USD 106 million in size in 2012) for articulated joints in the global market, contributing approximately 17% of the total PMP for articulated joints demand in the global market, is expected to register a CAGR of approximately 2.6% in the three year period 2012-2015 (compared to approximately -8% CAGR in the five-year period 2007-2012).

European PMP market value (in U.S.$ million)



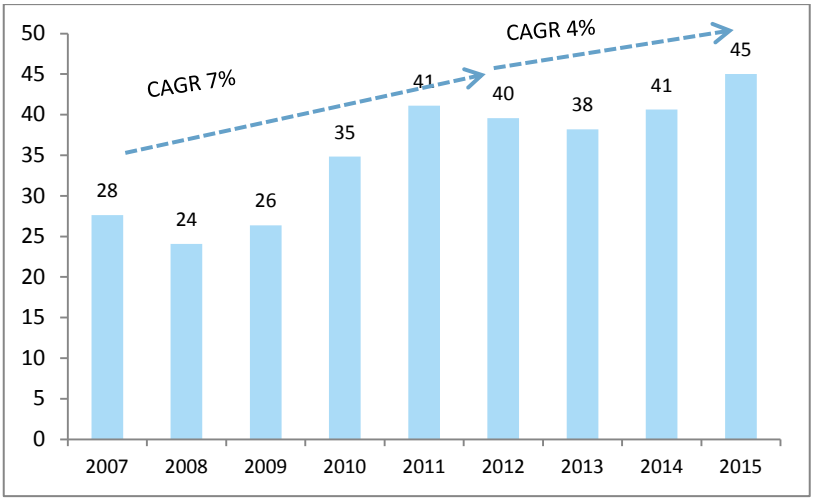
(Source: Industry reports, CRISIL Research)

Indian PMP Market

India, contributing approximately 6% of the total PMP for articulated joints demand in the global market (at approximately U.S.$ 40 million in 2012), is expected to grow at a CAGR of approximately 4.4% in the three-year period 2012-2015 (compared to a CAGR of approximately 7% in the five-year period 2007-2012), despite a decline in 2013 due to a fall in investment in infrastructure projects.

Spending on infrastructure development, combined with development in the industrial and mining sectors, is expected to generate large-scale demand for construction equipment from India.

Indian PMP market value (in U.S.$ million)



(Source: Industry reports, CRISIL Research)

Global Construction Equipment Production

(Source: CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014)

Construction equipment is mechanized equipment designed to perform operations such as excavating, building roads, drilling, pile-driving, reinforcement, and machinery for carrying out preparatory work. It includes equipment such as telescopic handlers, wheel loaders, crawler excavators, backhoe loaders, asphalt finishers, articulated dump trucks, crawler dozers, mini excavators, motor graders, rigid mast handlers, rigid dump trucks, skid steers, wheel excavators.

The overall global demand for construction equipment is expected to be fuelled primarily by growing urbanization and spending on infrastructure and mining. In North America, demand for construction equipment is expected to grow at a healthy pace, driven by gradual recovery in the housing sector, increase in infrastructure investments and growth in exports. In Europe, domestic demand is expected to slow down, but offset to a certain extent by higher export.

In volume terms, while China is expected to remain the largest producer of construction equipment in 2015 (with Japan a distant second), North America is expected to improve its share in total construction equipment production in the three-year period 2012-2015, while China and Japan's combined share is expected to remain largely stable. In contrast, in the five-year period 2007-2012, volume growth shrank abruptly in North America, Europe and Japan, and the key drivers of growth were in China and India.

North American Construction Equipment Production

North America (in this context, including the U.S., Canada and Mexico) is the second largest manufacturer of construction equipment, in terms of production value.

North America is also the third largest market for construction equipment production worldwide, after Asia and Europe, in terms of volume of sales.

North America's construction machinery industry is a concentrated market. In terms of 2012 sales, the top three players (Caterpillar, John Deere and Komatsu) accounted for over 60% of the market.

The key drivers in construction equipment production in North America include the following:

- Strong growth in residential housing sector
- Buoyant exports due to growing demand in emerging markets (including Russia and China)
- Step-up in infrastructure investment

- Competition from imports (mainly from South Korea, Germany, Italy, Japan and France)

- Rise in popularity of equipment on rent

In the three-year period 2012-2015, US construction spending is expected to grow at a CAGR of approximately 8% (from USD 849 billion in 2012 to USD 1,068 billion in 2015); consequently, North America's construction equipment production is expected to grow at a CAGR of approximately 7.7% and production value is expected to grow at a CAGR of approximately 6.3% during the same period. In North America, demand for construction equipment is expected to be driven primarily by a recovery in the housing sector, increase in infrastructure investment and export growth. In volume terms, North America is expected to improve its share in total construction equipment production in the three-year period 2012-2015 (as compared to Japan and China, whose combined share is expected to remain stable).

European Construction Equipment Production

Construction equipment accounts for approximately 20% of Europe's machinery industry, by value. Europe's construction machinery industry is a concentrated market. The top five players (Caterpillar, Volvo, CNH, Komatsu and Terex) account for over 60% of the market, with Caterpillar and Volvo each commanding almost one-fifth of the market.

The key challenges in construction equipment production in Europe include: continued volatility due to the debt crisis; Germany, Europe's largest economy, is expected to continue to register weak demand for construction equipment; the debt crisis has affected the construction sector in Italy and Spain more than in other EU economies, as these two economies have been more vulnerable to recession; the Euro crisis has led to volatility in the housing and construction markets, primarily due to the high public debt held by most governments and the implementation of austerity measures limiting investments in infrastructure projects; and investments in the construction sector have declined and new residential as well as non-residential construction have correspondingly reduced.

A slew of austerity programmes by various European governments, coupled with the general lack of new road projects in most countries in the region is expected to keep demand sluggish in the coming years. In this scenario, near-term growth in the construction machinery industry is expected to be driven by replacement investments. However, large-scale replacement is not expected as the equipment fleet is young; so growth is expected to be low, especially in Central and Eastern European countries. The European market is expected to achieve a CAGR of approximately 1.1% in production volumes over the three-year period 2012-2015. Over the same period, production value is expected to remain stable in the region of U.S.$ 32 billion.

Indian Construction Equipment Production

India's construction equipment industry is mainly driven by earth moving equipment ("**EME**"), which accounts for approximately 70% of the market. EME is mainly used in infrastructure development, road and industrial construction, and demand is driven by investment in construction activities. On the other hand, the market for material handling equipment is largely dependent on manufacturing activity.

India's EME industry is fairly concentrated, with the top three players accounting for over 70% in each of the major product categories. These players have maintained their market share despite rising competition, and these market shares are expected to remain fairly stable over the next two to three years.

After growing at a robust pace in the last few years, the EME industry shrank by approximately 13% in 2012. Slowdown in investments (due to weak demand) coupled with delays in execution of infrastructure projects (owing to land acquisition and clearance issues) hampered new equipment sales. Contractors accounting for approximately 40-45% of demand postponed purchases since rentals dropped due to lower demand. The weak demand scenario was reflected in revenues of key players such as JCB and L&T Komatsu, which declined by approximately 14% in 2012-2013.

Fixed capital investment of Rs. 6-8 billion (U.S.$ 112 million) is expected in the Indian EME industry over 2012-2015. Investments are expected primarily from global players looking at growth opportunities in India. Among existing players, JCB India is the only significant player with expansion plans.

Investments in infrastructure are expected to revive in 2014-2015, particularly in sectors such as roads and urban infrastructure, leading to rise in demand from 2014 onwards. The overall EME industry is expected to grow at a moderate

pace of approximately 6-8% from 2012 to 2015. The overall construction market in India is expected to increase at a CAGR of approximately 7% from U.S.$ 2.9 billion in 2012 to U.S.$ 3.6 billion in 2015, surpassing the previous growth rate of approximately 3% during the five-year period 2007-2012. The overall CAGR for unit production is expected to be approximately 5% during the three-year period 2012-2015.

Global Forestry Equipment Production

(Source: CRISIL Research, Global Precision Machine Parts and 3-Point Linkage Industry, April 2014)

Forestry equipment is mechanized equipment designed to perform operations in forest areas. It includes equipment such as forwarders, feller bunchers, skidders, crawler harvesters, crawler skidders, cranes, and log loaders. Forestry equipment accounts for 3% of global PMP demand.

Global production growth in forestry equipment is expected to grow at a robust 12% in the three-year period 2012-2015, driven largely by demand growth in Europe and North America.

North American Forestry Equipment Production

Production growth in forestry machinery products in North America is expected to grow at approximately 3% CAGR in the three-year period 2012-2015.

North America's forestry machinery industry is a concentrated market. John Deere and Caterpillar are some of the leading producers of forestry machinery in North America.

Forestry machinery demand is linked to demand from downstream sectors such as residential construction, remodeling activity and paper manufacturing. Demand conditions for the logging industry, major driver for forestry equipments, are expected to continue to improve through 2015.

European Forestry Equipment Production

Europe is one of the major producers of forestry equipment, with market size of U.S.$ 1.5 billion in 2012.

Demand is expected to grow in coming years due to replacement and new demand. The housing sector, one of the key end-users of logging services, is expected to recover in some of the key European markets of Germany, UK and Belgium. In Europe, production of forestry equipment is expected to grow at a robust 12% CAGR in the three-year period 2012-2015.

Hydraulic Cylinders Market

Hydraulic cylinders are part of a wider range of Hydraulic components which include pumps and motors, valves, power packs and accessories (including filters and accumulators).

A hydraulic cylinder is a mechanical actuator that is used to give force in a single direction through a unidirectional stroke. These cylinders are instruments which transform the pressure of flowing fluid in a linear motion, and rotary actuators convert the energy in the pressurized fluid into the turning motion of a shaft, producing uniform torque throughout the rotation arcs.

There are two types of hydraulic cylinders, single acting and double acting.

- Single acting: The force of gravity on the load or the spring brings that piston back to position.
- Double acting: Fluid is piped to the two ends of a piston.

North American Hydraulic Cylinders Market

(Source: Frost & Sullivan, Analysis of the North American Hydraulic Cylinders Market, March 2013.)

The North American hydraulic cylinders market (which, in this context, includes the U.S. and Canada) accounted for revenue of U.S.$ 1,482.2 million in 2012 and is expected to grow at a CAGR of 5.6% to U.S. $ 2,056.1 million by 2018.

In terms of percentage sales, the majority of end-uses in this market were in mobile applications (approximately 69%), including construction, material handling, oil and gas, mining, aerospace, agriculture and farming and others, with the remainder being in industrial applications (approximately 31%), including machine tools, hydraulic presses, automotives, food and beverage, entertainment and simulators, plastics and plastic injection molding, waste and wastewater, renewable energy and special industrial uses.

Distributors are one of the largest distribution channels for this market (accounting for approximately 56%), followed by OEMs (approximately 30%) and direct sales by manufacturers (approximately 14%).

The average product development time in this market is two years, with approximately 0.8 million units being sold in this market during 2011, while the average period of unit replacement in this market is three years.

This market is considered mature, with significant market concentration (with approximately 73.9% market share being held by the top three companies in 2011) and appreciable customer price sensitivity. Quality, delivery time, price, services, product performance and technical expertise are seen as the key competitive factors in this market.

During the recession in 2009, the hydraulic cylinders market registered a near 12% drop in 2009. Due to pent up demand, the recovery in 2010 was significant, registering a growth of 8.5%.

The key drivers in the North American hydraulic cylinders market include the following:

- Demand for integrated assemblies and specialized cylinders is expected to encourage demand for hydraulic cylinders in the North American market.

- Incremental demand for hydraulic cylinders is expected in aerospace, as well as construction, oil and gas and renewable energy applications.

- Economic growth in North America after the recession is expected to encourage demand for hydraulic cylinders.

- The North American retrofit and replacement markets are expected to register increased activity.

The key challenges for the North American hydraulic cylinders market include the following:

- Infrastructural limitations (including in terms of high energy prices and investment being required in alternative sources of energy).

- Competition from overseas participants, with low cost imports (particularly from the Asia Pacific region) affecting domestic participants.

- Integrated assemblies as well as reliability and availability (in terms of distribution channels and replacement parts) continue to pose a challenge for smaller companies.

European Hydraulic Cylinder Market

(Source: Frost & Sullivan, European Hydraulic Equipment Market for Industrial and Mobile Applications.)

The European hydraulic cylinder market accounted for revenue of U.S.$ 1,751 million in 2011.

The hydraulic cylinders' market growth rate decreased to 3.2 per cent in 2009 because of the adverse impact of the global recession in 2008. However, the market recovered to grow 5.5 per cent and 8.6 per cent in 2010 and 2011, respectively. The recovery of the hydraulic cylinders market was due to the increasing demand for advanced off-road mobile equipment containing advanced hydraulic cylinders. In addition, the low transportation costs and trade barriers for hydraulic cylinder products also assisted in the recovery from the 2008 recession.

In 2012 and 2013, the growth rate is expected to decline to 5.1 and 4.7 per cent, respectively, due to the impact of the European debt crisis that is likely to result in a liquidity crunch for the market participants. In addition, the growth of alternative technologies such as electric drives are likely to reduce growth rates. However, the growth rate is expected to increase to 5.1 per cent in 2014, due to the expected moderate economic recovery and the increase in the growth of more than 5.0 per cent by end user industries such as the agricultural machinery, material handling, and construction machinery industries.

In 2016, revenue is projected to increase and account for $2,257.5 million with a CAGR of 5.2 per cent with likely integration of electronics with hydraulic cylinders. An example could be the incorporation of sensor feedback and electro-hydraulic servo valve that has enabled sophisticated speed and position control of loads in several applications such as machine tools and material handling equipment. Customers are likely to prefer such integrated hydraulic cylinder products due to their multiple functions and their user-friendly experience.

OEMs are one of the largest distribution channels for this market (accounting for approximately 80%), followed by distributors (approximately 15%) and direct sales by manufacturers (approximately 5%).

This market is considered mature, with significant market concentration (with approximately 58.1% of market share being held by the top three companies in 2011) and significant customer price sensitivity. The average product development time in this market is 2.6 years.

The key drivers, which are expected to boost demand in this market, include the following:

- Multiple utility and streamlined customer service.
- Improvements in reliability and efficiency.
- Growth of retrofit market.
- Product integration with electronics, which is expected to increase adoption in new end-use applications.

The key challenges that market participants face include the following:

- Impact of the European debt crisis is expected to reduce investment and growth in the European hydraulic equipment market.
- Competition from low-cost Asian manufacturers is expected to lead to a reduction in product prices.
- Investing in R&D to create innovative products in a mature market will be required for market participants to gain and sustain market share.

Indian Hydraulic Cylinders Market

(Source: Frost & Sullivan, Analysis of the Hydraulic Equipment Market in India, April 2013.)

The Indian hydraulic cylinders market, which accounted for revenue of Rs. 11,449 million in 2012, has two main end-use segments:

- Mobile applications, accounting for approximately 81.8% of the Indian hydraulic cylinders market (including construction equipment, material handling, agriculture equipment and others).
- Industrial applications, accounting for approximately 18.2% of the Indian hydraulic cylinders market (including industrial machinery, metals and mining, power, cement and others).

The Indian hydraulic cylinder market is seen as a growth market, characterized by extreme customer price sensitivity and a high degree of market concentration (with approximately 86.5% market share being held by the top three companies in 2012) in the organized market.

The hydraulic cylinder market growth decreased to 2.4 percent in 2012. This dip in the growth can be mainly attributed to slowdown in the mobile segment, mainly material handling and construction equipment. Construction equipment, which is one of the leading consumers of cylinders, witnessed reduction in orders, due to slump in construction activity. Even in the industrial segment, new investments have been stalled or delayed. Rise in borrowing rates and uncertainty in local and global demand have been few of the major reasons.

Advantages of hydraulic cylinders over other alternative technologies in terms of increased functionality and usage flexibility, are likely to contribute to its growth in long term. Going ahead, the inevitable need for infrastructure development will boost the sales of construction equipment and industrial machinery, driving the hydraulic cylinders market.

Construction equipment constituted the largest segment within mobile applications in 2012 (accounting for approximately 63% of mobile applications demand) followed by material handling (approximately 25%) and agricultural equipment (approximately 5%).

Hydraulic cylinders form the core of the construction equipment. Strong growth in infrastructure, as a part of government's twelfth five year plan will be a major boost to the construction equipment segment. The segment will be the fastest growing segment, growing at a CAGR of 7.0 percent over the forecast period.

Hydraulic cylinders market in bulk material handling and agriculture is expected to grow at a CAGR of 6.4 percent.

BUSINESS

Unless otherwise stated, the financial information in this section is derived from our restated consolidated financial statements as at and for the years ended March 31, 2014, March 31, 2013 and March 31, 2012. Financial information as at and for the years ended March 31, 2014 and March 31, 2013 do not include financial information for Kavee, which ceased to be our subsidiary with effect from April 1, 2012.

Overview

We are a global manufacturer and supplier of engineering systems, solutions, assemblies and components, including 3-point linkage systems ("**3PL**") and precision machined parts ("**PMP**"), primarily catering to off-highway vehicles ("**OHVs**") in the agriculture, and construction, forestry and mining ("**CFM**") sectors. Based on the global addressable market size, in the CRISIL Report, we estimate that we had a 19.2% market share in the global 3PL market (in terms of value) and a 7.4% market share in the global PMP market in the CFM sector (in terms of value), in fiscal 2013 (assuming USD 1 = ₹ 54.37 for fiscal 2013). In addition to our established product verticals of 3PL and PMP, we have a presence in the complementary product verticals of hydraulic cylinders and power take off ("**PTO**") applications.

We supply our products to over 25 countries in North and South America, Europe, India and Japan. We primarily serve OEMs, through our global service delivery model based on our dual-shore integrated manufacturing, warehousing and supply chain management systems and solutions, operating out of six manufacturing facilities (five in India and one in the US) and three warehouses located across three continents.

We also cater to the aftermarket requirements of our customers primarily in the agriculture sector. We are focused on providing replacement of 3PL parts to organized aftermarket retailers and distributors in North America, Europe, South Africa and Australia. We manufacture all the critical parts that form the 3PL assembly, which includes top link, lower link, drawbar, chain stabilizers and linkage pins. Some of the other products sold by us in the aftermarket segment include weather caps, PTO parts, pins, leveling boxes, straps, hitch balls, lynch pins, R-clips, weldons, ratchet jacks and balls.

We believe that our diversified product range across the agriculture and CFM sectors, our market share, dual-shore integrated manufacturing, warehousing and supply chain solutions, together with our scale of operations and our technical and value-engineering expertise, catering to several global OEMs as well as the aftermarket segment, serve to differentiate us from other producers of engineering systems. We believe we are well positioned to benefit from increasing mechanization, particularly in the agriculture and CFM sectors. We are committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies, industry sectors, customers, product platforms and foreign currencies.

We have long-term relationships and, in many cases, preferred supplier status, with marquee global OEM players in the agriculture and CFM sectors, such as Deere & Company ("**John Deere**"), GKN Walterscheid Gmbh ("**GKN**"), Tractors and Farm Equipment Limited ("**TAFE**"), Bobcat (a Doosan company) and Kubota Corporation ("**Kubota**"). We also have long-standing relationships with several respected organized aftermarket players in Europe and the US, such as Kramp and Blount International Inc. ("**Blount**"). We have also received several prestigious awards and certifications from our customers.

As part of our global service delivery model, we have set up facilities in India, the United States and Europe. In India, we have five manufacturing and distribution facilities, two at Ludhiana in the state of Punjab, one at Visakhapatnam in the state of Andhra Pradesh, and two at Noida in the state of Uttar Pradesh. One of our Noida facilities and our Visakhapatnam facility, are located in SEZs, and are dedicated to our export operations. Our Ludhiana facilities are the source of machined forgings and structural fabrications for our other Indian facilities, and are the first level of processing for a majority of our products. One of our Noida facilities serves as a hub for our aftermarket sales in the U.S. and Europe, while the other serves as a hub for our domestic OEM sales. Our Visakhapatnam facility serves as a hub for our export OEM sales. In the United States, we have a manufacturing, warehousing and distribution facility at Eldridge in the state of Iowa, acquired pursuant to our acquisition in 2005 of Olsen Engineering LLC, now known as Uniparts Olsen Inc. ("**UOI**"), and a warehousing and distribution facility at Augusta in the state of Georgia. In Germany, we have set up a warehousing and distribution facility in Hennef, which serves as our base for serving our key European customers.

We are promoted by first generation entrepreneurs, Mr. Gurdeep Soni, who is our Chairman and Managing Director, and Mr. Paramjit Singh Soni, who is our Vice Chairman, who have close to three decades of experience in this business.

Ashoka Investments Holdings Limited and Ambadevi Mauritius Holding Limited have invested in our Company and such investments are managed and advised by PineBridge Investments, a global asset manager with extensive experience in emerging and developed markets. We believe such investments have helped significantly enhance and strengthen our financial and other internal controls.

Our consolidated revenues in fiscal 2014, 2013 and 2012 aggregated to ₹ 8,170.57 million, ₹ 7,963.83 million and ₹ 8,399.41 million, respectively, with the agriculture sector accounting for 67.49%, 67.55% and 71.50%, and the CFM sector accounting for 32.41%, 32.45% and 28.50%, of our consolidated revenues, in fiscal 2014, 2013 and 2012, respectively. Our 3PL vertical accounted for 47.89%, 45.32% and 43.59%, the PMP vertical accounted for 50.07%, 52.97% and 44.47%, the hydraulic cylinders vertical accounted for 0.03%, 0.06% and 10.33% (including sales of Kavee, which ceased to be our subsidiary with effect from April 1, 2012), and PTO vertical accounted for 1.94%, 1.62% and 1.59%, of our consolidated revenues in fiscal 2014, 2013 and 2012, respectively. Our consolidated Earnings Before Interest, Tax, Depreciation and Amortization ("**EBITDA**") in fiscal 2014, 2013 and 2012 aggregated to ₹ 914.27 million, ₹ 797.74 million and ₹ 695.33 million, respectively, and our consolidated Profit After Tax ("**PAT**") in fiscal 2014, 2013 and 2012 aggregated to ₹ 435.61 million, ₹ 391.65 million and ₹ 261.97 million, respectively.

Our sales in regions outside India ("**International Sales**") accounted for 88.84%, 89.81% and 88.29% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. Sales from our manufacturing facilities in their respective domestic markets ("**Local Deliveries**") contributed to 46.34%, 48.53% and 53.22% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively, while export sales from Indian locations directly to overseas customers ("**Direct Exports**") from India contributed to 27.65%, 25.46% and 26.02%, respectively, and sales from our warehousing facilities in their respective domestic markets ("**Warehouse Sales**") (i.e., sales from our warehousing facilities in their respective markets) contributed to 26.01%, 26.01% and 20.75%, respectively, in the same periods.

Strengths & Strategies

Strengths

We believe the following are our principal competitive strengths:

A leading market presence in the 3PL and PMP product verticals

We have a presence in key markets worldwide, including North and South America, Europe, India and Japan. We are one of the significant players in the 3PL product vertical, and based on the global addressable market size in the CRISIL Report, we estimate that we had a 19.2% market share in the global 3PL market in fiscal 2013 (in terms of value; assuming USD 1 = ₹ 54.37 for fiscal 2013), serving some of the largest global companies, including John Deere, which has been our customer since 2001. Further, we believe that we have a strong presence in the lower horsepower (<60HP) tractor segment.

Our acquisition in 2005 of UOI enabled us to add the PMP vertical to our existing 3PL product portfolio and to diversify from the agriculture sector into the CFM sector. Based on the global addressable market size in the CRISIL Report, we estimate that we had a 7.4% market share in the global PMP market in fiscal 2013 in the CFM sector (in terms of value; assuming USD 1 = ₹ 54.37 for fiscal 2013). We believe our leading presence in the 3PL and PMP verticals inspires customer confidence, and will fuel our growth going forward.

Strong global service delivery model, through strategically located facilities in India, the U.S. and Europe

We have set up our global service delivery model in a scalable manner, optimized to provide premium-priced Local Deliveries manufactured onshore in smaller lots and with shorter lead times, as well as cost-competitive offshore deliveries from India with longer lead times and inventory cycles.

With our facilities in India, the U.S. and Europe being strategically located in proximity to several global OEMs in the OHV industry, we believe that we are well-positioned to provide timely deliveries, tailored to customer specifications in terms of their production schedules, geographical needs, applications, vehicle sizes and loads, and to provide customized packing and warehousing solutions and logistical support to our customers. We believe that our global presence gives us access to our customers on a localized basis and has played a key role in strengthening relationships that we have developed with them over a period of time, including earning preferred supplier status with many of our key OEM customers. We have also attained

'Partner' status (which is the highest level of association) with some of our customer divisions/locations. Our global service delivery model also enables us to diversify our margins based on different delivery models for the same product, and effectively functions as an entry barrier for new entrants into this business.

Long-term relationships with marquee global customers, including major OEMs

We have developed long-term relationships and, in many cases, preferred supplier status, with marquee global customers in the agriculture and CFM sectors, such as John Deere, GKN, TAFE, Kubota, Blount and Kramp. John Deere, GKN and Kramp are some of the customers with whom we have had relationships for over 10 years, while Kubota, TAFE and Blount are some of the customers that we have developed relationships with in the last 10 years. We believe that the strength of our customer relationships is attributable to our ability to customize to customer specifications and requirements, as well as our track record of consistent delivery of quality and cost-effective products and solutions through our strategic alignment with our key customers' goals and specifications over the years.

We believe that our customers have unique requirements and preferences. Therefore, we seek to partner with our key customers at various stages of product development, commencing from product design, through validation and testing up to final manufacturing and delivery, and we seek to capitalize on our existing customer base to achieve cross-selling of other products across our business verticals. This also helps us understand customer requirements and future plans better, enabling us to forecast, plan and manufacture our products accordingly, thereby resulting in business optimization, improved productivity, efficiency and margins.

We have wide and deep relationships with our key OEM customers. Over the years, for various OEM customers, we have developed relationships and received orders from multiple business divisions and locations globally, including through our efforts to cross sell different products to our global OEM customers. For instance, we are supplying approximately 900 different components to approximately 25 business divisions / locations catering to the agriculture and CFM businesses of John Deere, across North and South America, Europe, China and India. We believe that our relationships with global OEM customers that command significant market share would enable us to access a corresponding share of the OHV markets in the future. In many cases, we have successfully managed to cross sell our different products to global OEM customers.

Backward and forward integrated operations

We are significantly backward integrated with our operational processes. Our in-house capabilities range from procuring raw steel to forging operations to final delivery of the finished products to our customers either directly from the manufacturing units or through our warehouses in the US and Europe.

We operate out of six manufacturing facilities (five in India, across Ludhiana, Visakhapatnam and Noida, and one in the U.S., in Eldridge, Iowa) and three warehousing and distribution facilities across the U.S. and Europe, thus benefiting from economies of scale of operations and integration across our operations. Our Ludhiana facilities are the source of machined forgings and structural fabrications for our other Indian facilities, and the first level of processing for a majority of our products.

A significantly backward and forward integrated operation, limits our dependence on external supply and support services and ensures maintenance of quality controls required to service global OEMs and aftermarket players.

Integrated operations from concept-to-supply solutions across the OHV component value chain

We are an integrated solutions provider present across various levels of the OHV component value chain, providing concept-to-supply solutions for our customers. Over the years, we have evolved from a component supplier to a provider of complete assemblies of precision engineered products and end-to-end solutions ranging from product conceptualization, design, prototyping, testing, development and assembly to customized packaging and delivery, thus becoming an integral part of some of our major customers' global supply chains.

One of our Noida facilities serves as a hub for our aftermarket sales in the U.S., Europe, South Africa and Australia the other serves as a hub for our domestic OEM sales. Our Visakhapatnam facility serves as a hub for export OEM sales.

We also collaborate with our key customers on an ongoing basis, across all of our facilities, on joint product development and process innovation programs, to upgrade and customize our products in tandem with customer specifications and

requirements. We work jointly with our customers in multiple areas, including product designing, testing and prototyping, which, in turn, helps us in developing long term relationships with them.

We also believe that we obtain significant operational synergies and efficiencies through horizontal and vertical integration of our operations, including in terms of secure connectivity and an Enterprise Resource Planning ("**ERP**") system implemented across our operations in the U.S., Germany, Visakhapatnam and Noida facilities, and planned for implementation at one of our Ludhiana facilities.

Consistent financial performance and strong financial position

We have experienced sustained growth in financial indicators including our revenue, PAT and EBITDA, as well as a consistent improvement in our balance sheet position in the last five fiscals. We believe we have achieved this position due to improvement in share of business with some of our key customers and optimizing direct and related costs of sourcing raw materials and consumables, conversion costs, fixed costs and cost of debt.

Our revenues are largely diversified across geographies, given our presence in Indian and international markets, across industry sectors and across product verticals, with our two established product verticals being 3PL and PMP, and our two emerging verticals being hydraulic cylinders and PTO applications. As a result of our diversified business model, we believe that we have been able to achieve a consistent financial performance, despite the global financial crisis that began in 2008.

Our consolidated revenues in fiscal 2014, 2013 and 2012 aggregated to ₹ 8,170.57 million, ₹ 7,963.83 million and ₹ 8,399.41 million, respectively, which included revenue from the operations of Kavee of ₹ 825.27 million for fiscal 2012 (we sold our interest of 50% plus one equity share in Kavee to our joint venture partner Kramp for a net loss of € 275,001 (₹ 17.76 million) and, accordingly, Kavee ceased to be our subsidiary with effect from April 1, 2012). The 3PL vertical accounted for 47.89%, 45.32% and 43.59%, and the PMP vertical accounted for 50.07%, 52.97% and 44.47% of our consolidated revenues in fiscal 2014, 2013 and 2012, respectively. Our consolidated EBITDA in fiscal 2014, 2013 and 2012 aggregated to ₹ 914.27 million, ₹ 797.74 million and ₹ 695.33 million, respectively, and our consolidated PAT in fiscal 2014, 2013 and 2012 aggregated to ₹ 435.61 million, ₹ 391.65 million and ₹ 261.97 million, respectively.

Experienced and qualified team of professionals

We believe that we benefit significantly from our highly experienced management and technical teams, including, in particular, our Promoter and Chairman and Managing Director, Mr. Gurdeep Soni (who is in charge of our aftermarket business), our Promoter and Vice Chairman, Mr. Paramjit Singh Soni (who is in charge of OEM business, inorganic growth and strategic initiatives), who each have close to three decades of experience in this business, and our Director Mr. Herbert Coenen (who is in charge of business development and technology advancement) who is a qualified engineer with over 25 years of experience in the international OHV market, and their several years of experience in the industry and the markets in which we operate. Our Directors are strategically located in key end markets with Mr. Paramjit Singh Soni in the U.S., Mr. Gurdeep Soni in India and Mr. Herbert Coenen in Europe (Germany).

Our senior management has extensive experience in operations, business development and quality, customer relationship and human resource management. Our management and technical personnel are supported by other skilled workers who benefit from regular in-house and onsite training initiatives. As on June 30, 2014, we had 162 full-time employees having engineering degrees while 159 others are technical diploma holders and 175 have other professional qualifications. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration, and promoting the development of their skills. In addition to regular compensation, statutory benefits and standard insurance coverage, we have an employee stock option plan designed to motivate and incentivize our key employees.

For details of our management and key managerial personnel, see "*Our Management*" on page 170.

Strategies

We are committed to continuing to increase our market shares across our product verticals and to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to particular sectors, markets and customers. Towards this objective, our growth and competitive strategies are as follows:

Increasing share of customer spend per vehicle

Our focus is on increasing our content per vehicle (i.e., the number of components supplied by us in OHVs produced by our OEM customers) and, in particular, to expand sales of 3PL products in the higher horsepower (>60HP) tractor segment and to increase our sales of PMP, hydraulic cylinders and PTO applications to our existing customers. In addition, all our product categories 3PL, PMP, hydraulic cylinders and PTO applications are complimentary to at least one of the other product verticals and we believe this will help us in increasing our share of customer spend per vehicle.

Increasing geographical penetration and increasing addressable market

We constantly seek to enhance our addressable markets with our global integrated service delivery model and work closely with our customers on new product development, process innovation and customized delivery and service solutions. Towards this objective, we seek to expand our presence with OEMs in India in the PMP and hydraulic cylinders verticals, while maintaining and expanding our presence in the 3PL vertical. In the international markets, we intend to focus on strengthening our presence in the PMP vertical in Europe and Japan, where our 3PL sales have been growing, and expanding our presence in the hydraulic cylinders vertical in North America, while maintaining and expanding our presence in the 3PL and PMP verticals.

Targeting new customer accounts and expanding existing customer accounts

We intend to increase our sales and customer penetration by targeting new customer accounts and expanding our existing customer accounts in our principal markets by offering our entire range of products. Towards this objective, we seek to continue to consolidate and develop our relationships with large and renowned global OEMs whose product portfolios are spread across industries such as agriculture, CFM and industrial equipment, as well as our value engineering and process innovation competencies so as to be able to enter new and related markets and acquire, evolve and strengthen our customer relationships. We also believe that we will be able to capitalize on our reputation for quality, consistent performance and customer satisfaction in our existing markets and product verticals to target new customers. For instance, we have recently leveraged our production and process capabilities to deliver specific components to a customer in the oil and gas industry, as well as orders from a major global construction equipment company.

Inorganic growth via strategic acquisitions and alliances

We intend to continue our strategy to explore opportunities for forward integration, including selectively evaluating targets for strategic acquisitions and investments, in order to strengthen our position as an integrated, full system solutions provider for the agriculture and CFM sectors. Through this objective we seek to strengthen our product platform and customer portfolio.

We believe that we have benefited significantly from our strategic acquisition in 2005 of UOI, which catalyzed the growth of our PMP product vertical and our sales to the CFM sector. Our investment in Kavee (a joint venture with Kramp, a long-term customer that we continue to supply to), which ceased to be our subsidiary with effect from April 1, 2012, also contributed significantly to our acquisition of product and process knowledge for our hydraulic cylinders vertical, in which we commenced manufacturing and sales from India in fiscal 2012.

Our strategy is to acquire businesses with high growth potential, along with their existing customer relationships and product and process competencies, and to integrate and grow their businesses through enhanced quality and delivery parameters, engineering support, integration of IT systems and ERP platforms with manufacturing support from India, coupled with our management know-how and experience. In particular, we intend to explore opportunities in Europe, which would give us a manufacturing base in the continent, as well as opportunities in the U.S. to complement our existing business. We may also seek to expand our international warehousing and distribution operations, based on demand and delivery logistics in various geographies, to fuel our growth going forward. We believe that we have been successful in acquiring and integrating overseas assets and ventures in the past and will continue to benefit from such initiatives, thereby expanding our product portfolio, market share, customer base and geographical footprint.

For more information, see "*Objects of the Issue*" on page 86.

Enhancing engineering, innovation and design competence

We endeavor to focus on process and product innovation and value engineering solutions in order to meet the requirements of a wider range of vehicles, geographies, applications and other customer specifications, so as to strengthen and diversify our customer and product portfolio.

Towards this objective, we seek to continue to improve our in-house value engineering, testing, design and process innovation capabilities through human resource and technical development, as well as exploring opportunities for collaboration and inorganic growth and continuing to work closely with our key customers to upgrade and customize our products, in particular, to increase sales of 3PL products in the higher horsepower (>60HP) tractor segment and of PMP, hydraulic cylinders and PTO applications, while maintaining and improving our market share in the 3PL vertical.

Enhancement of manufacturing and warehousing capacities and capabilities

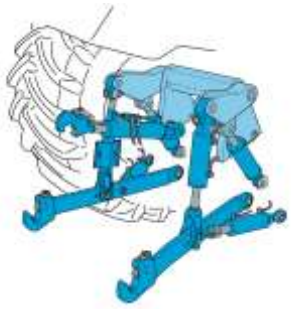
We intend to continue to invest in physical and operational infrastructure to meet incremental demand for our products and solutions from our customers and to enable us to grow our revenues and profits. Along with exploring opportunities for inorganic growth, as discussed above, and in tandem with continued improvement of capacity utilization and product and process efficiency parameters at our existing facilities, we also propose to set up a facility at Visakhapatnam with an estimated capacity of 7,500 tons per annum based on management estimates, and to set up a facility at Ludhiana with an estimated capacity of 6,000 tons per annum based on management estimates. We believe that with our enhanced manufacturing capabilities, we will be able to grow our market share by supporting our strategy of increasing our share of customer spend per vehicle, as well as our intention of expanding sales to new customers in international markets where we do not currently have a prominent presence.

Further, we intend to continue to expand our warehousing capacities in the future. In this regard, the UOI and UIG warehousing operations are located at leased premises and additional warehousing capacity can be made available to cater to increasing warehousing sales. The warehouse located at Augusta is owned by UUL and can be expanded to 103,500 sq.ft. to cater to increasing warehousing sales.

For further details, see "*Object of the Issue*" on page 86.

Our Products and Solutions

3PL



3PL systems

The 3PL system forms a group of assemblies allowing an implement like a plough to be attached to the tractor at three coupling points, forming a triangle. Most tractors are equipped with a 3PL system and are classified according to International Organization for Standardization ("**ISO**") 730 in four categories, based on the engine rating. The 3PL transfers the entire load, which can be a multiple of the implement weight, between the tractor and implement. The parts are highly loaded and exposed to fatigue as well as wear and tear, in particular in the joints, due to movement under high load condition. The primary function of the 3PL is to transfer the weight and load of an implement to the wheels of a tractor and to allow the adjustment of different positions by lifting and lowering the implement.

The 3PL comprises different parts:

- Two lower arms called draft link or lower link, forming two out of the three coupling points;
- Two lift rods connecting the two lower links with two lift arms, which are not part of the 3PL but form part of the hydraulic lift. The hydraulic lift is powered and allows lowering and lifting of the 3PL;
- One top link or center link, acting as a connecting rod and forming the third coupling point; and

- Stabilizer systems controlling the lateral movement of the lower links.

The design of a 3PL and its integration into the tractor is tractor specific, and each tractor model has its own design features in terms of geometry, size, and features, and each model can be equipped by the tractor manufacturer with different configurations based on final point of use. The geometry and size in terms of cross sections used is not only dependent on the engine rating and expected loads to be transferred, but also largely dependent on the design of the transmission, rear axle and tyres to be used. The 3PL has to interface with these boundary conditions and has to fit to the connecting points of the tractor, which are not standardized in any form.

The features of a 3PL design are highly dependent on the market that it serves. The design features of a 3PL can be broadly classified as follows:

- *Standard*: Basic design of all components with simple joints to connect the implement to the tractor, used on low horsepower tractors and in the economy segment.

- *Telescopic*: In this design, the lower links do not have standard ball joints at the interfacing joining the implement, but a device allowing the slip end to be disengaged and then joined to the implement by having the tractor positioned in a certain proximity to the implement. In this configuration, the top link is usually a standard design with basic ball joints at the implement end.

- *Quick Coupler*: The lower links are equipped with a claw allowing the operator to remain in the operator station and to connect or disconnect an implement from the operator station, which has significant advantages with regard to safety and comfort, in particular considering the size and weight of implements connected to a tractor.

- *Frame Coupler*: This is a version of a quick coupler using a frame/single piece joined with the implement. This configuration is primarily a North American specification.

We presently supply components as well as complete 3PL systems for standard and telescopic configurations and components, as well as semi-complete 3PL systems for quick coupler and frame coupler configurations, with an intention to supply complete solutions for the latter two configurations in the future.

We have three manufacturing facilities in India, producing 3PL. Our two Noida facilities serve as our hub for the domestic market and also serves export customers. Our Visakhapatnam facility primarily serves export customers, in particular for the higher horsepower range in Europe and North America.

Our sales distribution of 3PL across key markets for the past three years is provided below.

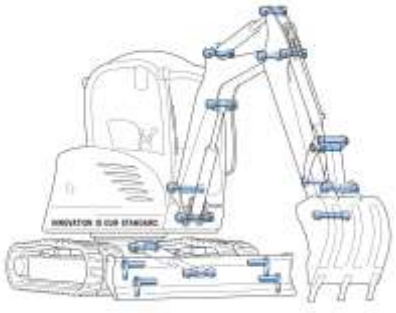
	Fiscal 2014	**Fiscal 2013**	**Fiscal 2012**
Americas	13.21%	14.36%	10.49%
Europe	18.27%	16.70%	18.26%
India	10.90%	9.47%	10.98%
Japan	2.02%	1.40%	1.46%
Asia Pacific	0.87%	1.09%	0.69%
Rest of the world	2.62%	2.30%	1.71%
3PL sales as a percentage of our consolidated revenues	47.89%	45.32%	43.59%

Production Processes

Our manufacturing processes range from pre-machining processes like die-forging, upset-forging, pressing, punching, bending and cold drawing to machining processes performed on conventional or computer numerical control ("**CNC**") equipment for turning, milling, thread rolling and cutting, spline cutting, broaching, grinding as well as laser cutting, welding, heat treatment, surface finishing and assembly. The heat treatment process varies depending on customer specifications and intended applications. For instance, we apply through hardening on all structural parts to increase the implement's load carrying capability; we apply case carburizing on parts that are in the joints and exposed to wear and tear; and we apply induction hardening to achieve higher case depth in combination with high tensile strength material to have high load bearing capability

along with wear resistance. Most of our products in this vertical are supplied in plated condition. Among other capabilities, we also offer finished products, E coated and painted with superior salt spray resistance.

PMP



PMP in articulated joints

PMP is a group of components that require stringent material and manufacturing specifications and controls, used in applications across OHVs, ranging from engine parts and transmission components to particular parts for joints in agricultural and construction applications. Of our construction PMPs, the majority is used in articulated joints (hinges) where arms, booms and cylinders are attached to each other. These articulated joints are the single largest application of PMP for us. The significant difference of this product range as compared to 3PL is the comparatively lower complexity, and that PMP parts are predominantly individual parts with significant load bearing capability and not a complete assembly of multiple parts. Due to the complex design and high degree of precision required in PMP products, they lack standardization and the number of variants in this product vertical is very high.

We have three manufacturing facilities producing PMP in India, at Visakhapatnam and two at Noida. In addition, our Eldridge facility serves the North American market, with local production as well as warehousing of products manufactured in and exported from India.

Our sales distribution of PMP across key markets for the past three years is provided below.

	Fiscal 2014	Fiscal 2013	Fiscal 2012
Americas	46.58%	49.66%	41.19%
Europe	1.29%	0.73%	0.82%
India	0.17%	0.63%	0.70%
Japan	0.84%	0.75%	0.53%
Asia Pacific	0.46%	0.17%	-
Rest of the world	0.74%	1.02%	1.23%
PMP sales as a percentage of our consolidated revenues	50.07%	52.97%	44.47%

Production Processes

The standard production process for PMP products ranges from cut-off machines, CNC or conventional machining, heat treatment and grinding, followed by welding, if required, and finishing operations such as hardening and plating. We differentiate to a certain extent between our facilities in India and in Eldridge, depending on our in-house capability for pre-machining operations and other processes. For instance, at our Eldridge facility, the first operation is usually cutting or parting by means of high-speed circular saws and cut-off centers, where the first machining operation is performed during the parting operation itself. Our Eldridge facility has dedicated in-house machining, grinding, welding, induction hardening and plating capabilities. In contrast, our Indian facilities have certain manufacturing cells and equipment such as machining, grinding and welding dedicated to PMP products, while also utilizing shared resources with other product verticals for bulk processes such as heat treatment and plating.

Hydraulic Cylinders

Hydraulic cylinders are used as actuators to move mechanized components, by generating linear motion along an axis. Hydraulic cylinders are powered by a fluid, typically water or oil. We primarily manufacture hydraulic cylinders powered by oil. Hydraulic cylinders may be 'double acting' hydraulic cylinders, which are powered to extend or reduce the length, or 'single acting' hydraulic cylinders, which are only powered to move in one direction. Plunger cylinders form a subcategory of single acting cylinders, using the rod as a piston, where the rod is only slightly smaller than the inner diameter of the tube.

Although all or several of our customers possess in-house competence for manufacturing hydraulic cylinders, we believe that there is still significant demand, in particular in international markets, for hydraulic cylinders due to increased mechanization and transitions in technology, and that the following factors have led to that trend:

- Size and weight of equipment;
- Complexity of equipment and the application;
- Comfort; and
- Safety.

Hydraulic Application

We manufacture double acting as well as single acting (including plunger cylinders) hydraulic cylinders, with a focus on applications in farm equipment, tractors, attachments and smaller size construction equipment like mini excavators and skid steer loaders. In particular, we seek to focus on applications that are synergetic to our existing applications and existing customers. An example for synergies with existing activities are hydraulic top links, which are a special design used in the 3PL application by the aftermarket as a retro fit and also by OEMs in lieu of mechanical top links. Another example is lift cylinders, which are used in the hydraulic lift of a tractor. In addition, many of our PMP applications interface with cylinders. We believe that the development of such synergetic products allows us not only to enter the hydraulic segment but also to extend our market share in our existing 3PL and PMP verticals. Our increasing diversification into the hydraulic cylinders vertical is part of our strategy to increase our content and customer spend per vehicle.

We have established hydraulic cylinder manufacturing capabilities at our Visakhapatnam facility, to serve our international as well as domestic customers.

Production Processes

The manufacturing process is split into machining, including turning, milling and welding (where standard machines are used, fine-tuned to cater to the length of the component), followed by assembly and testing. Hydraulic cylinders are required to qualify for cleanness requirements, for which we apply ultrasonic washing, followed by assembly in a clean room and testing and painting.

PTO

PTO Application

PTO is a device used to drive implements such as rotary tillers, mowers and other equipment requiring a mechanical drive by the tractor. the PTO transmits power from the tractor to the implement and is used to distribute the power within the machine. The PTO is implement-specific and part of the implement and, therefore, each implement has one main shaft and, in many cases, secondary shafts to distribute the power within the implement. We are currently focused on producing PTO for the

agriculture sector, which allows the transfer of power from the tractor to the implement. This product is a low-speed shaft used at standard speeds ranging between 540rpm and 1000rpm. It comprises four functional groups:

- two joints – one at each side;
- telescopic members connected to the joints, allowing the shaft to change its length during operation;
- overload clutch to protect the implement and tractor from damage; and
- safety guard to protect the operator and to avoid any material from getting wound around the shaft.

The design and features of PTO used for agricultural purposes are different from PTO shafts used in commercial truck or industrial applications. They differ in operating speed, joint design, design of telescopic members and the guard, which is mandatory, and are required to comply with international safety norms. The initial applications are rotavators, reapers, pumps and threshers. According to ISO standards, PTOs are classified into different sizes and power ratings specifying the power and torque that they are able to transmit.

We manufacture PTO components at our Ludhiana facility, for OEMs as well as for sale in the aftermarket.

Production Processes

The production processes involved include turning and milling of castings and forgings used in joints and flanges, followed by broaching and hobbing. The machining of components is followed by painting and assembly with a guarding shielding all rotating items which prevent accidents.

Operations

Our growth model has been based on our evolution from being a supplier of components into now being an integrated provider of complete product assemblies and concept-to-supply solutions across the OHV component value chain, as well as an evolution from being an aftermarket supplier into now being a dual-shore manufacturer and supplier of engineering systems, solutions, assemblies, and components to global OEM customers, based on a process of continuing vertical and horizontal integration.

Key highlights of our history are as follows:

- Promoters commenced business in 1984.
- Commissioned our Ludhiana facility, in two phases in 1990 and 1993.
- Started manufacturing components for the US aftermarket customers in 1997.
- Commenced sales to domestic OEMs in the agricultural segment and developed our 3PL OEM product vertical in 2000.
- Commenced sales to John Deere in India in 2001.
- Commenced sales to John Deere in Americas and OEMs in Europe in 2003.
- Commissioned Noida facility in two phases in 2000 and 2006.
- Consolidated all the businesses in Uniparts India Limited in 2005.
- Acquired a manufacturing and distribution facility in the U.S., in Eldridge, Iowa, in 2005.
- Set up a warehousing and distribution facility in Augusta, Georgia, U.S., in 2005.

- Commenced manufacturing products for the PMP vertical in India, in 2006.
- Acquired 50% + 1 share equity interest in Kavee (a joint venture with Kramp), which owned 100% interest in Uniparts Kavee Services B.V., in 2007.
- Started manufacturing hydraulic cylinder components in 2007.
- Commissioned our Visakhapatnam facility, which is situated within an SEZ, in 2008.
- Set up a warehousing facility and distribution facility in Hennef, Germany, which has been operating since 2010.
- Commenced sales of components for the Indian construction market in 2011.
- Started sales to the US hydraulics market from Visakhapatnam, India in 2011.
- Sold our entire equity interest in Kavee, with effect from April 1, 2012, to Kramp.

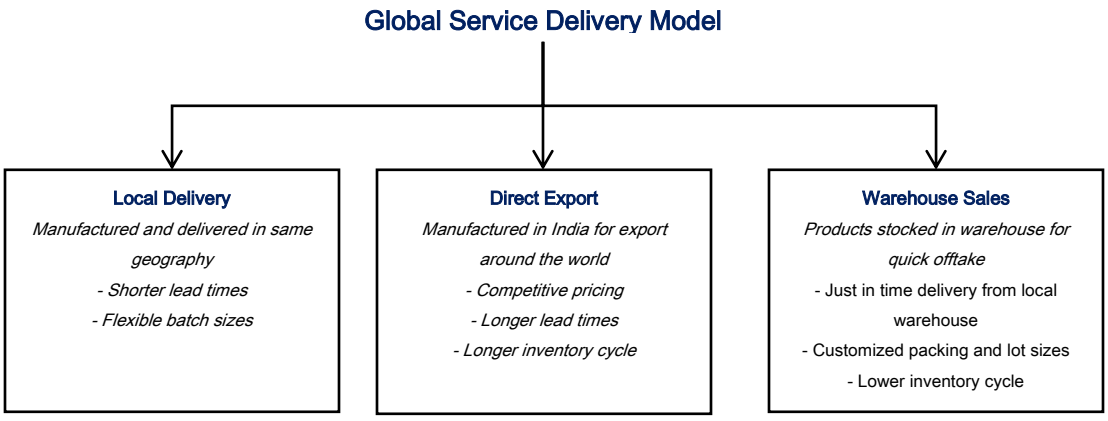
We offer fully integrated engineering solutions from conceptualization, development and validation to implementation and manufacturing. The conceptualization stage involves acquiring market intelligence, assessing customer requirement and formulating customized strategy for individual customers. The development phase includes product designing, material procurement and processing. This is followed by the validation phase, which involves prototyping, testing and feasibility analysis. Our in-house manufacturing and implementation competencies include forging, machining, fabrications, heat treatment, surface finish, logistics, quality and testing, design and validation.

OEM sales accounted for 88.16%, 88.25% and 77.87% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. Sales to our top 10 customers accounted for 82.54%, 83.65% and 82.57% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. We serve our OEM customers from all of our manufacturing, warehousing and distribution facilities, across all our product verticals. We believe that over the years, we have strengthened our customer engagement with key OEM customers and offered them multiple products across multiple locations. For fiscal 2014, 2013 and 2012, 61.06%, 64.83% and 55.39% of our revenues comprises customers to whom we sell both 3PL and PMP.

Aftermarket involves providing product replacement (due to wear and tear) and certain add-on parts to the end user over the full life cycle of the equipment, after the original purchase is made. Aftermarket sales accounted for 11.84%, 11.75% and 22.13% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. Our financial information as at and for the years ended March 31, 2014 and March 31, 2013 does not include financial information for Kavee, which ceased to be our subsidiary with effect from April 1, 2012. Prior to its ceasing to be our subsidiary, Kavee primarily sold to the aftermarket. One of our Noida facilities serves as a hub for our aftermarket sales in the U.S., Europe, South Africa and Australia. The aftermarket customers are serviced via Direct Exports and Warehousing sales model.

Global Service Delivery Model

The chart below illustrates our dual-shore multiple delivery model:



Local Deliveries contributed to 46.34%, 48.53% and 53.22% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively, while Direct Exports contributed to 27.65%, 25.46% and 26.02%, respectively, and Warehouse Sales contributed to 26.01%, 26.01% and 20.75%, respectively, in the same periods.

Our global service delivery model has contributed significantly in the evolution of our relationships with our key customers, as we are able to serve multiple delivery locations and provide multiple delivery options with flexible lead times and costs, allowing us to better serve our customers with multiple price points based on different delivery models. We believe that we have a track record of nurturing customer relationships, commencing from a single geography or a particular product and gradually evolving over the years to a multi-geography or multi-product association with a long-term strategic alignment.

Our manufacturing, warehousing and distribution facilities

The map below illustrates our manufacturing, warehousing and distribution facilities worldwide:

**Map not to scale*

- **Manufacturing locations: 6** *(5 in India, 1 in USA)*
- **Warehouses: 3** : *(2 in USA, 1 in Europe)*

Ludhiana

We have two manufacturing facilities in Ludhiana, in the state of Punjab in India, commissioned in two phases in 1990 and 1993, covering an aggregate area of approximately 3.22 acres and an aggregate built-up area of approximately 140,202.00 sq. ft. In addition, we have leased an area of approximately 0.28 acres, for which we have applied for regulatory approvals.

Our ISO 9001:2008 certified Ludhiana facilities are our source of forgings (hammer and upset as well as un-machined and machined), sophisticated tool building with Computer-Aided Design ("**CAD**"), backend support for components/sub-assemblies and structural fabrications for our other India facilities, and is the first level of processing for a majority of our products for our other Indian facilities. Our Ludhiana facility also manufactures PTO products.

At our Ludhiana facility, we have in-house capability for tool and die manufacturing with CAD facilities, heat treatment (continuous and pit furnace), CNC and vertical machining center ("**VMC**") machining, robot welding and special purpose machinery ("**SPM**"), metal inert gas welding, advanced fabrication shop for light to heavy duty applications, painting, plating and plastic dip coating.

Power for this facility is sourced from the local grid, with backup from our on-site diesel generators.

Visakhapatnam

We have a manufacturing facility in Visakhapatnam, in the state of Andhra Pradesh in India. Our Visakhapatnam facility was commissioned in fiscal 2009 and is situated within an SEZ and dedicated to our export operations. This is an integrated facility and is our largest and most recently set up facility and is located across an aggregate area of approximately 30 acres and an aggregate built-up area of 234,544.00 sq. ft., including 22.10 acres of unutilized area available for scaling up of our operations. In addition to the unutilized area available for scaling up of our operations, certain manufacturing processes including heat treatment and plating, were built to accommodate any such expansion or capacity creation.

This ISO 14001:2004 certified facility is equipped with bar code technology for production reporting and material handling and serves as a hub for our export OEM sales. Our Visakhapatnam facility manufactures 3PL, PMP and hydraulic cylinders, primarily for the agriculture and CFM sectors. At our Visakhapatnam facility, we have in-house capacity for cold drawing, CNC machining, laser cutting and welding (including butt and robotic welding), heat treatment (sealed quench furnace), induction hardening, shot blasting, grinding, painting, plating, metallurgical laboratory, hydraulic assembly and clean room. We also have an external but dedicated casting capacity at Visakhapatnam.

Power for this facility is sourced from the local grid, with backup from our on-site diesel generators. Recently we have also contracted to source private power through the IEX where the Company is required to bid for power at market determined rates, when the local grid is not in a position to supply power.

The operations of the facility are managed on a fully integrated ERP system.

Noida

We have two manufacturing facilities in Noida, in the state of Uttar Pradesh in India, commissioned in two phases in fiscal 2000 and fiscal 2006. These facilities are set up across two plots, across an aggregate area of approximately 8.19 acres and an aggregate built-up area of approximately 194,406.00 sq. ft. One of our two facilities in Noida is located within an SEZ dedicated to our export operations and is operated by us through our Subsidiary GFPL. These facilities primarily serve the 3PL and PMP segments, primarily for the agriculture and CFM sectors. Both the Noida facilities are also equipped with bar code technology for production reporting and material handling.

Both these facilities are ISO 9001:2008 certified and one of them is also ISO 14001:2004 certified. One of our Noida facilities serves as a hub for our aftermarket sales in the U.S. and Europe and the other serves as a hub for our domestic OEM sales.

At our Noida facility, we have in-house capacity for conventional and CNC and VMC machining processes, welding (including butt and robotic welding), heat treatment (continuous and pit furnace), plating, painting and assembly.

Power for this facility is sourced from the local grid, with backup from our on-site diesel generators. The operations of the facility are managed on a fully integrated ERP system.

Eldridge, Iowa

We have a manufacturing, warehousing and distribution facility in the U.S., in Eldridge, Iowa, acquired pursuant to our acquisition in 2005 of UOI.

This facility has been operating since 1998 and is set up across an aggregate area of approximately 9.50 acres and a built-up area of approximately 136,481.00 sq. ft.

This ISO 9001:2008 certified facility serves as a hub for our sales of PMP products for the agriculture and construction sectors for OEMs in the U.S., and has an in-house induction hardening capability and in-house plating capacity, apart from machining and other related processes. This facility serves the North American market, with local production as well as warehousing of products manufactured in and exported from India.

Our manufacturing competencies at this facility include induction hardening, zinc plating, cold saw systems, various CNC operation on turn mill centers as well as machining centers, grinders with inline automated inspection and packing and automated welding, allowing us to produce products in a wide range of sizes, fatigue loads, for various applications and duty cycles. PMP products such as precision pins, hardened bushings and structural bosses represent the majority of our product mix at this facility. Other smaller segments of the product mix include tube fabrication as well as miscellaneous precision CNC machined parts.

Power for this facility is sourced from the local grid.

In addition to the above information on our existing facilities, for more information on the proposed setting up of a new facility in proximity to our existing facility in Ludhiana, as well as the proposed new manufacturing facility at Visakhapatnam facility, see "*Objects of the Issue*" on page 86.

Our other warehousing and distribution facilities

Augusta, Georgia

We have a 27,031.00 sq. ft. warehousing and distribution facility in the U.S., in Augusta, Georgia, which was established in fiscal 2006. This warehousing facility is completely managed by our own resources and systems and processes. This facility is completely integrated through our ERP systems and is also equipped with bar coding infrastructure for efficiency optimization. This facility is expandable to 103,500 sq. ft. for future expansion.

This facility serves as our base for serving our North and South American customers.

Hennef, Germany

We have a 13,541 sq. ft. warehousing and distribution facility in Europe, in Hennef, Germany, which has been operating since fiscal 2011. This facility is completely integrated through our ERP systems and is also equipped with bar coding infrastructure for efficiency optimization. However, we are in the process of relocating this warehousing and distribution facility to a nearby location of 14,182 square feet.

This facility serves as our base for serving our key European customers.

Raw Materials

The primary input for our products is steel.

3PL: The raw material used by us for the 3PL vertical primarily includes steel bars, which we convert to forgings or use as blanks for machining, steel tubes and castings.

PMP: The raw material used by us in the PMP vertical primarily includes steel bars in solid or tubular geometry, or steel sheets or strips, including laser cut or punched material. Forgings are also used as input material for some PMP variants. The grades we use are low carbon case carburizing steels and alloy steels. The steel used by us as raw material is procured by us primarily in cold drawn form, except in our Visakhapatnam facility, where cold drawing is performed by us as an in-house operation and for our in-house consumption only.

Hydraulic cylinders: The raw material used by us for the hydraulic cylinders vertical primarily includes hydraulic cylinder tubes, procured in honed or roller burnished condition, hard chrome bar and forgings, as well as castings for components like piston, glands, joints and hydraulic seals.

PTO Applications: The raw material used by us in PTO applications primarily includes bars, forgings and castings. The PTO requires plastic shielding to prevent accidents.

Steel is the main and significant part of our raw material and accounts for over 70% in volume terms of our raw material procurement on a consolidated basis in India. We have a diverse portfolio of vendors supplying steel, which is a key raw material to us and we are not significantly dependent on any single vendor. Our expenditure on raw material in our Indian

manufacturing operations from top 10 vendors accounted for 43.1%, 43.3% and 49.9% of our total expenditure on raw material in the fiscal 2014, 2013 and 2012, respectively. We also source steel directly from Indian steel mills as well.

Steel used for products manufactured by our facility at Eldridge, Iowa, is primarily sourced in the US. Our expenditure on steel sourced from the U.S. accounted for approximately 36.5% of our total expenditure on raw materials and components in fiscal 2014. We have also developed a supply chain for sourcing specific forms of steel, such as seamless tubes, from China, for our manufacturing facilities in India as well as the U.S.

We have limited exposure to fluctuation in the global steel prices as our long term agreements with several key customers provide for adjustment in raw material prices as per predefined method based on movement of identified commodity index.

Procurement functions for our Indian operations are divided between our strategic sourcing team and our procurement team.

Strategic Sourcing: This team in India is centralized and focuses on strategic aspects such as new vendor development, price negotiations, procurement cost saving initiatives, enhancing sourcing efficiencies, vendor rationalization and sourcing related internal process establishment. They are also involved in cross leveraging inter-regional and inter-plant knowledge and information to ensure efficient and real time decision making as well as bringing about economies of scale. Our strategic sourcing team had a total of nine employees as on June 30, 2014.

Procurement: This team is decentralized and is located at each of our manufacturing locations. The procurement team at each of our facilities is responsible for ensuring procurement planning, raw material inventory management and vendor management. Our procurement teams worldwide were comprised of 70 employees as on June 30, 2014.

Value Engineering and Process Innovation

We believe that we differentiate ourselves from other component suppliers through our in-house value engineering and process innovation capabilities, supported by product development programs undertaken jointly with some of our key customers, translating into our diversified presence across sectors, markets and product verticals. Over the years, we believe that we have become an integral part of the global and local supply chains of some our key customers.

In particular, we believe that we have benefited from our strategic acquisition of UOI in 2005, which catalyzed the growth of our PMP product vertical and our growth in the CFM sector. We continue to collaborate with our key customers on joint product development and process innovation programs, to upgrade and customize our products in tandem with customer specifications and requirements.

Our Director, Mr. Herbert Coenen, is in charge of business development and technology advancement, and is supported by several highly skilled and experienced personnel. As on June 30, 2014, we had 162 full-time employees having engineering degrees, while 159 others are technical diploma holders, and 175 have other professional qualifications.

Business Development and Sales

We have a global footprint, serving OEMs and the aftermarket across six continents, including emerging markets such as South America and India. Our largest geography in terms of sales has been Americas which accounted for 60.9%, 64.9% and 52.5%, of total sales in fiscal 2014, 2013 and 2012, respectively. For same periods, the proportion of sales accounted for by Europe was 20.2%, 18.0% and 30.2%, while that for Japan was 2.9%, 2.1% and 2.0%. India accounted for 11.2%, 10.2% and 11.7% of total sales in fiscal 2014, 2013 and 2012, respectively, and balance sales were made in rest of the world.

OEM sales accounted for 88.16%, 88.25% and 77.87% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. Our marquee customers, with many of whom we enjoy long term relationships and some with whom we have a preferred supplier status, include John Deere, GKN, TAFE and Kubota.

We have entered into long-term agreements with key OEM customers, while we supply our products to our other OEM customers on the basis of purchase orders, which are valid for a period ranging from one month to one year at a time, depending on the customer's preference and standard practice. Our supply arrangements with our key OEM customers typically provide for periodic price review of our products (generally bi-annual, although annual or quarterly in certain cases). This would largely include price resets on the basis of raw material price changes and changes in the foreign exchange rates. Additionally, under some of our long-term agreements with our OEM customers, we may be required to provide an annual

cost reduction in relation to our products. Our key customers also typically have centralized strategic sourcing teams, supported by various regional sourcing and procurement teams. Therefore, we believe that our dual-shore multiple delivery models (including premium-priced Local Deliveries manufactured onshore in smaller lots and with shorter lead times, as well as cost-competitive offshore deliveries from India with longer lead times and greater inventory cycles), together with our customized packing, shipping, delivery and other logistics solutions are a key component of our sales and marketing initiatives and also effectively function as an entry barrier for other suppliers that do not have the benefit of a global service delivery model of the kind that we have built and developed over the years. We have also entered into warranty agreements with certain of our key OEM customers.

Aftermarket sales accounted for 11.84%, 11.75% and 22.13% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively. Our financial information as at and for the years ended March 31, 2014 and March 31, 2013 does not include financial information for Kavee, which ceased to be our subsidiary with effect from April 1, 2012. Prior to its ceasing to be our subsidiary, Kavee primarily sold to the aftermarket. We have long standing relationships with several leading players in the aftermarket segment in Europe and U.S., such as Kramp and Blount.

Our business development team is centralized and is led by our Director, Mr. Herbert Coenen. Our business development team focuses on identifying and developing customer relationships and securing new contracts. Our business development team had a total of 51 employees as on June 30, 2014.

The sales and customer service function is decentralized at each physical location that ships out products to our customers. With strong customer orientation and commitment, we endeavor to constantly meet high standards of delivery and response time as per the expectations of our customers. Our sales and customer service teams worldwide were comprised of a total of 34 employees as on June 30, 2014.

Apart from in-house teams taking care of business development and marketing responsibilities and initiatives, we have appointed marketing representatives for regions such as Japan and Australia for supporting the marketing and customer relationship initiatives in these respective regions. These arrangements enhance our presence in respective geographical regions and facilitate efficient customer interface and timely response to customer enquiries.

As we expand in newer geographies, we plan to have additional warehouses, our own team or marketing representatives to ensure our presence in the same geography as the end customers, so as to strengthen our customer relationships.

Warranty Arrangements

We have also entered into warranty agreements with certain key OEM customers, where we have long-term supply arrangements with such customers. To the extent that such OEM customers provide a warranty to their end users and incur warranty costs for non-conformity of their products to agreed specifications or standards, our supply arrangements with our OEM customers typically allow us to review warranty claims in order to determine if the failure was caused by a manufacturing defect in our products. If it is determined that the failure was on account of a manufacturing defect in our products, we are typically required to promptly correct or replace those defective products at our own expense, failing which, we may be required to reimburse our OEM customers at part acquisition cost, with additives to cover administrative, labor, material and other such costs. In the event of recurring failures, we are typically required to prepare a written corrective action plan. We have designed our warranty policy to ensure customer satisfaction. The standard warranty period for our products is 12 to 24 months but, in the case of certain specified types of equipment in which our components are used, may extend to 36 months or longer.

Our agreements with certain OEM customers also provide for Performance Improvement Programs whereby if a particular product or batch of products is not found conforming to the specified quality standards, the product is replaced, followed by a correction program.

Where we have not entered into warranty agreements with certain of our customers, our customers can raise debit notes equal to the selling price of the products that are rejected and physically returned to us or scrapped at the customer's end after our approval. While we have not had any punitive damages in the past, we may be subject to claims in the future. For details, see "*Risk Factors*" on page 14.

Quality Control, Environment and Occupational Health & Safety

Each of our facilities in India as well as our facility in Eldridge, Iowa, is ISO 9001:2008 certified. This standard specifies requirements for a quality management system. Our manufacturing facilities in Noida and Visakhapatnam are also ISO 14001:2004 certified. This standard specifies requirements for an environmental management system.

We are committed to following applicable environmental and occupational health and safety laws as well as industry best practices. In accordance with the terms of our supply arrangements with our key customers, we are also committed to maintaining acceptable safety and quality systems, specifications and standards set by those customers, including the requirement for on-time delivery and for on-site and off-site inspections of our products and facilities by our customers.

IT and Management Tools

We have invested in enterprise resource planning ("**ERP**") systems, implemented across our operations in the U.S., Germany and our Visakhapatnam and Noida facilities in India, and planned for implementation at one of our Ludhiana facilities. We also have business process management platform under implementation, three-tier secure network connectivity across locations, data recovery and business continuity plans, and an infrastructure and asset management system, all of which facilitates integration intra-group as well as with customer systems. Our IT systems are managed by an in-house IT team. We believe that the resulting automation and transparency has strengthened the scalability of our operations worldwide, and will help us in achieving synergies from strategic acquisitions and investments that we may undertake in the future.

We explore and adopt efficiency enhancement tools including barcoding infrastructure and electronic data interchange ("**EDI**"). We undertake and foster data analytics and data based decision making. We have implemented strategy deployment framework across all our operating locations thereby ensuring that process and employee level goals are completely aligned to the short and long term organizational strategy and objective.

Awards and Recognitions

We have received several prestigious awards and certifications from our customers, including 'Best Supplier Award' from TAFE in 2014 and 'Kubota India GM Award - 2014' from Kubota. Our Subsidiary, UOI has been inducted in the 15 years and 10 years hall of fame, respectively, by the 'Construction & Forestry Division' and 'Davenport Works Division' of John Deere. Further, we have also received awards and recognitions from customers such as JCB, Case New Holland and International Tractors Limited. In addition, we have received several awards for excellence in exports performance from EEPC India (formerly, the Engineering Export Promotion Council, set up under the sponsorship of the Ministry of Commerce and Industry, India).

Competition

While there are several producers of varying size serving certain segments or sub-segments of our customer base, across agriculture and CFM, and there are also several producers of varying size manufacturing certain of the products that we sell, in various geographical markets, we believe that we have no peers that operate in the full spectrum of our customer base, geographical market, product range and price points. We also believe that our ability to offer end-to-end solutions to our customers (such as entire 3PL assemblies), instead of individual components, and our emphasis on the global service delivery model to meet our customers' varying requirements, differentiate us from our competition and also effectively function as an entry barrier for suppliers that do not have the benefit of a global service delivery model of the kind that we have built and developed over the years.

As the parameters of competition in this business are less firmly established than in certain other types of businesses and there are no standard methodologies to assess this industry as far as we are aware, we believe that it is difficult to predict how the competitive landscape of our business will develop over the long term. General competitive factors in the market, which may affect the level of competition over the short and medium term, include vulnerability to overall macroeconomic factors, time to market, availability of after-sale and logistics support, product features, design, quality, price, delivery, warranty, general customer experience and relationships between producers and their customers.

Employees

As on June 30, 2014, we had 2,757 employees of which 754 are full-time employees, as detailed below:

Total Number of Fulltime Employees	754
Split By Location	
India	697
Overseas	57
Split by Professional Qualification	
Engineering degrees	162
Technical diploma holders	159
Other professional qualifications	175
Others	258

We currently do not have any registered trade unions at any of our facilities.

We are dedicated to the development of the expertise and know-how of our employees. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration, and promoting the development of their skills, including through in-house and on-site as well as external training programmes. In addition to compensation that includes salary and allowances, our employees receive statutory benefits (including employees' provident fund, employees' state insurance, pension, retirement and gratuity benefits, workman's compensation, maternity and other benefits, as applicable) and are covered by group accident and health insurance.

Insurance

We maintain insurance policies with reputed independent insurers in respect of our buildings, equipment and certain inventories, covering losses due to fire, burglary and a range of natural disasters, as well as group accident and health insurance for our employees.

Under our supply arrangements with our key OEM customers, the risk of loss to the raw materials procured by us as well as to the products supplied by us typically remains with us until title to our products passes from us to our customers. Therefore, we also maintain marine transit insurance for our exports and imports. Further, as our supply arrangements with certain of our key OEM customers require us to maintain product liability insurance, we maintain both product and commercial general liability insurance with reputed independent insurers.

We do not presently maintain insurance for business interruption. We maintain insurance for directors and officer's liability across all our locations.

Intellectual Property

We have three registered trademarks " ", " " and " ", which we use as a stamp on our products. We have filed an application with the Registrar of Trademarks to register a trademark over our corporate logo " ".

We currently do not have any registered patents or copyrights. We have six registered domain names including for our website. We also protect designs and drawings for our products through non-disclosure agreements that we enter into with our customers.

Immovable Properties

The brief details of our significant immovable properties are set out below:

Location	Use	Approximate Plot Size (in acres)	Approximate Built-Up Area (in sq. ft.)	Nature of Right /Title	Lease Period
Ludhiana, Punjab, India	Manufacturing, warehousing, distribution and office space	3.50 (comprising four plots of 1.18 acre, 1.06 acre, 0.97 acre and 0.28 acre,	151,202	Leased	Of the 1.18 acres, 0.59 acres has been leased for 99 years w.e.f. November 10, 1997. For the remaining portion, our Company has entered into an agreement to sell dated September 23, 2013 to acquire

Location	Use	Approximate Plot Size (in acres)	Approximate Built-Up Area (in sq. ft.)	Nature of Right /Title	Lease Period
		respectively)			such portion from Farmparts Company, which is under process, pursuant to which, this plot will become a freehold property of our Company. The plot comprising of 1.06 acre has been leased for 99 years, w.e.f. January 19, 1993. The plot comprising of 0.97 acre, has been leased from October 10, 2005 to September 30, 2014. The plot comprising of 0.28 acre has been leased from November 1, 2013 to October 31, 2018.
Visakhapatnam, Andhra Pradesh, India	Manufacturing, warehousing, distribution and office space	30.00 (all of which is SEZ land)	234,544.00	Leased	The lease is valid for 35 years, w.e.f. November 1, 2007.
Noida, Uttar Pradesh, India	Manufacturing, warehousing and distribution	8.19 (comprising two plots of 5.08 acres of non-SEZ land and 3.11 acres of SEZ land, respectively)	194,406.00 (comprising two facilities of 123,696.00 sq. ft. of non-SEZ land and 70,710.00 sq. ft. of SEZ land, respectively)	Leased	The non-SEZ lands have been leased for 90 years, w.e.f. November 9, 1998. The SEZ land has been leased for 15 years, w.e.f February 22, 2012.
Eldridge, Iowa, U.S.A.	Manufacturing, warehousing, distribution and office space	9.50	136,481.00	Leased	August 31, 2004, to July 31, 2019.
Augusta, Georgia, U.S.A.	Warehousing, distribution and office space	6.2	27,031.00	Owned	-
Hennef, Germany	Warehousing, distribution and office space	-	13,541	Leased	The lease is valid until December 31, 2014.
New Delhi, India	Office space (i.e., for our Registered Office)	-	400	Leased	The lease is valid for 9 years, w.e.f. November 1, 2013.
Noida, Uttar Pradesh, India	Office Space (i.e., for our Corporate Office)	-	9,900.00	Leased	The lease is valid for 3 years, w.e.f. April 23, 2012.

Other than the SEZ land in Visakhapatnam and Noida, as disclosed above, which is leased by us from the respective SEZ authorities, the premises in which our other facilities and offices are located are leased by us from persons including government entities and certain of our Group Entities.

KEY INDUSTRY REGULATIONS AND POLICIES IN INDIA

The following description is an overview of the relevant regulations and policies as prescribed by the GoI and other regulatory bodies that are applicable to the business of our Company. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by us, please see the chapter "Licenses and Approvals" beginning on page 345.

Except as otherwise specified in this Draft Red Herring Prospectus, taxation statutes including the Income Tax Act, 1961, Central Sales Tax Act, 1956, Central Excise Act, 1944, Service Tax under the Finance Act, 1994, and applicable local sales tax statutes, and other miscellaneous regulations and statutes apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

A. Environmental Laws

1. ***The Environment (Protection) Act, 1986***

The Environment (Protection) Act, 1986, as amended (the "**EPA**") is an umbrella legislation designed to provide a framework for the Government to co-ordinate the activities of various central and state authorities established under previous laws, such as the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981, etc. The EPA vests with the GoI 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 laying down the quality of environment, standards for emission of discharge of environment pollutants from various sources as given under the Environment (Protection) Rules, 1986, inspection of any premises, plant, equipment, machinery, and examination of manufacturing processes and materials likely to cause pollution.

2. ***The Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act, 1974, as amended (the "**Water Act**") aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. 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.

3. ***The Water (Prevention and Control of Pollution) Cess Act, 1977***

The Water (Prevention and Control of Pollution) Cess Act, 1977, as amended (the "**Water Cess Act**") provides for the levy and collection of a cess on water consumed by industries. Under this statute, every person carrying on any industry 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 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.

4. ***The Air (Prevention and Control of Pollution) Act, 1981***

The Air (Prevention and Control of Pollution) Act, 1981, as amended (the "**Air Act**") provides for the prevention, control and abatement of air pollution. 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 must decide on the application within a period of four months of receipt of such application. The consent may contain certain conditions relating to specifications of 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.

5. ***The Hazardous Wastes (Management Handling and Transboundary Movement) Rules, 2008***

The Hazardous Wastes (Management Handling and Transboundary Movement) Rules, 2008, as amended (the "**Hazardous Wastes Rules**") aim to regulate the proper collection, reception, treatment, storage and disposal of hazardous waste. The Hazardous Wastes Rules impose an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without adverse effect on the environment, including through the proper collection, treatment, storage and disposal of such waste. Every occupier and operator of a facility generating hazardous waste must obtain an approval from the relevant pollution control board. The occupier, the transporter and the operator are liable for damages caused to the environment resulting from 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 relevant state pollution control board.

6. ***The Noise Pollution (Regulation & Control) Rules, 2000***

The Noise Regulation (Regulation & Control) Rules, 2000 (the "**Noise Regulation Rules**") regulate noise levels in industrial, commercial, residential and silence zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc.

7. ***Environmental Impact Assessment Notification, 2006***

The Environmental Impact Assessment Notification S.O. 1533 dated September 14, 2006 ("**2006 Notification**") superseded the Environment Impact Assessment Notification, 1994. Under the 2006 Notification, the environmental clearance process for new projects consists of four stages – screening, scoping, public consultation and appraisal. After completion of public consultation, the applicant may be required to make appropriate changes in the draft environment impact assessment report and the environment management plan. The final environment impact assessment report has to be submitted to the concerned Expert Appraisal Committee ("**EAC**") for appraisal. EAC is required to give its decision within 105 days of the receipt of the final Environment Impact Assessment Report.

8. ***The Public Liability Insurance Act, 1991***

The Public Liability Insurance Act, 1991, as amended (the "**PLI Act**") imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the PLI Act mandate that the employer has to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

B. Labour Related Regulations

As part of its business, our Company is required to comply with certain laws in relation to the employment of labour. Brief description of certain labour legislations which are applicable to our Company are set forth below:

1. ***The Factories Act, 1948***

The Factories Act, 1948, as amended (the "**Factories Act**") seeks to regulate the employment of workers in factories and makes provisions for the health, safety and welfare of the workers while at work in the factory including requiring adequate maintenance of plant, systems and other places of work, and provision of adequate training and supervision. The Factories Act defines a 'factory' to be any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power, or a premises where there are at least 20 workers who are engaged in a manufacturing process without the aid of power. Each State Government has set out rules in respect of the prior submission of plans, their approval for the registration of the establishment, and licensing of factories.

2. ***The Employees' Provident Funds and Miscellaneous Provisions Act, 1952***

The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as amended (the "**EPF Act**") applies to factories employing 20 or more employees and such other establishments and industrial undertakings as notified by the GoI from time to time. The EPF Act requires all such establishments to be registered with the Regional Provident Fund Commissioner and requires the employers and their employees to contribute in equal proportion to the employees' provident fund, the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State Provident Fund Commissioner.

3. ***The Employees' State Insurance Act, 1948***

The Employees' State Insurance Act, 1948, as amended (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 employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Every employee (including casual and temporary employees), whether employed directly or through a contractor, who is in receipt of wages up to ₹ 15,000 per month is entitled to be insured under the ESI Act.

4. ***The Payment of Gratuity Act, 1972***

The Payment of Gratuity Act, 1972, as amended (the "**Gratuity Act**") establishes a scheme for the payment of gratuity to employees engaged in every factory, mine, oil field, plantation, port and railway company, every shop or establishment, in which 10 or more persons are employed or were employed on any day of the preceding 12 months and in such other establishments in which 10 or more employees are employed or were employed on any day of the preceding 12 months, as notified by the central government from time to time.

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, resignation, superannuation, death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed ₹ 1,000,000.

5. ***The Minimum Wages Act, 1948***

The Minimum Wages Act, 1948, as amended (the "**MWA**") provides a framework for State Governments to stipulate the minimum wage applicable to a particular industry. The minimum wage may consist of a basic rate of wages and a special allowance, or a basic rate of wages and the cash value of 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. Workmen are to be paid for overtime at overtime rates stipulated by the appropriate government.

6. ***The Payment of Wages Act, 1936***

The Payment of Wages Act, 1936, as amended (the "**Payment of Wages Act**") is applicable to factories and industrial or other establishments where the monthly wages payable are less than ₹ 6,500. The Payment of Wages Act *inter alia* seeks to regulate the payment of wages in terms of the duration of employment (work hours, overtime wages, and holidays), quantum of wages including overtime wages, deductions from wages, of certain classes of employed persons. The Payment of Wages Act also regulates minimum wages to be fixed by the appropriate governments for the employees, bonus entitlements, disbursements of wages by the employers within the stipulated time frame without unauthorised deductions, etc.

7. ***The Industrial Disputes Act, 1947***

The Industrial Disputes Act, 1947 (the "**ID Act**"), as amended provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the conciliation officer may settle such dispute or the appropriate government may refer the dispute to a labour court, tribunal or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen.

8. ***The Payment of Bonus Act, 1965***

The Payment of Bonus Act, 1965, as amended (the "**PoB Act**") provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due. The minimum bonus to be paid to each employee is the higher of 8.33% of the annual salary or wage or ₹100, whichever is higher.

9. ***The Employee's Compensation Act, 1923***

The Employee's Compensation Act, 1923, as amended provides that if personal injury is caused to a workman by accident during employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid if the injury did not disable the workman for more than three days or the workman was at the time of injury under the influence of drugs or alcohol, or the workman willfully disobeyed safety rules. Where death results from the injury, the workman is liable to be paid the higher of 50% of the monthly wages multiplied by the prescribed relevant factor (which bears an inverse ratio to the age of the affected workman, the maximum of which is 228.54 for a worker aged 16 years) or ₹ 50,000. Where permanent total disablement results from injury, the workman is to be paid the higher of 60% of the monthly wages multiplied by the prescribed relevant factor or ₹ 60,000. The maximum wage which is considered for the purposes of reckoning the compensation is ₹4,000.

10. ***The Contract Labour (Regulation and Abolition) Act, 1970***

The Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "**CLRA Act**") requires companies employing 20 or more contract labourers to be registered as a principal employer and prescribes certain obligations with respect to welfare and health of contract labourers. Under the CLRA Act, both the principal employer and the contractor are to be registered with the registering officer. The CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, 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.

11. ***The Maternity Benefit Act, 1961***

The Maternity Benefit Act, 1961, as amended (the "**Maternity Benefit Act**") provides that a woman who has worked for at least 80 days in the 12 months preceding her expected date of delivery, is eligible for maternity benefits. Under the Maternity Benefit Act, a woman working in a factory may take leave for six weeks immediately preceding her scheduled date of delivery and for this period of absence she must be paid maternity benefit at the rate of the average daily wage. The maximum period during which a woman shall be paid maternity benefit is 12 weeks. Women entitled to maternity benefit are also entitled to a medical bonus of ₹ 2,500, if no prenatal and post-natal care has been provided free of charge by the employer.

12. ***The Industrial Employment (Standing Orders) Act, 1946***

The Industrial Employment (Standing Orders) Act, 1946 as amended (the "**Standing Orders Act**") is applicable to industrial establishments, where 100 or more workmen are employed, or were employed on any day of the preceding 12 months. The Standing Orders Act seeks to define the conditions of employment of workmen employed and to make them known to such workmen. The employers in such establishments are required to frame draft standing orders and thereafter obtain necessary certification for such orders. The certified standing orders are required to be posted by the employer in English and in the language understood by the majority of his workmen on boards to be maintained for this purpose, at or near the entrance through which the majority of workmen enter the industrial establishment and in all departments where the workmen are employed.

13. ***The Trade Unions Act, 1926***

The Trade Unions Act, 1926, as amended (the "**Trade Unions Act**") provides for registration of trade unions (including association of employers) with a view to render lawful organization of labour to enable collective bargaining. The Trade Unions Act also confers certain protection and privileges on a registered trade union. It applies to all kinds of unions of workers and associations of employers which aim at regularizing labour management relations. Pursuant to the Trade Unions (Amendment) Act, 2001, no trade union shall be registered unless 10% or 100 workers, whichever is less and subject to a

minimum of seven workmen engaged or employed in the establishment or industry with which it is connected, are the members of such trade union on the date of making of application for registration. The trade union so formed has the right to act for the individual and/or for the collective benefit of workers at different levels.

C. Fiscal Regulations

1. *Foreign Investment Regulations*

The new industrial policy was formulated in 1991 to implement the Government's liberalisation programme, and consequent industrial policy reforms relaxed the industrial licensing requirements and restrictions on foreign investment.

Foreign investment in India is governed primarily by the provisions of the Foreign Exchange Management Act, 1999 as amended (the "**FEMA**") and the rules, regulations and notifications thereunder, read with the presently applicable Consolidated FDI Policy (effective from April 17, 2014) as issued by the Department of Industrial Policy and Promotion.

The RBI, in exercise of its powers under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended, to regulate the transfer to/by and issue of security, to a person resident outside India.

At present, investments in manufacturing companies, except the companies manufacturing items reserved for production in micro and small enterprises and companies in defense sector, fall under the RBI automatic approval route for foreign direct investment up to 100%.

2. *Foreign Trade (Development and Regulation) Act, 1992*

The Foreign Trade (Development and Regulation) Act, 1992, as amended (the "**FTA**") seeks to increase foreign trade by regulating imports and exports to and from India. The FTA read with the Indian Foreign Trade Policy provides that no exports or imports can be made by a person or company without having obtained an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the Office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

3. *Foreign Trade Policy 2009-14*

Under the Foreign Trade Policy, the Central Government is empowered to periodically formulate the Export-Import Policy (the "**EXIM Policy**") and amend it thereafter whenever it deems fit. All exports and imports have to be in compliance with such EXIM Policy. The EXIM Policy provides for certain schemes for the promotion of export of finished goods and import of inputs.

The Duty Exemption Scheme enables duty free import of inputs required for export production. The Duty Exemption Schemes consist of:

(i) Advance Authorisation; and
(ii) Duty Free Import Authorisation.

The Duty Remission Scheme enables post-export replenishment/remission of duty on inputs used in export product. The Duty Remission Scheme consists of:

(i) Duty Entitlement Passbook Scheme (discontinued for exports made on or after October 1, 2011); and
(ii) Duty Drawback Scheme.

With a view to continuously increasing India's percentage share of global trade and expanding employment opportunities, certain special focus initiatives have been identified/continued by the Government of India for market diversification, technological upgradation, support to status holders, agriculture, handlooms, handicraft, gems and jewelry, leather, marine, electronics and IT hardware manufacturing industries, green products, exports of products from north-east, sports goods and toys sectors.

4. ***The Special Economic Zones Act, 2005 and Special Economic Zone Rules, 2006***

Special Economic Zones ("**SEZ**s") are established, regulated and governed by the Special Economic Zones Act, 2005, as amended (the "**SEZ Act**"). The SEZ Act was enacted for the establishment, development and management of SEZs for promotion of exports. An SEZ is a specifically delineated duty free enclave, deemed to be a foreign territory for the purposes of trade as well as duties and tariffs. A board of approval ("**SEZ Board**") has been set up under the SEZ Act, which is responsible for promoting SEZs and ensuring their orderly development. The SEZ Board has a number of powers including the authority to approve proposals for the establishment of SEZs, the operations to be carried out in the SEZ by the developer, foreign collaborations and foreign direct investments.

The Special Economic Zone Rules, 2006 (the "**SEZ Rules**") have been enacted to effectively implement the provisions of the SEZ Act. The SEZ Rules provide a simplified procedure for a single window clearance from central and state governments for setting up SEZs and 'units' in SEZs. The SEZ Rules also prescribe the procedure for the operation and maintenance of an SEZ, the setting up of a SEZ and conducting business within SEZs, with an emphasis on 'self-certification'. The SEZ Rules also provide for the terms and conditions subject to which entrepreneurs and developers shall be entitled to exemptions, drawbacks and concessions, etc. The SEZ Rules stipulate the minimum area requirement for various categories of SEZs.

5. ***Customs Regulations***

All imports in the country are subject to duties under the Customs Act, 1962 at rates specified under the Customs Tariff Act, 1975. However, the Central Government has the power to exempt certain specified goods from excise duty, by notification. The current customs duty on iron and steel is 10%.

D. Laws relating to Intellectual Property

The following legislation relating to intellectual property also applies to our Company.

1. ***The Trade Marks Act, 1999***

The Trade Marks Act, 1999, as amended (the "**Trade Marks Act**") governs the law pertaining to trade marks in India. A trade mark is essentially any mark capable of being represented graphically and distinguishing goods or services of one person from those of others and includes a device, brand, heading, label, ticket, name, signature, word, letter, numeral, shape of goods, packaging or combination of colours or combination thereof. In India, trade marks enjoy protection under both statutory and common law. The Trade Marks Act permits the registration of trade marks for goods and services. Certification trade marks and collective marks can also be registered under the Trade Marks Act. The Registrar of Trade Marks is the authority responsible for registration of trade marks, settling opposition proceedings and rectification of the register of trade marks. Once a trade mark is registered, it is valid in India only, for a period of 10 years and can be renewed from time to time in perpetuity. The registration of a trade mark grants the owner a right to exclusively use the trade mark as a mark of goods and services and prevents the fraudulent use of deceptively similar marks by any third party.

E. Miscellaneous Regulations

1. ***Shops and Establishments Legislations***

The provisions of various shops and establishments legislations, applicable in the states in which the establishments are set up, regulate the work and employment of the workers employed in shops and establishments, including commercial establishments, and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments, and other rights and obligations of the employers and employees.

2. ***The Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951, as amended (the "**I (D&R) Act**") has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defence equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector.

An industrial undertaking which is exempt from licensing is required to file an Industrial Entrepreneurs Memorandum ("**IEM**") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI, and no further approvals are required under the I (D&R) Act.

3. ***Approvals from Local Authorities***

Setting up of a factory or manufacturing/housing unit entails the requisite planning approvals to be obtained from the relevant local panchayat(s) outside the city limits and appropriate metropolitan development authority within the city limits. Consents from the state pollution control board(s) and the relevant state electricity board(s), among others, are required to be obtained before commencing the building of a factory or starting manufacturing operations.

F. Other Laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act, and other applicable statutes imposed by the Centre or the State for its day-to-day operations.

HISTORY AND OTHER CORPORATE MATTERS

Brief History of our Company

Our Company was incorporated as 'Uniparts India Limited', a public limited company under the Companies Act, 1956 on September 26, 1994. Our Company received its certificate of commencement of business on September 7, 1998.

Changes in the Registered Office

Our registered office was originally located at 34, Regal Building, Parliament Street, New Delhi – 110 001, India. Pursuant to a resolution of the Board of Directors, the Registered Office was shifted to Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India with effect from December 6, 2002. This change was effected as the lease for the previous registered office had expired.

Major Events

The table below sets forth some of the key events in the history of our Company.

Year	Milestone
1994	Incorporated Uniparts India Limited
1997	Started manufacturing components for the US aftermarket customers
2000	Commenced sales to domestic OEMs in agriculture sector in India
	Commissioned the first facility in Noida
2001	Commenced sales to John Deere in India
2003	Commenced sales to John Deere in America
	Commenced sales to OEMs in Europe
2005	Consolidated all the business units into Uniparts India Limited
	Commenced sales to OEMs in Japan
	Incorporated UUL as a wholly owned Subsidiary and acquired a majority stake in UOI
	Commenced sales to OEMs in the construction sector in the US
	Set up GFPL as a wholly-owned Subsidiary
	Started warehousing operations in Augusta, Georgia
2006	Commenced manufacturing of PMP in India
2007	Acquired the balance equity stake in UOI
	Ashoka and Ambadevi made an equity investment in our Company
	Set up Kavee; a joint venture with Kramp
	Commenced sales to John Deere in Europe
	Started manufacturing hydraulic cylinder components in one of the Noida facilities
2008	Commenced operations at the manufacturing facility at Visakhapatnam, Andhra Pradesh
2010	Commenced warehousing operations in Hennef, Germany
2011	Commenced sales of component for the Indian construction market
	Started sales to the US hydraulics market from the Visakhapatnam manufacturing unit, India
2013	Sold our entire equity interest in Kavee, with effect from April 1, 2012, to Kramp

Awards and Achievements

Year	Awards and achievements
2014	TAFE – Best Supplier Award Kubota India GM Award
2013	First prize at CII Kaizen Competition
2010	New Holland – Recognition by New Holland at Supplier Meet – Noida Unit EEPC – Shield for Star Performer as Medium Enterprise in Product Group of Agricultural or Forestry Machinery & Parts
2009	EEPC – Silver Trophy for Top Exporter – Visakhapatnam Unit EEPC – Gold Trophy for Top Exporter, Medium Enterprises John Deere – Commendable Business Performance – Noida Unit
2008	EEPC – Silver Trophy for Medium Enterprises – Noida Unit
2007	EEPC – Silver Plaque for Special Contribution for Highest Growth in Exports as Large Enterprise – Noida Unit
2006	EEPC – Gold Trophy For Top Exporters as medium enterprise
2005	EEPC – Shield for Star Performers in Product Groups – Motor Vehicles (including Tractors) and Parts – Ludhiana Unit 1 John Deere – 15 Year Hall of Fame (1991 – 2005) – UOI

2003	EEPC – Award for Export Excellence in the category of Agricultural Machinery – Field Equipment including Agri–Tractors, Spare parts, etc. EEPC – All India Trophy for Highest Exporters in the category of Capital Goods Exporters – SSI during 2002 – 2003 EEPC – All India Certificate of Export Excellence in recognition of achieving highest exports during 2002 – 2003 amongst SSI units in the Agricultural Machinery Panel
2002	EEPC – All India Certificate of Export Excellence in recognition of achieving highest exports during 2001 – 2002 amongst SSI units in the Agricultural Machinery Panel EEPC – All India Trophy for Highest Exporters in the category of Capital Goods Exporters – SSI during 2001 – 2002
2001	EEPC – All India Certificate of Export Excellence in recognition of achieving highest exports during 2000 – 2001 amongst SSI units in the Agricultural Machinery Panel
2000	John Deere – 10 Year Hall of Fame (1991 – 2000) – UOI
1998	EEPC – Outstanding Export Performance for the year 1997 – 1998

Amendments to the Memorandum of Association

Since incorporation, the following changes have been made to the Memorandum of Association of our Company:

Date of Shareholders Resolution	Nature of Change
March 25, 2005	Amendment to Clause V of the Memorandum of Association to reflect increase in authorised share capital from ₹ 1,000,000 divided into 100,000 Equity Shares of ₹ 10 each to ₹ 150,000,000 divided into 15,000,000 Equity Shares of ₹ 10 each.
September 22, 2008	Amendment to Clause V of the Memorandum of Association to reflect increase in authorised share capital from ₹ 150,000,000 divided into 15,000,000 Equity Shares of ₹ 10 each to ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each.
September 10, 2013	Amendment to Clause V of the Memorandum of Association to reflect increase in authorised share capital from ₹ 250,000,000 divided into 25,000,000 Equity Shares of ₹ 10 each to ₹ 600,000,000 divided into 60,000,000 Equity Shares of ₹ 10 each.

Main Objects of our Company

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

"1. To manufacture, sale and export of precision engineering products and allied engineering products.

2. To manufacture, produce, roll, re-roll, cast, melt, forge, draw, mould, press, process, introduce, formulate, extend, test, research, weld, hire lease, meetout, repair, construct, assemble galvanize, head, temper, anneal, hard, machine, master, refine, associate, joint, improve exchange, polish, design, electroplate, import, export, supply, trade, stock, purchase, sell, and/or otherwise deal in any or all kinds of wrought iron, aluminium, copper, brass, zinc, iron, steel, nickel, lead, bronze, tin, chromium, cobalt, meganese, anodes, minerals, white and yellow metals and all other kinds of ferrous and non-ferrous metal in any form and/or kinds and/or shape including ingots, bars, solids, somes, hollows, plates, sheets, scraps, dusts ashes, wastes seconds, defectives, liquids, poders, ores, minerals, and various types of cold and/or hot rolled and re-rolled sections, castings, mouldings, forgings, drawings, malleables, strips, coils, wires, balls, hardwares, metalwares, furnitures, boilers, machine tools, and accessories, tools, parts and equipments of automobiles, turbines, engines, machines and equipments.

3. To act as exporters and importers and traders of any kinds of materials, commodities, goods and articles whether raw, semi manufactured or completely manufactured in India or abroad."

The main objects of our Company enable us to carry on the Company's current business as well as the business proposed to be carried out and the activities proposed to be undertaken pursuant to the Objects of the Issue. For further details please refer to the chapter "*Objects of the Issue*" beginning on page 86.

Other Details regarding our Company

Details regarding the description of our Company's activities, services, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major suppliers and customers, segment, capacity/facility creation, location of manufacturing facilities, marketing and competition

For details please refer to the chapters "*Business*", "*Our Management*" and "*Industry Overview*" beginning on pages 135, 170

and 118, respectively.

Capital raising activities through equity and debt

Our Company's equity issuances in the past and availing of debt as on July 31, 2014 have been provided in chapters "*Capital Structure*", "*Financial Indebtedness*" and "*Financial Statements*" beginning on pages 71, 326 and 198, respectively. Further, our Company has not undertaken any public offering of debt instruments since its incorporation.

Time and Cost Overrun

In August 2005, a warehouse owned by UUL located in Augusta, Georgia collapsed during construction. The building was thereafter re-constructed and operations were started in 2007. During this period, warehousing operations of UUL were carried out from a public warehouse. We incurred warehousing charges for use of the public warehouse as well as additional legal fees.

Except as aforementioned, our Company and our Subsidiaries have not experienced any significant time and cost overrun in relation to the setting up of our manufacturing facilities and warehouses.

Defaults or Rescheduling of Borrowings with Financial Institutions/Banks

There have been no defaults or rescheduling of borrowings with the financial institutions/banks, other than those disclosed in the section "*Risk Factors*" beginning on page 14.

Conversion of loans into equity

Our Company has not converted any loan into equity since its incorporation.

Strikes or Labour Unrest

Our Company and our Subsidiaries have lost time on account of strikes or labour unrest in the past. However, we have not experienced any strikes, labour disputes or industrial actions that have had a material effect on our business. In 2009, at the Noida Unit the factory management decided to withdraw the sale and attendance incentive scheme. Due to the withdrawal of the aforementioned scheme, workers at the factory went on strike from April 16, 2009 to April 24, 2009 and again went on strike from May 19, 2009 to June 22, 2009. Negotiations were conducted between the management and the workers in the presence of a magistrate and the Assistant Labour Commissioner, Noida, pursuant to which a settlement was reached and the strike was called off on June 22, 2009.

On January 7, 2012, 80 workers at the Visakhapatnam Unit went on a strike demanding absorption of 150 contract workers into the Company rolls. The strike was called off on January 13, 2012 pursuant to an agreement entered into by the management and the workers. In September 2014, workers at the Visakhapatnam Unit went on a strike. Operations were shut for eight days and the strike was subsequently called off. For details of related risk, please see the section "*Risk Factors*" beginning on page 14.

Changes in the Activities of our Company during the last Five Years

Except as otherwise stated in the chapters "*Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", beginning on pages 135 and 308, respectively, there have been no changes in the activities of our Company during the last five years preceding the date of this Draft Red Herring Prospectus, which may have had a material effect on our profits or loss, including discontinuance of our lines of business, loss of agencies or markets and similar factors.

Injunction or Restraining Order

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

Our Shareholders

As on the date of this Draft Red Herring Prospectus, the total number of shareholders of our Company is 26. For further details of our Company's shareholding pattern, please refer to the chapter "*Capital Structure*" beginning on page 71.

Holding Company

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets

1. Agreement between our Company and M/s. Gripwel Fasteners for Transfer of Business

Our Company entered into an agreement dated September 1, 2005 with M/s. Gripwel Fasteners (partnership firm) ("**Gripwel**") for the transfer of Gripwel's business of manufacturing and sale of tractor parts and accessories as a going concern to our Company along with all the assets, liabilities and employees (except the land and buildings situated at C – 18, 19, 20, Sector – 59, Noida, Uttar Pradesh, and B – 112, Sector – 5, Noida, Uttar Pradesh) for a total sale consideration of ₹ 205 million. Pursuant to the agreement, our Company agreed to acquire all the tangible/intangible assets of Gripwel and liquidate all liabilities relating to the business of Gripwel which were outstanding in the books of accounts as on March 31, 2005. The agreement provided that our Company has the right to use the name 'Gripwel Fasteners' as its own unit/division/undertaking or proprietary concern subject to the provisions of applicable law. Further, Gripwel cannot carry any similar business under the name 'Gripwel Fasteners'.

2. Agreement between our Company and M/s. Farmparts Company for Transfer of Business

Our Company entered into an agreement dated September 14, 2005 with M/s. Farmparts Company (partnership firm) ("**Farmparts**") for the transfer of Farmparts' business of manufacturing and sale of tractor parts and accessories as a going concern to our Company along with all the assets, liabilities and employees (except the land and buildings situated at C – 140, D – 126A and D – 127A, Phase – V, Focal Point Industrial Area, Ludhiana, Punjab) for a total sale consideration of ₹ 105 million. Pursuant to the agreement, our Company agreed to acquire all the tangible/intangible assets of Farmparts and liquidate all liabilities relating to the business of Farmparts which were outstanding in the books of accounts as on March 31, 2005. The agreement provided that our Company has the right to use the name 'Farmparts Company' as its own unit/division/undertaking or proprietary concern subject to the provisions of applicable law. Further, Farmparts cannot carry any similar business under the name 'Farmparts Company'. Land and buildings situated at C – 140, D – 126A and D-127A, Phase-V, Focal Point Industrial Area, Ludhiana owned by Farmparts had been leased to our Company by Farmparts pursuant to a lease agreement dated September 14, 2005.

Subsequently Farmparts entered into an 'agreement to sell' with our Company on September 23, 2013 for the transfer of its rights and interest in the properties situated at C – 140, D – 126A and D – 127A, Phase V, Focal Point, Industrial Area, Ludhiana for an aggregate consideration of ₹ 180 million, subject to approval from the Punjab Small Industries and Export Corporation Limited ("**PSIEC**"). PSIEC had given permission for use of land situated at C – 140, D – 126A and D – 127A, Phase – V, Focal Point Industrial Area, Ludhiana, provided that the original allottees of Farmparts retain 51% shares in the Company pursuant to letters dated June 18, 2014. Our Company has entered into lease deeds dated August 5, 2014 with PSIEC for properties situated at C – 140 and D – 126A for a period of 99 years on leasehold basis with effect from January 19, 1993 and November 10, 1997, respectively. The land situated at D – 127A is a freehold property for which our Company is yet to perfect title.

3. Agreement between our Company and SKG Engineering Private Limited for Transfer of Business

Our Company entered into an agreement dated October 10, 2005 with SKG Engineering Private Limited ("**SKG**") for the transfer of SKG's business of manufacturing and sale of tractor parts and accessories as a going concern to our Company along with all the assets, liabilities and employees (except the land and buildings situated at C – 198, Phase – VII, Focal Point Industrial Area, Ludhiana) for a total sale consideration of ₹ 72.50 million. Pursuant to the agreement, our Company agreed to acquire all the tangible/intangible assets of SKG and liquidate all liabilities relating to the business of SKG which were outstanding in the books of accounts as on March 31, 2005. The agreement provided that our Company has the right to use the name 'SKG Engineering Co.' as its own unit/division/undertaking or proprietary concern subject to the provisions of applicable law. Further, SKG cannot carry any similar business under the name 'SKG Engineering Co.'. The land and

buildings situated at C – 198, Phase – VII, Focal Point Industrial Area, Ludhiana has been leased to our Company by SKG pursuant to a lease deed dated October 10, 2005 till March 31, 2008. The lease term has been extended from time to time and is presently valid till September 30, 2014, pursuant to amendment agreement dated October 1, 2013.

4. Investment-Cum-Unit Purchase Agreement between our Company, Uniparts USA Limited, Olsen Engineering LLC and the Olsen Legacy Shareholders

Our Company entered into an agreement dated November 11, 2005 with Uniparts USA Limited, Olsen Engineering LLC and Kevin Code, Dennis DeDecker, Andrew Code and James Hallene (together the "**Olsen Legacy Shareholders**"), pursuant to which Olsen Engineering LLC issued and sold shares amounting to 50% plus one common stock in Olsen Engineering LLC for an aggregate consideration of USD 2,615,000 and certain subordinated promissory notes to Uniparts USA Limited. As provided in the agreement, upon exercise of a call option by Uniparts USA Limited, the Olsen Legacy Shareholders were entitled to invest in our Company on transfer of their interest in Olsen Engineering LLC to Uniparts USA Limited.

5. Share Purchase and Shareholders Agreement between our Company, Uniparts Europe B.V., Kramp Groep B.V. and Uniparts Kavee B.V.

Our Company entered into a share purchase and shareholders agreement dated January 22, 2007 with Uniparts Europe B.V., Kramp Groep B.V. and Uniparts Kavee B.V. pursuant to which Kramp sold to Uniparts Europe B.V. all rights and title in 1,000,001 shares of Uniparts Kavee B.V. for a total consideration of Euro 1,000,001. The agreement governed the rights and liabilities of the parties in connection with Uniparts Kavee B.V. The parties to the share purchase and shareholders agreement entered into a deed of cessation dated January 24, 2013, effective from April 1, 2012, pursuant to which the joint venture was cancelled and the share purchase and shareholders agreement was terminated. The 1,000,001 shares which Uniparts Europe B.V. had purchased pursuant to share purchase and shareholders agreement dated January 25, 2013 were purchased back by Kramp Groep B.V. for a total consideration of Euro 725,000. For further details relating to the loss incurred as a result of this transaction, please refer to the section "*Risk Factors*" beginning on page 14.

6. Agreement between our Company and Ace Tractor Parts Limited for Transfer of Business

Our Company entered into an agreement dated March 30, 2007 with Ace Tractor Parts Limited ("**Ace Tractor**") for the transfer of Ace Tractor's business of manufacturing and sale of tractor parts and accessories as a going concern to our Company along with all the assets, liabilities and employees for a total sale consideration of ₹ 1.20 million. Pursuant to the agreement, our Company agreed to acquire all the tangible/intangible assets of Ace Tractor and liquidate all liabilities relating to the business of Ace Tractor which were outstanding in the books of accounts as on March 31, 2007. The agreement provided that our Company has the right to use the name 'SKG Engineering Company Unit II' as its own unit/division/undertaking or proprietary concern subject to the provisions of applicable law.

7. Shareholders Agreement between our Company and the Olsen Investors

Our Company entered into a shareholders agreement dated May 25, 2007 with Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, the Olsen Legacy Shareholders, Mr. Mark Dawson, Mr. Melvin K. Gibbs, Mr. Marc C. Dorau, Mr. Bradley Miller, Mr. Walter J. Gruber, Ms. Mary L. Arp, Diana Craig, Ms. Wendy R. Hammen, Mr. Craig A. Johnson and Ms. Misty Marie Richardson (together the "**Olsen Investors**") pursuant to the provisions of the Investment-cum-Unit Purchase Agreement dated November 11, 2005 entered into between our Company, Uniparts USA Limited, Olsen Engineering LLC and Olsen Legacy Shareholders. The shareholders agreement governs the rights and obligations of the above named persons as shareholders in our Company. The Promoters of our Company have a right of first refusal in respect of any transfers which the Olsen Investors may propose. The shareholders agreement will automatically terminate upon the completion of the initial public offering of our Company.

Summary of Shareholders Agreement

Our Company entered into a shareholders agreement dated September 25, 2007 ("**SHA**") with Ashoka Investment Holdings Limited ("**Ashoka**"), Ambadevi Mauritius Holding Limited ("**Ambadevi**", collectively with Ashoka the "**PE Investors**"), and our Promoters pursuant to the provisions of the investment agreement dated September 13, 2007 entered into between the aforementioned parties ("**Investment Agreement**"). The SHA was entered into to provide certain minority protection rights to the PE Investors. Pursuant to the SHA, the PE Investors have the right to nominate one director to the Board of Directors of our Company, and have certain other rights, the principal terms of which also have been incorporated in our Articles of Association.

The aforesaid parties have signed a letter agreement dated September 22, 2014 ("**Company Letter Agreement**") to regulate the rights of the PE Investors in connection with, and following, the initial public offering of our Company. The Company Letter Agreement provides that the SHA and the Investment Agreement will automatically terminate upon commencement of trading of shares of our Company on the Stock Exchanges or such other Indian or international stock exchanges acceptable to the PE Investors, and immediately thereafter the PE Investors shall be entitled to nominate one director on the Board of Directors of the Company until the earlier of (i) three years from the commencement of trading or (ii) the date on which the PE Investors (together with their affiliates) first cease, after such commencement of trading of shares of our Company on the Stock Exchanges to hold an aggregate of more than 5% of the total issued and paid up share capital of our Company (excluding any shares purchased by the PE Investors (together with their affiliates) after such commencement of trading of Equity Shares on the stock exchange). The agreement also provides that in the event any proposed transfer by Ashoka and Ambadevi prior to the said commencement of trading which shall result in them holding less than 3,076,923 Equity Shares and 923,077 Equity Shares, respectively, in our Company, then they must, prior to such transfer, give a right of first offer to our Promoters and thereafter only transfer all but not less than all of their equity shares in such proposed transfer to the proposed transferee.

Our Promoters and the PE Investors have also signed a letter agreement dated September 22, 2014 ("**Promoters Letter Agreement**") in terms of which our Promoters have undertaken certain non-compete and non-solicit obligations with respect to the business of our Company. The agreement further provides that neither our Promoters nor their affiliates will transfer any Equity Shares of our Company without the prior consent of the Investors other than: (a) in the open market, provided that such transfer, in one calendar year, does not exceed an aggregate of more than two per cent. of the total paid up share capital of the Company as of the date of listing on the Stock Exchanges; or (b) in a transaction requiring the transferee to make an 'open offer' under the SEBI Takeover Regulations and in which 'open offer' the Investors are entitled to tender the shares held by them in accordance with such regulations; or (c) any inter-se transfer of shares between our Promoters, their affiliates, and their respective spouse and children. These restrictions are applicable until the earlier of (i) two years from the commencement of trading of our Equity Shares on the Stock Exchanges or (ii) the date on which the PE Investors (together with their affiliates) first cease thereafter to hold an aggregate of more than 5% of the total issued and paid up share capital of our Company (excluding any shares purchased by the PE Investors (together with their affiliates) after the commencement of trading of shares of our Company on the Stock Exchanges).

Our Subsidiaries

Our Company has four direct Subsidiaries and one indirect Subsidiary, details of which are provided below. GFPL, UUL, UEBV and UIG are our direct Subsidiaries. UOI, a wholly-owned subsidiary of UUL, is an indirect Subsidiary of our Company.

1. *Gripwel Fasteners Private Limited ("GFPL") (formerly "Unilink Engineering Private Limited")*

Unilink Engineering Private Limited was incorporated as a private limited company on January 13, 2005 under the Companies Act, 1956 by a certificate of incorporation issued by the RoC. Unilink Engineering Private Limited became a wholly owned subsidiary of our Company on January 21, 2008 when our Company acquired 100% shareholding of UOI in Unilink Engineering Private Limited. The name was subsequently changed to Gripwel Fasteners Private Limited and a fresh certificate of incorporation was issued by the RoC on December 19, 2011. GFPL has its registered office at Gripwel House, Block 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India.

Principal Business

GFPL is engaged in the business of manufacturing, sale and export of 3PL, tractor attachment systems and other agricultural equipment components. GFPL is also engaged in servicing the after-market and OEM customers.

Capital Structure

The share capital pattern of GFPL as on the date of this Draft Red Herring Prospectus is as follows:

Authorised	**Aggregate Nominal Value**
6,000,000 equity shares of ₹ 10 each	₹ 60,000,000
Issued, subscribed and paid up	

5,759,842 equity shares of ₹ 10 each	₹ 57,598,420

Shareholding Pattern

The shareholding pattern of GFPL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
Uniparts India Limited	5,759,841	100.00
Mr. Gurdeep Soni*	1	0.00

**As a nominee of our Company.*

2. Uniparts USA Limited ("UUL")

UUL was incorporated on January 27, 2005 under the laws of the State of Delaware, USA. UUL has its registered office at 2711, Centerville Road, Suite 400, City of Wilmington, County of New Castle, Delaware 19808, USA.

Principal Business

UUL is engaged in the business of warehousing and primarily providing services to its customers located in USA.

Capital Structure

The share capital pattern of UUL as on the date of this Draft Red Herring Prospectus is as follows:

Authorised	Aggregate Nominal Value
300,000 common stock of USD 10 each	USD 3,000,000
800,000 convertible preferred stock of USD 10 each	USD 8,000,000
Issued, subscribed and paid up	
2,000 common stock of USD 10 each	USD 20,000
800,000 convertible preferred stock of USD 10 each	USD 8,000,000

Shareholding Pattern

The shareholding pattern of UUL as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
Common Stock		
Uniparts India Limited	2,000	100
Convertible Preferred Stock		
Uniparts India Limited	800,000	100

3. Uniparts Europe B.V. ("UEBV")

UEBV was incorporated on January 22, 2007 under the laws of The Netherlands. UEBV has its registered office at Luna Arena, Herikerbergweg 238, 1101 CM, Amsterdam Zuidoost, The Netherlands.

Principal Business

UEBV is engaged in the business of manufacturing, sale, marketing and export of heavy and light engineering products and allied engineering products.

Capital Structure

Authorised	Aggregate Nominal Value
1,500,000 shares of € 1 each	€ 1,500,000
Issued, subscribed and paid up	
1,100,000 shares of € 1 each	€ 1,100,000

Shareholding Pattern

The shareholding pattern of UEBV as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
Uniparts India Limited	1,100,000	100

4. Uniparts India GmbH ("UIG")

UIG was incorporated on May 18, 2010 under the laws of Germany. UIG has its registered office at Reutherstrasse, 3, D – 53773, Hennef, Germany.

Principal Business

UIG is engaged in the business of warehousing and providing services to its customers located in Europe.

Capital Structure

Authorised	Aggregate Nominal Value
1 share of € 100,000 each	€ 100,000
Issued, subscribed and paid up	
1 share of € 100,000 each	€ 100,000

Shareholding Pattern

The shareholding pattern of UIG as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
Uniparts India Limited	1	100

5. Uniparts Olsen Inc. ("UOI")

UOI was incorporated as 'Olsen Engineering LP' on April 22, 1998 under the laws of the State of Delaware, USA. Olsen Engineering LP was converted to 'Olsen Engineering LLC' on November 10, 2005 and then to 'Uniparts Olsen Inc.' on September 5, 2007. UUL acquired 50% plus one common stock ownership interest in UOI on November 11, 2005 pursuant to the Investment-Cum-Unit Purchase Agreement between our Company, UUL, Olsen Engineering LLC and the Olsen Legacy Shareholders. UOI became a wholly owned subsidiary of UUL on May 25, 2007 when UUL exercised its call option under the Investment-Cum-Unit Purchase Agreement. UOI has its registered office at Corp Trust Ctr. 1209, Orange Street, Wilmington, County of New Castle, Delaware 19801, USA.

Principal Business

UOI is engaged in the business of manufacturing, warehousing and sale of precision machined pins, bushings and structural bosses for its customers in the construction, agriculture and forestry industries.

Capital Structure

Authorised	Aggregate Nominal Value
1,224,301 common stock of USD 1 each	USD 1,224,301
Issued, subscribed and paid up	
1,224,301 common stock of USD 1 each	USD 1,224,301

Shareholding Pattern

The shareholding pattern of UOI as on the date of this Draft Red Herring Prospectus is as follows:

Name of the shareholder	Number of shares	Percentage of Shareholding (%)
UUL	1,224,301	100

Profit-making Subsidiaries

Details of profit-making Subsidiaries that contributed more than 5% of the revenue or profits or assets of the Company on a consolidated basis in financial year 2013-2014, is set forth below:

Name of Subsidiary	Gripwel Fasteners Private Limited	Uniparts USA Limited	Uniparts Olsen Inc.	Uniparts India GmbH
Share Capital as on March 31, 2014	₹ 57.59 million	$ 8.02 million	$ 1.22 million	€ 0.10 million
Turnover for Financial Year 2013-2014	₹ 1,038.278 million	$12.26 million	$ 60.47 million	€ 7.44 million
Profit after Tax for Financial Year 2013-2014	₹ 120.51 million	$ 0.76 million	$ 1.49 million	€ (0.13) million
Shareholding of issuer company	100%	100%	100%	100%
Listing status	Unlisted	Unlisted	Unlisted	Unlisted

Interest of the Subsidiaries in our Company

Our Subsidiaries do not have any interest in our Company's business other than as stated in the chapters "*Business*" and "*Financial Statements*", beginning on pages 135 and 198, respectively.

The Amount of Accumulated Profit/(Losses) not Accounted for by our Company

There are no profits or losses of Subsidiaries not accounted for by our Company.

Strategic and Financial Partners

Except as disclosed above, our Company has not entered into any strategic and financial partnerships.

OUR MANAGEMENT

Board of Directors

Under the provisions of the Articles of Association, our Company is required to have not less than three Directors and not more than 15 Directors. Our Company currently has eight Directors on its Board.

The following table sets forth details of the Board of Directors as of the date of this Draft Red Herring Prospectus:

Name, address, occupation, term, DIN and designation	Nationality	Date of Appointment as Director	Age (Years)	Other directorships/partnerships/ trusteeships
Name: Mr. Gurdeep Soni **Address:** Silveroak Estates, #142, Mall Road, Kishengarh, Vasant Kunj, New Delhi – 110 070, India **Occupation:** Business **Term:** Three years with effect from April 1, 2012. This term was further extended for a period of three years effective from April 1, 2015 **DIN:** 00011478 **Designation:** Chairman and Managing Director	Indian	September 26, 1994	59	**Indian Companies/Body Corporates:** *Private Companies* Gripwel Fasteners Private Limited (formerly Unilink Engineering Private Limited) G K P Farms Private Limited SKG Engineering Private Limited Silveroak Estate Private Limited Avid Maintenance Private Limited (formerly known as Kramp GF Exports Private Limited) Amazing Estates Private Limited Uniparts Engineering Private Limited Charisma Homes Private Limited Bluebells Homes Private Limited SGA Trading Private Limited Tima Trading Private Limited Vivify Net Private Limited (formerly known as Vivify Socinet Private Limited) *Public Companies* Ace Tractor Parts Limited **Foreign Companies/Bodies Corporates** Uniparts USA Limited Uniparts Olsen Inc. Uniparts Europe B.V. **Partnerships:** Gripwel Fasteners Soni Holdings Indento International **Trusts:** Soni Foundation P. Soni Family Trust

Name, address, occupation, term, DIN and designation	Nationality	Date of Appointment as Director	Age (Years)	Other directorships/partnerships/ trusteeships
Name: Mr. Paramjit Singh Soni **Address:** 614 High Hampton Dr, Martinez, GA 30907-9125, Columbia, USA **Occupation:** Business **Term:** Director liable to retire by rotation **DIN:** 00011616 **Designation:** Vice Chairman	Indian	September 26, 1994	53	**Indian Companies/Body Corporates:** *Private Companies* Gripwel Fasteners Private Limited (formerly Unilink Engineering Private Limited) Avid Maintenance Private Limited (formerly known as Kramp GF Exports Private Limited) G K P Farms Private Limited Amazing Estates Private Limited Tima Trading Private Limited SKG Engineering Private Limited *Public Companies* Ace Tractor Parts Limited **Foreign Companies/Body Corporates:** Uniparts USA Limited Uniparts Olsen Inc. Uniparts Europe B.V. **Trusts:** Soni Foundation
Name: Mr. Alok Nagory **Address:** 7/197 Moti Sadan, Swarup Nagar, Kanpur, Uttar Pradesh – 208 002, India **Occupation:** Business **Term:** Five years effective from August 23, 2014 **DIN:** 00478140 **Designation:** Non-executive Independent Director	Indian	August 23, 2014	58	**Indian Companies/Body Corporates:** *Private Companies* Nagory Investments Private Limited Nagory Innovative Arts Private Limited Diversified Engineering Corporation Private Limited Nagory Foster Private Limited *Public Companies* The India Thermit Corporation Limited Thermit Thormahlen India Limited *Section 25 Companies* The Upper India Chamber of Commerce **Trusts:** Manjula Charitable Trust
Name: Mr. Ashish Kumar Agarwal **Address:** Flat No. 402, 4th Floor, B Wing Vivarea Building, M. A. Road, Jacob Circle, Mumbai – 400 011, **Occupation:** Service **Term:** Not liable to retire by rotation **DIN:** 00139386	Indian	September 18, 2007	42	**Indian Companies/Body Corporates:** *Private Companies* Gripwel Fasteners Private Limited (formerly Unilink Engineering Private Limited) PineBridge Investments India Advisors Private Limited Narayana Hrudayalaya Private Limited Infinity Consultancy Services Private Limited Firepro Systems Private Limited *Public Companies* Avasarala Technologies Limited

Name, address, occupation, term, DIN and designation	Nationality	Date of Appointment as Director	Age (Years)	Other directorships/partnerships/ trusteeships
Designation: Non-executive Non Independent Director (Nominee director of Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited)				**Foreign Companies/Body Corporates:** Uniparts USA Limited Uniparts Olsen Inc.
Name: Mr. Herbert Coenen **Address:** Vinxeler Street, 74 Koenigswinter, 53639, Germany **Occupation:** Service **Term:** Director liable to retire by rotation **DIN:** 00916001 **Designation:** Executive Director	German	January 12, 2013	53	**Foreign Companies/Body Corporates:** Uniparts India GmbH Uniparts Olsen Inc.
Name: M.R. Umarji **Address:** B-702, Pataliputra Co-Operative Housing Society, 4 Bunglows, Near Kamdhenu Shop, Andheri (W), Mumbai, 400 053, India **Occupation:** Professional **Term:** Five years effective from April 1, 2014 **DIN:** 00307435 **Designation:** Non-executive Independent Director	Indian	January 7, 2014	72	**Indian Companies/Body Corporates:** *Private Companies* Central Registry of Securitisation Asset Reconstruction and Security Interest of India *Public Companies* Strides Arcolab Limited JM Financial Products Limited ITZ Cash Card Limited ITZ Cash Payment Solutions Limited
Name: Mr. Sharat Krishan Mathur **Address:** E-323, 1st Floor, Greater Kailash – I, New Delhi-110 048, India **Occupation:** Business **Term:** Five years effective from April 1, 2014	Indian	November 29, 2013	57	**Companies/Body Corporates:** *Private Companies* Insight Alpha Research & Solutions Private Limited Akiko Business Consultants (India) Private Limited Contavide Enterprises Private Limited Recerche Services India Private Limited

Name, address, occupation, term, DIN and designation	Nationality	Date of Appointment as Director	Age (Years)	Other directorships/partnerships/ trusteeships
DIN: 01217742 **Designation:** Non-executive Independent Director				
Name: Ms. Shradha Suri **Address:** E-7, Panchsheel Park, New Delhi – 110 017, India **Occupation:** Business **Term:** Five years effective from August 23, 2014 **DIN:** 00176902 **Designation:** Non-executive Independent Director	Indian	August 23, 2014	36	**Indian Companies/Body Corporates:** *Private Companies* Mercantile Capital and Financial Services Private Limited Pia Infrastructure Private Limited Prima Infratech Private Limited *Public Companies* Subros Limited Rohan Motors Limited Prima Telecom Limited Prime Cellular Limited Fibcom India Limited Denso Subros Thermal Engineering Centre India Limited Automotive Component Manufacturers Association of India **Foreign Companies/Body Corporates:** Bharat Hotels (Thailand) Company Limited

Brief Profiles of our Company's Directors

Mr. Gurdeep Soni, aged 59 years, is the Chairman and Managing Director of our Company and has been associated with our Company since its incorporation. He was appointed as a Director of our Company on September 26, 1994. He holds a master of management studies degree from Birla Institute of Technology and Science, Pilani. He has approximately 35 years of work experience in different roles within the Uniparts Group. He has been actively involved in the day-to-day operations of our Company and is responsible for the after-market business of our Group.

Mr. Paramjit Singh Soni, aged 53 years, is the Vice Chairman and an executive Director of our Company and has been associated with our Company since its incorporation. He was appointed as Director of our Company on September 26, 1994. He has a bachelor's degree in commerce from the University of Delhi, Delhi. He has 32 years of work experience in different roles within the Uniparts Group and is presently based in the USA. He is responsible for the OEM business of the Uniparts Group and also actively involved in the formulation of corporate strategy and planning, and concentrates on the inorganic growth and diversification plans of our Company.

Mr. Alok Nagory, aged 58 years, is a non-executive Independent Director of our Company. He was appointed as a Director of our Company on August 23, 2014. He holds a master's degree in science from the Birla Institute of Technology and Science, Pilani. He has over 36 years of experience in international business development, joint ventures and acquisitions and is currently the chairman and managing director of The India Thermit Corporation Limited.

Mr. Ashish Kumar Agarwal, aged 42 years, is a non-executive and non-Independent Director of our Company. He was appointed as a nominee Director of our Company on September 18, 2007. He holds a bachelor's of technology degree in computer science and engineering from the Indian Institute of Technology, Delhi, and post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has over 19 years of experience in financial services, including 14 years experience in a private equity firm. He is currently the managing director of PineBridge Asia Partners II, L.P., with responsibility over the Indian portfolio managed or advised by PineBridge Investments. Mr. Agarwal has been with

PineBridge Investments (earlier known as AIG Investments) since 2000. He is currently on the board of directors of a number of leading companies and, and prior to that was an assistant vice president - corporate finance at Bank of America in Mumbai.

Mr. Herbert Coenen, aged 53 years, is an executive Director of our Company. He was appointed as a Director of our Company on January 12, 2013. He holds a diploma from the University of Applied Science, Cologne in mechanical engineering. He has 28 years of work experience, of which more than 20 years were with GKN Walterscheid GmbH. He is associated with the Uniparts Group since August 2006 and has played a key role in business development, business expansion and technology adoption. He is also the managing director of our Subsidiary, Uniparts India GmbH.

Mr. M.R. Umarji, aged 72 years, is a non-executive Independent Director of our Company. He was appointed as a Director of the Company on January 7, 2014. He holds a master's degree in law from Bombay University, Mumbai. He has 49 years of work experience and held executive positions in various government organizations and banks including as the executive director of the Department of Non-Banking Supervision of Reserve Bank of India, executive director of Corporation Bank and general manager of Dena Bank. He has been a member of a number of committees and working groups set up by the Ministry of Finance, Government of India and the Reserve Bank of India. He is currently a partner at Alliance Corporate Lawyer and a member of the independent review committee of the Export Credit Guarantee Corporation of India Limited.

Mr. Sharat Krishan Mathur, aged 57 years, is a non-executive Independent Director of our Company. He was appointed as a Director of our Company on November 29, 2013. He holds a bachelor's degree in engineering from the Birla Institute of Technology and Science, Pilani. He has over 36 years of experience in managing complex outsourcing, remote project management and process re-engineering. He has previously worked with reputed companies in different sectors such as Maclean Power Systems LLC. He co-founded Insight Alpha in 2008, an expert network providing investors, consulting firms and corporate industry experts in India and Southeast Asia.

Ms. Shradha Suri, aged 36 years, is a non-executive Independent Director of our Company. She was appointed as a Director of our Company on August 23, 2014. She holds a master's of science degree from the London School of Economics and Political Science, University of London. She has over 14 years of experience and has played a key role in research and development, human resources, quality and information technology systems enabling decision support for Subros Limited. She is currently the managing director of Subros Limited, a part of the Suri Group, which has interests in a diverse range of businesses ranging from automotive components, cooling systems, hospitality, precision component manufacturing, telecom and education.

Further Confirmations

None of the Directors of our Company are or have been directors of listed companies whose shares have been or were delisted or suspended from trading on BSE or NSE in the last five years prior to the date of this Draft Red Herring Prospectus.

None of the Directors of our Company is or was a director on any listed companies which have been or were delisted from any stock exchange during the term of their directorship in such companies.

Compensation of the Directors of our Company

Set forth below is the remuneration received by the Directors from our Company in the financial year 2013-2014.

S. No	Name of Director	Remuneration paid in financial year 2013-2014 (in ₹ million)
1.	Mr. Gurdeep Soni	15.97*
2.	Mr. Paramjit Singh Soni	Nil
3.	Mr. Alok Nagory	Nil**
4.	Mr. Ashish Kumar Agarwal	Nil
5.	Mr. Herbert Coenen	Nil
6.	Mr. M.R. Umarji	0.01
7.	Mr. Sharat Krishan Mathur	0.01
8.	Ms. Shradha Suri	Nil**
Total		**15.99**

** Includes ₹ 134,077 towards perquisite value as per the I.T. Act.*

***Mr. Alok Nagory and Ms. Shradha Suri were appointed as Directors of our Company on August 23, 2014 and were not part of the Board in the financial year 2013-2014.*

Relationship between Directors

Mr. Gurdeep Soni and Mr. Paramjit Singh Soni are brothers. None of the other Directors are related to each other.

Arrangements and Understanding with Major Shareholders

Pursuant to an investment agreement dated September 13, 2007 and a shareholders agreement dated September 25, 2007 between our Company, the Promoters and Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited (collectively, the "**Investors**"), as amended, Mr. Ashish Kumar Agarwal was appointed as a nominee Director on behalf of the Investors. Except as aforesaid, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director or member of the senior management.

Terms of Appointment of the Whole-time Directors/Managing Director of our Company

The details of the remuneration paid to the Managing Director of the Company during the last financial year are as follows:

Mr. Gurdeep Soni

Mr. Gurdeep Soni was re-appointed as Managing Director for a term of three years with effect from April 1, 2012, pursuant to a resolution passed by the shareholders at the EGM held on April 23, 2012. The significant terms of his remuneration and employment include the following:

Particulars	Remuneration	
Salary	₹ 1,220,000 per month for the financial year 2012-2013	
	₹ 1,320,000 per month for the financial year 2013-2014	
	₹ 1,430,000 per month for the financial year 2014-2015 The salary also includes provident fund, gratuity and leave encashment.	
Perquisites	Benefits such as medical expenses, personal accident insurance, club fees, conveyance and other employee benefits as per the employment agreement dated April, 23, 2012.	
Commission	Group Profit Before Tax ("**PBT**") Level	
	1% of the PBT	If the PBT is higher than 90% of the budgeted PBT for the year.
	0.5% of the PBT	If the PBT is higher than 80% of the budgeted PBT for the year and lower than 90% of budgeted PBT for the year.
	Nil	If the PBT is lower than 80% of the budgeted PBT for the year.

The total amount paid to Mr. Gurdeep Soni, including perquisite as per I.T. Act, for the financial year 2013-2014 was ₹ 15.97 million.

On July 10, 2014, the Board passed a resolution appointing Mr. Gurdeep Soni as the Chairman of the Board with effect from July 11, 2014 and designated him as the Chairman and Managing Director. The Board also pursuant to the resolution passed at the shareholders' meeting dated August 4, 2014, reappointed him as the Managing Director of the Company for a period of three years with effect from April 1, 2015.

Due to a revision in the terms of Mr. Gurdeep Soni's appointment, he will not receive any remuneration from the Company effective from July 1, 2014, including for the period of his re-appointment as Managing Director with effect from April 1, 2015 as described above. He is however, entitled to remuneration as mentioned below, from GFPL, effective from July 1, 2014.

Particulars	Remuneration
Salary	₹ 1,475,000 per month for the financial year 2014-2015

Particulars	Remuneration
	₹ 1,650,000 per month for the financial year 2015-2016
Perquisites	Benefits such as medical expenses, personal accident insurance, club fees, conveyance facilities, communication facilities and reimbursement of expenses.
Bonus	Such sum as may be decided by the Board or a committee based on performance of certain parameters as laid down by the Board or a committee.
Notice Period	Six months, unless otherwise agreed by the Board of our Company.

Payment or Benefit to Directors/Officers of our Company

The remuneration paid to the Directors of our Company for the last financial year is as follows:

1. Remuneration to Executive Directors by the Company and its Subsidiaries

The remuneration paid to executive Directors of the Company during the financial year 2013-2014 is as follows:

S. No.	Name of Director	Remuneration Paid (in ₹ million)
1.	Mr. Gurdeep Soni	15.97

The details of remuneration paid to the Directors of our Company by the Subsidiary companies during the financial year 2013-2014 are set out below:

Name of Director	Subsidiary Company	Remuneration Paid
Mr. Paramjit Singh Soni	Uniparts USA Limited	USD 618,000
Mr. Herbert Coenen	Uniparts India GmbH	Euro 193,030

In addition to the remuneration above, Mr. Paramjit Singh Soni is also entitled to receive commission, for financial year 2014-2015, as specified below:

Commission	Group Profit Before Tax ("**PBT**") Level	
	1% of the PBT	If the PBT is higher than 90% of the budgeted PBT for the year.
	0.5% of the PBT	If the PBT is higher than 80% of the budgeted PBT for the year and lower than 90% of budgeted PBT for the year.
	Nil	If the PBT is lower than 80% of the budgeted PBT for the year.

Due to a revision in the terms of Mr. Paramjit Singh Soni's appointment at the EGM on August 4, 2014, he will be entitled to receive the following remuneration:

Particulars	Remuneration
Salary	USD 53,000 per month for the financial year 2015-2016
	USD 54,500 per month for the financial year 2016-2017
	USD 56,000 per month for the financial year 2017-2018
Bonus	Such sum as may be decided by the Board or committee based on achievement of performance parameters, as may be laid down by the Board or committee.
Perquisites	Benefits such as medical expenses, personal accident insurance, club fees, conveyance facilities, communication facilities and reimbursement of expenses.
Notice Period	Six months, unless otherwise agreed by the Board of our Company.

Due to a revision in the terms of Mr. Herbert Coenen's appointment at the EGM on August 4, 2014, he will receive an increased remuneration of Euro 193,199, with effect from April 1, 2014. In addition to Mr. Herbert Coenen's remuneration, he is entitled to fifty per cent of his annual salary and bonus upon termination of his employment as non-compete fee for a period of one year. Further, he is also entitled to an annual performance linked incentive up to an amount of Euro 68,711.

2. Remuneration to Non-Executive Directors

Sitting fee of ₹ 10,000 each was paid to Mr. M.R. Umarji and Mr. Sharat Krishan Mathur for attending the Board/committee meetings of the Company during the financial year 2013-2014. Pursuant to the resolution passed at the board meeting dated August 23, 2014, the non-executive Independent Directors of our Company are entitled to receive sitting fees of ₹ 50,000 for attending each meeting of our Board and ₹ 20,000 for attending each meeting of our committees, and commission as may be decided by the Board within the limit prescribed under the Companies Act, 2013.

Except as stated in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, within the preceding two years, or is intended to be paid or given to any of our Company's employees including the Directors and Key Management Personnel and other management personnel, other than in the ordinary course of their employment or as shareholders of the Company.

Except as disclosed in this Draft Red Herring Prospectus, none of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company. Further, except as disclosed in this Draft Red Herring Prospectus there are no service contracts that have been entered into with the Directors, and except for statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the Directors of our Company and other management personnel, are entitled to any benefits upon termination of employment.

Borrowing Powers of the Board

Our Articles, subject to the provisions of the Companies Act, authorise the Board, at its discretion, to generally raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. Pursuant to a resolution passed by the shareholders of our Company at the EGM held on August 4, 2014, the Board has been authorised to borrow any sum or sums of monies in excess of our Company's aggregate paid-up capital and free reserves, provided that the total amount which may be so borrowed and outstanding shall not exceed a sum of ₹ 3,000 million for our Company at a standalone level and ₹ 5,000 million for our Company and its Subsidiaries together.

Shareholding of the Directors in our Company

The shareholding of the Directors of our Company as of the date of this Draft Red Herring Prospectus is set forth below:

Name of Director	Number of Equity Shares held
Mr. Gurdeep Soni	1,49,55,570
Mr. Paramjit Singh Soni	65,95,090

The Articles of Association do not require the Directors of our Company to hold any qualification Equity Shares.

Shareholding of the Directors of our Company in our Subsidiaries

The shareholding of the Directors of our Company in our Subsidiary, GFPL is set forth below:

Name of Director	Subsidiary Company	Number of Equity Shares held
Mr. Gurdeep Soni*	GFPL	1

* *As a nominee of our Company.*

Bonus or Profit Sharing Plan for the Directors of our Company

The executive Directors of our Company are entitled to such bonus as may be decided by the Board or a committee based on achievement of certain performance parameters as decided by the Board or a committee. The Independent Directors of our Company are entitled to such commission as may be decided by the Board within the limit prescribed under the Companies Act, 2013.

As part of the ESOP 2007, the Directors of our Company (except Promoter Directors, the nominee Director and Independent Directors) are eligible for the grant of options. For further details relating to ESOP 2007 and the options granted thereunder to the Directors of our Company, please refer to the chapter "*Capital Structure*" beginning on page 71.

Interests of Directors of our Company

The Independent Directors of our Company may be deemed to be interested only to the extent of any sitting fees, commissions

or reimbursement of expenses payable to them under the Articles of Association.

The non-Independent Directors of our Company may be deemed to be interested to the extent of remuneration, fees or reimbursement of expenses payable to them under the Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company and/or its Subsidiary.

Our Company has entered into a lease agreement dated January 17, 2014 with Soni Holdings (a partnership firm in which our Promoter, Mr. Gurdeep Soni has a 30% stake) for lease of a certain portion of the building situated at Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070 for which our Company pays a monthly lease of ₹ 57,500 for a period of nine years with effect from November 1, 2013. Our Company has entered into a lease deed dated October 10, 2005 for lease of land and building located at C – 198, Phase – VII, Focal Point Industrial Area, Ludhiana. The lease term has been extended from time to time and is presently valid till September 30, 2014, pursuant to an amendment agreement dated October 1, 2013. The Company pays monthly lease rent of ₹ 396,750.

The non-Independent Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to their relatives or to the companies, firms and trusts, if any, in which they are interested as directors, members, promoters, partners and /or trustees pursuant to this Issue. 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. Mr. Herbert Coenen may be deemed to be interested to the extent that he has been granted ESOPs pursuant to ESOP 2007, for further details on the ESOPs granted to him, please see the chapter "*Capital Structure*" on page 71.

Certain Directors also hold directorships in our Subsidiaries and Group Entities. Mr. Ashish Kumar Agarwal, pursuant to an investment agreement dated September 13, 2007 and a shareholders' agreement dated September 25, 2007 between our Company, the Promoters and the Investors, was appointed as a nominee Director, on behalf of the Investors, on the board of our Subsidiaries, GFPL, UOI and UUL. For further details on the shareholders' agreement, please see the chapter "*History and other Corporate Matters*" beginning on page 161.

Except as disclosed in the chapters "*Financial Statements*" on page 198 and "*Our Promoters and Group Entities*" on page 187, the Directors have no interest in any property acquired by our Company two years prior to the date of this Draft Red Herring Prospectus or proposed to be acquired and are not interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Our Directors, except for Mr. Gurdeep Soni and Mr. Paramjit Singh Soni, have no interest in the promotion of our Company. With the exception of Mr. Angad Soni, who is the son of Mr. Gurdeep Soni, the Directors do not have any relatives (as defined in the Companies Act, 2013) who have been appointed to a place or office of profit in our Company.

Changes in the Board of Directors of our Company during the Last Three Years

Name	Date of appointment	Reason for appointment	Date of Cessation	Reason for cessation
Mr. Kirpal Singh	September 26, 1994	-	November 29, 2013	Resignation as director
Mr. Gurdeep Soni	April 1, 2012	Re-appointment as a Managing Director	-	-
Mr. Herbert Coenen	January 12, 2013	Appointment as an additional Director	-	-
Mr. Herbert Coenen	September 10, 2013	Appointment as a Director	-	-
Mr. Sharat Krishan Mathur	November 29, 2013	Appointment as an additional Director (non-executive Independent Director)	-	-
Mr. M. R. Umarji	January 7, 2014	Appointment as an additional Director (non-executive Independent Director)	-	-
Mr. Gurdeep Soni	July 11, 2014	Appointment as Chairman	-	-
Mr. Sharat Krishan Mathur	August 4, 2014	Appointment as non-executive Independent Director	-	-
Mr. M. R. Umarji	August 4, 2014	Appointment as non-executive Independent Director	-	-
Mr. Gurdeep Soni	August 4, 2014	Re-appointment as Managing Director	-	-
Ms. Shradha Suri	August 23, 2014	Appointment as an additional Director (non-executive Independent Director)	-	-
Mr. Alok Nagory	August 23, 2014	Appointment as an additional Director (non-	-	-

Name	Date of appointment	Reason for appointment	Date of Cessation	Reason for cessation
		executive Independent Director)		
Ms. Shradha Suri	September 20, 2014	Appointment as non-executive Independent Director	-	-
Mr. Alok Nagory	September 20, 2014	Appointment as non-executive Independent Director	-	-

Corporate Governance

The provisions relating to corporate governance in the Listing Agreements to be entered into with the Stock Exchanges will become applicable to our Company immediately upon the listing of the Equity Shares of our Company with the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance as specified in the Listing Agreement to be entered into with the Stock Exchanges and the Companies Act pertaining to constitution of the Board and committees thereof. The Board functions either on its own or through various committees constituted to oversee specific operational areas.

As on the date of this DRHP, the Board of Directors comprises eight directors, of whom, three are executive Directors; and five are non-executive Directors, of which four are Independent Directors. The Chairman of the Board is an executive Director.

Committees of the Board

The Board has constituted the following committees in accordance with the requirements of the Companies Act, 2013 and Listing Agreements to be executed with the Stock Exchanges:

Audit Committee

The Audit Committee was constituted at the Board meeting held on April 1, 2005. It was re-constituted at the Board meeting held on April 4, 2014. The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of our financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, and associated matters. The Audit Committee comprises:

Name of Director	Status	Capacity
Mr. Sharat Krishan Mathur	Independent Director	Chairman
Mr. M.R. Umarji	Independent Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

The board meeting held on August 23, 2014 amended the terms of reference of the Audit Committee to include the following:

1. Oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

2. Recommendation for appointment, remuneration and terms of appointment of auditors of our Company;

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report, in terms of the Companies Act;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;

- Disclosure of any related party transactions; and
- Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. 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;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the whistle blower mechanism;

19. Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate; and

20. Carrying out any other function as may be required / mandated as per the provisions of the Companies Act, 2013, Listing Agreements and/or any other applicable laws.

The chairman of the Audit Committee shall attend the AGMs of our Company to answer shareholders' queries. As required under the Listing Agreements, the Audit Committee shall meet at least four times in a year, and not more than four months shall elapse between two meetings. The quorum shall be either two members, or one third of the members of the Audit Committee, whichever is greater, provided that there should be a minimum of two independent directors present.

Nomination and Remuneration Committee

The Compensation Committee of the Board was constituted pursuant to a resolution of the Board in its meeting held on January 8, 2007. The Compensation Committee has been renamed as the 'Nomination and Remuneration Committee' and reconstituted pursuant to Section 178 of the Companies Act, 2013 by the Board in its meeting held on April 4, 2014. The Nomination and Remuneration Committee comprises:

Name of Members	Status	Capacity
Mr. M.R. Umarji	Independent Director	Chairman
Mr. Sharat Krishan Mathur	Independent Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

The terms of reference of the Nomination and Remuneration Committee, as amended from time to time, include the following:

1. The quantum of options to be granted under an employee stock option scheme per employee and in aggregate;

2. The conditions under which option vested in employees may lapse in case of termination of employment for misconduct;

3. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

4. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;

5. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

6. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard the following shall be taken into consideration by the Nomination and Remuneration Committee:

    - The number and the price of employee stock option scheme shall be adjusted in a manner such that total value of the ESOS remains the same after the corporate action;
    - The vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders;
    - For these purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad shall be considered;

7. The grant, vest and exercise of option in case of employees who are on long leave;

8. The procedure for cashless exercise of options;

9. Review, recommend and approve the remuneration and perquisites of the specified senior managerial personnel;

10. Seek any remuneration related information it may require, from the senior management, who is directed to co-operate with the Remuneration Committee;

11. Make recommendations to the Board for the remuneration of senior management;

12. Review and approve performance-based remuneration packages for senior management of the Company by reference to Corporate goals and objectives approved by the Board from time to time;

13. Review and approve the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment;

14. Advise shareholders of the Company on any matters relating to the service contracts of Directors that may require shareholders' approval under any regulations, as may be applicable presently or in future;

15. Liaise with the trustee/custodian of any employee stock option scheme which is created by the Company for the benefit of employees or Directors;

16. Identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down;

17. To carry out evaluation of every director's performance;

18. To formulate the criteria for determining qualifications, positive attributes and independence of a director, and recommend a policy on the remuneration for the directors, key managerial personnel and other employees to the Board, in accordance with the provisions of Section 178 of the Companies Act, 2013 and rules thereunder; and

19. To recommend to the Board on the appointment and removal of senior management.

The chairman of the Nomination and Remuneration Committee or in his absence any other authorized member of the committee shall attend general meetings of the Company to answer the shareholders' queries. The quorum for any meeting of the Nomination and Remuneration Committee shall be two members.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted at the Board meeting of our Company held on July 10, 2014. This Committee is responsible for the redressal of shareholder grievances. The Stakeholders Relationship Committee comprises:

Name of Director	Status	Capacity
Mr. Sharat Krishan Mathur	Independent Director	Chairman
Mr. Gurdeep Soni	Chairman and Managing Director	Member
Mr. Ashish Kumar Agarwal	Nominee Director	Member

The Stakeholders Relationship Committee shall specifically look into the redressal of all security holders' and investors' complaints and shall have the powers to seek all information from, and inspect all records of, our Company relating to security holder and investor complaints. The Stakeholders Relationship Committee shall look into matters listed below and for this purpose shall have access to information contained in the records of our Company and external professional advice, if necessary. The terms of reference of the Stakeholders Relationship Committee include the following:

1. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

2. Redressal of shareholders' and investors' complaints/grievances such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.;

3. To approve, register, refuse to register transfer or transmission of shares and other securities;

4. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Company;

5. Allotment and listing of shares;

6. To authorise affixation of common seal of the Company;

7. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;

8. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;

9. To dematerialize or rematerialize the issued shares;

10. Ensure proper and timely attendance and redressal of investor queries and grievances;

11. Carrying out any other functions contained in the Companies Act, 2013 and/or equity listing agreements (if applicable), as and when amended from time to time; and

12. To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s).

The chairman of the Stakeholders Relationship Committee or in his absence any other authorized member of the committee shall attend general meetings of the Company to answer shareholders' queries. The quorum for any meeting of the Stakeholders Relationship Committee shall be two members.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted at the Board meeting of our Company held on April 4, 2014. The Corporate Social Responsibility Committee shall specifically look into formulating and recommending a corporate social responsibility policy to the Board, which shall indicate the activities to be undertaken by the Company, and recommend the amount to be incurred on such activities, and institute a transparent monitoring mechanism for implementation of the corporate social responsibility activities.

The Corporate Social Responsibility Committee comprises:

Name of Director	Status	Capacity
Mr. Gurdeep Soni	Chairman and Managing Director	Member
Mr. Paramjit Singh Soni	Vice Chairman	Member
Mr. Sharat Krishan Mathur	Independent Director	Member

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. Formulation of a corporate social responsibility policy to the Board, indicating the activities to be undertaken by the Company. The activities should be within the list of permitted activities specified in the Companies Act, 2013 and the rules thereunder;

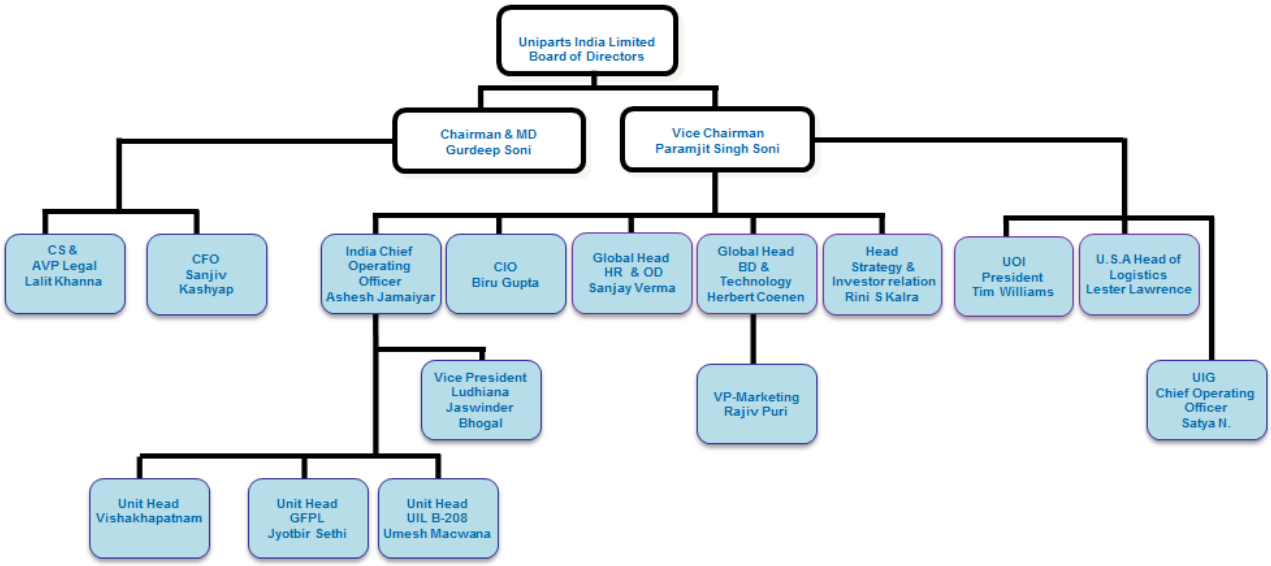
2. Recommending the amount of expenditure to be incurred, amount to be at least 2% of the average net profit of the Company in the previous three years;

3. Instituting a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company; and

4. Monitoring the corporate social responsibility policy from time to time.

The quorum for any meeting of the Corporate Social Responsibility Committee shall be two members.

Management Organisation Structure



Note This is purely role based structure and does not correspond to any grade or hierarchy.

Key Management Personnel

Provided below are the details of the Key Management Personnel of our Company, as on the date of this Draft Red Herring Prospectus:

i. **Mr. Ashesh Jamaiyar**, aged 55, is the Chief Operating Officer. He holds a bachelor's degree in engineering from Birla Institute of Technology and Science, Pilani and a post graduate diploma in business management from Institute of Management Technology, Ghaziabad. He has over 32 years of experience in various sectors including managing plant operations, production, process improvement, brand management and green field projects. He has previously worked in leadership positions with reputed companies in different sectors such as TML Drivelines Limited and TATA Cummins Limited. He joined our Company on April 14, 2014. The gross compensation paid to him in financial year 2013-2014 was nil.

ii. **Mr. Biru Gupta**, aged 47 years, is the Chief Information Officer. He has a bachelor's degree in electronics and communication from the University of Delhi and a post-graduate certificate in business management from Xavier School of Management, Jamshedpur. He has 26 years of experience in various sectors including knowledge management and service delivery operations. He is responsible for developing the IT strategy, architecture, identification of IT/IM needs of the units, selection of IT products and service suppliers. He has previously worked for Blue Star Limited and Hewlett Packard GlobalSoft Private Limited. He joined our Company on November 10, 2008. The gross compensation paid to him in financial year 2013-2014 was ₹ 5,161,560.

iii. **Mr. Lalit Khanna**, aged 37 years, is the Company Secretary and Associate Vice-President-Legal. He holds a bachelor's degree in commerce and a bachelor's degree in law from the University of Delhi. He also holds a master's degree in business administration from the Institute of Management Technology, Centre for Distance Learning, Ghaziabad, and is an associate member of the Institute of Company Secretaries of India. He has 14 years of work experience in the legal and company secretarial field. He is responsible for all the legal and corporate secretarial functions for our Company. He has previously worked with companies such as Smart Ventures Limited, Carrefour Group India, NIIT Technologies Limited, and Maruti Service Masters. He joined our company on January 30, 2014. The gross compensation paid to him in financial year 2013-2014 was ₹ 677,168.

iv. **Ms. Rini Kalra**, aged 53 years, is the Head of Strategy and Investor Relations. She has a bachelor's degree in commerce from University of Bombay and a master's degree in business and administration from the University of

Delhi. She has also completed a Chevening Gurukul Scholarship Programme in Leadership and Excellence from the London School of Economics and Political Science, London. She has 30 years of experience in the sourcing and execution of transactions in investment banking, corporate finance, and mergers and acquisitions. She has previously worked in leadership positions in companies such as Jubilant Oil & Gas Private Limited and American Orient Capital Partners India Private Limited. She joined us on April 1, 2012 for a fixed term of four years from April 1, 2012 till March 31, 2016. The gross compensation paid to her in financial year 2013-2014 was ₹ 12,456,420.

v. **Mr. Sanjay Verma**, aged 50 years, is the Group Chief People Officer. He has a bachelor's degree in law from Bhagalpur University and a post-graduate programme in personnel management and industrial relations from Xavier Institute of Social Services, Ranchi. He has 27 years of experience in human capital and organization development. He is responsible for human capital as corporate head – HR/people related processes and organizational development. He has previously worked in leadership positions in manufacturing, engineering, procurement and construction and infrastructure sectors with companies like, Varroc Engineering Private Limited, CH2M Hill (India) Private Limited, SPML Infra Limited, and has also been associated with Larsen & Toubro Limited. He joined our Company on September 1, 2012. The gross compensation paid to him in financial year 2013-2014 was ₹ 5,459,547.

vi. **Mr. Sanjiv Kashyap**, aged 49 years, is the Chief Financial Officer. He holds a bachelor's degree in commerce from Punjab University, Chandigarh. He is an associate member of the Institute of Chartered Accountants of India and the Institute of Companies Secretaries of India. He has 22 years of experience in various sectors including corporate finance, accounts, budgeting, taxation, company secretarial, risk management and human resources. He is responsible for overall leadership of the finance, accounts and taxation functions for the India operations of our Company. He has previously worked with various companies in different sectors such as Halonix Limited, Whirlpool of India Limited, Lemnis Lighting India Private Limited, Lear Automotive India Private Limited, and the LM Thapar Group. He joined our Company on June 1, 2012. The gross compensation paid to him in financial year 2013-2014 was ₹ 8,335,049.

All Key Management Personnel as disclosed above are permanent employees. With the exception of Ms. Rini Kalra, the term of office of the employees of our Company, including our Key Management Personnel, is typically until the attainment of 58 years of age.

Relationship between Key Management Personnel

None of the Key Management Personnel of our Company are related to each other.

Family relationships of Directors with Key Management Personnel

None of the Key Management Personnel of our Company are related to the Directors of our Company.

Arrangements and Understanding with Major Shareholders, Customers or Suppliers

None of the Key Management Personnel of our Company have been selected pursuant to any arrangement or understanding with any major shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Management Personnel

As of the date of this Draft Red Herring Prospectus, Ms. Rini Kalra holds 10,436 Equity Shares of our Company.

Bonus or Profit Sharing Plan of the Key Management Personnel

The Key Management Personnel are paid performance linked incentive pay based on Performance Management Policy dated April 1, 2014, which was approved by the Board of our Company on August 23, 2014. Except as stated above, our Company does not have bonus or profit sharing plan for the Key Management Personnel.

Interest of Key Management Personnel

Except for Ms. Rini Kalra, who is a shareholder of our Company, the Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and for reimbursement of expenses incurred by them during the ordinary course of business. Under the

ESOP 2007, the Key Management Personnel of our Company are also entitled to options and Equity Shares resulting from the exercise of options. For further details relating to ESOP 2007, please refer to the chapter "*Capital Structure*" beginning on page 71 of this Draft Red Herring Prospectus.

Changes in the Key Management Personnel

The changes in the Key Management Personnel in the last three years are as follows:

Name of the KMPs	Designation	Date of change	Reason for change
Ms. Rini Kalra	Head Strategy and Investor Relations	April 1, 2012	Appointment
Mr. Harpreet Singh Khurana	Chief Strategy Officer and Company Secretary	June 1, 2012	Designation changed from Chief Financial Officer to Chief Strategy Officer. He continued as Company Secretary of the Company
Mr. Sanjiv Kashyap	Chief Financial Officer	June 1, 2012	Appointment
Mr. Harpreet Singh Khurana	Chief Strategy Officer	August 8, 2012	Resigned as Company Secretary
Mr. Sanjiv Kashyap	Chief Financial Officer and Company Secretary	August 8, 2012	Appointed as Company Secretary and Compliance Officer also.
Mr. Sanjay Verma	Chief People Officer	September 1, 2012	Appointment
Mr. Harpreet Singh Khurana	Chief Strategy Officer	October 31, 2012	Resignation
Mr. Sanjay Verma	Group Chief People Officer	September 1, 2013	Re-designated as Group Chief People Officer
Mr. Lalit Khanna	Associate Vice-President-Legal	January 30, 2014	Appointment
Mr. Sanjiv Kashyap	Chief Financial Officer	April 4, 2014	Resigned as Company Secretary
Mr. Lalit Khanna	Company Secretary and Associate Vice-President-Legal	April 5, 2014	Appointed as Company Secretary and re-designated as Company Secretary and Associate Vice-President-Legal
Mr. Ashesh Jamaiyar	Chief Operating Officer	April 14, 2014	Appointment
Mr. Lalit Khanna	Company Secretary, Associate Vice-President-Legal and Compliance Officer	July 10, 2014	Designated as Compliance Officer

Employee Stock Option Plan/Employee Stock Purchase Scheme

Our Company has allotted Equity Shares to certain employees, including certain Key Management Personnel, under ESOP 2007. Please refer to the chapter "*Capital Structure*" beginning on page 71 for details of the employee stock option scheme.

Loans taken by Directors/Key Management Personnel

Except for a loan given to Mr. Sanjay Verma, of which ₹ 1,600,000 is outstanding as of September 1, 2014, our Company has not granted any loans to the Directors and/or Key Management Personnel as on the date of this Draft Red Herring Prospectus.

OUR PROMOTERS AND GROUP ENTITIES

The following individuals are the Promoters of our Company:

1. **Mr. Gurdeep Soni**; and
2. **Mr. Paramjit Singh Soni**

The Promoters hold an aggregate of 21,550,660 Equity Shares, constituting 47.75% of the pre-Issue issued, subscribed and paid up capital of our Company, of which Mr. Gurdeep Soni currently holds 14,955,570 Equity Shares, constituting 33.14% of the pre-Issue issued, subscribed and paid up capital of our Company and Mr. Paramjit Singh Soni currently holds 6,595,090 Equity Shares, constituting 14.61% of the pre-Issue issued, subscribed and paid up capital of our Company.

The details of the Promoters of our Company are provided below:

1. Mr. Gurdeep Soni

Permanent Account Number	AAUPS8519C
Passport Number	Z1929020
Voter ID Number	UBV0335539
Driving License Number	DL-1220020084384
Address	Silveroak Estates, #142 Mall Road, Kishengarh, Vasant Kunj, New Delhi – 110 070, India

Mr. Gurdeep Soni, aged 59 years, is the Chairman and Managing Director of our Company and has been associated with our Company since its incorporation. He was appointed as a Director of our Company on September 26, 1994. He holds a master of management studies degree from Birla Institute of Technology and Science, Pilani. He has approximately 35 years of work experience in different roles within the Uniparts Group. He has been actively involved in the day-to-day operations of our Company and is responsible for the after-market business of our Group. For further details relating to Mr. Gurdeep Soni, including terms of appointment as our Director and other directorships, please refer to the chapter "*Our Management*" beginning on page 170.

2. Mr. Paramjit Singh Soni

Permanent Account Number	ABAPS1632H
Passport Number	Z2618310
Voter ID Number	Not Available
Driving License Number	055870566 (USA)
Address	614 High Hampton Dr, Martinez, GA 30907-9125, Columbia, USA

Mr. Paramjit Singh Soni, aged 53 years, is the Vice Chairman and an executive Director of our Company and has been associated with our Company since its incorporation. He was appointed as Director of our Company on September 26, 1994. He has a bachelor's degree in commerce from the University of Delhi, Delhi. He has 32 years of work experience in different roles within the Uniparts Group and presently based in the USA. He is responsible for the OEM business of the Uniparts Group and also actively involved in the formulation of corporate strategy and planning, and concentrates on the inorganic growth and diversification plans of our Company. For further details relating to Mr. Paramjit Singh Soni, including terms of appointment as our Director and other directorships, please refer to the chapter "*Our Management*" beginning on page 170.

Our Company confirms that the PAN, bank account numbers and passport numbers of the Promoters of our Company will be submitted to the Stock Exchanges, at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.

Interest of the Promoters and Group Entities

Interest in promotion of our Company

Our Company was incorporated by Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. For this purpose, they had subscribed to the Memorandum of Association and to the initial issue of Equity Shares.

Interest in the property of our Company

Except as disclosed in the chapters "*Business*", "*History and Other Corporate Matters*" and "*Financial Statements*" beginning on pages 135, 161 and 198, respectively, the Promoters and Group Entities of our Company do not have any interest in any property acquired by our Company at any time during two years prior to filing of this DRHP and are not currently interested in any transaction with our Company involving acquisition of land, construction of building or supply of any machinery.

Our Company has entered into a lease agreement dated January 17, 2014 with Soni Holdings (a partnership firm in which our Promoter, Mr. Gurdeep Soni has a 30% ownership) for lease of a certain portion of the building situated at Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070. In terms of the said agreement, our Company pays a monthly lease rent of ₹ 57,500 for the premises for a period of nine years with effect from November 1, 2013.

Our Company has entered into a lease deed dated October 10, 2005 for lease of land and building located at C – 198, Phase – VII, Focal Point Industrial Area, Ludhiana. The lease term has been extended from time to time and is presently valid till September 30, 2014, pursuant to amendment agreement dated October 1, 2013. The Company pays monthly lease rent of ₹ 396,750.

Interest as member of our Company

Each of our Promoters hold Equity Shares in our Company and is therefore, interested to the extent of his shareholding in and the dividend declared, if any, by our Company. Except to the extent of their shareholding in our Company and benefits provided to them, as given in the chapters "*Capital Structure*" and "*Our Management*" beginning on pages 71 and 170, respectively, they hold no other interest in our Company.

Interest as Director of our Company

Please refer to the chapter "*Our Management*" beginning on page 170.

Interest in sales and purchases

Except as disclosed in the chapter titled "*Financial Statements*" beginning on page 198, there have been no sales and purchases between our Company and our Group Entities, Subsidiaries and associate companies, exceeding in value in the aggregate 10% of the total sales or purchases of our Company.

Business Interests

Except as disclosed in the chapter titled "*Financial Statements*" beginning on page 198, none of our Group Entities /Subsidiaries/associate companies have any business interests in our Company.

Payment or Benefits to the Promoters or Promoter Group during the last two years

Except as stated in the sections titled "*Our Management*", "*Financial Statement*" and "*History and Other Corporate Matters*" beginning on pages 170, 198 and 161, respectively, there has been no payment of benefits to the Promoters of our Company or the Promoter Group during the two years preceding the date of filing of this DRHP.

Litigation involving the Promoter and Group Entities

For details of legal and regulatory proceedings involving the Promoters of our Company and our Group Entities, please refer to the chapter "*Outstanding Litigation and Material Developments*" beginning on page 333.

Related party transactions

For details of related party transactions entered into by our Company with its Subsidiaries and Group Entities, the nature of transactions and the cumulative value of transactions, please see the chapter "*Financial Statements*" beginning on page 198.

Common Pursuits/Conflict of Interest

Our Subsidiaries are engaged in businesses similar to that of our Company. The following Group Entities are authorised under their memorandum of association to engage in businesses similar to that of our Company but as of this financial year they are not engaged in business similar to that of our Company:

1. SKG Engineering Private Limited;
2. Tima Trading Private Limited;
3. SGA Trading Private Limited;
4. G K P Farms Private Limited;
5. Gripwel Fasteners (partnership firm);
6. Ace Tractor Parts Limited; and
7. Uniparts Engineering Private Limited.

We have not entered into any non-compete agreement with our Group Entities. To this extent, we may have a potential conflict of interest between the Group Entities and our Company.

Other Confirmations

The Promoters, and the relatives (as defined in the Companies Act, 2013) of the Promoters of our Company have not been declared as wilful defaulters by RBI or any other government authority and there are no violations of securities laws (in India or overseas) committed by the Promoters in the past or pending against them.

The Promoters, Promoter Group or Group Entities have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of the Group Entities have become sick companies under the SICA and no application has been made in respect of any of them to the Registrar of Companies for striking off their names. Further, no winding up proceedings have been initiated against the Group Entities.

None of the Group Entities have become defunct in the five years preceding the filing of the Draft Red Herring Prospectus.

No part of the Issue Proceeds is payable to the Group Entities.

For other confirmations on the Promoters of our Company and Group Entities, please refer to the chapter "*Other Regulatory and Statutory Disclosures*" beginning on page 350.

Companies with which the Promoters of our Company have disassociated in the last three years:

Mr. Paramjit Singh Soni

S. No.	Name of the disassociated entity	Date of Disassociation	Reasons for and circumstances leading to disassociation
1.	Silveroak Estate Private Limited	November 19, 2011	Resigned from directorship
2.	Gripwel Fasteners (partnership firm)	October 31, 2012	Retired from partnership and gifted his share in partnership to Mr. Karan Soni and Ms. Meher Soni
3.	Indento International (partnership firm)	October 31, 2012	Retired from partnership and gifted his share in partnership to Mr. Karan Soni and Ms. Meher Soni
4.	Farmparts Company (partnership firm)	October 31, 2012	Retired from partnership and gifted his share in partnership to Mr. Karan Soni and Ms. Meher Soni
5.	Soni Holdings (partnership firm)	October 31, 2012	Retired from partnership and gifted his share in partnership to Mr. Karan Soni and Ms. Meher Soni

Mr. Gurdeep Soni has not dissociated with any company in the last three years.

Group Entities

As specified in the SEBI ICDR Regulations, the companies, firms and other ventures promoted by the Promoters of our Company, other than our Subsidiaries/associate companies described in the chapter "*History and Other Corporate Matters*" beginning on page 161, which form part of our Group Entities are as follows:

1. Ace Tractor Parts Limited
2. Amazing Estates Private Limited
3. Avid Maintenance Private Limited (formerly known as Kramp GF Exports Private Limited)
4. SKG Engineering Private Limited
5. Silveroak Estate Private Limited
6. G K P Farms Private Limited
7. Tima Trading Private Limited
8. SGA Trading Private Limited
9. Bluebells Homes Private Limited
10. Charisma Homes Private Limited
11. Uniparts Engineering Private Limited
12. Vivify Net Private Limited (formerly Vivify Socinet Private Limited)
13. Paramjit Singh (HUF)
14. Gurdeep Soni (HUF)
15. Gripwel Fasteners (partnership firm)
16. Indento International (partnership firm)
17. Soni Holdings (partnership Firm)
18. P. Soni Family Trust

No equity shares of any of our Group Entities are listed on any stock exchange and they have not made any public or rights issue of securities in the preceding three years.

A. Top five Group Entities

The details of our top five Group Entities (based on turnover) are provided below:

1. Ace Tractor Parts Limited ("ATPL") (formerly known as GKN Walterscheild Gripwel Limited)

ATPL was incorporated as "GKN Walterscheid Gripwel Limited" on September 15, 1997 and subsequently changed its name to "Ace Tractor Parts Limited" and a fresh certificate of incorporation was issued on August 24, 2001 by the RoC. ATPL obtained its certificate of commencement of business on October 20, 1997.

ATPL's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India.

ATPL is engaged in the business of manufacture, sale and import, export of precision engineering products and allied engineering products.

Shareholding pattern

Set forth below is the shareholding pattern of ATPL as on the date of this Draft Red Herring Prospectus:

Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital
Mr. Paramjit Singh Soni	100	0.04%
Mr. Gurdeep Soni	74,940	29.98%
Mrs. Pamela Soni	49,960	19.98%
Mr. Angad Soni	100	0.04%
Mr. Karan Soni	50	0.02%
Mr. Arjun Soni	50	0.02%
P. Soni Family Trust	124,800	49.92%

Total	**250,000**	**100%**

Financial Performance

The summary of audited standalone financial statements of ATPL for the last three years are as follows:

(in ₹)

Particulars	Financial Years		
	2013-2014	2012-2013	2011-2012
Equity capital	2,500,000	2,500,000	2,500,000
Reserves and surplus (excluding revaluation reserve)	(3,686,404)	(3,855,103)	(4,792,933)
Sales/Turnover (Income)	41,210,350	195,430,764	145,936,238
Profit/(Loss) after tax	168,699	937,830	1,013,808
Earnings Per Share (EPS)	0.67	3.75	4.06
Diluted Earnings Per Share	0.67	3.75	4.06
Net Asset Value Per Share (NAV)	(4.75)	(5.42)	(9.17)

Significant notes of auditors

There are no significant notes provided by the auditors.

2. Amazing Estates Private Limited ("AEPL")

AEPL was incorporated on June 11, 2003.

AEPL's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India**.**

AEPL is engaged in the business of letting out of immoveable properties.

Shareholding pattern

Set forth below is the shareholding pattern of AEPL as on the date of this Draft Red Herring Prospectus:

Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital
Mr. Gurdeep Soni	10,000	50%
P. Soni Family Trust	9,800	49%
Mr. Karan Soni	200	1%
Total	**20,000**	**100%**

Financial Performance

The summary of audited standalone financial statements of AEPL for the last three years are as follows:

(in ₹)

Particulars	Financial Years		
	2013-2014	2012-2013	2011-2012
Equity capital	200,000	200,000	200,000
Reserves and surplus (excluding revaluation reserve)	70,592,693	62,778,026	54,425,610
Sales/Turnover (Income)	15,922,428	13,159,224	13,159,224
Profit/(Loss) after tax	7,814,667	8,352,416	9,407,933
Earnings Per Share (EPS)	390.73	417.62	470.40
Diluted Earnings Per Share	390.73	417.62	470.40
Net Asset Value Per Share (NAV)	3,539.63	3,148.90	2,731.28

Significant notes of auditors

There are no significant notes provided by the auditors.

3.* Tima Trading Private Limited *("TTPL")

TTPL was incorporated on December 4, 1997.

TTPL's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India.

TTPL is engaged in the business of letting out of immovable properties.

Shareholding pattern

Set forth below is the shareholding pattern of TTPL as on the date of this Draft Red Herring Prospectus:

Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital
Mr. Paramjit Singh Soni	1	0.01%
Mrs. Sarabjit Soni	1	0.01%
Mr. Karan Soni	9998	99.98%
Total	**10,000**	**100.00%**

Financial Performance

The summary of audited standalone financial statements of TTPL for the last three years are as follows:

(in ₹)

Particulars	Financial Years		
	2013-2014	2012-2013	2011-2012
Equity capital	100,000	100,000	100,000
Reserves and surplus (excluding revaluation reserve)	13,062,886	9,555,296	5,913,067
Sales/Turnover (Income)	5,953,200	5,412,000	4,920,000
Profit/(Loss) after tax	3,506,590	3,641,229	3,284,874
Earnings Per Share (EPS)	350.66	364.12	328.49
Diluted Earnings Per Share	350.66	364.12	328.49
Net Asset Value Per Share (NAV)	1,316.29	965.53	601.31

Significant notes of auditors

There are no significant notes provided by the auditors.

4. Gripwel Fasteners (Partnership Firm) ("**GF**")

GF was formed on May 3, 1984. It was subsequently reconstituted on March 31, 1994, April 1, 2001, April 1, 2008, March 15, 2010 and November 1, 2012.

GF's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India**.**

GF is engaged in the business of manufacturing and trading of industrial fasteners, bright bars and wire and the sale, purchase and renting of immovable property.

The name of the partners along with their profit sharing ratio are as follows:

Name of the Partners	Percentage of profit sharing
Mr. Gurdeep Soni	30%
Mrs. Pamela Soni	20%
Ms. Meher Soni	25%
Mr. Karan Soni	25%
Total	**100%**

Financial Performance

The summary of audited standalone financial statements of GF for the last three years are as follows:

(in ₹)

Particulars	Financial Years

	2013-2014	2012-2013	2011-2012
Sales and Other Income	61,415,255	28,659,125	51,917,453
Profit/(Loss) after tax	56,023,461	26,644,603	49,097,506
Partners' Capital	162,779,274	232,161,204	546,566,634

5. Soni Holdings (Partnership Firm) ("SH")

SH was formed on December 11, 1996. It was subsequently reconstituted on March 31, 2008, March 15, 2010 and November 1, 2012.

SH's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India**.**

SH is engaged in the business of construction, purchasing, leasing or selling industrial, commercial or residential buildings or plots and/or any other business which may be mutually agreed amongst the partners.

The name of the partners along with their profit sharing ratio as follows:

Name of the Partners	Percentage of profit sharing
Mr. Gurdeep Soni	30%
Mrs. Pamela Soni	20%
Ms. Meher Soni	25%
Mr. Karan Soni	25%
Total	**100%**

Financial Performance

The summary of audited standalone financial statements of SH for the last three years are as follows:

(in ₹)

Particulars	Financial Years		
	2013-2014	2012-2013	2011-2012
Sales and Other Income	7,562,250	8,749,264	13,969,474
Profit/(Loss) after tax	2,257,917	4,751,377	8,470,643
Partners' Capital	75,984,720	76,930,837	74,940,012

B. Group Entities with negative net worth

Except for Ace Tractor Parts Limited, Bluebells Homes Private Limited, Charisma Homes Private Limited and Uniparts Engineering Private Limited none of our Group Entities had negative net worth in the last audited fiscal year.

Other than Ace Tractor Parts Limited, the details of which are disclosed above, the details of our Group Entities with negative net worth is as below:

1. Bluebells Homes Private Limited ("Bluebells")

Bluebells was incorporated on September 20, 2006.

Bluebells' registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India.

Bluebells is engaged in the business of building and developing residential, commercial and industrial buildings.

Shareholding pattern

Set forth below is the shareholding pattern of Bluebells as on the date of this Draft Red Herring Prospectus:

Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital
Mr. Gurdeep Soni	10,000	50%
Mr. Angad Soni	10,000	50%

Total	**20,000**	**100%**

Financial Performance

The summary of audited standalone financial statements of Bluebells for the last three years are as follows:

(in ₹)

Particulars	**Financial Years**		
	2013-2014	**2012-2013**	**2011-2012**
Equity capital	200,000	200,000	200,000
Reserves and surplus (excluding revaluation reserve)	(206,433)	(180,814)	(148,641)
Sales/Turnover (Income)	-	-	-
Profit/(Loss) after tax	-	-	-
Earnings Per Share (EPS)	-	-	-
Net Asset Value Per Share (NAV)	(0.32)	0.96	2.57

Significant notes of auditors

There are no significant notes provided by the auditors.

2. *Charisma Homes Private Limited ("Charisma")*

Charisma was incorporated on July 7, 2006.

Charisma's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India.

Charisma is engaged in the business of building and developing residential, commercial and industrial buildings.

Shareholding pattern

Set forth below is the shareholding pattern of Charisma as on the date of this Draft Red Herring Prospectus:

Name of shareholder	**Number of equity shares of ₹ 10 each**	**Percentage of issued capital**
Mr. Gurdeep Soni	10,000	50%
Mr. Angad Soni	10,000	50%
Total	**20,000**	**100%**

Financial Performance

The summary of audited standalone financial statements of Charisma for the last three years are as follows:

(in ₹)

Particulars	**Financial Years**		
	2013-2014	**2012-2013**	**2011-2012**
Equity capital	200,000	200,000	200,000
Reserves and surplus (excluding revaluation reserve)	(207,159)	(181,540)	(149,367)
Sales/Turnover (Income)	-	-	-
Profit/(Loss) after tax	-	-	-
Earnings Per Share (EPS)	-	-	-
Net Asset Value Per Share (NAV)	(0.36)	0.92	2.53

Significant notes of auditors

There are no significant notes provided by the auditors.

3. Uniparts Engineering Private Limited ("UEPL")

UEPL was incorporated on May 6, 2006.

UEPL's registered office is located at Gripwel House, Block – 5, Sector C 6 & 7, Vasant Kunj, New Delhi – 110 070, India.

UEPL is engaged in the business of manufacture, sale and export of light engineering and allied engineering products.

Shareholding pattern

Set forth below is the shareholding pattern of UEPL as on the date of this Draft Red Herring Prospectus:

Name of shareholder	Number of equity shares of ₹ 10 each	Percentage of issued capital
Mr. Gurdeep Soni	10,000	50%
Mr. Angad Soni	10,000	50%
Total	**20,000**	**100%**

Financial Performance

The summary of audited standalone financial statements of UEPL for the last three years are as follows:

(in ₹)

Particulars	Financial Years		
	2013-2014	2012-2013	2011-2012
Equity capital	200,000	200,000	200,000
Reserves and surplus (excluding revaluation reserve)	(219,016)	(192,797)	(160,224)
Sales/Turnover (Income)	-	-	-
Profit/(Loss) after tax	-	-	-
Earnings Per Share (EPS)	-	-	-
Net Asset Value Per Share (NAV)	(0.95)	0.36	1.99

C. Sick or Defunct Companies

No company forming part of our Group Entities have become sick companies under the Sick Industrial Companies (Special Provisions) Act, 1985 and, or are under winding up. During the five years preceding the date of this DRHP, none of our Group Entities have remained defunct and no application has been made to the RoC for striking off the name of the Group Entity.

D. Other Group Entities

The details of our other Group Entities are as provided below:

S. No.	Name	Brief description of business activities	Interest of the Promoters of our Company
1.	Avid Maintenance Private Limited (formerly Kramp GF Exports Private Limited)	Offering maintenance services for rental properties	75%
2.	SKG Engineering Private Limited	Export of garments, letting out of immovable property and undertaking investment activity	46.92%
3.	Silveroak Estate Private Limited	Letting out of immoveable properties	80%
4.	G K P Farms Private Limited	Letting out of immoveable properties	80%
5.	Vivify Net Private Limited (formerly Vivify Socinet Private Limited)	Web designing and development services, providing web application solutions, software development services, creating and managing social networks, e-commerce, internet related consultancy services, internet marketing, online information services, online application integration, information technology and information technology enabled services and maintenance services	5%
6.	SGA Trading Private Limited	Letting out of immoveable properties	60%
7.	Indento International (Partnership Firm)	Letting out of immoveable properties	50%
8.	P. Soni Family Trust	Providing support, maintenance, education, medical, marriage, housing assistance etc. to the beneficiaries of the trust	Trustee

S. No.	Name	Brief description of business activities	Interest of the Promoters of our Company
9.	Gurdeep Soni (HUF)	-	Karta
10.	Paramjit Singh (HUF)	-	Karta

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board of Directors and approved by the shareholders of our Company, in their discretion, and will depend on a number of factors, including but not limited to our Company's earnings, general financial condition, capital requirements, results of operations, contractual obligations and overall financial position, applicable Indian legal restrictions, Articles of Association, and other factors considered relevant by the Board of Directors. In addition, our Company's ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company may enter into to finance fund requirements for its business activities.

The dividends declared by our Company in the last three fiscals as per the audited and restated financial statements are as given below:

(₹)

Particulars	Financial Year 2014	Financial Year 2013	Financial Year 2012
Face value per share	10	10	10
Dividend	22,566,879	11,283,446	-
Dividend (in ₹ per share)	0.50	0.50	-
Dividend Tax	3,835,241	1,917,622	-
Equity Share Capital	225,668,790	225,668,790	225,668,790
Rate of dividend (%)	5%*	5%	-

** The 5% dividend was declared on the increased capital of our Company (post the bonus issue on April 4, 2014).*

Our Company also declared an interim dividend of ₹ 0.50 per share for the Financial Year 2014-2015 pursuant to board resolution dated August 23, 2014.

SECTION VI: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Restated Consolidated Summary Statements of Assets and Liabilities as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and Profits and Losses and Cash Flows for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 for Uniparts India Limited (collectively the 'Restated Consolidated Summary Statements')

Independent Auditors' Report

To,
The Board of Directors
Uniparts India Limited
Gripwel House,
Block 5, C 6&7,
Vasant Kunj,
New Delhi – 110 070

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering ("IPO") of Uniparts India Limited

Dear Sirs,

1. We have examined the accompanying restated consolidated financial information of **Uniparts India Limited** ('the Company') and its subsidiaries (together referred to as "the Group") annexed to this report for the purpose of inclusion in the offer document prepared by the Company in connection with its proposed Initial Public Offer. 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) Sub clause (i) and (iii) of clause (b) of sub section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and

   (b) The Securities and 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'), as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992.

Management's Responsibility for the Restated Consolidated Financial Information

2. The preparation of the Restated Consolidated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the management and has been approved by the Board of Directors of the Company at its meeting held on **August 23, 2014**, for the purpose set out in paragraph 10 below. The Board of Directors responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the laws and regulation applicable to its activities

Auditor's Responsibilities

3. We have examined such restated consolidated financial information taking into consideration:

   (a) The terms of reference vide our engagement letter dated **August 25, 2014** 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; and

   (b) The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

4. The restated consolidated financial information of the Group has been compiled by the Management from the Audited consolidated financial statements of the Group as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011and March 31, 2010 which have been audited by us and approved by the Board of Directors, and books of accounts underlying those financial statements and other records of the Group, to the extent considered necessary by us, for the presentation of the Restated Consolidated Summary Statements under the requirements of the revised Schedule VI of the Act, in relation to the years ended March 31, 2011 and March 31, 2010.

5. For the purpose of audit of consolidated financial statements as stated in paragraph 3 above, we did not audit the financial statements of subsidiaries/ step-down subsidiaries

   i.) Uniparts USA Ltd., Uniparts Olsen Inc., Uniparts Europe B.V., Uniparts India GmbH, whose financial statements reflect total assets (net of liabilities) of Rs. 1145.94 million and total revenues of Rs. 4,996.44 million as at and for the year ended March 31, 2014.

   ii.) Uniparts USA Ltd., Uniparts Olsen Inc., Uniparts Europe B.V., Uniparts India GmbH, whose financial statements reflect total assets (net of liabilities) Rs. 769.83 million and total revenue of Rs. 5,027.71 million as at and for the year ended March 31, 2013.

   iii.) Uniparts USA Ltd, Uniparts Olsen Inc., Uniparts Europe B.V., Uniparts India GmbH, Uniparts Kavee B.V., Uniparts Kavee Service B.V. whose financial statements reflect total assets (net of liabilities) of Rs. 667.94 million and total revenues of Rs 5,235.03 million as at and for the year ended March 31, 2012.

   iv.) Uniparts USA Ltd, Uniparts Olsen Inc., Uniparts Europe B.V., Uniparts India GmbH, Uniparts Kavee B.V., Uniparts Kavee Service B.V. whose financial statements reflect total assets (net of liabilities) of Rs. 487.64 million and total revenues of Rs. 3,999.34 million as at and for the year ended March 31, 2011.

   v.) Uniparts USA Ltd, Uniparts Olsen Inc., Uniparts Europe B.V., Uniparts India GmbH, Uniparts Kavee B.V., whose financial statements reflect total assets (net of liabilities) of Rs. 440.40 million and total revenues of Rs. 2,580.01 million as at and for the year ended March 31, 2010.

   These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of other auditors.

A. Financial Information

6. In accordance with the requirements of Sub clause (i) and (iii) of clause (b) of sub section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Guidance Note issued in this regard by the Institute of Chartered Accountants of India, as amended from time to time, and in terms of our engagement agreed with you, we report that:

   i. The restated consolidated Statement of Assets and Liabilities of the Group, for the financial years as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 as set out in Annexure I to this report, are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.

   ii. The restated consolidated Statement of Profits and Losses of the Group, for the financial years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 as set out in Annexure II to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.

   iii. The restated consolidated Statement of Cash Flows of the Group, for the financial years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 as set out in Annexure III to this report, are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.

Opinion

Based on above, we are of the opinion that the restated consolidated financial information, prepared by the Management of the Group and approved by its Board of Directors, have been made after incorporating the following:

a. the impact of correction / changes in accounting policies have been adjusted with retrospective effect in the respective financial years to which they relate, to reflect the same accounting treatment as per changed / corrected accounting policy for all the reporting periods;

b. material amounts relating to previous years have been adjusted in the restated consolidated financial information in the respective financial years to which they relate;

c. there are no extraordinary items which need to be disclosed separately in the restated consolidated financial information;

d. there are no qualifications in the Auditors' report which requires corrective adjustments in the restated consolidated financial statements.

B. Other Financial Information

7. We have also examined the following other financial information set out in different annexures prepared by the management and approved by the board of directors relating to the Group for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010:

i. Restated Consolidated Statement of Share Capital, enclosed as Annexure V

ii. Restated Consolidated Statement of Reserves and Surplus, enclosed as Annexure VI

iii. Restated Consolidated Statement of Long-Term Borrowings, enclosed as Annexure VII

iv. Restated Consolidated Statement of Provisions, enclosed as Annexure VIII

v. Restated Consolidated Statement of Short-Term Borrowings, enclosed as Annexure IX

vi. Restated Consolidated Statement of Trade Payables, enclosed as Annexure X

vii. Restated Consolidated Statement of Other Current Liabilities, enclosed as Annexure XI

viii. Restated Consolidated Statement of Fixed Assets, enclosed as Annexure XII

ix. Restated Consolidated Statement of Long-Term Loans and Advances, enclosed as Annexure XIII

x. Restated Consolidated Statement of Inventories, enclosed as Annexure XIV

xi. Restated Consolidated Statement of Trade Receivables, enclosed as Annexure XV

xii. Restated Consolidated Statement of Cash and Bank Balances, enclosed as Annexure XVI

xiii. Restated Consolidated Statement of Short-Term Loans and Advances, enclosed as Annexure XVII

xiv. Restated Consolidated Statement of Other Current Assets, enclosed as Annexure XVIII

xv. Restated Consolidated Statement of Revenue from Operations, enclosed as Annexure XIX

xvi. Restated Consolidated Statement of Other Revenue From Operations, enclosed as Annexure XX

xvii. Restated Consolidated Statement of Other Income, enclosed as Annexure XXI

xviii. Restated Consolidated Statement of Cost of Raw Materials and Components Consumed, enclosed as Annexure XXII

xix. Restated Consolidated Statement of Purchase of Traded Goods, enclosed as Annexure XXIII

xx. Restated Consolidated Statement of Change in Inventories of Finished, Work in Progress, Traded Goods, enclosed as Annexure XXIV

xxi. Restated Consolidated Statement of Employee Benefits Expenses, enclosed as Annexure XXV

xxii. Restated Consolidated Statement of Other Expenses, enclosed as Annexure XXVI

xxiii. Restated Consolidated Statement of Depreciation and Amortization, enclosed as Annexure XXVII

xxiv. Restated Consolidated Statement of Finance Costs, enclosed as Annexure XXVIII

xxv. Restated Consolidated Statement of Related Party Transactions, enclosed as Annexure XXIX

xxvi. Restated Consolidated Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security, enclosed as Annexure XXX

xxvii. Consolidated Statement of Accounting Ratios, enclosed as Annexure XXXI

xxviii. Capitalisation Statement, as appearing in Annexure XXXII

Opinion

In our opinion, the above consolidated financial information of the Group read with Significant Accounting Policies and Notes appearing in Annexure IV to this report after making adjustments and regrouping as considered appropriate and as set out in Annexure IV to this report have been prepared in accordance with Sub clause (i) and (iii) of clause (b) of sub section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and the Guidance Notes issued in this regard by the Institute of Chartered Accountants of India, as amended from time to time, and in terms of our engagement as agreed with you.

8. This report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to herein.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction on Use

10. Our report is intended solely for use of the Board of Directors of the Company and for inclusion in the offer document in connection with the proposed IPO of the Company, to be filed by the Company with SEBI and the Stock Exchanges.

For **S. C. VARMA AND CO.**
Chartered Accountants
Firm Reg. No. 000533N

S. C. VARMA
Partner
M. No.11450

Place: New Delhi
Dated: 21st September 2014

ANNEXURE - I

RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES

Rs. In Million

	Particulars	As at				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
I	**EQUITY AND LIABILITIES**					
A	**Shareholders' Funds**					
	Share Capital (V)	220.53	220.53	220.41	220.41	220.41
	Reserves and Surplus (VI)	2,244.65	2,007.62	1,705.26	1,602.38	1,555.00
	Total Shareholders' Funds	**2,465.18**	**2,228.15**	**1,925.67**	**1,822.79**	**1,775.41**
B	**Non-Current Liabilities**					
	Long Term Borrowings (VII)	437.40	384.29	287.49	506.94	451.57
	Deferred Tax Liabilities	366.46	261.68	192.44	142.51	135.56
	Other Long Term Liabilities	51.32	51.55	52.05	48.01	50.04
	Long Term Provisions (VIII)	56.38	59.64	68.87	55.66	44.61
	Total Non-Current Liabilities	**911.56**	**757.16**	**600.85**	**753.12**	**681.78**
C	**Current Liabilities**					
	Short Term Borrowings (IX)	1,565.10	1,903.55	2,053.36	1,765.17	1,303.83
	Trade Payables (X)	518.90	383.79	561.47	554.67	302.31
	Other Current Liabilities (XI)	523.87	513.60	868.83	773.55	527.30
	Short Term Provisions (VIII)	97.02	47.64	29.17	31.51	26.33
	Total Current Liabilities	**2,704.88**	**2,848.58**	**3,512.82**	**3,124.91**	**2,159.77**
D	Minority Interest	-	-	112.87	99.45	99.23
	TOTAL EQUITY AND LIABILITIES (A + B + C + D)	**6,081.63**	**5,833.89**	**6,152.21**	**5,800.26**	**4,716.18**
II	**ASSETS**					
E	**Non-current assets**					
	Fixed Assets (XII)					
	-Tangible Assets	1,958.79	1,764.40	1,875.66	1,923.20	1,963.27
	-Intangible Assets	38.98	14.80	20.47	21.72	20.41
	-Capital Work in Progress	20.59	23.33	19.39	7.41	5.57
	-Intangible Assets under Development	3.23	37.21	7.55	3.74	8.23
	Goodwill Arising on Consolidation	568.24	564.49	554.88	539.02	543.39
	Long Term Loans and Advances (XIII)	213.15	178.18	147.72	96.96	58.92
	Other Non Current Assets	0.02	0.02	0.02	0.02	0.03
	Total Non-Current Assets	**2,802.99**	**2,582.42**	**2,625.71**	**2,592.07**	**2,599.81**
F	**Current Assets**					
	Inventories(XIV)	2,177.44	2,120.40	2,326.27	1,991.84	1,360.76
	Trade Receivables (XV)	819.72	800.16	966.22	956.41	551.01
	Cash and Bank Balances (XVI)	78.12	145.30	74.29	58.73	66.79
	Short-Term Loans and Advances (XVII)	113.75	120.27	91.00	122.69	109.73
	Other Current Assets (XVIII)	89.61	65.34	68.72	78.51	28.08
	Total Current Assets	**3,278.63**	**3,251.47**	**3,526.51**	**3,208.19**	**2,116.37**
	TOTAL ASSETS (E + F)	**6,081.63**	**5,833.89**	**6,152.21**	**5,800.26**	**4,716.18**

Note:

The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

This is the Restated Consolidated Summary Statement of Assets and Liabilities, referred to in our report of even date.

For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No.: 000533N

S. C. Varma
Partner
Membership No.: 11450

Place: New Delhi
Dated: 21st September 2014

ANNEXURE - II

RESTATED CONSOLIDATED SUMMARY STATEMENT OF PROFIT AND LOSS

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
INCOME					
Revenue from Operations (XIX)	8,120.81	7,791.15	8,328.11	6,538.35	4,233.13
Other Revenue from Operations (XX)	35.79	40.14	58.70	73.16	40.90
Other Income (XXI)	13.98	132.54	12.60	39.34	326.02
Total Revenue	**8,170.57**	**7,963.83**	**8,399.41**	**6,650.85**	**4,600.05**
EXPENDITURE					
Cost of Raw Materials and Components Consumed (XXII)	3,041.80	3,130.29	3,960.83	3,298.30	1,724.70
Purchase of Traded Goods (XXIII)	53.08	55.06	54.20	-	-
Change in Inventories of Finished, Work in Progress and Traded Goods (XXIV)	79.33	70.11	(241.70)	(512.26)	230.19
Employee Benefits Expenses (XXV)	1,582.24	1,460.01	1,517.77	1,254.37	954.09
Other Expenses (XXVI)	2,499.85	2,450.62	2,412.98	2,245.13	1,346.82
Total Expenditure	**7,256.31**	**7,166.09**	**7,704.08**	**6,285.54**	**4,255.79**
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	**914.27**	**797.74**	**695.33**	**365.31**	**344.26**
Depreciation and Amortization (XXVII)	166.32	150.92	154.75	122.47	112.64
Earnings Before Interest and Tax (EBIT)	**747.95**	**646.83**	**540.58**	**242.84**	**231.62**
Finance Costs (XXVIII)	146.84	159.79	199.30	165.29	202.88
Restated Profit Before Tax (PBT)	**601.11**	**487.03**	**341.29**	**77.55**	**28.75**
Less:- Tax Expenses					
-Current Tax	97.74	78.57	33.04	21.73	10.46
- MAT Credit	(26.32)	(36.86)	(4.59)	(7.13)	(23.35)
-Deferred Tax	94.08	53.67	40.55	11.04	31.61
Total Tax Expenses	**165.50**	**95.38**	**69.00**	**25.63**	**18.72**
Restated Profit After Tax (PAT)	**435.61**	**391.65**	**272.29**	**51.92**	**10.02**
Profit/ (Loss) of Minority interest	-	-	10.32	(1.24)	(29.40)
Restated Profit for the Year	**435.61**	**391.65**	**261.97**	**53.16**	**39.42**

Note:

The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

This is the Restated Summary Statement of Profit and Loss, referred to in our report of even date.

For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No.: 000533N

S. C. Varma
Partner
Membership No.: 11450
Place: New Delhi
Date: 21st September 2014

RESTATED CONSOLIDATED SUMMARY STATEMENT OF CASH FLOW **ANNEXURE – III**

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A.CASH FLOW FROM OPERATING ACTIVITIES					
Restated Profit Before Tax	601.11	487.03	341.29	77.55	28.75
Non-Cash Adjustment to Reconcile Profit Before Tax to Net Cash					
- Depreciation/Amortization on Continuing Operations	166.32	150.92	154.75	122.92	112.64
- Employee Stock Compensation Expense	1.67	0.47	1.81	2.49	9.11
- Loss/(Profit) on Sale of Fixed Assets	(2.26)	(2.33)	(2.51)	(0.32)	5.78
- Deferred Tax	10.70	15.57	9.38	(4.08)	(14.10)
- Interest Expenses	126.36	140.38	171.11	144.21	191.91
- Dividend Income	-	-	(0.02)	(0.12)	-
- Interest Income	(1.12)	(1.87)	(0.45)	(0.19)	(1.43)
- Effects of consolidation (refer note 2)	(179.36)	(120.87)	(183.72)	(5.11)	79.88
Operating Profit Before Working Capital Changes (As Restated)	**723.42**	**669.28**	**491.64**	**337.36**	**412.53**
Movements in Working Capital :					
Increase/(Decrease) in Trade Payable	135.12	(177.68)	6.79	252.37	(40.32)
Increase/(Decrease) in Short Term Provisions	(3.98)	5.26	(2.34)	5.18	(9.45)
Increase/(Decrease) in Other Long Term-Liabilities	(0.23)	(0.50)	4.04	(2.03)	(7.48)
Increase/(Decrease) in Long Term Provisions	(3.26)	(9.23)	13.22	11.05	8.53
Increase/(Decrease) in Other Current Liabilities	23.86	(289.83)	102.45	233.03	(172.84)
Decrease/(Increase) in Trade Receivables	(19.56)	166.06	(9.81)	(405.40)	117.30
Decrease/(Increase) in Inventories	(57.04)	205.87	(334.43)	(631.08)	287.08
Decrease/(Increase) in Other Current Assets	(24.27)	3.38	9.79	(50.43)	15.89
Decrease/(Increase) in Long-Term Loans & Advances	(34.97)	(30.45)	(50.76)	(38.04)	(12.45)
Decrease/(Increase) in Other Non-Current Assets	-	-	-	0.01	0.08
Decrease/(Increase) in Short-Term Loans & Advances	6.52	(29.26)	31.69	(12.97)	79.04
Cash Generated from/(used in) Operations	**745.60**	**512.90**	**262.29**	**(300.96)**	**677.94**
Direct Taxes Paid (net of refunds)	(71.41)	(41.71)	(28.45)	(14.59)	12.89
Cash flow from/ (used in) operation	**674.18**	**471.19**	**233.84**	**(315.56)**	**690.82**
Less: Minority Interest	-	-	10.32	(1.24)	(29.40)
Net Cash Flow from/ (used in) Operating Activities (A)	**674.18**	**471.19**	**223.51**	**(314.31)**	**720.22**
B.CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed Assets, including Intangible Assets,	(339.88)	(152.78)	(109.09)	(89.26)	(106.17)
Proceeds from Sale of Fixed Assets	7.43	7.27	8.21	9.34	33.59
Loan Given to ESOP Trust	-	-	-	-	(7.71)
Amount Received from ESOP Trust	-	1.25	-	-	-
Interest Income	1.12	1.87	0.45	0.19	1.43
Dividend Received		-	0.02	0.12	-
Net Cash Flow from/ (used in) Investing Activities (B)	**(331.33)**	**(142.39)**	**(100.41)**	**(79.61)**	**(78.86)**
C.CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	-	-	-	-	75.22
Proceeds from Premium on Issue of Equity Shares	-	-	-	-	263.28
Long-Term Borrowings (net)	39.52	31.41	(226.61)	68.59	(360.97)
Short-Term Borrowings (net)	(338.46)	(149.80)	288.18	461.35	(421.48)
Interest Paid	(126.36)	(140.38)	(171.11)	(144.21)	(191.91)
				-	-
Net Cash Flow from/ (used in) Financing Activities (C)	**(425.30)**	**(258.77)**	**(109.54)**	**385.72**	**(635.86)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**(82.45)**	**70.02**	**13.56**	**(8.20)**	**5.51**
Cash and Cash Equivalents at the beginning of the year	**145.30**	**74.29**	**58.73**	**66.79**	**61.85**
Effects of exchange difference on cash and cash equivalent held in foreign currency	**15.26**	**0.99**	**2.01**	**0.14**	**(0.56)**
Cash and Cash Equivalents at the end of the year	**78.12**	**145.30**	**74.29**	**58.73**	**66.79**

Notes:
1. Restated Cash Flows statement of Uniparts India Limited has been prepared under the "Indirect method "as set out in Accounting Standard -3 on Cash Flow Statements as notified by Companies (Accounting Standards) Rules,2006
2. Effects of consolidation primarily includes impact of foreign currency translation and other consolidation adjustments.
3. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

This is the Restated Consolidated Summary Statement of Cash Flows, referred to in our report of even date.
For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No.: 000533N

S. C. Varma
Partner
Membership No.: 11450

Place: New Delhi
Date: 21st September 2014

ANNEXURE - IV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED CONSOLIDATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES AND CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEARS ENDED MARCH 31, 2014, 2013, 2012, 2011 AND 2010

A. CORPORATE INFORMATION

1 Uniparts India Limited ("the Company") was incorporated on 26th September 1994 with the main objects of, inter-alia, manufacturing, sale and export of precision engineering products and allied engineering products. The Company received the certificate of commencement of business on 7th September 1998 from the Registrar of Companies,NCT of Delhi and Haryana. The Registered office of the Company is situated at Gripwel House, Block 5, C 6&7, Vasant Kunj, New Delhi - 110 070.

The Company has following subsidiaries and step down subsidiaries referred to as "the Group":

ENTITY	COUNTRY OF INCORPORATION	NATURE OF BUSINESS	RELATIONSHIP	SHAREHOLDING AND VOTING RIGHT AS AT MARCH 31, 2014
Gripwel Fasteners Private Limited	India	Manufacturing	Subsidiary	100%
Uniparts USA Limited	USA	Warehousing and Logistics	Subsidiary	100%
Uniparts Europe B.V.	The Netherlands	Holding Co. for Europe	Subsidiary	100%
Uniparts India GmbH	Germany	Warehousing and Logistics	Subsidiary	100%
Uniparts Olsen Inc.	USA	Manufacturing	Step Down Subsidiary	100% through Uniparts USA Limited
Uniparts Kavee B.V.*	The Netherlands	Manufacturing	Step Down Subsidiary	N.A*
Uniparts Kavee Services B.V.**	The Netherlands	Services	Step Down Subsidiary	N.A**

**Uniparts India Limited owned 50%+1 Share in Uniparts Kavee BV through Uniparts Europe BV, indirectly. Uniparts Kavee B.V ceased to be the step down subsidiary of Uniparts Europe B.V. w.e.f 1st April 2012, due to which indirectly Uniparts Kavee Services B.V. also ceased to be step down subsidiary w.e.f 1st April 2012.*

***Uniparts Kavee B.V. owned 100% in Uniparts Kavee Services B.V.; thus Uniparts India Ltd. owned 50% + 1 share in Uniparts Kavee Services indirectly.*

B. SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Preparation

The Restated Consolidated Summary Statements have been prepared by applying the necessary adjustments to the consolidated financial statements of Uniparts India Limited. The consolidated financial statements are prepared on accrual basis in accordance with Indian Generally Accepted Accounting Principles ("Indian GAAP") under the historical cost convention and comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules, 2006 (as amended), to the extent applicable. The accounting policies have been consistently applied by the Group and are consistent with those used for the purpose of preparation of financial statements as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 except for accounting of inventories, which does not have material impact.

The financial statement of the Group have been consolidated on a line-by-line basis by adding together the book value of like items assets, liabilities, income and expense after eliminating intra-group balance and intra-group transactions in accordance with Accounting Standard 21 "Consolidated Financial Statements".

The excess or deficit of parent's portion of equity in subsidiary companies over its carrying cost of investments, if any, is treated as a capital reserve or goodwill respectively.

2 The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and the Restated Consolidated Summary Statement of Profit and Loss and Restated Consolidated Summary Statement of Cash Flows for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 (hereinafter collectively referred to as "Restated Consolidated Summary Statements") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering of its equity shares.

These Restated Summary Statements have been prepared to comply in all material respects with the requirements of sub clause (i) and (iii) of clause (b) of sub section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines"), as amended from time to time.

Presentation and Disclosure of Financial Statements

The revised Schedule VI was notified under the Companies Act, 1956 and became applicable to the group for preparation and presentation of its financial statements from the financial year starting from 1st April, 2011. Accordingly, the group has presented the financial statements as at March 31, 2012 and for the year ended along with

the comparatives as at March 31, 2011 and for the year ended following the requirements of revised Schedule VI. The adoption of revised Schedule VI does not impact the recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Group has also reclassified the previous year figures pertaining to year ended March 31, 2010 in accordance with the requirements of revised Schedule VI.

The Group has prepared these Restated Consolidated Summary Statements along with related notes in accordance with the requirements of the Guidance Note on revised Schedule VI and has reclassified previous year figures accordingly.

2 Use Of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles (GAAP), which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses 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.

3 Revenue Recognition

Sales

Sales of products are recognized when significant risks and rewards of ownership of products are passed on to the customers at the time of dispatch of goods from the factory/ stockyard / storage area and port as the case may be. Sales include job work, sale of scrap and excise duty but excludes VAT.

Income and Expenditure

Income and expenditure are accounted for on accrual basis except dividend income and insurance claims.

Dividend income from investment is recognized when the Group's right to receive such payment is

established.

Revenue in respect of Insurance/Other Claims is recognized when it is reasonably certain that the ultimate collection will be made.

4 Export entitlements / obligations

The benefits accrued under the Duty Drawback Scheme as per the relevant Import and Export Policies during the year are included under the head "Other Operating Revenue".

Export incentive receivable on export performance are recognized in pursuance to 'Accounting Standard 9 on Revenue Recognition ', (AS-9) with reference to certainty of collectability of such export incentives.

5 Fixed Assets

a) Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of purchase price, freight, erection/commissioning expenses and other incidental direct expenses up to the date of the asset is ready for its intended use. Leasehold improvements are amortized over the period of the lease.

b) Capital work in progress is carried at cost till such time the asset can be put to productive use. Advances paid towards the acquisition of fixed assets are shown under Capital Work in Progress.

c) Expenditure during Construction period (including interest on borrowings and financing cost relating to borrowed funds attributable to acquisition of fixed assets) incurred are being treated as pre-operative expenses, pending allocation to the fixed assets on the date of capitalization and are shown as capital work in progress.

d) Expenditures including installation expenses on new software, purchased or developed are capitalized.

6 Depreciation and Amortization

a) Depreciation on fixed assets (except Leasehold land which is not depreciated or amortized) has been provided on the basis of Straight line method at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956. Depreciation on leasehold improvements is charged over the period of lease.

b) Amortization in respect of intangible assets is provided on straight line methods over the estimated period of its economic life.

c) The Company has used the following useful lives and rate of depreciation to provide depreciation and amortization on its fixed assets.

Particulars	Depreciation Rates (SLM) / Estimated useful lives
i. Buildings	3.34%
ii. Leasehold Improvements	Over a Lease Period
iii. Plant and Machinery	
a.Electrical Equipments,Generator,Materials Handling Plant and Machinery	7.42%
b.Testing Equipments,Weighting Scale and Electrical Fittings	4.75%
c. Tools and Dies	11.31%
iv. Furniture and Fixtures	6.33%
v. Vehicles	
a.Commercials Vehicle, Tractor	11.31%
b.Car,Motor cycle /Scooter	9.50%
c.Cycle	7.07%
vi. Office Equipments	4.75%
vii.Computer	16.21%
viii.Softwares	5 years

7 Impairment of Fixed Assets

At each balance sheet date, the management identifies all assets where there is any indication of impairment of the carrying amount of the Group's fixed assets. If any indication exists, an assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the value as per the market value of the asset.

8 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalized until the time all substantial activities necessary to prepare such assets for their intended use are complete. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as expenditure during the period in which they are incurred.

9 Investments

Investments are classified into long term and current investment. Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investment. Current Investments are valued at lower of cost or net realizable value.

10 Inventories

Raw material, packing material and consumable stores and spares are valued at cost computed on FIFO method.

Work in progress are valued at material cost plus appropriate share of labour and production overheads incurred till the stage of completion of production.

Finished Goods/Traded Goods are valued at lower of the cost or net realizable value.

Scrap is valued at net realizable value calculated as last months average realisation.

11 Foreign Currency Transactions

Foreign currency transactions on initial recognition, are recorded by applying to the foreign currency amount the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate and non-monetary items carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

12 Taxation

a) **Current Tax**
I) Current tax is provided on the basis of tax payable on estimated taxable income computed in accordance with the applicable provisions of the Income Tax Act, 1961 after considering the tax allowances and exemptions.
ii) Advance taxes and provisions for current tax are presented in the balance sheet after setting off advance taxes paid and income tax provision arising in the same tax jurisdiction and enterprise.

b) **Deferred Tax**
In accordance with Accounting Standard-22 “Accounting for Taxes on Income", the Accounting Standard notified by Companies (Accounting Standards) Rules, 2006 (as amended), the deferred tax for timing difference between the book profit and taxable profit as per the provisions of the Income Tax Act, 1961 for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

c) **Minimum Alternative Tax**
Minimum Alternative Tax (MAT) paid in a year is charged to the Statement of Profit & Loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

13 Employee Benefits

Contributions to Provident Fund which are defined contribution schemes, are made to a government administered Provident Fund and are charged to the Statement of Profit and Loss as incurred. The Group has no further obligations beyond its monthly contributions to these funds.

Provision for gratuity and leave encashment, which are in the nature of defined benefit plans, are provided based on actuarial valuations based on projected unit credit method, as at the balance sheet date.

14 Employee Stock Compensation Cost

The company has accounted for the share based payment for employees in respect of UIL ESOP - based on the Guidance Note on “Accounting for Employees Share Based Payment” issued by ICAI (“Guidance Note”). The Company follows the Fair Market Value Method (calculated on the basis of Black-Scholes method) to account for compensation expenses arising from issuance of stock options to the employees and has recognised the services received in an equity-settled employee share-based payment plan as an expense when it receives the services, with a corresponding credit to Stock Options Outstanding Account. Further, employees compensation cost recognised earlier on grant of option is reversed in the year when the Options are surrendered by the employee.

15 Leases

a) Finance leases, which effectively transfer to the Group substantially all the risk and benefit incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct cost of lease are capitalized.

b) Leases, where lessor effectively retains substantially all the risk and benefit of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the Group are segregated.

17 Provisions and Contingencies

The Group creates a provision when there is a present obligation as result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

18 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.

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.

19 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

20 Share Issue Expenses

Share issue expenses as at March 31, 2014 comprises of expenses incurred in connection with the DRHP. The company shall adjust the expenses incurred in connection with the preparation of the DRHP against the securities premium account in accordance with Section 78 of the Companies Act, 1956/ Section 52 of Companies Act, 2013.

21 Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

C. MATERIAL ADJUSTMENTS

CONSOLIDATED SUMMARY OF RESULTS OF RESTATEMENTS MADE IN AUDITED FINANCIAL STATEMENT OF THE GROUP FOR THE RESPECTIVE YEARS AND THEIR IMPACT ON THE PROFITS/ (LOSSES) OF THE GROUP IS AS UNDER:

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(A) Net Profit /(Loss) After Tax as per Audited Statement of Profit and Loss	**442.38**	**306.26**	**327.57**	**25.96**	**(67.85)**
Add/ (Less): Impact due to change in method of Depreciation (refer note 2.1 below)	-	-	-	-	(229.04)
Add/ (Less): Impact due to Foreign Currency Translations (refer note 2.2 below)	-	114.93	(74.42)	23.69	319.64
Add/ (Less): Impact due to Provision for Retirement Benefits (refer note 2.3 below)	-	-	-	(3.88)	(6.36)
Add/ (Less): Impact due to Prior Period Items (refer note 2.4 below)	0.03	0.17	0.25	(0.01)	(0.56)
Add/ (Less): Impact due to Accounting for Employees Stock Option Plan as per the guidance note issued by the Institute of Chartered Accountants of India.(refer note 2.5 below)	-	22.68	(1.81)	(2.49)	(9.11)
Add/ (Less): Impact due to change in Depreciation accounting of foreign subsidiaries (refer note 2.6 below)	(10.96)	(7.24)	(1.70)	5.76	8.86
Add/(Less):Impact due to Excess/(Short) Provision of Tax written back (refer note 2.7below)	-	(9.19)	(0.02)	0.08	(0.04)
(B) Total Adjustments	**(10.93)**	**121.35**	**(77.69)**	**23.15**	**83.40**
(C)Tax Impact of Adjustments - Current	(0.05)	(17.33)	6.58	(2.73)	0.80
(D)Tax Impact of Adjustments -Deferred	4.16	2.76	0.91	(0.34)	(0.27)
(E) Net Adjustment due to MAT Credit Entitlement (refer note 2.8 below)	0.05	(21.39)	4.59	7.13	23.35
(F) Total Adjustments Net of Tax impact (B + C + D + E)	(6.77)	85.39	(65.60)	27.20	107.28
(G) Restated Consolidated Net Profit /(Loss) After Tax (A + F)	**435.61**	**391.65**	**261.97**	**53.16**	**39.42**

Notes:

I. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

ii. During the year ended March 31, 2012, the revised schedule VI notified under the Companies Act,1956 has become applicable to the company for preparation and presentation of its financial statements. The adoption of revised schedule VI of the Companies Act,1956 does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements. The Company has also reclassified the figures for the years ended March 31, 2011 and 2010 in accordance with the requirements applicable for the year ended March 31, 2012.

2 Notes to Material Adjustments

2.1 The Group had changed its method of charging depreciation from Written Down Value Method to Straight Line Method in FY 2009-10. The surplus of Rs. 229,036,153/- generated due to change in method with retrospective effect was credited to "Other Income". For the purpose of Restated Consolidated Financial Statements, the same has been reversed in FY 2009-10 and has been adjusted with reserve and surplus

2.2 During FY 2012-13, the Group has adopted the policy of accounting the forward and option contracts in accordance with AS-11 (i.e. Mark-to-Market Valuation of open contracts). Accordingly, the impact in the previous financials years ended March 31, 2012, March 31, 2011 and March 31, 2010 has been computed and adjusted for the purpose of Restated consolidated Financial Statements.

2.3 During FY 2011-12, the first time adoption of Accounting Standard - 15 (revised) "Employee Benefits" was done by the Group and the impact of liability (net of deferred tax) related to previous financial years was adjusted from Reserves & Surplus. However, for the purpose of Restated Financial Statements, the year on year impact for the previous financial years ended March 31, 2012, March 31, 2011 and March 31, 2010 has been recomputed and adjusted in the respective years.

2.4 In the financial years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010, certain items of income/ expenses have been identified as prior period adjustments. These adjustments were recorded in the year when identified. However, for the purpose of Restated Consolidated Financial Statements, such prior period adjustments have been appropriately adjusted in the respective years to which the transactions pertained to.

2.5 In respect of employee stock option granted under employee stock option scheme, the employee stock option expenses were not recognized in the audited accounts of financial year ended March 31, 2012, March 31, 2011 and March 31, 2010. Accordingly on restatement of financial statements, the compensation expense and the deferred compensation related to employee stock option has been recognized in each of the financial year to which such charge relates and the balance value of the option not recognized in each of the financial year has been recognized under Stock Option Outstanding Account in each of the respective financial years.

2.6 In the financial years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 the Group has not followed the Straight Line Method of providing depreciation across all its foreign subsidiaries. Accordingly, the impact in respective financials years have been adjusted in the respective periods for the purpose of Restated Consolidated Financial Statements.

2.7 During F.Y 2012-2013, the Group has recognized short/excess provision of taxes of previous years. However on restatement, the same has been recognized in the year such short/excess provision pertained to.

2.8 During FY 2012-2013, the Group has recognized "MAT Credit entitlement" of Rs.58,243,111 /- for the first time as company expect that it would pay Income tax as per normal tax rate in near future and thus would be able to adjust such MAT Credit. However the impact in the previous financial years ended March 31, 2012,March 31, 2011 and March 31, 2010 has been computed and adjusted for the purpose of restated financial statement.

3 Auditors' Emphasis

Audit emphasis given in the Auditors' Report for the financial year ended March 31, 2010 which has been adjusted in the Restated Consolidated Financial Statements is as follows:

Attention is invited to Note No. 12 of Schedule 23" regarding change in method of depreciation due to which the profit for the year increased by Rs. 68.7 million"

As the matter relates to financial year ended March 31, 2010, the appropriate adjustments have been made in this regard in the Restated Consolidated Financial Statement in respect of the year ended March 31, 2010 and disclosed in 2.1 above.

4 Restatements adjustments made in the audited opening balance figure in the net surplus in the Statement of Profit and Loss for fiscal 2009.

Particulars	Rs. In Millions
(A) Balance as per audited financial statement as on April 1, 2009	**598.32**
Adjustment	
Add/ (Less): Impact due to Foreign Currency Translations (refer note 2.2)	(383.84)
Add/ (Less): Impact due to Provision for Retirement Benefits (refer note 2.3)	(6.74)
Add/ (Less): Impact due to Prior Period Items (refer note 2.4)	0.12
Add/ (Less): Impact due to Accounting for Employees Stock Option Plan as per the guidance note issued by the Institute of Chartered Accountants of India.(refer note 2.5)	(9.27)
Add/ (Less): Impact due to change in Depreciation accounting of foreign subsidiaries (refer note 2.6)	226.04
Add/(Less):Impact due to Excess/(Short) Provision of Tax written back (refer note 2.7)	9.16
(B) Total Adjustment	**(164.52)**
(C) Deferred Tax impact of Adjustments	**(78.00)**
Balance as per restated financial statement as on April 1, 2009	**355.80**

D. OTHER SIGNIFICANT NOTES

1 Capital Commitments

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Estimated amount of contracts remaining to be executed on capital accounts and not provided for,	10.94	29.74	25.94	10.39	6.73
Less: Capital Advance	2.99	9.11	8.72	3.84	0.97
Estimated amount of contracts remaining to be executed on capital accounts and not provided for, Net of Advance	**7.95**	**20.63**	**17.21**	**6.56**	**5.76**

2 Contingent Liabilities

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Claims against the Company not acknowledged as debt (excluding cases where the possibility of any outflow in settlement is remote					
– Sales tax matters	1.09	0.71	0.29	1.08	0.15
– Excise matters	1.04	35.98	1.30	18.52	19.38
– Labour matters	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable
- Income tax	29.74	21.40	6.19	0.39	-
– Sales tax liability against pending forms	76.58	126.57	74.12	Not Ascertainable	Not Ascertainable
-Others	-	0.12	-	-	-
Guarantees issued by banks and financial institutions on behalf of the company					
– Sales tax matters	0.03	0.06	0.06	0.06	0.03
– Pollution Control Board	0.02	0.02	0.02	0.02	-
– Excise matters	0.50	0.50	-	-	-
– DGFT	-	-	-	-	-
– Customs	-	-	-	-	-
Other money for which the company is contingently liable:					
Excise duty outstanding against exports made under Bond:	3.52	0.31	0.28	16.02	10.53
Excise duty outstanding against exports made under declaration/ undertaking	7.08	14.65	11.43	1.97	0.54
Customs & Excise Duty pending under bond in favour of Assistant Commissioner of Customs against import	-	-	1.92	1.92	1.92
Bond cum legal undertaking to Andhra Pradesh Special Economic Zone	1,409.46	382.75	324.95	176.54	126.54
Total	**1,529.05**	**583.08**	**420.56**	**216.52**	**159.09**

3 LEASES

Operating Lease - Company as a lessee

The lease rentals paid under leases relating to rent of building premises and sites as per the agreements, which are as follows:

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Lease rental debited to statement of profit & loss	139.38	138.40	153.39	139.05	138.99
Future minimum lease payments Payable:					
Obligation on non-cancellable leases:					
Not later than one year	54.09	49.13	36.24	31.19	31.77
Later than one year but not later than five years	184.17	172.36	148.12	125.98	121.46
Later than five years	14.63	56.28	90.45	110.69	145.88
Total	**252.88**	**277.77**	**274.81**	**267.86**	**299.10**

Capital/Financial leases

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Lease payment recognised in the statement of profit and loss	-	-	-	-	-
Future minimum lease payments under non cancellable agreements					
Not later than one year	1.82	1.65	3.03	3.49	-
Later than one year and not later than five years	3.49	4.82	6.06	1.30	-
Later than five years	-	-	-	-	-

4 Employee Benefits

Defined benefit obligation

Gratuity liability is defined benefit obligation & is provided for on the basis of an actuarial valuation on projected unit credit method made at the end year/ period. The Plan is funded by the Group only for the Uniparts India Ltd.

Other employee benefits

Leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year/ period.

(i) Amount charged to the statement of profit & loss:

Rs. In Million

GRATUITY	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current service cost	11.99	13.54	10.86	8.22	7.65
Interest cost	6.66	6.78	5.59	4.70	4.04
Actuarial (gain)/loss	(10.87)	(8.06)	1.58	4.22	(0.62)
Expected return on plan assets	(0.88)	(0.85)	(0.77)	(0.74)	(0.61)
Net Gratuity Cost	**6.89**	**11.41**	**17.26**	**16.41**	**10.46**

LEAVE ENCASHMENT	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current service cost	5.07	5.83	4.92	3.94	3.62
Interest cost	1.07	1.73	1.13	0.91	0.67
Actuarial (gain)/loss	2.38	(10.66)	2.97	2.92	2.56
Expected return on Plan Assets	-	-	-	-	-
Net Leave encashment cost	**8.52**	**(3.10)**	**9.02**	**7.78**	**6.84**

(ii) The assumptions used to determine the benefit obligations are as follows:

GRATUITY	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Discount Rate	9.03%	8.00%	8.50%	8.25%	8.50%
Expected Rate of Return on Plan Assets	9.03%	8.00%	8.50%	8.25%	8.50%
Salary escalation	8.00%	10.00%	10.00%	10.00%	10.00%
Expected average remaining working lives of employees (years)	5*	5*	14*	14*	14*

* This figure is calculated after taking simple average of expected average remaining working lives of employees of Group

LEAVE ENCASHMENT	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Discount Rate	9.03%	8.00%	8.50%	8.25%	8.50%
Expected Rate of Return on Plan Assets	-	-	-	-	-
Salary escalation	8.00%	10.00%	10.00%	10.00%	10.00%
Expected average remaining working lives of employees (years)	5*	5*	14*	14*	14*

* This figure is calculated after taking simple average of expected average remaining working lives of employees of Group

(iii) The discount rate is based on the average yield on government bonds at the accounting date with a term that matches of the liabilities.

(iv) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion & other relevant factors, such as supply & demand in the employment market.

(v) Reconciliation of opening & closing balances of benefit obligations:

Rs. In Million

GRATUITY	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Opening Defined Benefit Obligation	83.22	79.72	67.71	55.30	47.53
Current service cost	11.99	13.54	10.86	8.22	7.65
Interest cost	6.66	6.78	5.59	4.70	4.04
Benefits paid	(6.89)	(8.95)	(5.88)	(4.63)	(4.19)
Actuarial (gain)/loss	(10.69)	(7.86)	1.44	4.12	0.27
Closing Defined Benefit Obligation	**84.29**	**83.22**	**79.72**	**67.71**	**55.30**

LEAVE ENCASHMENT	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Opening Defined Benefit Obligation	13.39	20.33	13.68	10.70	7.84
Current service cost	5.07	5.83	4.92	3.94	3.62
Interest cost	1.07	1.73	1.13	0.91	0.67
Benefits paid	(7.43)	(3.84)	(2.37)	(4.80)	(3.98)
Actuarial (gain)/loss	2.38	(10.66)	2.97	2.92	2.56
Closing Defined Benefit Obligation	**14.48**	**13.39**	**20.33**	**13.68**	**10.70**

(vi) Reconciliation of opening & closing balances of Plan Assets:

Rs. In Million

PLAN ASSETS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Opening value of Plan Assets	10.99	9.94	9.31	8.68	7.17
Add: Expected return on Plan Assets	0.88	0.85	0.77	0.74	0.61
Add/(Less):Actuarial Gains/Loss	0.18	0.20	(0.14)	(0.10)	0.89
Add: Contribution by employer	-	5.84	5.33	3.85	4.19
Less: Benefit Paid	-	(5.84)	(5.33)	(3.85)	(4.19)
Closing Value Of Plan Assets	**12.05**	**10.99**	**9.94**	**9.31**	**8.68**

(vii)Amount to be recognised in the Balance Sheet

Rs. In Million

GRATUITY	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Present value of Obligation at the end of the year	84.29	83.22	79.72	67.71	55.30
Fair value of Plan Assets at the end of the year	12.05	10.99	9.94	9.31	8.68
Net Asset/(Liability) recognized in Balance Sheet	**(72.24)**	**(72.23)**	**(69.78)**	**(58.40)**	**(46.63)**

LEAVE ENCASHMENT	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Present value of Obligation at the end of the year	14.48	13.39	20.33	13.68	10.70
Leave encashment Provision related to overseas subsidiaries	9.57	8.25	7.74	14.90	12.42
Net Asset/(Liability) recognized in Balance Sheet	**(24.05)**	**(21.64)**	**(28.06)**	**(28.58)**	**(23.12)**

(viii) Other Disclosures

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Present value of Obligation at the end of the year	84.29	83.22	79.72	67.71	55.30
Fair value of Plan Assets at the end of the year	12.05	10.99	9.94	9.31	8.68
Surplus / (Deficit)	**(72.24)**	**(72.23)**	**(69.78)**	**(58.40)**	**(46.63)**
Experience adjustments on Plan Liabilities	2.90	2.16	3.82	1.86	0.27
Experience adjustments on Plan Assets	0.18	0.20	(0.14)	(0.10)	0.89

5 Employee Stock Option Plans

The Company's ESOP scheme "Uniparts Employees Stock Option Plan, 2007" is administered through an ESOP Trust, which subscribes to shares of the Company and holds them until issuance thereof based on vesting and exercise of options by employees.

The scheme provides that subject to continued employment with the Company, specified employees of the Company and its subsidiaries are granted an option to acquire equity shares of the Company that may be exercised within a specified period. Each option comprises of one equity share which will vest on annual basis in equal proportion over a period of three years and shall be capable of being exercised within a period of ten years from the date of the specified grant. Each option granted under the above plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the compensation committee. The Company has provided an interest free loan amounting to Rs 5,52,00,000/- to the Trust to subscribe to 350400 Shares issued at Rs. 135 per share and right issue of 175200 Shares at Rs. 45 per share. The ESOP Trust has since subscribed to the Company's shares. As per the Guidance Note on Accounting for Employee Share Based payments issued by the Institute of Chartered Accountants of India, the amount of loan equivalent to the face value of securities subscribed Rs. 51,36,000 has been deducted from share capital account and the balance part of the loan representing the amount of share premium paid for the shares subscribed Rs. 50,064,000/- has been deducted from the share premium account. The balance of such loan as at March 31, 2014 is Rs 5,33,86,560/- The repayment of loan is primarily dependent upon the exercise of options by the employees, the price at which fresh or reissued options are granted and dividend income earned thereon till exercise of options. The Company believes that the options would be exercised by the employees and the ESOP Trust would be able to repay the loan based on the price received by the Trust there against. On that basis, the loan to the ESOP Trust is considered good of recovery.

As per the Scheme, the Company has granted 1,14,833 options @ Rs.135/- per option (Grant – 1), 42,764 options @ Rs.135/- per option (Grant – 2), 25,000 options @ Rs.135/- per option (Grant – 3), 86,592 Right Issue @ Rs.45/- per share, 28,912 option-ns @ Rs.105/- per option (Grant – 4), 26,209 options @ Rs.105/- per option (Grant – 5), 28,825 options @ Rs.105/- per option (Grant – 6), 11,255 options @ Rs. 105/- per option (Grant-7), 5,000 options @ Rs. 105/- per option (Grant-8), 21,465 options @ Rs. 105/- per option (Grant-9) in accordance with the provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, to the selected employees of the Company. The method of settlement is by issue of equity shares to the selected employees who have accepted the option.

Period within which options will vest to the participants

2 years from the date of Grant of Options 33%
3 years from the date of Grant of Options 33%
4 years from the date of Grant of Options 34%

Employees Stock Option activity under Scheme 2007 is as follows :-

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding at the beginning of the year	286,917	286,116	259,907	251,235	171,828
Granted during the year	37,720	28,825	26,209	28,912	86,592
Forfeited/Surrendered during the year	-	(16,024)	-	(20,240)	(7,185)
Exercised during the year	-	(12,000)	-	-	-
Outstanding at the end of the year	324,637	286,917	286,116	259,907	251,235
Vested and Exercisable at the end of the year	234,853	218,708	240,536	124,207	80,909

Weighted average fair value of Options on the date of Grant **Amount In Rs.**

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Grant 1	96.45	96.45	96.45	96.45	96.45
Grant 2	114.02	114.02	114.02	114.02	114.02
Grant 3	70.45	70.45	70.45	70.45	70.45
Right Issue	97.65	97.65	97.65	97.65	97.65
Grant 4	56.69	56.69	56.69	56.69	-
Grant 5	77.63	77.63	77.63	-	-
Grant 6	67.19	67.19	-	-	-
Grant 7	41.10	-	-	-	-
Grant 8	47.08	-	-	-	-
Grant 9	55.00	-	-	-	-

The Guidance Note on "Accounting for employees share based payment issued by ICAI ("Guidance Note") establishes financial accounting and reporting principles for share based payment plans for employees. The Guidance Note applies to employees share based payments, the grant date in respect of which falls on or after 1st April, 2005. The Company follows the Fair Market Value calculated on Black Scholes Method to account compensation expenses arising from issuance of stock options to the employees

6 Outstanding Forward Exchange Contracts entered into by the company:

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Forward:					
In USD (sell)	9.43	15.66	22.50	2.15	-
In EURO	-	-	-	2.00	-
INR Value	**591.14**	**890.23**	**1,135.65**	**223.74**	**-**

7 Foreign Currency Exposure (have not been hedged by a derivative instrument or otherwise):-

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Receivables - In USD	-	-	-	-	-
- In EURO	1.00	1.48	1.39	1.54	0.66
- In JPY	26.03	19.48	20.42	6.16	6.62
- In GBP	0.28	0.29	0.32	0.35	0.24
- In AUD	0.12	0.13	0.14	0.11	0.11
- INR	**132.02**	**145.01**	**140.93**	**130.34**	**63.33**
Payables - In USD	0.01	0.14	0.07	0.02	0.01
- In EURO	0.03	0.03	0.11	0.03	0.00
- In GBP	-	-	-	0.00	0.00
- In JPY	-	-	-	0.01	
- INR	**2.99**	**9.84**	**10.58**	**3.06**	**0.46**
Loans - In USD	7.52	11.11	16.62	15.86	8.02
FCNR Loan	-	-	1.50	-	-
- INR	**450.37**	**603.16**	**921.99**	**706.51**	**359.96**
Bank - In USD	0.01	0.00	0.02	0.14	0.03
- In EUR	-	-	0.01	0.01	0.01
- INR	**0.36**	**0.01**	**1.54**	**6.43**	**1.85**
Other Receivables - In USD	0.01	0.11	0.14	0.04	0.00
- In EURO	0.00	0.00	0.10	0.00	-
- In GBP	-	0.00	0.00	-	-
- In JPY	-	-	0.20	-	0.06
- INR	**0.88**	**5.79**	**14.44**	**2.16**	**2.62**

Other Payables - In EURO	-	-	0.02	0.01	0.01
- In USD	0.00	-	-	-	-
- In AUD	-	0.02	-	-	-
- In JPY	2.45	1.76	-	-	-
- In GBP	-	-	-	0.01	-
- INR	**1.46**	**2.38**	**1.22**	**0.85**	**0.53**

Note: Amount 0.00 represents Amount less than Rs.0.01 Millions

8 The company is in the process of receiving intimations from its vendors regarding the status under the Micro, Small and Medium enterprise development act 2006 and hence disclosure required under the said act have not been made.

9 Earnings Per Share ('EPS')

The Calculations of Earnings per share are based on the net profit and number of shares as computed below: **Rs. In Million (except EPS in Rs.)**

Particulars	Year Ended				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Restated Net profit after Tax	435.61	391.65	261.97	53.16	39.42
Restated Net profit after Tax for calculation of Diluted EPS	435.61	391.65	261.97	53.16	39.42
Weighted average number of equity Shares for calculating Basic EPS	22,053,279	22,053,279	22,041,279	22,041,279	19,437,543
Basic EPS	**19.75**	**17.76**	**11.89**	**2.41**	**2.03**
Weighted average number of equity Shares for calculating Diluted EPS	22,566,879	22,566,879	22,566,879	22,566,879	19,903,143
Diluted EPS	**19.30**	**17.36**	**11.61**	**2.36**	**1.98**

Note: ESOP issued to employees has not been considered for diluted EPS for the year ended 31 March,2009 as this is anti dilutive in nature..

10 Deferred tax liabilities/(Assets)

Components of Deferred Tax Liabilities /(Assets) are as follows: **Rs. In Million**

Particulars	As at				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Deferred tax Assets					
-Disallowances u/s 43B of I.T Act,1961	38.91	37.72	38.44	27.35	22.46
-Unabsorbed Depreciation and Business losses	-	53.88	84.12	104.05	106.27
-Adjustment Of stock u/s 145A	13.31	10.23	12.12	14.65	9.35
On account of Overseas Subsidiary					
-Deferred Tax Asset	24.55	33.66	32.46	43.21	7.36
Gross Deferred tax Assets (A)	**76.78**	**135.49**	**167.14**	**189.26**	**145.44**
Deferred tax Liabilities					
-Depreciation and Amortization	191.84	176.31	172.96	165.38	147.64
On account of Overseas Subsidiary					-
-Deferred Tax Liability	251.40	220.86	186.63	166.40	133.36
Gross Deferred tax Liability (B)	**443.24**	**397.16**	**359.58**	**331.77**	**281.00**
Net Deferred Tax Liabilities /(Assets) (B - A)	**366.46**	**261.68**	**192.44**	**142.51**	**135.56**

11 Segment Reporting

Primary segment

The Company operates only in one business segment i.e. Linkage Parts and Components for Off-Highway Vehicles

Secondary segment **Rs. In Million**

Particulars	Year Ended				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Revenue From operation					
Within India	1,047.63	927.39	1,130.79	975.14	714.95
Outside India	7,073.18	6,863.76	7,197.32	5,563.21	3,518.18
(excluding Deemed Exports)					
Total	**8,120.81**	**7,791.15**	**8,328.11**	**6,538.35**	**4,233.13**
Carrying Amount of Assets					
Within India	335.10	240.91	248.16	189.07	188.18
Outside India	484.62	559.25	718.06	767.34	362.83
(excluding Deemed Exports)					
Total	**819.72**	**800.16**	**966.22**	**956.41**	**551.01**

Note: Disclosure in respect of carrying amount of Assets has been made to the extent ascertainable

RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL **ANNEXURE - V**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Authorised Shares					
Equity shares of Rs. 10 each (Numbers)	60,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Equity shares of Rs. 10 each (Rs.)	600.00	250.00	250.00	250.00	250.00
Issued:					
Equity Shares of Rs. 10 each (Numbers) (refer note 2)	45,133,758	22,566,879	22,566,879	22,566,879	22,566,879
Subscribed and fully paid up					
Equity shares of Rs. 10 each (Numbers)	22,566,879	22,566,879	22,566,879	22,566,879	22,566,879
Equity shares of Rs. 10 each (Rs.)	225.67	225.67	225.67	225.67	225.67
Less: Amount recoverable from Uniparts Employees Stock Option Plan	5.14	5.14	5.26	5.26	5.26
Total subscribed and fully paid-up share capital	**220.53**	**220.53**	**220.41**	**220.41**	**220.41**

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Rs. In Million

PARTICULARS	As At									
	31-Mar-14		31-Mar-13		31-Mar-12		31-Mar-11		31-Mar-10	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
At the beginning of the year	22,566,879	225.67	22,566,879	225.67	22,566,879	225.67	22,566,879	225.67	15,044,584	150.45
Issue of equity share under right issue (refer note 1 below)	-	-	-	-	-	-	-	-	7,522,295	75.22
Outstanding at the end of the year	**22,566,879**	**225.67**	**22,566,879**	**225.67**	**22,566,879**	**225.67**	**22,566,879**	**225.67**	**22,566,879**	**225.67**

Details of shareholders holdings more than 5% equity shares in the company

PARTICULARS	As At									
	31-Mar-14		31-Mar-13		31-Mar-12		31-Mar-11		31-Mar-10	
	Number	% holding in the class	Number	% holding in the class	Number	% holding in the	Number	% holding in the class	Number	% holding in the class
Equity Shares of Rs. 10 each fully paid										
Gurdeep Soni	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14
Paramjit Singh Soni	3,297,545	14.61	3,297,545	14.61	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14
Ashoka Investment Holdings Limited	3,590,321	15.91	3,590,321	15.91	3,590,321	15.91	3,590,321	15.91	3,590,321	15.91
Karan Soni	2,600,000	11.52	2,600,000	11.52	-	-	-	-	-	-
Meher Soni	2,600,000	11.52	2,600,000	11.52	-	-	-	-	-	-

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 1: In financial year 2009-2010 Company had issued a equity share capital under right issue in the ratio of 2:1 at a premium of Rs. 35

Note 2: The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on Apr 04, 2014.

Details of equity shares allotted as fully paid up bonus shares for the five years.

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Bonus shares allotted during the years	-	-	-	-	-

ANNEXURE – VI

RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Securities Premium Account					
Balance as at the beginning of the year	1,088.39	1,086.46	1,084.90	1,083.26	812.78
Add: Received on issue of shares		-	-	-	263.28
Add: Premium Recognised during the Year	1.88	1.94	1.55	1.64	7.20
Balance as at the end of the year	**1,090.27**	**1,088.39**	**1,086.46**	**1,084.90**	**1,083.26**
Less: Amount Recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	75.30	73.42	73.81	72.26	70.62
Total	**1,014.97**	**1,014.97**	**1,012.65**	**1,012.65**	**1,012.65**
Foreign Currency Translation Reserve					
Balance as at the beginning of the year	(347.14)	(269.45)	(108.56)	(100.28)	(193.90)
Add: During the Year	(146.89)	(77.68)	(160.90)	(8.28)	93.62
Balance as at the end of the year	**(494.03)**	**(347.14)**	**(269.45)**	**(108.56)**	**(100.28)**
General Reserve					
Balance as at the beginning of the year	-	-	-	-	-
Add: Transfer from Profit and Loss Account	12.05	-	-	-	-
Balance as at the end of the year	**12.05**	**-**	**-**	**-**	**-**
Employees Stock Options Outstanding					
Balance as at the beginning of the year	21.95	22.68	20.87	18.37	9.27
Add: Compensation for the year	1.67	0.47	1.81	2.49	9.11
Less: Transfer to ESOP Trust Account	-	1.20			
Balance as at the end of the year	**23.62**	**21.95**	**22.68**	**20.87**	**18.37**
Surplus/(Deficit) in the statement of profit and loss					
Balance as at the beginning of the year	1,317.84	939.39	677.42	624.26	355.80
Less: Transfer to General Reserve	12.05				
Less: Proposed dividend	45.61	11.28	-	-	-
Less: Dividend Tax	7.75	1.92	-	-	-
Add: Depreciation Written Back	-	-	-	-	229.04
Add: Restated Profit for the year	435.61	391.65	261.97	53.16	39.42
Balance as at the end of the year	**1,688.04**	**1,317.84**	**939.39**	**677.42**	**624.26**
Total Reserves & Surplus	**2,244.65**	**2,007.62**	**1,705.26**	**1,602.38**	**1,555.00**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

3.The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014.

ANNEXURE - VII

RESTATED CONSOLIDATED STATEMENT OF LONG TERM BORROWINGS

Rs. In Million

PARTICULARS	AS AT				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Term Loans					
-Indian Rupee Working Capital Term Loan, Unsecured	42.78	94.11	-	-	-
-Indian Rupee Term Loan, Secured	263.58	-	-	111.81	150.54
-Foreign Currency Term Loans, Secured	123.25	134.86	66.57	116.29	134.19
Loan From Financial Institutions:					
-Indian Rupee Term Loans, Secured	3.61	7.74	10.75	18.15	0.88
-Foreign Currency Term Loans, Secured	4.17	5.63	7.01	1.28	0.42
Other Loans, Unsecured					
Loans from Related Parties	-	141.95	182.80	221.55	105.00
Others	-	-	20.37	37.85	60.54
Total Long Term Borrowings	**437.40**	**384.29**	**287.49**	**506.94**	**451.57**

Notes:

1. **Long term borrowings shown under other current liabilities as re-stated, as under:**

(Due to installments matured within period Less than 12 Months)

Rs. In Million

PARTICULARS	AS AT				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Term Loans, Secured					
Foreign Currency Loans From Bank	25.51	21.50	87.08	52.45	33.98
Foreign Currency Loans From Financial Institution	2.12	1.85	3.05	3.74	0.68
Indian Rupee Loans From Bank	38.13	-	94.96	139.34	157.25
Indian Rupee Loans From Financial Institution	3.40	9.41	14.40	11.12	1.52
Term Loans, Unsecured					
Indian Rupee Loans From Bank	51.33	51.33	-	-	-
Indian Rupee Loans From Related Party	-	50.00	-	-	-
Total	**120.50**	**134.09**	**199.48**	**206.65**	**193.42**

2.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

3.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

4.The above statement should be read with the Restated Summary Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security as appearing in Annexure -XXX

5.Amount due to Related Party represents as disclosed in Annexure XXIX 'Related Parties Transactions'

ANNEXURE - VIII

RESTATED CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Provisions for Employee Benefits					
- Gratuity	45.11	49.17	50.15	43.00	34.77
- Leave Encashment	11.26	10.47	18.72	12.66	9.84
Total Long Term Provisions	**56.38**	**59.64**	**68.87**	**55.66**	**44.61**

RESTATED CONSOLIDATED STATEMENT OF SHORT TERM PROVISIONS

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Provision for Employee Benefits					
- Leave Entitlement	12.78	11.17	9.35	15.92	13.28
- Gratuity	27.13	23.06	19.62	15.40	11.86
Others					
- Provision for Income Tax	3.53	-	-	-	0.98
- Provision for Dividend	45.61	11.28	-	-	-
- Provision for Dividend Distribution Tax	7.75	1.92	-	-	-
- Provision for Wealth Tax	0.22	0.20	0.20	0.19	0.22
Total Short Term Provisions	**97.02**	**47.64**	**29.17**	**31.51**	**26.33**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

ANNEXURE – IX

RESTATED CONSOLIDATED STATEMENT OF SHORT TERM BORROWINGS

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Secured					
Working Capital Loans from Banks repayable on demand					
-Working Capital Demand Loan	-	-	-	82.50	509.01
-Bank Overdraft/ Lines of Credit	598.85	787.14	891.08	488.25	-
-FCNR (B) Loan	-	-	76.32	-	-
-Packing Credit -Indian Currency	-	-	-	-	-
-Preshipment Packing Credit-Foreign Currency	949.49	1,093.71	1,028.95	879.42	539.08
-Post shipment Packing Credit-Foreign Currency	16.60	22.70	57.00	-	10.73
-Cash Credit-Indian Currency	0.15				
	1,565.10	**1,903.55**	**2,053.36**	**1,450.17**	**1,058.83**
Unsecured					
Short Term Loans from Bank	-	-	-	315.00	245.00
Total Short Term Borrowings	**1,565.10**	**1,903.55**	**2,053.36**	**1,765.17**	**1,303.83**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.
3. The above statement should be read with the Restated Summary Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security as appearing in Annexure -XXX.

ANNEXURE - X

RESTATED CONSOLIDATED STATEMENT OF TRADE PAYABLES

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Trade Payables	518.90	383.79	561.47	554.67	302.31
Total Trade Payables	**518.90**	**383.79**	**561.47**	**554.67**	**302.31**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

ANNEXURE – XI

RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current maturities of long-Term Debts					
- Secured	69.16	32.76	199.48	206.65	193.42
- Unsecured	51.33	101.33	-	-	-
Due to Directors	0.08	0.02	0.02	0.36	1.00
Trade Deposits and Advances	0.29	3.09	1.31	0.57	0.75
Employee Benefits payable	124.83	98.67	72.60	55.13	25.48
Temporary Overdraft from Banks	206.17	207.38	397.88	406.37	208.59
Amount Payable to Banks (Forward Contracts)	-	4.40	114.93	40.51	64.20
Provision for Expenses	31.15	32.16	26.17	18.75	3.97
Statutory Dues Payable	40.86	33.79	56.44	45.22	29.90
Total Other Current liabilities	**523.87**	**513.60**	**868.83**	**773.55**	**527.30**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.
3. Amount due to Related party represents as disclosed in Annexure XXIX 'Related Parties Transactions'.

RESTATED CONSOLIDATED STATEMENT OF FIXED ASSETS

ANNEXURE - XII

Particulars	As at March 31, 2014			As at March 31, 2013			As at March 31, 2012			As at March 31, 2011			As at March 31, 2010		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Tangible Assets															
Land	271.18	-	**271.18**	132.48	-	**132.48**	131.36	-	**131.36**	129.29	-	**129.29**	129.40	-	**129.40**
						-			-						-
Buildings	572.92	87.48	**485.44**	513.95	68.37	**445.58**	570.65	105.49	**465.16**	556.03	81.21	**474.82**	554.67	60.33	**494.34**
						-			-			-			-
Leasehold Improvements	15.17	3.05	**12.13**	15.17	1.33	**13.84**	-	-	-	-	-	-		-	-
						-			-			-			-
Plant & Machinery	1,896.69	814.91	**1,081.78**	1,716.92	651.82	**1,065.10**	1,881.69	702.85	**1,178.84**	1,751.12	523.23	**1,227.90**	1,683.54	438.07	**1,245.47**
						-			-			-			-
Furniture & Fittings	46.21	19.86	**26.35**	44.83	16.92	**27.91**	37.09	14.20	**22.89**	35.90	11.88	**24.02**	34.30	9.66	**24.64**
						-			-			-			-
Vehicles	83.75	37.12	**46.63**	80.96	30.29	**50.67**	82.92	32.27	**50.65**	69.53	25.74	**43.80**	65.67	21.44	**44.23**
						-			-			-			-
Computers	88.39	53.11	**35.29**	72.80	43.98	**28.82**	62.99	36.23	**26.75**	51.65	28.28	**23.38**	45.53	20.34	**25.19**
Total	**2,974.32**	**1,015.53**	**1,958.79**	**2,577.11**	**812.72**	**1,764.40**	**2,766.69**	**891.03**	**1,875.66**	**2,593.53**	**670.34**	**1,923.20**	**2,513.11**	**549.84**	**1,963.27**
Intangible Assets															
Softwares	87.57	48.59	**38.98**	49.71	34.91	**14.80**	46.85	26.38	**20.47**	40.82	19.10	**21.72**	32.41	12.00	**20.41**
Total	**3,061.88**	**1,064.12**	**1,997.77**	**2,626.83**	**847.63**	**1,779.20**	**2,813.54**	**917.41**	**1,896.13**	**2,634.35**	**689.44**	**1,944.93**	**2,545.52**	**561.84**	**1,983.68**
Capital Work-in-Progress	-	-	**20.59**	-	-	**23.33**	-	-	**19.39**	-	-	**7.41**	-	-	**5.57**
Intangible Asset under Development	-	-	**3.23**	-	-	**37.21**	-	-	**7.55**	-	-	**3.74**	-	-	**8.23**
Total	**3,061.88**	**1,064.12**	**2,021.59**	**2,626.83**	**847.63**	**1,839.73**	**2,813.54**	**917.41**	**1,923.07**	**2,634.35**	**689.44**	**1,956.08**	**2,545.52**	**561.84**	**1,997.48**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

RESTATED CONSOLIDATED STATEMENT OF LONG TERM LOANS AND ADVANCES **ANNEXURE - XIII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Unsecured, Considered good:					
Security Deposits	32.37	38.52	35.09	31.52	30.45
Loans to Employees	6.99	4.95	5.75	3.97	4.15
Capital Advances	2.99	9.11	8.72	3.84	0.97
	42.35	**52.58**	**49.56**	**39.33**	**35.57**
Other Loans & Advances Recoverable					
Unsecured, Considered good:					
Advance Income Tax (net of provision for tax)	72.54	53.67	63.10	27.15	-
MAT Credit Receivable	98.25	71.93	35.07	30.48	23.35
Total Long-term Loans & Advances	**213.15**	**178.18**	**147.72**	**96.96**	**58.92**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

ANNEXURE - XIV

RESTATED CONSOLIDATED STATEMENT OF INVENTORIES

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Raw Materials	347.40	221.31	219.70	210.79	144.50
Work-in-progress	622.98	576.76	791.24	862.34	591.92
Finished Goods	1,013.78	1,091.50	1,114.60	780.08	535.35
Traded Goods	19.71	13.56	5.19	17.96	-
Stores and Spares	190.16	179.25	147.97	125.13	94.78
Scrap	4.06	9.22	2.47	6.72	2.92
Goods in Transit	-	70.33	89.95	28.96	6.78
Total	**2,198.10**	**2,161.93**	**2,371.11**	**2,031.98**	**1,376.25**
Less: Provision for obsolescence	20.66	41.53	44.84	40.13	15.49
Total	**2,177.44**	**2,120.40**	**2,326.27**	**1,991.84**	**1,360.76**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

ANNEXURE - XV

RESTATED CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Debt outstanding for a period exceeding six months from the date they are due for payment					
- Unsecured, Considered good	9.18	10.42	38.62	17.74	13.89
- Unsecured, Considered Doubtful	3.84	-	-	-	-
Debt outstanding for a period not exceeding six months					
- Unsecured, Considered good	796.00	775.68	929.89	942.94	541.39
- Secured, Considered Good	16.03	15.42	-	-	-
	825.06	**801.52**	**968.51**	**960.68**	**555.28**
Less: Provision for doubtful debts	5.34	1.36	2.29	4.27	4.26
Total	**819.72**	**800.16**	**966.22**	**956.41**	**551.01**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure – IV.

RESTATED CONSOLIDATED STATEMENT OF CASH AND BANK BALANCES **ANNEXURE - XVI**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Cash on Hand	4.10	6.24	4.26	10.92	2.20
Cheques in Hand	10.36	-	4.07	0.12	-
Balances with Banks-in Cash Credit & Current Accounts	62.40	138.15	59.21	39.41	61.58
Balances with Banks-in EEFC Accounts	0.36	0.01	1.54	7.43	1.89
Fixed Deposits (more than 3 months & less than 12 months maturity)	0.89	0.89	5.19	0.83	1.10
Fixed Deposits (more than 12 months maturity)	0.02	0.02	0.02	0.02	0.02
Total Cash and Bank Balances	**78.12**	**145.30**	**74.29**	**58.73**	**66.79**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF SHORT TERM LOANS AND ADVANCES **ANNEXURE - XVII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Unsecured, Considered good:-					
Advances to Suppliers	16.48	16.71	14.51	11.37	4.43
Balance with Sales Tax, Central Excise Department, Service tax etc.	95.53	102.07	75.31	110.69	92.55
Advance payments, other recoverable in cash or in kind or for value to be received	1.74	1.49	1.18	0.63	12.75
Total Short Term Loans & Advances	**113.75**	**120.27**	**91.00**	**122.69**	**109.73**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS **ANNEXURE - XVIII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Incentives Receivable	25.63	33.24	42.93	53.73	19.96
Advance Rent	0.95	0.95	2.75	2.70	2.70
Interest accrued on Fixed Deposits	0.43	0.21	0.16	0.03	0.03
Prepaid Expenses	20.96	18.66	22.15	22.05	5.39
Commission Receivable	0.20	0.05	0.74	-	-
Amount Recoverable From Bank (Forward Contracts)	18.17	10.36	-	-	-
Share Issue Expenses (to the extent not written off or adjusted)	23.27	1.87	-	-	-
Total Other Current Assets	**89.61**	**65.34**	**68.72**	**78.51**	**28.08**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF REVENUE FROM OPERATIONS **ANNEXURE - XIX**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sales:					
a) Finished Goods(Net of returns, rebate etc.)	8,023.68	7,711.19	8,197.01	6,497.75	4,239.00
b) Manufacturing Scrap	208.26	177.63	224.27	144.58	71.36
c) Services: Job Work Receipts	-	0.00	0.01	0.01	-
Total	**8,231.95**	**7,888.83**	**8,421.30**	**6,642.34**	**4,310.35**
Less: Excise Duty	111.13	97.68	93.18	103.99	77.23
Total Revenue From Operations (Net)	**8,120.81**	**7,791.15**	**8,328.11**	**6,538.35**	**4,233.13**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF OTHER REVENUE FROM OPERATIONS **ANNEXURE -XX**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Export Incentive	35.79	40.14	58.70	73.16	40.90
Total	**35.79**	**40.14**	**58.70**	**73.16**	**40.90**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED CONSOLIDATED STATEMENT OF OTHER INCOME **ANNEXURE - XXI**

Rs. In Million

Particulars	Year ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
SOURCE OF OTHER INCOME:-					
NON - RECURRING					
Interest	1.12	1.87	0.45	0.19	1.43
Profit on Sale of Fixed Assets	2.26	2.33	2.51	0.32	-
Exchange differences (net)	-	114.93	-	23.69	319.64
Miscellaneous Receipts	10.59	13.41	9.64	15.15	4.95
TOTAL	**13.98**	**132.54**	**12.60**	**39.34**	**326.02**

Notes:

1. The classification of 'Other Income' as recurring or non-recurring to business activities is based on the current operations and business activities of the Company as determined by the management.

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

ANNEXURE - XXII

RESTATED CONSOLIDATED STATEMENT OF COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Inventories at the beginning of the year	219.49	219.70	210.79	144.50	168.99
Add: Purchase	3,143.84	3,130.09	3,969.74	3,364.58	1,700.21
	3,363.33	**3,349.78**	**4,180.53**	**3,509.08**	**1,869.20**
Less: Inventories at the end of the year	321.53	219.49	219.70	210.79	144.50
Cost of Materials Consumed	**3,041.80**	**3,130.29**	**3,960.83**	**3,298.30**	**1,724.70**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF PURCHASE OF TRADED GOODS **ANNEXURE -XXIII**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Linkage parts and components for off-highway Vehicles	53.08	55.06	54.20	-	-
Total	**53.08**	**55.06**	**54.20**	**-**	**-**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

ANNEXURE -XXIV

RESTATED CONSOLIDATED STATEMENT OF CHANGES IN THE INVENTORIES OF FINISHED GOOD, WORK IN PROGRESS AND TRADED GOODS

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(Increase)/Decrease in Stocks					
Stocks at the end of the year					
-Finished Goods	948.00	1,067.58	1,082.33	764.36	525.02
-Work In Progress	614.30	568.89	783.86	855.88	586.76
-Scrap	4.06	9.22	2.47	6.72	2.92
	1,566.36	**1,645.69**	**1,868.66**	**1,626.96**	**1,114.70**
Stocks at the beginning of the year					
-Finished Goods	1,067.58	1,082.33	764.36	525.02	816.64
-Work In Progress	568.89	783.86	855.88	586.76	525.92
-Scrap	9.22	2.47	6.72	2.92	2.33
	1,645.69	**1,868.66**	**1,626.96**	**1,114.70**	**1,344.89**
Less: Adjustment for opening stock on disinvestment in Uniparts Kavee B.V.	-	152.85	-	-	-
Total	**79.33**	**70.11**	**(241.70)**	**(512.26)**	**230.19**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES **ANNEXURE -XXV**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Salaries, Wages and Bonus (including Director's Remuneration)	1,485.42	1,371.71	1,381.27	1,131.39	883.02
Contributions to Provident and Other Funds	41.93	34.91	76.64	69.71	24.09
Staff welfare expenses	54.88	53.39	59.86	53.27	46.98
Total	**1,582.24**	**1,460.01**	**1,517.77**	**1,254.37**	**954.09**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED STATEMENT OF OTHER EXPENSES **ANNEXURE - XXVI**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Stores, Spares and Tools consumed	516.64	518.76	532.72	531.71	407.39
Sub-contracting expenses	722.09	703.49	634.37	540.40	282.14
Power, Fuel and Water	309.55	275.40	239.80	210.96	144.55
Cartage, Freight and forwarding expenses	243.39	279.38	371.27	523.68	81.61
Air Freight	54.77	35.45	-	-	7.89
Rent	141.66	140.76	155.22	142.14	139.79
Rates and Taxes (including Wealth Tax)	19.85	17.95	18.28	17.77	12.50
Travelling and Conveyance	36.19	35.16	32.53	28.11	27.51
Communication	14.55	15.06	14.90	15.59	13.65
Printing and stationery	6.06	5.67	5.99	6.09	4.72
Insurance	41.66	35.89	27.31	21.87	19.82
Repair and maintenance:					
Plant and Machinery	25.30	80.85	22.70	81.35	46.00
Building	125.61	16.67	87.46	12.45	10.08
Others	61.16	51.33	53.34	44.87	45.21
Office Maintenance	11.71	9.51	9.33	8.83	12.74
Vehicle Repair and Maintenance	13.21	12.69	15.95	12.88	9.97
Advertisement, Publicity and Sales Promotion	4.70	4.21	6.35	5.57	6.02
Commission and Discount	2.65	2.31	1.78	4.17	0.50
Legal and professional fees	36.61	29.86	28.07	24.73	46.18
Directors Sitting Fees	0.02	-	-	-	-
Payment to auditors (Refer details below)	7.49	5.22	6.17	4.34	3.82
Exchange differences (net)	81.94	169.04	141.42	0.30	1.91
Bad debts	4.67	2.18	3.98	0.16	7.11
Expenses for Increase in Authorised Share Capital	1.75	-	-	-	-
Stamp Duty on issue of Shares	1.33	-	-	-	-
Provision for Doubtful Debts	3.84	-	-	-	-
Loss on Sale of Fixed Assets	-	-	-	-	5.78
Research and Development Expense	-	-	2.35	2.57	1.40
Miscellaneous expenses	11.43	3.76	1.68	4.59	8.53
Total	**2,499.85**	**2,450.62**	**2,412.98**	**2,245.13**	**1,346.82**

Payment to auditors:

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
As auditor:					
Audit Fee	6.30	4.50	5.64	3.70	3.36
Tax audit fee	0.25	0.15	0.15	0.38	0.12
In other capacity:					
Other Capacity	0.03	0.01	-	-	-
Taxation matters	0.15	0.13	0.10	0.07	0.07
Out of Pocket expenses	0.76	0.44	0.28	0.20	0.28
Total	**7.49**	**5.22**	**6.17**	**4.34**	**3.82**

Notes:

1.The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF DEPRECIATION AND AMORTIZATION **ANNEXURE - XXVII**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Depreciation of Tangible Assets	152.66	143.15	147.29	115.05	107.17
Amortization of Intangible Assets	13.66	7.77	7.47	7.41	5.47
Total	**166.32**	**150.92**	**154.75**	**122.47**	**112.64**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF FINANCE COST **ANNEXURE - XXVIII**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Interest	126.36	140.38	171.11	151.78	191.91
Bill Discounting Charges	8.65	8.54	8.96	7.57	6.38
Bank Charges	11.82	10.87	19.23	5.94	4.58
Total	**146.84**	**159.79**	**199.30**	**165.29**	**202.88**

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Profit and Loss of the Company.

2. The above statement should be read with the notes to the Restated Consolidated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED CONSOLIDATED STATEMENT OF RELATED PARTY TRANSCATIONS **ANNEXURE - XXIX**

LIST OF RELATED PARTIES

1 Associates

I. SKG Engineering Pvt. Ltd.
II. Ace Tractors Parts Ltd.
III. Avid Maintenance Private Limited (Formerly Known as Kramp GF Exports Pvt. Ltd.)
IV. SGA Trading Pvt. Ltd.
V. Tima Trading Pvt. Ltd.
VI. Amazing Estates Pvt. Ltd.
VII. Vivify Net Pvt. Ltd. (From 2012 onwards)
VIII. G.K.P. Farms Pvt. Ltd.
IX. Silveroak Estates Pvt. Ltd.
X. Uniparts Engineering Pvt. Ltd.
XI. Charisma Homes Pvt. Ltd.
XII. Blue Bells Homes Pvt. Ltd.
XIII. Gripwel Fasteners (Partnership Firm)
XIV. Farmparts Company (Partnership Firm)
XV. Soni Holdings
XVI. Indento International
XVII. Uniparts India Limited Employee Group Gratuity cum Life Assurance Scheme

2 Trust

I. Uniparts ESOP Trust
II. Soni Foundation
III. P Soni Family Trust

3 Enterprises owned or significantly influenced by KMP and/or their relatives

I. None

4 Key Management Personnel

I. Mr. Gurdeep Soni - (Managing Director)
II. Mr. Paramjit Singh Soni - (Director & Vice-Chairman)
III. Mr. Herbert Coenen - (Director) (From 12 January 2013)
IV. Mr. Kirpal Singh Soni (Till 29 November 2013)

5 Relative of KMP*

I. Mr. Angad Soni
II. Mrs. Pamela Soni

*Relative of Key Management Personnel with whom transactions have been taken place during the year

DETAILS OF RELATED PARTY TRANSACTIONS

I. Associates

Rs. In Million

	Nature of Transactions	Year Ended				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
1	**Purchase of goods/samples**					
	Ace Tractor Parts Ltd.	41.07	195.25	144.23	-	-
2	**Sale of goods**					
	Ace Tractor Parts Ltd.	-	0.66	0.26	-	-
3	**Rent Paid**					
	Gripwel Fasteners (Partnership Firm)	-	0.43	9.79	9.96	9.96
	Farmparts Company (Partnership Firm)	4.76	9.52	9.52	8.28	8.28
	SKG Engineering Pvt. Ltd.	4.76	4.76	4.76	4.14	4.14
	Soni Holdings	1.35	2.51	7.94	7.94	10.42
4	**Re-imbursement of Expenses**					
	Soni Holdings	-	0.81	1.27	1.28	0.96
5	**Loan Accepted**					
	Avid Maintenance Private Limited (Formerly Known as Kramp GF Exports Pvt. Ltd.)	-	9.00	8.40	4.00	4.56
	Gripwel Fasteners (Partnership Firm)	-	-	4.00	5.08	3.65
	Farmparts Company (Partnership Firm)	-	-	-	4.50	-
6	**Loan Re-paid**					
	Avid Maintenance Private Limited (Formerly Known as Kramp GF Exports Pvt. Ltd.)	-	9.00	8.40	4.00	4.56
	Gripwel Fasteners (Partnership Firm)	-	-	4.00	5.08	3.65
	Farmparts Company (Partnership Firm)	-	-	-	4.50	-

7	**Recovery of Loan**					
	Uniparts ESOP Trust	-	1.26	-	-	0.18
8	**Loan given**					
	Uniparts ESOP Trust	-	0.01	-	-	7.88
9	**Current Account Receipts**					
	Silveroak Estates Pvt. Ltd.	-	-	-	-	-
	SKG Engineering Pvt. Ltd.	-	-	0.02	0.95	-
	Gripwel Fasteners (Partnership Firm)	-	-	-	4.28	1.30
	Farmparts Company (Partnership Firm)	-	1.11	0.91	-	0.93
	Amazing Estate Private Limited	-	1.38	1.64	0.44	-
	Tima Trading Private Limited	-	0.65	0.39	0.01	-
	SGA Trading Private Limited	-	1.58	0.49	-	-
	Soni Holdings	-	0.69	1.91	-	-
10	**Current Account Payments**					
	Silveroak Estates Pvt. Ltd.	-	-	-	-	-
	SKG Engineering Pvt. Ltd.	-	-	0.02	0.95	-
	Gripwel Fasteners (Partnership Firm)	-	-	-	4.28	1.30
	Farmparts Company (Partnership Firm)	-	1.11	0.91	-	0.93
	Amazing Estate Private Limited	-	1.38	1.64	0.44	-
	Tima Trading Private Limited	-	0.65	0.39	0.01	-
	SGA Trading Private Limited	-	1.58	0.49	-	-
	Soni Holdings	-	0.69	1.91	-	-
11	**Purchase of Fixed Assets**					
	Farmparts Company (Partnership Firm)	180.00	-	-	-	-
12	**Security Deposit**					
	Soni Holdings	0.17	-	-	-	-

II. Key Managerial Personnel and Relatives of KMP

Rs. In Million

	Nature of Transactions	**Year Ended**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
1	**Loans & Advances Taken**					
	- Mr. Gurdeep Soni	115.36	99.20	110.00	159.55	180.52
	- Mr. Kirpal Singh Soni	-	0.03	-	1.64	9.67
	- Mr. Paramjit Singh Soni	-	-	-	-	2.78
2	**Loans & Advances Repayment**					
	- Mr. Gurdeep Soni	257.31	60.05	123.75	43.00	281.48
	- Mr. Kirpal Singh Soni	50.00	30.03	25.00	1.64	9.67
	- Mr. Paramjit Singh Soni	-	-	-	-	85.25
3	**Interest Payment**					
	- Mr. Gurdeep Soni	8.35	15.89	14.14	2.45	5.67
	- Mr. Kirpal Singh Soni	2.81	8.72	11.01	12.61	12.59
	- Mr. Paramjit Singh Soni	-	-	-	-	3.09
4	**Managerial Remuneration**					
	- Mr. Gurdeep Soni	15.84	14.64	13.48	11.23	8.24
	- Mr. Kirpal Singh Soni	-	-	-	-	-
	- Mr. Paramjit Singh Soni	37.33	33.60	28.74	18.49	19.25
	- Mr. Herbert Coenen	15.65	2.49	-	-	-
5	**Salaries Allowances**					
	- Mr. Angad Soni	1.73	1.73	1.36	0.80	0.70
6	**Current Account Receipts**					
	- Mr. Gurdeep Soni	0.81	4.36	5.76	2.76	6.93
	- Mr. Paramjit Singh Soni	-	0.16	-	-	1.67
	- Mr. Kirpal Singh Soni	2.53	-	0.67	-	-
7	**Current Account Payments**					
	- Mr. Gurdeep Soni	0.76	4.35	6.10	3.40	10.22
	- Mr. Paramjit Singh Soni	-	0.16	-	-	1.85
	- Mr. Kirpal Singh Soni	2.53	-	0.67	-	-

III. Outstanding Balances at the end of the year

Rs. In Million

	Closing Balances	**As at**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
1	**Kirpal Singh Soni**					
	- In Loan Account	-	50.00	80.00	105.00	105.00
2	**Gurdeep Soni**					
	- In Loan Account	-	141.95	102.80	116.55	-
	- In Due to Directors	0.08	0.02	0.02	0.36	1.00

3	**Ace Tractor Parts Limited**					
	- In Trade Account	-	0.60	-	-	-
4	**Uniparts ESOP Trust**					
	- In Loan Account	53.39	53.39	54.63	54.63	54.63
5	**SKG Engineering Pvt. Ltd**					
	-In Trade Account	0.62	-	-	-	-
6	**Farmparts Company (Partnership Firm)**					
	-In Trade Account	1.25	-	-	-	-

IV. Details of Personal Guarantees and Collaterals for the Loans/Other facilities taken by the Company from various Banks/Financial Institutions

Rs. In Million

	Particulars	As at				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
1	**Personal Guarantee**					
	- Gurdeep Soni					
	-Citi Bank NA	407.50	482.50	482.50	687.50	687.50
	-Kotak Mahindra Bank Limited	424.20	490.40	324.10	310.00	310.00
	-ING Vysya Bank Limited	500.00	500.00	576.97	380.91	344.00
	-Standard Chartered Bank	-	250.00	250.00	250.00	250.00
	-Barclays Bank	325.00	646.27	646.27	-	-
	-BNP Paribas	-	-	-	-	170.00
	-ABN Amro Bank	-	-	-	-	250.00
	-Induslnd Bank	375.00	-	-	-	-
	- Paramjit Singh Soni					
	-Citi Bank NA	407.50	482.50	482.50	687.50	687.50
	-Kotak Mahindra Bank Limited	424.20	490.40	324.10	310.00	310.00
	-ING Vysya Bank Limited	500.00	500.00	576.97	380.91	344.00
	-Standard Chartered Bank	-	250.00	250.00	250.00	250.00
	-Barclays Bank	325.00	646.27	646.27	-	-
	-BNP Paribas	-	-	-	-	170.00
	-ABN Amro Bank	-	-	-	-	250.00
	-Induslnd Bank	375.00	-	-	-	-
	-J P Morgan Chase Bank, NA	1,220.56	1,066.04	-	-	-
2	**Collateral Security**					
	- Gurdeep Soni					
	-Barclays Bank	325.00	646.27	646.27	-	-
	-Citi Bank NA	175.00	200.00	200.00	-	-
	- Paramjit Singh Soni					
	-Citi Bank NA	175.00	200.00	200.00		
	- Pamela Soni					
	-Barclays Bank	325.00	646.27	646.27	-	-
	- Gripwel Fasteners					
	-Barclays Bank	325.00	646.27	646.27	-	-
	-Kotak Mahindra Bank Limited	150.00	150.00			
	- Angad Soni					
	-BNP Paribas	-	4.00	4.00	-	-

ANNEXURE - XXX

STATEMENT OF PRINCIPAL TERMS OF SECURED AND UNSECURED LOANS AND ASSETS CHARGED AS SECURITY

A.DETAILS OF LONG TERM BORROWINGS

1. Loans of Uniparts India Limited

i. Working Capital Term Loans

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Kotak Mahindra Bank Limited	94.11 millions	Loan Amount:- Rs.150.00 millions Rate of Interest:-11.60%	i).Mortgage by way of exclusive charge over land and buildings belonging to promoters situated at C-18,19 & 20,Sector-59,Noida,U.P I ii).Personal Guarantee of the promoters	Repayable by first installments of Rs. 277,777 and in 35 EMIs of Rs. 4,277,777 Each starting from the month of February 2013.

ii. Term Loans For Vehicles
From Financial Institutions

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Kotak Mahindra Prime Ltd. 7444548	0.44 millions	Loan amount:- Rs. 2.00 millions Rate Of Interest:- 11.52%	Secured by way of hypothecation of vehicle	Repayable in 36 EMIs of Rs.64,900 each starting from 24-11-2011
Kotak Mahindra Prime Ltd. 7553617	0.86 millions	Loan amount:- Rs. 3.50 millions Rate Of Interest:- 10.66 %	Secured by way of hypothecation of vehicle	Repayable in 36 EMIs of Rs.112,525 each starting from 26-12-2011
Kotak Mahindra Prime Ltd. 6776400	0.42 millions	Loan amount:- Rs. 0.95 millions Rate Of Interest:- 10.66 %	Secured by way of hypothecation of vehicle	Repayable in 60 EMIs of Rs.20,577 each starting from 29-03-2011
Kotak Mahindra Prime Ltd. 7717251	1.27 millions	Loan amount:- Rs. 2.02 millions Rate Of Interest:- 11.46 %	Secured by way of hypothecation of vehicle	Repayable in 60 EMIs of Rs.43,960 each starting from 17-02-2012
Kotak Mahindra Prime Ltd. 8105589	1.17 millions	Loan amount:- Rs. 2.00 millions Rate Of Interest:- 10.51 %	Secured by way of hypothecation of vehicle	Repayable in 48 EMIs of Rs.50,520 each starting from 19-06-2012
Kotak Mahindra Prime Ltd. 8548653	1.79 millions	Loan amount:- Rs. 2.70 millions Rate Of Interest:- 10.09 %	Secured by way of hypothecation of vehicle	Repayable in 48 EMIs of Rs.67,666 each starting from 30-10-2012

From Banks

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
ICICI Bank 27075215	1.71 millions	Loan amount:- Rs. 2.00 millions Rate Of Interest:- 11% p.a	Secured by way of hypothecation of vehicle	Repayable in 36 EMIs of Rs.65,478 each starting from 01-10-2013

iii. Term Loans From Bank

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Induslnd Bank	300.00 millions	Loan Amount:- Rs.300.00 millions Rate of Interest:-12.00%	i) Exclusive charge on Land and Building situated at C-140, Phase V, Focal point, Dhandari Kalan, Ludhiana and Plot No.-D-126 A & D - 127 A, Phase V, Focal Point, Dhandari Kalan, Ludhiana. ii)First Pari passu charge on the entire movable fixed assets of the company both present and future. iii)First pari passu charge by way of equitable mortgage of land and building situated at B208,A1 & A2, Phase-II, Noida. iv)Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable in 48 EMIs starting from the end of 12 months from the date of first disbursement.

2. Loans of Uniparts USA Limited

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
JP Morgan Chase	1.01 million($) 60.73 million(INR)	Loan amount:- $ 1.08 million Rate Of Interest:- LIBOR+2.50%	(i) Substantially all assets of the Company (ii) Personal Guarantee of Mr. Paramjit Singh Soni (iii) Corporate Guarantee of Uniparts Olsen Inc	Repayable with fixed monthly payments of $6,000 commencing from May 01, 2013 through March 01, 2016 and remaining unpaid principal balance is due on March 24, 2016
Wells Fargo Equipments Finance	.022 million ($) 1.34 million (INR)	Loan amount:- $ .04 million Rate Of Interest:- 5.49%	Secured by Equipment Financed.	Repayable with fixed monthly payments of $ 695.

3. Loans of Uniparts Olsen Inc.

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
JP Morgan Chase	1.47 million ($) 88.04 million (INR)	Loan amount:- $ 1.80 million Rate Of Interest:- LIBOR+2.25%	(i) Substantially all assets of the Company (ii) Personal Guarantee of Mr. Paramjit Singh Soni (iii) Corporate Guarantee of Uniparts USA Ltd	Repayable with fixed monthly payments of $30,000 commencing from May 01, 2013 through March 01, 2016 and remaining unpaid principal balance is due on March 24, 2016
Wells Fargo Equipments Finance	0.083 million ($) 4.95 million (INR)	Loan Amount - 0.135 millions ($) Rate of Interest - 3.75% + LIBOR	Secured against Equipment Finance	Repayable in 60 equal installments starting from date from signing the agreement.

4. Loans of Gripwel Fasteners Pvt. Ltd.

i. Term Loans For Vehicles

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Kotak Mahindra Prime Ltd. 9126466	1.06 millions	Loan amount:- Rs. 1.37 millions Rate Of Interest:- 13.45% p.a	Secured by way of hypothecation of vehicle	Repayable in 48 EMIs of Rs.34387 each starting from 24-04-2013

B.DETAILS OF SHORT TERM BORROWINGS

1. Loans of Uniparts India Limited

I. Working Capital Facility

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Citi Bank (PCFC)	262.19 millions	Sanction Amt: Rs. 400 millions Rate Of Interest: Ranges from LIBOR+230 to 450bps	i)First Pari passu charge on all present and future stocks and receivables, to be duly registered with ROC. ii)First pari passu charge vide equitable mortgage of land and building situated at B208, A1 & A2, Phase II, Noida(UP). iii)Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. iv)Lien on investment in the units of Kotak Alternate Opportunities (India) Fund in the name of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months.
Kotak Mahindra Bank Limited (PCFC)	253.32 millions	Sanction Amt: Rs. 300 millions Rate Of Interest: Ranges from LIBOR+230bps to 450bps	i)First Pari passu charge on all existing and future current assets & moveable fixed assets of the Borrower, to be shared with other working capital and term lender of the Company ii)First Pari passu charge on the immovable properties being land & building situated at Plot No. B-208, A1 & A2, Noida Phase II, U.P with other working capital and term lender of the Company iii)Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months

ING Vysya Bank (PCFC)	315.83 millions	Sanction Amt: Rs. 500 millions Rate Of Interest: Ranges from LIBOR+230bps to 450bps	i)First Pari passu charge on all existing and future current assets & moveable assets of the Company, along with other working capital and term lenders. ii)First Pari passu charge on the immovable properties being land & building situated at Plot No. B-208, A1 & A2, Noida Phase II, U.P. iii)Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months

2. Cash Credit

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Citi Bank	0.15 millions	Sanction Amt: Rs. 100 millions sublimit of total limit of Rs. 400 millions Rate Of Interest: 11%	i)First Pari passu charge on all present and future stocks and receivables, to be duly registered with ROC. ii)First pari passu charge vide equitable mortgage of land and building situated at B208, A1 & A2, Phase II, Noida(UP). iii)Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. iv)Lien on investment in the units of Kotak Alternate Opportunities (India) Fund in the name of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months.

2. Loans of Gripwel Fasteners Pvt. Ltd.

Working Capital Facility

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Citi Bank	134.75 millions	Loan amount:- Rs. 175 millions Rate of interest:- As applicable from time to time, and agreed prior to each drawdown.	(i) Demand promissory note and letter of continuity. (ii) First charge on all present and future stocks and receivables of the borrower, to be duly registered with ROC. (iii) Lien on investment in the units of Kotak Alternate Opportunities (India) Fund in the name of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. (iv) Corporate Guarantee of Uniparts India Limited. (v) First exclusive charge on land & building situated at 142A/30 - 142A/51 Noida Special Economic Zone, Noida,Uttar Pradesh. (vi) Drawing power will be calculated as per CITIBANK NA's internal norms.	Repayable on demand or within 6 months.

3. Loans of Uniparts USA Limited

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Lines of Credit				
JP Morgan Chase	3.48 millions ($) 208.20 millions (INR)	Loan Amount - 4 millions ($) Rate of Interest - Bank's Prime Rate + Adjusted LIBOR	Collateralized by substantially all assets of the Parent, cross-collateralized with a term loan at the bank and is secured by the personal assets of a shareholder of the Ultimate Parent.	All outstanding payable in full on 24th March, 2014.

4.Loans of Uniparts Olsen Inc.

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Lines of Credit				
JP Morgan Chase	4.18 millions ($) 250.63 millions (INR)	Loan Amount - 13.50 millions ($) Rate of Interest - Bank's Prime Rate + Adjusted LIBOR	Collateralized by substantially all assets of the Subsidiary, cross-collateralized with a term loan at the bank and is secured by the personal guaranty of a shareholder of the Ultimate Parent.	All outstanding payable in full on 24th March, 2014.

5.Loans of Uniparts India GmbH

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Revolving Credit Facility				
Barclays Bank Plc.	1.7 millions (€) 140.03 millions (INR)	Loan Amount - 2.5 millions (€) Rate of Interest - 1.75% + 1 month LIBOR	(i) A legal charge over a cash deposit placed with Barclays Bank PLC in an amount equivalent to the amount of the Facility, including interest (the Deposit) to be held in favour of the Bank. (ii) SBLC from Barclays Bank India	Repayment of this facility shall be made in full within one year from the time of drawing the first part of this facility.

RESTATED CONSOLIDATED STATEMENT OF ACCOUNTING RATIOS **ANNEXURE - XXXI**

Rs. In Million (except per share data in Rs.)

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Restated Net Profit After Tax (A)	435.61	391.65	261.97	53.16	39.42
Restated Profit for calculating Dilutive EPS (B)	435.61	391.65	261.97	53.16	39.42
Net Worth excluding Share Issue Expenses and Preliminary Expenses (to the extent not written off or adjusted) (C)	2,441.89	2,226.26	1,925.65	1,822.77	1,775.38
Weighted Average Shares outstanding at the end of the year for calculating Dilutive EPS (D)	**22,566,879**	**22,566,879**	**22,566,879**	**22,566,879**	**19,903,143**
Less: Shares issued to ESOP Trust Included in Share Outstanding	513,600	513,600	525,600	525,600	465,600
Weighted Average Shares outstanding at the end of the year for calculating Basic EPS (E)	**22,053,279**	**22,053,279**	**22,041,279**	**22,041,279**	**19,437,543**
No. Of Shares outstanding at the end of the year (F)	**22,566,879**	**22,566,879**	**22,566,879**	**22,566,879**	**22,566,879**
Earning Per share (EPS); Face Value Rs. 10/-					
a) Basic (A / E)	**19.75**	**17.76**	**11.89**	**2.41**	**2.03**
b) Diluted (A / D)	**19.30**	**17.36**	**11.61**	**2.36**	**1.98**
Net Asset Value per equity share (C / F)	**108.21**	**98.65**	**85.33**	**80.77**	**78.67**
Return on Net Worth (%) (A / C)	**17.84**	**17.59**	**13.60**	**2.92**	**2.22**

Notes:

1. ESOP issued to employees has not been considered for diluted EPS for the year ended 31 March, 2012 as this is anti dilutive in nature

2. The ratios have been computed as below:

(i) Basic Earning Per Share — Restated Net Profit after Tax / Weighted Average Number of Equity Shares outstanding during the year excluding shares issued to

(ii) Diluted Earning Per Share — Restated Net Profit after Tax / Weighted Average Number of Equity Shares outstanding during the year Including shares issued to ESOP Trust

(iii) Net Asset Value Per Share — Restated Net worth / Number of Equity Shares outstanding at the end of the year

(iv) Return on Net Worth — Restated Net Profit after Tax / Restated Net Worth

3. The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014 by way of capitalization of securities premium due to which the ratio of Net Assets Value Per Share will change from Rs. 108.21 to Rs. 54.11 .

RESTATED CONSOLIDATED CAPITALISATION STATEMENT **ANNEXURE - XXXII**

Rs. In Million

PARTICULARS	Pre Issue As on 31st March 2014	As adjusted for IPO (Refer note 2 below)
DEBT:		
Long Term Debt (A)	557.90	
Short Term Debt	1,565.10	
Total Debt (B)	**2,122.99**	
SHAREHOLDER'S FUNDS:		
Share Capital		
–Equity Share Capital	220.53	
Reserves & Surplus		
–Security Premium	1,014.97	
–Other Reserves		
–General Reserves	12.05	
–Stock Option Outstanding	23.62	
–Surplus in the Statement of Profit and Loss	1,688.04	
Total Shareholder's Fund (C)	**2,959.21**	
Long Term Debt/Shareholder's funds (A/C)	**0.19**	
Total Debt/ Shareholder's funds (B/C)	**0.72**	

Notes:

1. The figure disclosed above are based on the Restated Consolidated Summary Statement of Assets and Liabilities of the Company.

2. The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

3. The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014 by way of capitalization of securities premium. As there will be no impact on total shareholders fund so there will be no change in any ratio.

FINANCIAL STATEMENTS

Restated Summary Statements of Assets and Liabilities as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and Profits and Losses and Cash Flows for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 for Uniparts India Limited (collectively the 'Restated Summary Statements')

Independent Auditors' Report

To,
The Board of Directors
Uniparts India Limited
Gripwel House,
Block 5, C 6&7, Vasant Kunj,
New Delhi – 110 070

Auditors'Report on Restated Financials Information in connection with the Initial Public Offering ("IPO") of Uniparts India Limited

Dear Sirs,

1. We have examined the accompanying restated financial information of **Uniparts India Limited** ('the Company') annexed to this report for the purpose 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) Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 ('the Act') read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'), 2014 and

   (b) The Securities and 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'), as amended from time to time in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992.

Management's Responsibility for the Restated Financial Information

2. The preparation of the Restated Financial Information, which is to be included in the Draft Red Herring Prospectus (" DRHP), is the responsibility of the management and has been approved by the Board of Directors of the Company at its meeting held on **August 23, 2014**, for the purpose set out in paragraph 9 below. The Board of Directors responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Financial Information. The Board of Directors is also responsible for identifying and ensuring that the Company complies with the laws and regulation applicable to its activities.

Auditor's Responsibilities

3. We have examined such restated financial information taking into consideration:

   (a) The terms of reference vide our engagement letter dated **August 25, 2014** 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; and

   (b) The Guidance Note on Reports in Company Prospectuses (Revised) issued by the Institute of Chartered Accountants of India.

4. The Restated Financial Information has been compiled by the management from the Audited Financial Statements of the Company as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 which have been audited by us and approved by the Board of Directors, and books of accounts underlying those financial statements and other records of the Company, to the extent considered necessary by us, for the presentation of the Restated Summary Statements under the requirements of the revised Schedule VI of the Act, in relation to the years ended March 31, 2011 and March 31, 2010.

A. Financial Information

5. In accordance with the requirements of Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities & Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and the Guidance Note issued in this regard by the Institute of Chartered Accountants of India, as amended from time to time, and in terms of our engagement agreed with you, we report that:

    i. The restated statement of assets and liabilities of the Company, for the financial years as at March 31,2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 as set out in Annexure I to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.

    ii. The restated statement of profits and losses of the Company, for the financial years ended March 31,2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 as set out in Annexure II to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.

    iii. The restated statement of cash flows of the Company, for the financial years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 as set out in Annexure III to this report are after making adjustments and regroupings, as in our opinion, were appropriate and more fully described in the Significant Accounting Policies and Notes appearing in Annexure IV to this report.

Opinion

Based on above, we are of the opinion that the restated financial information, prepared by the management of the Company and approved by its Board of Directors, have been made after incorporating the following:

a. the impact of correction / changes in accounting policies have been adjusted with retrospective effect in the respective financial years to which they relate, to reflect the same accounting treatment as per changed / corrected accounting policy for all the reporting periods;
b. material amounts relating to previous years have been adjusted in the restated financial information in the respective financial years to which they relate;
c. there are no extraordinary items which need to be disclosed separately in the restated financial information;
d. there are no qualifications in the Auditors' report which requires corrective adjustments in the restated financial statements.

B. Other Financial Information

6. We have also examined the following other financial information set out in different annexures prepared by the management and approved by the board of directors relating to the company for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010:

    i. Restated Statement of Share Capital, enclosed in Annexure V

    ii. Restated Statement of Reserves and Surplus, enclosed in Annexure VI

    iii. Restated Statement of Long-Term Borrowings, enclosed as Annexure VII

    iv. Restated Statement of Provisions, enclosed in Annexure VIII

    v. Restated Statement of Short-Term Borrowings, enclosed as Annexure IX

vi. Restated Statement of Trade Payables, enclosed as Annexure X

vii. Restated Statement of Other Current Liabilities, enclosed as Annexure XI

viii. Restated Statement of Fixed Assets, enclosed as Annexure XII

ix. Restated Statement of Non-Current Investments, enclosed as Annexure XIII

x. Restated Statement of Long-Term Loans and Advances, enclosed as Annexure XIV

xi. Restated Statement of Other Non-Current Assets, enclosed as Annexure XV

xii. Restated Statement of Inventories, enclosed as Annexure XVI

xiii. Restated Statement of Trade Receivables, enclosed as Annexure XVII

xiv. Restated Statement of Cash and Bank Balances, enclosed as Annexure XVIII

xv. Restated Statement of Short-Term Loans and Advances, enclosed as Annexure XIX

xvi. Restated Statement of Other Current Assets, enclosed as Annexure XX

xvii. Restated Statement of Revenue from Operations, enclosed in Annexure XXI

xviii. Restated Statement of Other Revenue from Operations, enclosed in Annexure XXII

xix. Restated Statement of Other Income, enclosed in Annexure XXIII

xx. Restated Statement of Raw Materials and Components Consumed, enclosed in Annexure XXIV

xxi. Restated Statement of Traded Goods, enclosed in Annexure XXV

xxii. Restated Statement of Change in Inventories of Finished, Work in Progress and Traded Goods, enclosed in Annexure XXVI

xxiii. Restated Statement of Employee Benefits Expenses, enclosed in Annexure XXVII

xxiv. Restated Statement of Other Expenses, enclosed in Annexure XXVIII

xxv. Restated Statement of Depreciation and Amortization, enclosed in Annexure XXIX

xxvi. Restated Statement of Finance Costs, enclosed in Annexure XXX

xxvii. Restated Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security, enclosed in Annexure XXXI

xxviii. Restated Statement of Tax Shelter, enclosed in Annexure XXXII

xxix. Restated Statement of Dividend, enclosed in Annexure XXXIII

xxx. Restated Statement of Accounting Ratios, enclosed in Annexure XXXIV

xxxi. Restated Statement of Related Party Transactions, enclosed in Annexure XXXV

xxxii. Capitalization Statement, enclosed in Annexure XXXVI

Opinion

In our opinion, the above financial information of the Company read with Significant Accounting Policies and Notes appearing in Annexure IV to this report after making adjustments and regrouping as considered appropriate and as set out in Annexure IV to this report have been prepared in accordance with Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, and the Guidance Notes issued in this regard by the Institute of Chartered Accountants of India, as amended from time to time, and in terms of our engagement as agreed with you.

7. This report should not in any way be construed as a re-issuance or re-drafting of any of the previous audit reports issued by us nor should it be construed as a new opinion on any of the financial statements referred to herein.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Restriction on Use

9. Our report is intended solely for use of the Board of Directors of the Company and for inclusion in the offer document in connection with the proposed IPO of the Company, to be filed by the Company with SEBI and the Stock Exchanges.

For **S. C. VARMA AND CO.**
Chartered Accountants
Firm Reg. No. 000533N

S. C. VARMA
Partner
Membership No.11450

Place: New Delhi
Date: 21st September 2014

RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES **ANNEXURE - I**

Rs. In Million

	Particulars	As at				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
I	**EQUITY AND LIABILITIES**					
A	**Shareholders' Funds**					
	Share Capital (V)	220.53	220.53	220.41	220.41	220.41
	Reserves and Surplus (VI)	1,713.92	1,647.95	1,530.94	1,559.92	1,527.99
	Total Shareholder's Funds	**1,934.46**	**1,868.49**	**1,751.35**	**1,780.33**	**1,748.40**
B	**Non-Current Liabilities**					
	Long Term Borrowings (VII)	309.23	157.30	90.75	351.52	254.70
	Long Term Provisions (VIII)	38.42	37.89	50.12	41.62	34.36
	Deferred Tax Liability (Net)	128.23	82.95	51.48	41.61	35.46
	Total Non-Current Liabilities	**475.88**	**278.14**	**192.35**	**434.75**	**324.52**
C	**Current Liabilities**					
	Short Term Borrowings (IX)	831.49	970.31	1,045.35	1,254.77	874.81
	Trade Payables (X)	261.84	151.18	135.70	203.94	53.00
	Other Current Liabilities (XI)	348.59	374.82	611.52	630.82	459.58
	Short Term Provisions (VIII)	59.27	44.99	20.63	15.98	24.27
	Total Current Liabilities	**1,501.19**	**1,541.30**	**1,813.21**	**2,105.50**	**1,411.66**
	TOTAL EQUITY AND LIABILITIES (A + B + C)	**3,911.52**	**3,687.93**	**3,756.91**	**4,320.57**	**3,484.58**
II	**ASSETS**					
D	**Non-current assets**					
	Fixed Assets (XII)					
	-Tangible Assets	1,453.36	1,266.26	1,291.32	1,346.27	1,362.37
	- Intangible Assets	37.95	14.41	19.98	21.41	20.11
	- Capital Work in Progress	20.15	21.01	14.48	5.31	5.57
	- Intangible Assets under Development	3.23	37.21	8.31	3.74	8.23
	Non-Current Investments (XIII)	502.64	502.64	520.40	520.40	514.46
	Long Term Loans and Advances (XIV)	159.59	150.83	127.62	303.96	280.54
	Other Non-Current Assets(XV)	-	-	0.32	0.13	34.11
	Total Non-current assets	**2,176.91**	**1,992.36**	**1,982.42**	**2,201.22**	**2,225.39**
E	**Current Assets**					
	Inventories (XVI)	794.28	786.13	803.08	904.05	657.56
	Trade Receivables (XVII)	728.77	729.00	791.97	1,019.12	420.03
	Cash and Bank Balances (XVIII)	28.48	27.66	39.12	25.32	55.08
	Short-Term Loans and Advances (XIX)	118.09	108.15	93.75	114.40	103.82
	Other Current Assets (XX)	65.00	44.64	46.57	56.47	22.70
	Total Current Assets	**1,734.62**	**1,695.57**	**1,774.49**	**2,119.36**	**1,259.19**
	TOTAL ASSETS (D + E)	**3,911.52**	**3,687.93**	**3,756.91**	**4,320.57**	**3,484.58**

Note:

The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

This is the Restated Summary Statement of Assets and Liabilities, referred to in our report of even date.

For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No.: 000533N

S. C. Varma
Partner
Membership No.: 11450

Place : New Delhi
Date: 21st September 2014

RESTATED SUMMARY STATEMENT OF PROFIT AND LOSS **ANNEXURE - II**

Rs. In Million

Particulars	Year ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
INCOME					
Revenue from Operations (XXI)	4,184.20	4,041.92	4,474.37	3,787.64	2,113.07
Other Revenue from Operations (XXII)	35.79	40.14	58.70	73.16	40.90
Other Income (XXIII)	17.07	120.64	26.69	107.95	271.14
Total Revenue	**4,237.06**	**4,202.70**	**4,559.75**	**3,968.76**	**2,425.10**
EXPENDITURE					
Cost of Raw Materials and Components Consumed (XXIV)	1,794.66	1,782.68	1,980.73	1,743.48	891.55
Purchase of Traded Goods (XXV)	38.03	115.36	315.54	325.55	109.69
Change in Inventories of Finished, Work in Progress and Traded Goods (XXVI)	28.04	12.38	124.93	(199.86)	(37.90)
Employee Benefits Expenses(XXVII)	663.12	604.10	546.29	460.78	356.30
Other Expenses (XXVIII)	1,326.99	1,310.50	1,369.45	1,401.70	754.46
Total Expenditure	**3,850.85**	**3,825.02**	**4,336.95**	**3,731.65**	**2,074.09**
Earnings before Interest ,Tax ,Depreciation and Amortization (EBITDA)	**386.21**	**377.69**	**222.81**	**237.10**	**351.01**
Depreciation and Amortization (XXIX)	120.04	109.57	105.30	80.46	73.41
Earnings before interest and tax (EBIT)	**266.17**	**268.11**	**117.50**	**156.64**	**277.61**
Finance Costs (XXX)	107.52	90.25	138.42	121.07	146.27
Earnings before Exceptional items and Tax	**158.65**	**177.86**	**(20.92)**	**35.57**	**131.33**
Provision for Permanent Diminution in Value of Investments	-	17.76	-	-	-
Restated Profit before tax	**158.65**	**160.09**	**(20.92)**	**35.57**	**131.33**
Less:- Tax Expenses					
-Current Tax	33.30	32.07	-	7.13	23.35
-MAT Credit Entitlement	(10.63)	(32.07)	-	(7.13)	(23.35)
-Deferred Tax	45.28	31.47	9.88	6.15	57.29
Total Tax expenses	**67.94**	**31.47**	**9.88**	**6.15**	**57.29**
Restated Profit After Tax	**90.70**	**128.62**	**(30.79)**	**29.43**	**74.04**

Note:
The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

This is the Restated Summary Statement Profit and Loss, referred to in our report of even date.
For **S. C. Varma and Co.**
Chartered Accountants
Firm Regn. No.: 000533N

S. C. Varma
Partner
Membership No.: 11450

Place : New Delhi
Date: 21st September 2014

RESTATED SUMMARY STATEMENT OF CASH FLOW **ANNEXURE - III**

Rs. In Million

Particulars	Year ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
A.CASH FLOW FROM OPERATING ACTIVITIES					
Restated Profit before Tax	158.65	160.09	(20.92)	35.57	131.33
Non-Cash Adjustment to Reconcile Profit Before Tax to Net Cash Flows					
- Depreciation/Amortization Expenses	120.04	109.57	105.30	80.46	73.41
- Employee Stock Compensation Expense	1.67	0.47	1.81	2.49	9.11
- Preliminary Expenditure w/off	-	-	-	-	-
- Provision for Permanent Diminution in Value of Investment	-	17.76	-	-	-
- Loss/(Profit) on Sale of Fixed Assets	1.82	1.32	0.72	0.00	5.56
- Interest Expenses	95.27	77.55	122.90	110.15	137.52
- Dividend Income	-	-	(0.02)	(0.12)	-
- Interest Income	(1.44)	(1.60)	(13.61)	(12.87)	(27.38)
Operating Profit Before Working Capital Changes (as restated)	**376.01**	**365.17**	**196.19**	**215.69**	**329.54**
Movements in working capital :					
Increase/(decrease) in Trade Payable	110.66	15.48	(68.23)	150.94	(20.33)
Increase/(decrease) in Short Term Provisions	(12.13)	11.16	4.65	(8.29)	(10.37)
Increase/(decrease) in Long Term Provisions	0.53	(12.24)	8.50	7.27	(0.88)
Increase/(decrease) in Other Current Liabilities	(8.04)	(238.08)	20.09	172.03	(275.35)
Decrease/(increase) in Trade Receivables	0.23	62.98	227.15	(599.09)	169.62
Decrease/(increase) in Inventories	(8.15)	16.95	100.96	(246.49)	(3.76)
Decrease/(increase) in Other Non Current Assets	-	0.32	(0.19)	33.98	(15.65)
Decrease/(increase) in Other Current Assets	(20.37)	1.94	9.89	(33.77)	21.28
Decrease/(increase) in Long-Term Loans & Advances	(8.76)	(23.21)	176.35	(23.42)	244.41
Decrease/(increase) in Short-Term Loans & Advances	(9.93)	(14.41)	20.66	(10.58)	65.11
Cash generated from/(used in) operations	**420.05**	**186.06**	**696.01**	**(341.74)**	**503.60**
Direct Taxes Paid (net of refunds)	22.67	-	-	-	-
Net Cash Flow from/ (used in) Operating Activities (A)	**397.39**	**186.06**	**696.01**	**(341.74)**	**503.60**
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Fixed assets, including Intangible Assets,	(300.90)	(118.66)	(68.04)	(66.90)	(105.25)
Loan Given to ESOP Trust	-	-	-	-	(7.71)
Amount Received from ESOP Trust	-	1.25	-	-	-
Proceeds from Sale of Fixed Assets	3.25	2.95	4.66	5.99	11.80
Dividend Received	-	-	0.02	0.12	-
Interest Received	1.44	1.60	13.61	12.87	27.38
Investments in Subsidiary Companies	-	-	-	(5.94)	(327.76)
Net Cash Flow from/ (used in) Investing Activities (B)	**(296.21)**	**(112.86)**	**(49.75)**	**(53.85)**	**(401.53)**
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from Issue of Equity Shares	-	-	-	-	75.22
Proceeds from Premium on Equity Shares	-	-	-	-	263.28
Proceeds from Long Term Borrowings	301.71	233.93	13.73	167.03	133.95
Repayments of Long-Term Borrowings	(167.98)	(165.99)	(313.88)	(71.00)	(368.04)
Short-Term Borrowings (net)	(138.82)	(75.05)	(209.41)	379.95	(50.02)
Interest Paid	(95.27)	(77.55)	(122.90)	(110.15)	(137.52)
Net Cash Flow from/ (used in) Financing Activities (C)	**(100.36)**	**(84.65)**	**(632.47)**	**365.83**	**(83.12)**
Net increase/(decrease) in cash and cash equivalents (A + B + C)	**0.82**	**(11.46)**	**13.79**	**(29.76)**	**18.95**
Cash and Cash Equivalents at the beginning of the year	**27.66**	**39.12**	**25.32**	**55.08**	**36.13**
Cash and Cash Equivalents at the end of the year	**28.48**	**27.66**	**39.12**	**25.32**	**55.08**

Notes:

1. Restated Cash Flows statement of Uniparts India Limited has been prepared under the "Indirect Method "as set out in Accounting Standard -3 on Cash Flow Statements as notified by Companies (Accounting Standards) Rules, 2006

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV.

This is the Restated Summary Cash Flows, referred to in our report of even date.

For S. C. Varma and Co.
Chartered Accountants
Firm Regn. No.: 000533N

S. C. Varma
Partner
Membership No.: 11450

Place : New Delhi
Date: 21st September 2014

ANNEXURE - IV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED SUMMARY STATEMENT OF ASSETS AND LIABILITIES, PROFIT AND LOSS AND CASH FLOW FOR THE YEARS ENDED MARCH 31, 2014, 2013, 2012, 2011 AND 2010

A. CORPORATE INFORMATION

1 Uniparts India Limited ("the Company") was incorporated on 26th September 1994 with the main objects of, inter-alia, manufacturing, sale and export of precision engineering products and allied engineering products. The Company received the certificate of commencement of business on 7th September 1998 from the Registrar of Companies,NCT of Delhi and Haryana. The Registered office of the Company is situated at Gripwel House, Block 5, C 6&7, Vasant Kunj, New Delhi - 110 070.

B. SIGNIFICANT ACCOUNTING POLICIES

1 Basis of Preparation

The Restated Summary Statements have been prepared by applying the necessary adjustments to the financials statement of Uniparts India Limited. The financial statements are prepared on accrual basis in accordance with Indian Generally Accepted Accounting Principles ("Indian GAAP") under the historical cost convention and comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules, 2006 (as amended), to the extent applicable. The accounting policies have been consistently applied by the Company and are consistent with those used for the purpose of preparation of financial statements as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 except for changes in accounting policy explained in note 2.1 of paragraph C of annexure IV.

The Restated Summary Statement of Assets and Liabilities of the Company as at March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 and the Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flows for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31,2010 (hereinafter collectively referred to as "Restated Summary Statements") have been prepared specifically for inclusion in the Offer Document to be filed by the Company with Securities and Exchange Board of India ("SEBI") in connection with proposed Initial Public Offering of its equity shares.

These Restated Summary Statements have been prepared to comply in all material respects with the requirements of sub clause (I) and (iii) of clause (b) of sub section (1) of section 26 of the Companies Act, 2013 ("the Act") read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines"), as amended from time to time.

Presentation and Disclosure of Financial Statements

The revised Schedule VI was notified under the Companies Act, 1956 and became applicable to the Company for preparation and presentation of its financial statements from the financial year starting from 1st April, 2011. Accordingly, the Company has presented the financial statements as at March 31, 2012 and for the year ended along with the comparatives as at March 31, 2011 and for the year ended following the requirements of revised Schedule VI. The adoption of revised Schedule VI does not impact the recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures pertaining to year ended March 31, 2010 in accordance with the requirements of revised Schedule VI.

The Company has prepared these Restated Summary Statements along with related notes in accordance with the requirements of the Guidance Note on revised Schedule VI and has reclassified previous year figures accordingly.

2 Use Of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles (GAAP), which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses 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.

3 Revenue

Recognition Sales
Sales of products are recognized when significant risks and rewards of ownership of products are passed on to the customers at the time of dispatch of goods from the factory/ stockyard / storage area and port as the case may be. Sales include job work, sale of scrap and excise duty but excludes VAT.

Income and Expenditure
Income and expenditure are accounted for on accrual basis except dividend income and insurance claims.

Dividend income from investment is recognized when the company's right to receive payment is established.

Revenue in respect of Insurance/Other Claims is recognized when it is reasonably certain that the ultimate collection will be made.

4 Export entitlements / obligations

The benefits accrued under the Duty Drawback Scheme as per the relevant Import and Export Policies during the year are included under the head "Other Revenue from Operation".

Export incentive receivable on export performance are recognized in pursuance to 'Accounting Standard 9 on Revenue Recognition ', (AS-9) with reference to certainty of collectability of such export incentives.

5 Fixed Assets

a) Fixed Assets are stated at cost less accumulated depreciation. Cost comprises of purchase price, freight, erection/commissioning expenses and other incidental direct expenses up to the date of the asset is ready for its intended use. Leasehold improvements are amortized over the period of the lease.

b) Capital work in progress is carried at cost till such time the asset can be put to productive use. Advances paid towards the acquisition of fixed assets are shown under Capital Advances.

c) Expenditure during Construction period (including interest on borrowings and financing cost relating to borrowed funds attributable to acquisition of fixed assets) incurred are being treated as pre-operative expenses, pending allocation to the fixed assets on the date of capitalization and are shown as capital work in progress.

d) Expenditures including installation expenses on new software, purchased or developed are capitalized.

6 Depreciation and Amortization

a) Depreciation on fixed assets (except Leasehold land which is not depreciated or amortized) has been provided on the basis of Straight line method at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956.Depreciation on leasehold improvements is charged over the period of lease.

b) Amortization in respect of intangible assets is provided on straight line method over the estimated period of its economic life.

c) The Company has used the following useful lives and rate of depreciation to provide depreciation and amortization on its fixed assets.

Particulars	Depreciation Rates (SLM) / Estimated useful lives
i. Buildings	3.34%
ii. Leasehold Improvements	Over a Lease Period
iii. Plant and Machinery	
a. Electrical Euipments,Generator,Materials Handling Plant and Machinery	7.42%
b. Testing Euipments,Weighting Scale and Electrical Fittings	4.75%
c. Tools and Dies	11.31%
iv. Furniture and Fixtures	6.33%
v. Vehicles	
a. Commercials Vehicle, Tractor	11.31%
b.Car,Motor cycle /Scooter	9.50%
c.Cycle	7.07%
vi. Office Equipments	4.75%
vii.Computer	16.21%
viii.Softwares	5 years

7 Impairment of Fixed Assets

At each balance sheet date, the management identifies all assets where there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an assets recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the value as per the market value of the asset.

8 Borrowing Costs

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalized until the time all substantial activities necessary to prepare such assets for their intended use are complete. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as expenditure during the period in which they are incurred.

9 Investments

Investments are classified into long term and current investment. Long term investments are stated at cost. A provision for diminution is made to recognize a decline, other than temporary, in the value of long term investment. Current Investments are valued at lower of cost or net realizable value.

10 Inventories

Raw material, packing material and consumable stores and spares are valued at cost computed on FIFO method.

Work in progress are valued at material cost plus appropriate share of labour and production overheads incurred till the stage of completion of production.

Finished Goods/Traded Goods are valued at lower of the cost or net realizable value.
Scrap is valued at net realizable value calculated as last months average realization.

11 Foreign Currency Transactions

Foreign currency transactions on initial recognition, are recorded by applying to the foreign currency amount the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate and non-monetary items carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

12 Taxation

a) **Current Tax**

i) Current tax is provided on the basis of tax payable on estimated taxable income computed in accordance with the applicable provisions of the Income Tax Act, 1961 after considering the tax allowances and exemptions.

ii) Advance taxes and provisions for current tax are presented in the balance sheet after setting off advance taxes paid and income tax provision arising in the same tax jurisdiction and enterprise.

b) **Deferred Tax**

In accordance with Accounting Standard-22 "Accounting for taxes on income", the Accounting Standard notified by Companies (Accounting Standards) Rules, 2006 (as amended), the deferred tax for timing difference between the book profit and taxable profit as per the provisions of the Income Tax Act, 1961 for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

c) **Minimum Alternative Tax**

Minimum Alternative Tax (MAT) paid in a year is charged to the Statement of Profit & Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward.

13 Employee Benefits

Contributions to Provident Fund which are defined contribution schemes, are made to a government administered Provident Fund and are charged to the Statement of Profit and Loss as incurred. The company has no further obligations beyond its monthly contributions to these funds.

Provision for gratuity and leave encashment, which are in the nature of defined benefit plans, are provided based on actuarial valuations based on projected unit credit method, as at the balance sheet date.

14 Employee Stock Compensation Cost

The company has accounted for the share based payment for employees in respect of UIL ESOP - based on the Guidance Note on "Accounting for Employees Share Based Payment" issued by ICAI ("Guidance Note"). The Company follows the Fair Market Value Method (calculated on the basis of Black-Scholes method) to account for compensation expenses arising from issuance of stock options to the employees and has recognized the services received in an equity-settled employee share-based payment plan as an expense when it receives the services, with a corresponding credit to Stock Options Outstanding Account. Further, employees compensation cost recognized earlier on grant of option is reversed in the year when the Options are surrendered by the employee.

15 Leases

a) Finance leases, which effectively transfer to the company substantially all the risk and benefit incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct cost of lease are capitalized.

b) Leases, where lessor effectively retains substantially all the risk and benefit of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

16 Cash Flow Statement

Cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the Company are segregated.

17 Provisions and Contingencies

The company creates a provision when there is a present obligation as result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

18 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.

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.

19 Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

20 Share Issue Expenses

Share issue expenses as at March 31, 2014 comprises of expenses incurred in connection with the DRHP. The company shall adjust the expenses incurred in connection with the preparation of the DRHP against the securities premium account in accordance with Section 78 of the Companies Act, 1956/ Section 52 of Companies Act, 2013

21 Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the Company.

C. MATERIAL ADJUSTMENTS

1 SUMMARY OF RESULTS OF RESTATEMENTS MADE IN AUDITED FINANCIAL STATEMENT OF THE COMPANY FOR THE RESPECTIVE YEARS AND THEIR IMPACT ON THE PROFITS/ (LOSSES) OF THE COMPANY IS AS UNDER

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(A) Net Profit /(Loss) as per Audited Statement of Profit and Loss	90.67	67.82	16.16	10.45	52.75
Add/ (Less): Impact due to change in method of Depreciation (refer note 2.1 below)	-	-	-	-	(229.04)
Add/ (Less): Impact due to Foreign Currency Translations (refer note 2.2 below)	-	81.28	(51.72)	19.36	239.57
Add/ (Less): Impact due to Provision for Retirement Benefits (refer note 2.3 below)	-	-	-	(3.63)	(4.94)
Add/ (Less): Impact due to Prior Period Items (refer note 2.4 below)	0.03	0.17	0.02	0.05	(1.00)
Add/ (Less): Impact due to Accounting for Employees Stock Option Plan as per the guidance note issued by the Institute of Chartered Accountants of India.(refer note 2.5 below)	-	22.68	(1.81)	(2.49)	(9.11)
Add/(Less):Impact due to Excess/(Short) Provision of Tax written back (refer note 2.6 below)	-	(9.20)	(0.03)	0.09	(0.04)
(B) Total Adjustments	**0.03**	**94.92**	**(53.54)**	**13.37**	**(4.55)**
(C) Tax Impact of Adjustments - Current	(0.05)	(17.32)	6.58	(2.73)	0.80
(D) Tax Impact of Adjustments -Deferred	-	-	-	1.21	1.68
(E) Net Adjustment due to MAT Credit Entitlement (refer note 2.7 below)	0.05	(16.80)	-	7.13	23.35
(F) Total Adjustments net of Tax impact (B + C + D + E)	0.03	60.80	(46.95)	18.98	21.28
(G) Restated Net Profit /(Loss) (A + F)	**90.70**	**128.62**	**(30.79)**	**29.43**	**74.04**

Notes:

i. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure -IV

ii. During the year ended March 31, 2012, the revised schedule VI notified under the Companies Act, 1956 has become applicable to the company for preparation and presentation of its financial statements. The adoption of revised schedule VI of the Companies Act, 1956 does not impact recognition and measurement principles followed for preparation of financial statements. However it has significant impact on presentation and disclosure made in the financial statements. The Company has also reclassified the figures for the years ended March 31, 2011 and 2010 in accordance with the requirements applicable for the year ended March 31, 2012.

2 Notes to Material Adjustments

2.1 The Company changed its method of charging depreciation from Written Down Value Method to Straight Line Method in FY 2009-10. The surplus of Rs. 229,036,158/- generated due to change in method with retrospective effect was credited to "Other Income". For the purpose of Restated Financial Statements, the same has been transferred to reserve and surplus in FY 2009-2010 and has been adjusted with reserve and surplus.

2.2 During FY 2012-13, the Company has adopted the policy of accounting the forward and option contracts in accordance with AS-11 (i.e. Mark-to-Market Valuation of open contracts). Accordingly, the impact in the previous financials years ended March 31, 2012, March 31, 2011 and March 31, 2010 has been computed and adjusted for the purpose of Restated Financial Statements.

2.3 During FY 2011-12, the first time adoption of Accounting Standard - 15 (revised) "Employee Benefits" was done by the Company and the impact of liability (net of deferred tax) related to previous financial years was adjusted from Reserves & Surplus. However, for the purpose of Restated Financial Statements, the year on year impact for the previous financial years ended March 31, 2011 and March 31, 2010 has been recomputed and adjusted in the respective years.

2.4 In the financial years ended March 31, 2014 March 31 ,2013, March 31, 2012, March 31, 2011 and March 31, 2010, certain items of income/ expenses have been identified as prior period adjustments. These adjustments were recorded in the year when identified. However, for the purpose of Restated Financial Statements, such prior period adjustments have been appropriately adjusted in the respective years to which the transactions pertained to. The details of such prior period adjustments are as under:

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Expenses					
Service charges	-	-	0.04	(0.04)	-
Interest	-	-	0.01	0.00	-
Other expenses	0.03	0.25	(0.03)	0.01	(0.01)
Rent	-	-	-	-	0.01
Custom duty	-	-	0.01	(0.01)	-
Insurance	-	0.09	(0.09)		
Employee -salary	-	0.01	0.01	(0.02)	0.02
Income					
Toolings charges	-	-	(0.12)	0.12	-
SBLC	-	-	-	-	(1.02)
Other incomes	-	(0.18)	0.18	-	-
Total	**0.03**	**0.17**	**0.02**	**0.05**	**(1.00)**

Note: Amount 0.00 represents Amount less than Rs.0.01 Millions

2.5 In respect of employee stock option granted under employee stock option scheme, the employee stock option expenses were not recognized in the audited accounts of financial year ended March 31, 2012, March 31,2011 and March 31,2010. Accordingly on restatement of financial statements, the compensation expense and the deferred compensation related to employee stock option has been recognized in each of the financial year to which such charge relates and the balance value of the option not recognized in each of the financial year has been recognized under Stock Option Outstanding Account in each of the respective financial years.

2.6 During F.Y 2012-2013, the company has recognized short/excess provision of taxes of previous years. However on restatement, same has been recognized in the year such short/excess provision pertained to.

2.7 During FY 2012-2013, the Company has recognized "MAT Credit entitlement" of Rs.48,873,977/- for the first time as company expect that it would pay Income tax as per normal tax rate in near future and thus would be able to adjust such MAT Credit. However the impact in the previous financial years ended March 31, 2012, March 31, 2011 and March 31,2010 has been computed and adjusted for the purpose of restated financial statement.

3 Auditors' Emphasis

Audit emphasis given in the Auditors' Report for the financial year ended March 31, 2010 which has been adjusted in the Restated Financial Statements is as follows:

"Attention is invited to Note No. 12 of Schedule "23" regarding change in method of depreciation due to which the profit for the year increased by Rs. 68.7 million"

As the matter relates to financial year ended March 31, 2010, the appropriate adjustments have been made in this regard in the Restated Financial Statement in respect of the year ended March 31, 2010 and disclosed in 2.1 above.

4 Restatements adjustments made in the audited opening balance figure in the net surplus in the Statement of Profit and Loss for fiscal 2009.

Particulars	Rs. In Millions
(A) Balance as per audited financial statement as on April 1, 2009	**485.80**
Adjustment	
Add/ (Less): Impact due to Foreign Currency Translations (refer note 2.2)	(288.48)
Add/ (Less): Impact due to Provision for Retirement Benefits (refer note 2.3)	(6.13)
Add/ (Less): Impact due to Prior Period Items (refer note 2.4)	0.72
Add/ (Less): Impact due to Accounting for Employees Stock Option Plan as per the guidance note issued by the Institute of Chartered Accountants of India.(refer note 2.5)	(9.27)
Add/(Less):Impact due to Excess/(Short) Provision of Tax written back (refer note 2.6)	9.18
(B) Total Adjustment	**(293.98)**
(C) Deferred Tax impact of Adjustments	**2.09**
Balance as per restated financial statement as on April 1, 2009	**193.90**

5 Non-Adjusting Items

Audit emphasis for the respective periods, which do not require any corrective material adjustments in the restated summary statements are as follows

A. Annexure to auditor's report for the Financial year ended March 31, 2014

(i) Clause ix (b)

As per the records of the Company and as per information and explanations given to us, a sum of Rs. 5,508,130 towards undisputed income tax demands were outstanding as at the last day of the financial year concerned, for a period of more than six months from the date they become payable.

(ii) Clause ix (c)

According to the records of the company and as per information and explanations given to us, the following outstanding dues of income tax, sales tax and excise duty have not been deposited on account of disputes :-

Rs. In Million

Nature of the Statue	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	12.40	A.Y. 2009-10	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income tax	17.31	A.Y. 2012-13	Dy. Commissioner of Income Tax
Central Excise Act, 1944	Excise Duty	0.03	F.Y 2011-12	Assistant Commissioner, Central Excise
Central Excise Act, 1944	Excise Duty	0.15	F.Y 2011-12	Commissioner, Central Excise Department
Central Excise Act, 1944	Excise Duty	0.67	F.Y. 2009-10	Commissioner (Appeals), Central Excise
Central Excise Act, 1944	Excise Duty	0.21	F.Y. 2004-05 to 2013-14	Central Excise Appellate Tribunal
UP VAT Act, 2004	VAT / Sales Tax	0.15	F.Y. 2004-05 and 2008-09	Sales Tax Appellate Tribunal
UP VAT Act, 2004	VAT / Sales Tax	0.14	F.Y. 2013-14	Dy. Commissioner of VAT
UP VAT Act, 2004	Entry Tax	0.29	F.Y. 2009-10	High Court, Allahabad
UP VAT Act, 2004	VAT / Sales Tax	0.29	F.Y. 2009-10	High Court, Allahabad
UP VAT Act, 2004	VAT / Sales Tax	0.29	F.Y. 2011-12	Dy. Commissioner of VAT

B. Annexure to auditor's report for the Financial year ended March 31, 2013

(i) Clause ix (b)

As per the records of the Company and as per information and explanations given to us, a sum of Rs. 5,858,710 towards undisputed income tax demands were outstanding as at the last day of the financial year concerned, for a period of more than six months from the date they become payable.

(ii) Clause ix (c)

According to the records of the company and as per information and explanations given to us, the following outstanding dues of income tax, sales tax and excise duty have not been deposited on account of disputes :-

Rs. In Million

Nature of the Statue	Nature of Dues	Amount	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	1.81	A.Y. 2003-04	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty	0.47	F.Y. 2009-10 to 2011-12	Assistant Commissioner, Central Excise
Central Excise Act, 1944	Excise Duty	34.28	F.Y. 2004-05 to 2008-09	Central Excise Department
Central Excise Act, 1944	Excise Duty	0.86	F.Y. 2009-10	Commissioner (Appeals), Central Excise
Central Excise Act, 1944	Excise Duty	0.24	F.Y. 2005-06	Central Excise Appellate Tribunal
UP VAT Act, 2004	VAT / Sales Tax	0.15	F.Y. 2004-05 and 2008-09	Sales Tax Appellate Tribunal

C. Annexure to auditor's report for the Financial year ended March 31, 2012

(iii) Clause ix (c)

According to the records of the company and as per information and explanations given to us, the outstanding dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess on account of any dispute are as follows :-

Rs. In Million

Nature of the Statue	Nature of dues	Amount	Period to which it relates (F.Y.)	Forum where the dispute is pending
Central Excise	Excise duty demand including fine and penalties and disallowance of rebate against exports	1.30	2004-05 to 2011-2012	Appellate Authorities
Sales Tax	Sales tax demand including fine and penalties	0.29	2008-09 to 2011-12	Appellate Authorities

D. Annexure to auditor's report for the Financial year ended March 31, 2011

(iv) Clause ix (c)

According to the records of the company and as per information and explanations given to us, the outstanding dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess on account of any dispute are as follows :-

Rs. In Million

Nature of the Statue	Nature of dues	Amount	Period to which it relates (F.Y.)	Forum where the dispute is pending
Central Excise	Excise duty demand including fine and penalties and disallowance of rebate against Exports	18.52	2004-2005 to 2010-2011	Appellate Authorities
Sales Tax	Sales tax demand including fine and penalties	1.08	2004-2005 to 2010-2011	Appellate Authorities
Income Tax	Income tax demand under section 143(3)	0.39	2007-2008	CIT(A) - XXI

E. Annexure to auditor's report for the Financial year ended March 31, 2010

(v) Clause ix (c)

According to the records of the company and as per information and explanations given to us, the outstanding dues of Sales Tax, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess on account of any dispute are as follows :-

Rs. In Million

Nature of the Statue	Nature of dues	Amount	Period to which it relates (F.Y.)	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty demand including fine and penalties and disallowance of rebate against exports	19.38	2004-05 to 2009-2010	Adjudication/ Appellate Authorities

D. OTHER SIGNIFICANT NOTES

1 Capital Commitments

Rs. In Million

Particulars	As At				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Estimated amount of contracts remaining to be executed on capital accounts and not provided for,	10.94	27.43	21.75	9.41	6.71
Less: Capital Advance	2.99	7.32	8.12	3.57	0.95
Estimated amount of contracts remaining to be executed on capital accounts and not provided for, Net of Advance	**7.95**	**20.12**	**13.63**	**5.85**	**5.76**

2 Contingent Liabilities

Rs. In Million

Particulars	As At				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Claims against the Company not acknowledged as debt (excluding cases where the possibility of any outflow in settlement is remote					
– Sales tax matters	1.09	0.71	0.29	1.08	0.15
– Excise matters	1.04	35.98	1.30	18.52	19.38
– Labour matters	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable	Not Ascertainable
- Income tax	29.74	21.40	6.19	0.39	-
– Sales tax liability against pending forms	75.76	126.57	74.12	Not Ascertainable	Not Ascertainable
-Others	-	0.12	-	-	-
Guarantees issued by banks and financial institutions on behalf of the company					
– Sales tax matters	0.03	0.06	0.06	0.06	0.05
– SBLC(Stand by Letter of Credit) for wholly owned subsidiary	205.93	445.40	424.13	69.40	66.59
– Pollution Control Board	0.02	0.02	0.02	0.02	-
– Excise matters	0.50	0.50	0.50	-	-
Other money for which the company is contingently liable:					
Corporate Guarantee given to banks against financial assistance to subsidiary	175.00	200.00	276.32	55.70	55.70
Excise duty outstanding against exports made under Bond:	3.52	0.31	0.28	16.02	10.53
Excise duty outstanding against exports made under declaration/ undertaking	7.08	14.65	11.43	1.97	0.54
Customs & Excise Duty pending under bond in favour of Assistant Commissioner of Customs against import	-	-	1.92	1.92	1.92
Bond cum legal undertaking to Andhra Pradesh Special Economic Zone	1,359.46	332.75	274.95	126.54	126.54
Total	**1,859.17**	**1,178.48**	**1,071.51**	**291.63**	**281.40**

3 LEASES

Operating Lease - Company as a lessee

The lease rentals paid under leases relating to rent of building premises and sites as per the agreements, which are as follows

Rs. In Million

Particulars	As At				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Lease rental debited to statement of profit & loss	21.56	25.34	32.95	34.14	36.44
Future minimum lease payments Payable:					
Obligation on non-cancellable leases:					
Not later than one year	8.55	8.55	-	-	-
Later than one year but not later than five years	0.52	9.08	-	-	
Later than five years	-	-	-	-	-
Total	**9.08**	**17.63**	**-**	**-**	**-**

Operating lease - Company as a lessor

Rs. In Million

Particulars	As				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Plant & Machinery	7.24	7.24	6.32	3.93	0.55
Future minimum lease payments receivable:					
Obligation on non-cancellable leases:					
Not later than one year	-	-	-	-	-
Later than one year but not later than five years	-	-	-	-	-
Later than five years	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

4 Employee Benefits

Defined benefit obligation

Gratuity liability is defined benefit obligation & is provided for on the basis of an actuarial valuation on projected unit credit method made at the end year/ period. The Plan is funded by the Company.

Other employee benefits

Leave encashment is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each year/ period.

(i) Amount charged to the statement of profit & loss:

Rs. In Million

GRATUITY	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current service cost	10.29	11.93	9.64	7.32	7.41
Interest cost	5.04	5.34	4.49	3.88	3.99
Actuarial (gain)/loss	(9.10)	(7.95)	(0.26)	1.50	(9.42)
Expected return on Plan Assets	(0.88)	(0.85)	(0.77)	(0.74)	(0.61)
Net Gratuity Cost	**5.36**	**8.47**	**13.10**	**11.96**	**1.37**

LEAVE ENCASHMENT	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current service cost	4.43	5.16	4.38	3.54	3.50
Interest cost	0.86	1.50	1.02	0.82	0.64
Actuarial (gain)/loss	1.67	(9.80)	2.20	2.64	1.71
Expected return on Plan Assets	-	-	-	-	-
Net Leave encashment cost	**6.96**	**(3.14)**	**7.60**	**7.00**	**5.85**

(ii) The assumptions used to determine the benefit obligations are as follows:

GRATUITY	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Discount Rate	9.03%	8.00%	8.50%	8.25%	8.50%
Expected Rate of Return on Plan Assets	9.03%	8.00%	8.50%	8.25%	8.50%
Salary escalation	8.00%	10.00%	10.00%	10.00%	10.00%
Expected average remaining working lives of employees (years)	5	5	15	15	15

LEAVE ENCASHMENT	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Discount Rate	9.03%	8.00%	8.50%	8.25%	8.50%
Expected Rate of Return on Plan Assets	-	-	-	-	-
Salary escalation	8.00%	10.00%	10.00%	10.00%	10.00%
Expected average remaining working lives of employees (years)	5	5	15	15	15

(iii) The discount rate is based on the average yield on government bonds at the accounting date with a term that matches of the liabilities.

(iv) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion & other relevant factors, such as supply & demand in the employment market.

(v) Reconciliation of opening & closing balances of benefit obligations:

Rs. In Million

GRATUITY	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Opening Defined Benefit Obligation	63.05	62.82	54.42	45.67	46.99
Current service cost	10.29	11.93	9.64	7.32	7.41
Interest cost	5.04	5.34	4.49	3.88	3.99
Benefits paid	(4.22)	(5.84)	(5.33)	(3.85)	(4.19)
Actuarial (gain)/loss	(8.92)	(7.75)	(0.39)	1.40	(8.52)
Liability transferred (net)	0.03	(3.45)	-	-	-
Closing Defined Benefit Obligation	**65.28**	**63.05**	**62.82**	**54.42**	**45.67**

Rs. In Million

LEAVE ENCASHMENT	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Opening Defined Benefit Obligation	10.80	17.67	12.31	9.60	7.53
Current service cost	4.43	5.16	4.38	3.54	3.50
Interest cost	0.86	1.50	1.02	0.82	0.64
Benefits paid	(5.91)	(3.13)	(2.24)	(4.29)	(3.78)
Actuarial (gain)/loss	1.67	(9.80)	2.20	2.64	1.71
Liability transferred (net)	0.02	(0.60)	-	-	-
Closing Defined Benefit Obligation	**11.87**	**10.80**	**17.67**	**12.31**	**9.60**

(vi) Reconciliation of opening & closing balances of Plan Assets:

Rs. In Million

PLAN ASSETS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Opening fair value of Plan Assets	10.99	9.94	9.31	8.68	7.17
Add: Expected return on Plan Assets	0.88	0.85	0.77	0.74	0.61
Add/(Less):Actuarial Gains/Loss	0.18	0.20	(0.14)	(0.10)	0.89
Add: Contribution by employer	-	5.84	5.33	3.85	4.19
Less: Benefit Paid	-	(5.84)	(5.33)	(3.85)	(4.19)
Closing fair value Of Plan Assets	**12.05**	**10.99**	**9.94**	**9.31**	**8.68**

(vii) Amount to be recognised in the Balance Sheet **Rs. In Million**

GRATUITY	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Present value of Obligation at the end of the year	65.28	63.05	62.82	54.42	45.67
Fair value of Plan Assets at the end of the year	12.05	10.99	9.94	9.31	8.68
Net Asset/(Liability) recognized in Balance Sheet	**(53.23)**	**(52.06)**	**(52.88)**	**(45.11)**	**(36.99)**

(viii) Other Disclosures **Rs. In Million**

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Present value of Obligation at the end of the year	65.28	63.05	62.82	54.42	45.67
Fair value of Plan Assets at the end of the year	12.05	10.99	9.94	9.31	8.68
Surplus / (Deficit)	**(53.23)**	**(52.06)**	**(52.88)**	**(45.11)**	**(36.99)**
Experience adjustments on Plan Liabilities	1.85	0.79	1.53	(0.50)	(8.52)
Experience adjustments on Plan Assets	0.18	0.20	(0.14)	(0.10)	0.89

5 Employee Stock Option Plans

The Company's ESOP scheme "Uniparts Employees Stock Option Plan, 2007" is administered through an ESOP Trust, which subscribes to shares of the Company and holds them until issuance thereof based on vesting and exercise of options by employees.

The scheme provides that subject to continued employment with the Company, specified employees of the Company and its subsidiaries are granted an option to acquire equity shares of the Company that may be exercised within a specified period. Each option comprises of one equity share which will vest on annual basis in equal proportion over a period of three years and shall be capable of being exercised within a period of ten years from the date of the specified grant. Each option granted under the above plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the compensation committee. The Company has provided an interest free loan amounting to Rs 5,52,00,000/- to the Trust to subscribe to 350400 Shares issued at Rs. 135 per share and right issue of 175200 Shares at Rs. 45 per share. The ESOP Trust has since subscribed to the Company's shares. As per the Guidance Note on Accounting for Employee Share Based payments issued by the Institute of Chartered Accountants of India, the amount of loan equivalent to the face value of securities subscribed Rs. 51,36,000 has been deducted from share capital account and the balance part of the loan representing the amount of share premium paid for the shares subscribed Rs. 50,064,000/- has been deducted from the share premium account. The balance of such loan as at March 31, 2014 is Rs 5,33,86,560/- The repayment of loan is primarily dependent upon the exercise of options by the employees, the price at which fresh or reissued options are granted and dividend income earned thereon till exercise of options. The Company believes that the options would be exercised by the employees and the ESOP Trust would be able to repay the loan based on the price received by the Trust there against. On that basis, the loan to the ESOP Trust is considered good of recovery.

As per the Scheme, the Company has granted 1,14,833 options @ Rs.135/- per option (Grant – 1), 42.764 options @ Rs.135/- per option (Grant – 2), 25,000 options @ Rs.135/- per option (Grant – 3), 86,592 Right Issue @ Rs.45/- per share, 28,912 options @ Rs.105/- per option (Grant – 4), 26,209 options @ Rs.105/- per option (Grant – 5), 28,825 options @ Rs.105/- per option (Grant – 6), 11255 options @ Rs. 105/- per option (Grant-7), 5000 options @ Rs. 105/- per option (Grant-8), 21465 options @ Rs. 105/- per option (Grant-9) in accordance with the provisions of the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, to the selected employees of the Company. The method of settlement is by issue of equity shares to the selected employees who have accepted the option.

Period within which options will vest to the participants

2 years from the date of Grant of Options 33%

3 years from the date of Grant of Options 33%

4 years from the date of Grant of Options 34%

Employees Stock Option activity under Scheme 2007 is as follows :-

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Outstanding at the beginning of the year	286,917	286,116	259,907	251,235	171,828
Granted during the year	37,720	28,825	26,209	28,912	86,592
Forfeited/Surrendered during the year	-	(16,024)	-	(20,240)	(7,185)
Exercised during the year	-	(12,000)	-	-	-
Outstanding at the end of the year	324,637	286,917	286,116	259,907	251,235
Vested and Exercisable at the end of the year	234,853	218,708	240,536	124,207	80,909

Weighted average fair value of Options on the date of Grant

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Grant 1	96.45	96.45	96.45	96.45	96.45
Grant 2	114.02	114.02	114.02	114.02	114.02
Grant 3	70.45	70.45	70.45	70.45	70.45
Right Issue	97.65	97.65	97.65	97.65	97.65
Grant 4	56.69	56.69	56.69	56.69	-
Grant 5	77.63	77.63	77.63	-	-
Grant 6	67.19	67.19	-	-	-
Grant 7	41.10	-	-	-	-
Grant 8	47.08	-	-	-	-
Grant 9	55.00	-	-	-	-

The Guidance Note on "Accounting for employees share based payment issued by ICAI ("Guidance Note") establishes financial accounting and reporting principles for share based payment plans for employees. The Guidance Note applies to employees share based payments, the grant date in respect of which falls on or after 1st April, 2005. The Company follows the Fair Market Value calculated on Black Scholes Method to account compensation expenses arising from issuance of stock options to the employees

6 Foreign Currency Disclosures:

a. C.I.F Value of Imports **Rs. In Million**

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Raw materials	114.12	89.16	105.38	68.51	24.43
Components and spare parts	0.73	0.22	0.11	0.46	0.94
Capital Goods	2.42	0.46	1.32	15.72	12.37
Consumables Goods	32.63	27.15	15.05	14.46	2.65
Finished Goods	16.12	98.12	300.24	325.55	-
Total	**166.02**	**215.11**	**422.10**	**424.70**	**40.38**

b. Earning in Foreign Currency :

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Export of Goods	2,629.98	2,565.12	2,640.58	2,386.08	1,228.56
Other Earning	3.54	3.20	3.73	5.00	2.46
Interest Received		-	3.18	5.30	19.80
Total	**2,633.52**	**2,568.32**	**2,647.48**	**2,396.39**	**1,250.82**

c. Expenditure in Foreign Currency (on accrual basis)

Rs. In Million

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Professional & Consultancy fee	3.09	3.72	3.72	11.90	1.86
Foreign Travelling	1.41	2.64	2.16	2.45	3.38
Commission	2.57	2.28	1.53	3.83	0.50
Others	2.58	1.89	2.77	0.84	0.90
Total	**9.65**	**10.52**	**10.19**	**19.02**	**6.63**

d. Outstanding Forward Exchange Contracts entered into by the company:

Rs. In Million

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Forward:					
In USD (sell)	7.68	12.06	18.00	2.00	-
In EURO		-	-	2.15	-
-INR Value	**481.22**	**687.22**	**909.87**	**223.74**	**-**
Option:					
In USD	-	-	1.12	16.26	24.44
-INR Value	**-**	**-**	**56.96**	**725.03**	**1,097.36**

e. Foreign Currency Exposure (have not been hedged by a derivative instrument or otherwise):-

Rs. In Million

Particulars	As At				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Receivables - In USD	-	-	-	-	-
- In EURO	0.71	1.41	2.05	4.28	0.66
- In JPY	26.03	19.48	20.42	6.16	6.62
- In GBP	0.00	-	-	0.35	0.24
- In AUD	0.01	-	0.11	0.11	0.11
- INR	**74.61**	**109.25**	**157.34**	**303.02**	**63.33**
Payables -In USD	0.01	-	0.07	0.02	0.01
- In EURO	0.03	0.03	0.11	0.03	0.00
- In GBP	-	-	-	0.00	0.00
- In JPY	-	-	-	0.01	
- INR	**2.90**	**2.13**	**10.58**	**3.06**	**0.46**
Loans - In USD	6.99	9.97	13.09	7.41	8.02
- INR	**418.48**	**541.08**	**665.82**	**330.04**	**359.96**
Bank - In USD	0.00	0.00	0.02	0.14	0.03
- In EUR		-	0.01	0.01	0.01
- INR	**0.08**	**0.01**	**1.54**	**6.43**	**1.85**
Loan to Subsidiaries - In USD	-	-	-	1.11	2.64
- In EURO	-	-	-	0.23	0.08
- INR	**-**	**-**	**-**	**63.86**	**123.39**
Other Receivables - In USD	0.01	0.09	0.11	0.01	0.00
- In EURO	0.00	0.00	0.10	0.00	
- In GBP	-	0.00	0.00	-	
- In JPY		-	0.20	-	0.06
- INR	**0.88**	**4.82**	**12.98**	**0.46**	**2.62**
Other Payables - In EURO	-	-	0.02	0.01	0.01
- In USD	0.00	-	-	-	-
- In AUD	-	0.02			
- In JPY	2.45	1.76			
- INR	**1.46**	**2.38**	**1.22**	**0.38**	**0.53**

Note:Amount 0.00 represents Amount less than Rs.0.01 Millions

7 The company is in the process of receiving intimations from its vendors regarding the status under the Micro, Small and Medium enterprise development act 2006 and hence disclosure required under the said act have not been made.

8 Earnings Per Share ('EPS')

The Calculations of Earnings per share are based on the net profit and number of shares as computed below: **Rs. In Million (except EPS in Rs.)**

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Restated Net profit after Tax	90.70	128.62	(30.79)	29.43	74.04
Restated Net profit after Tax for calculation of Diluted EPS	90.70	128.62	(30.79)	29.43	74.04
Weighted average number of equity Shares for calculating Basic EPS	22,053,279	22,053,279	22,041,279	22,041,279	19,437,543
Basic EPS	**4.11**	**5.83**	**(1.40)**	**1.34**	**3.81**
Weighted average number of equity Shares for calculating Diluted EPS	22,566,879	22,566,879	22,566,879	22,566,879	19,903,143
Diluted EPS	**4.02**	**5.70**	**(1.40)**	**1.30**	**3.72**

Note: ESOP issued to employees has not been considered for diluted EPS for the years ended 31 March,2012 and 31 March,2009 as they are anti dilutive in nature.

9 Deferred tax liabilities/(Assets)

Components of Deferred Tax Liabilities /(Assets) are as follows: **Rs. In Million**

Particulars	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Deferred tax Assets					
-Disallowances u/s 43B of I.T Act,1961	28.62	26.99	28.69	19.93	16.75
-Unabsorbed Depreciation and Business losses	-	35.31	61.24	70.63	69.00
-Adjustment Of stock u/s 145A	13.31	10.23	12.12	14.65	9.35
Gross Deferred tax Assets (A)	**41.94**	**72.52**	**102.05**	**105.22**	**95.10**
Deferred tax Liabilities					
-Depreciation and Amortization	170.17	155.48	153.53	146.82	130.56
Gross Deferred tax Liability (B)	**170.17**	**155.48**	**153.53**	**146.82**	**130.56**
Net Deferred Tax Liabilities /(Assets) (B - A)	**128.23**	**82.95**	**51.48**	**41.61**	**35.46**

10 Segment Reporting

Primary segment

The Company operates only in one business segment i.e. Linkage Parts and Components for Off-Highway Vehicles

Secondary segment **Rs. In Million**

Particulars	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Revenue From operation					
Within India	1,482.44	1,352.15	1,464.55	1,162.08	831.47
Outside India	2,701.77	2,689.77	3,009.82	2,625.56	1,281.59
(excluding Deemed Exports)					
Total	**4,184.20**	**4,041.92**	**4,474.37**	**3,787.64**	**2,113.07**
Carrying Amount of Assets					
Within India	335.10	240.91	248.16	188.87	187.98
Outside India	393.67	488.09	543.81	830.25	232.05
(excluding Deemed Exports)					
Total	**728.77**	**729.00**	**791.97**	**1,019.12**	**420.03**

Note: Disclosure in respect of carrying amount of Assets has been made to the extent ascertainable

RESTATED STATEMENT OF SHARE CAPITAL **ANNEXURE - V**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Authorised Shares					
Equity Shares of Rs. 10 each (Numbers)	60,000,000	25,000,000	25,000,000	25,000,000	25,000,000
Equity Shares of Rs. 10 each (Rs.)	600.00	250.00	250.00	250.00	250.00
Issued:					
Equity Shares of Rs. 10 each (Numbers) (refer note 2)	451,337,580	22,566,879	22,566,879	22,566,879	22,566,879
Subscribed and fully paid up					
Equity Shares of Rs. 10 each (Numbers)	22,566,879	22,566,879	22,566,879	22,566,879	22,566,879
Equity Shares of Rs. 10 each (Rs.)	225.67	225.67	225.67	225.67	225.67
Less: Amount Recoverable from Uniparts Employees Stock Option Plan	5.14	5.14	5.26	5.26	5.26
Total subscribed and fully paid-up share capital	**220.53**	**220.53**	**220.41**	**220.41**	**220.41**

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Rs. In Million

PARTICULARS	As At									
	31-Mar-14		31-Mar-13		31-Mar-12		31-Mar-11		31-Mar-10	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Outstanding at the beginning of the year	22,566,879	225.67	22,566,879	225.67	22,566,879	225.67	22,566,879	225.67	15,044,584	150.45
Issue of Equity Share under Right Issue (refer note 1 below)	-	-	-	-	-	-	-	-	7,522,295	75.22
Outstanding at the end of the year	**22,566,879**	**225.67**	**22,566,879**	**225.67**	**22,566,879**	**225.67**	**22,566,879**	**225.67**	**22,566,879**	**225.67**

Details of shareholders holdings more than 5% equity shares in the company

PARTICULARS	As At									
	31-Mar-14		31-Mar-13		31-Mar-12		31-Mar-11		31-Mar-10	
	Number	% holding in the class	Number	% holding in the class	Number	% holding in the class	Number	% holding in the class	Number	% holding in the class
Equity Shares of Rs. 10 each fully paid										
Gurdeep Soni	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14
Paramjit Singh Soni	3,297,545	14.61	3,297,545	14.61	7,477,785	33.14	7,477,785	33.14	7,477,785	33.14
Ashoka Investment Holdings Limited	3,590,321	15.91	3,590,321	15.91	3,590,321	15.91	3,590,321	15.91	3,590,321	15.91
Karan Soni	2,600,000	11.52	2,600,000	11.52	-	-	-	-	-	-
Meher Soni	2,600,000	11.52	2,600,000	11.52	-	-	-	-	-	-

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note 1: In financial year 2009-2010 Company had issued a equity share capital under right issue in the ratio of 2:1 at a premium of Rs. 35

Note 2: The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014.

Details of equity shares allotted as fully paid up bonus shares for the five years .

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
	No. of shares	No. of shares	No. of shares	No. of shares	No. of shares
Bonus shares allotted during the years	-	-	-	-	-

RESTATED STATEMENT OF RESERVES AND SURPLUS **ANNEXURE - VI**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Securities Premium Account					
Balance as at the Beginning of the Year	1,088.39	1,086.46	1,084.90	1,083.26	812.78
Add: Premium on Issue of Shares	-	-	-	-	263.28
Add: Premium Recognised during the Year	2	1.94	1.55	1.64	7.20
Balance as at the End of the Year	**1,090.27**	**1,088.39**	**1,086.46**	**1,084.90**	**1,083.26**
Less: Amount Recoverable from Uniparts Employees Stock Option Plan (ESOP) Trust	75.30	73.42	73.81	72.26	70.62
Total	**1,014.97**	**1,014.97**	**1,012.65**	**1,012.65**	**1,012.65**
Employees Stock Options Outstanding					
Balance as at the Beginning of the Year	21.95	22.68	20.87	18.37	9.27
Add: Compensation for the Year	1.67	0.47	1.81	2.49	9.11
Less: Transfer to ESOP Trust Account	-	1.20	-	-	-
Balance as at the end of the year	**23.62**	**21.95**	**22.68**	**20.87**	**18.37**
Surplus/(Deficit) in the statement of profit and loss					
Balance as at the Beginning of the Year	611.03	495.61	526.40	496.97	193.90
Less: Proposed Dividend	22.57	11.28	-	-	-
Less: Dividend Tax	3.84	1.92	-	-	-
Add: Depreciation Written Back	-	-	-	-	229.04
Add: Restated Profit for the Year	90.70	128.62	(30.79)	29.43	74.04
Balance as at the End of the Year	**675.33**	**611.03**	**495.61**	**526.40**	**496.97**
Total Reserves and Surplus	**1,713.92**	**1,647.95**	**1,530.94**	**1,559.92**	**1,527.99**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.
3. The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014.

RESTATED STATEMENT OF LONG TERM BORROWINGS **ANNEXURE - VII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Loan From Banks:					
-Indian Rupee Term Loan, Secured	263.58	-	-	111.81	148.82
-Indian Rupee Working Capital Term Loan, Unsecured	42.78	94.11	-	-	-
Loan From Financial Institutions:					
-Indian Rupee Term Loans, Secured	2.87	7.74	10.75	18.15	0.88
Loan From Related Parties:					
-Indian Rupee Loan, Unsecured	-	55.45	80.00	221.55	105.00
TOTAL	**309.23**	**157.30**	**90.75**	**351.52**	**254.70**

Notes:

1.Long term borrowings shown under other current liabilities as re-stated, as under:

(Due to installments matured within period Less than 12 Months)

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Loan From Banks:					
-Indian Rupee Term Loan, Secured	38.13	-	94.96	137.62	148.00
-Indian Rupee Working Capital Term Loan, Unsecured	51.33	51.33	-	-	-
Loan From Financial Institutions:					
-Indian Rupee Term Loans, Secured	3.08	9.41	14.40	11.12	1.52
Loan From Related Parties:					
-Indian Rupee Loan, Unsecured	-	50.00	-	-	-
Total	**92.55**	**110.74**	**109.36**	**148.74**	**149.53**

2.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

3.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

4.The above statement should be read with the Restated Summary Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security as appearing in Annexure -XXXI.

5.Amount due to Related Party represents as disclosed in Annexure XXXV 'Related Parties Transactions'.

RESTATED STATEMENT OF LONG TERM PROVISIONS **ANNEXURE - VIII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Provisions for Employee Benefits					
- Gratuity	29.22	29.00	33.85	30.23	25.53
- Leave Encashment	9.20	8.89	16.27	11.39	8.82
Total	**38.42**	**37.89**	**50.12**	**41.62**	**34.36**

RESTATED STATEMENT OF SHORT TERM PROVISIONS

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Provisions for Employee Benefits					
- Leave Entitlement	2.67	1.92	1.40	0.92	0.78
- Gratuity	24.01	23.06	19.02	14.88	11.46
Others					
- Provision for Income Tax	5.96	6.61	-	-	11.82
- Provision for Dividend	22.57	11.28	-	-	-
- Provision for Dividend Distribution Tax	3.84	1.92	-	-	-
- Provision for Wealth Tax	0.22	0.20	0.20	0.19	0.22
Total	**59.27**	**44.99**	**20.63**	**15.98**	**24.27**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.
2. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF SHORT TERM BORROWINGS **ANNEXURE - IX**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Secured					
Working Capital Loans from Banks repayable on Demand					
-Working Capital Demand Loan	-	-	-	82.50	80.00
-FCNR (B) Loan	-	-	76.32	-	-
-Packing Credit -Indian Currency	-	-	-	-	-
-Preshipment Packing Credit-Foreign Currency	831.34	970.31	944.01	857.27	539.08
-Post shipment Packing Credit-Foreign Currency	-	-	25.03	-	10.73
-Cash Credit	0.15	-	-	-	-
	831.49	**970.31**	**1,045.35**	**939.77**	**629.81**
Unsecured					
Short Term Loans from Bank	-	-	-	315.00	245.00
Total	**831.49**	**970.31**	**1,045.35**	**1,254.77**	**874.81**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

3. The above statement should be read with the Restated Summary Statement of Principal Terms of Secured and Unsecured Loans and Assets Charged as Security as appearing in Annexure -XXXI.

RESTATED STATEMENT OF TRADE PAYABLES **ANNEXURE - X**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Trade Payables	261.84	151.18	135.70	203.94	53.00
Total Trade Payables	**261.84**	**151.18**	**135.70**	**203.94**	**53.00**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF OTHER CURRENT LIABILITIES **ANNEXURE - XI**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Current maturities of long-term debts					
- Secured	41.21	9.41	109.36	148.74	149.53
- Unsecured	51.33	101.33	-	-	-
Due to Directors	0.08	0.02	0.02	0.36	1.00
Trade Deposits and Advances	0.29	3.09	1.31	0.57	0.75
Provision for Expenses	22.36	25.44	14.17	16.15	3.74
Employee Benefits Payable	76.16	64.19	41.15	36.68	33.93
Temporary Overdraft from Banks	145.61	159.77	352.20	386.54	204.74
Amount Payable to Bank (MTM)		-	81.28	29.55	48.91
Statutory Dues Payable	11.53	11.57	12.03	12.22	16.97
Total	**348.59**	**374.82**	**611.52**	**630.82**	**459.58**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

3. Amount due to Related party represents as disclosed in Annexure XXXV 'Related Parties Transactions'.

RESTATED STATEMENT OF FIXED ASSETS **ANNEXURE - XII**

Rs. In Million

Particulars	As at March 31, 2014			As at March 31, 2013			As at March 31, 2012			As at March 31, 2011			As at March 31, 2010		
	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block	Gross Block	Accumulated Depreciation	Net Block
Tangible Assets															
Leasehold Land	251.56	-	**251.56**	114.69	-	**114.69**	114.69	-	**114.69**	114.69	-	**114.69**	114.69	-	**114.69**
Buildings	458.63	78.37	**380.26**	406.35	63.85	**342.50**	393.08	50.66	**342.41**	390.92	37.55	**353.37**	392.18	24.60	**367.58**
Leasehold Improvements	15.17	3.05	**12.13**	15.17	1.33	**13.84**	-	-	-	-	-	-	-	-	-
Plant & Machinery	1,090.65	390.39	**700.26**	1,004.71	319.58	**685.13**	983.24	250.06	**733.18**	966.38	182.11	**784.28**	919.00	136.97	**782.03**
Furniture & Fittings	38.93	16.89	**22.03**	37.81	14.47	**23.34**	30.18	12.21	**17.97**	29.39	10.36	**19.02**	28.23	8.54	**19.69**
Vehicles	65.70	31.28	**34.42**	65.92	27.14	**38.78**	62.62	24.79	**37.83**	52.54	20.34	**32.20**	51.36	17.41	**33.94**
Office Equipments	35.11	11.67	**23.44**	33.18	10.06	**23.12**	31.17	8.57	**22.59**	29.56	7.16	**22.40**	27.55	5.71	**21.85**
Computers	73.06	43.79	**29.27**	61.61	36.76	**24.85**	52.35	29.72	**22.63**	44.19	23.88	**20.31**	39.95	17.36	**22.59**
Total	**2,028.80**	**575.44**	**1,453.36**	**1,739.45**	**473.19**	**1,266.26**	**1,667.33**	**376.01**	**1,291.32**	**1,627.67**	**281.40**	**1,346.27**	**1,572.96**	**210.58**	**1,362.37**
Intangible Assets															
Softwares	85.49	47.55	**37.95**	48.48	34.07	**14.41**	46.45	26.47	**19.98**	40.49	19.08	**21.41**	31.80	11.69	**20.11**
Total	**2,114.29**	**622.98**	**1,491.31**	**1,787.93**	**507.26**	**1,280.67**	**1,713.78**	**402.48**	**1,311.29**	**1,668.16**	**300.49**	**1,367.67**	**1,604.76**	**222.28**	**1,382.49**
Capital Work in Progress	-	-	**20.15**	-	-	**21.01**	-	-	**14.48**	-	-	**5.31**	-	-	**5.57**
Intangible Assets under Development	-	-	**3.23**	-	-	**37.21**	-	-	**8.31**	-	-	**3.74**	-	-	**8.23**
Total	**2,114.29**	**622.98**	**1,514.69**	**1,787.93**	**507.26**	**1,338.89**	**1,713.78**	**402.48**	**1,334.08**	**1,668.16**	**300.49**	**1,376.72**	**1,604.76**	**222.28**	**1,396.29**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF NON-CURRENT INVESTMENTS **ANNEXURE - XIII**

Rs. In Million

PARTICULARS	No. of Shares/Units and Amount				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Trade investments					
Unquoted					
-In Equity Shares					
In wholly Owned Subsidiaries:					
- Uniparts USA Ltd.					
Common stock of $ 10 each fully paid-up					
No. of Share/Units	2,000	2,000	2,000	2,000	2,000
Amounts (In Rs.)	0.87	0.87	0.87	0.87	0.87
- Uniparts Europe B.V.					
Shares of € 1 each fully paid-up					
No. of Share/Units	1,100,000	1,100,000	1,100,000	1,100,000	1,100,000
Amounts (In Rs.)	71.06	71.06	71.06	71.06	71.06
Less: Provision for Permanent Diminution in Value of Investment	17.76	17.76	-	-	-
Net value of Investment Amounts	53.29	53.29	71.06	71.06	71.06
- Gripwel Fasteners Pvt. Ltd.					
Equity shares of Rs 10 each fully paid-up					
No. of Share/Units	5,759,842	5,759,842	5,759,842	5,759,842	5,759,842
Amounts (In Rs.)	49.87	49.87	49.87	49.87	49.87
- Uniparts India GmbH					
Equity shares of € 100000 each fully paid-up					
No. of Share/Units	1	1	1	1	-
Amounts (In Rs.)	5.94	5.94	5.94	5.94	-
-In Preference Shares					
In Wholly Owned Subsidiaries:					
- Uniparts USA Ltd.					
Preferred stock of $ 10 each fully paid-up					
No. of Share/Units	800,000	800,000	800,000	800,000	800,000
Amounts (In Rs.)	392.67	392.67	392.67	392.67	392.67
Total Non Current Investment	**502.64**	**502.64**	**520.40**	**520.40**	**514.46**

Notes:

1. The Figures disclose above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2. These Investment are in the name of the company and all are in Wholly Owned Subsidiary.

3. The Company had invested Euro 1,100,000 in its wholly owned subsidiary Uniparts Europe BV which had further invested Euro 1,000,001 in its subsidiary Uniparts Kavee BV in accordance with the terms of the joint venture agreement. Uniparts Europe BV has mutually ended the said joint venture agreement with Kramp Groep BV with effect from April 01, 2012 and realized Euro 725,000 against its original investment. The management, keeping in view the going concern concept, has evaluated its investment in the said subsidiary for the purpose of determination of potential diminution in value of its investment as on March 31, 2013 and has accordingly recognized a provision of Rs. 17,764,875 for diminution in value of its investment in Uniparts Europe BV as at March 31, 2013, which has been charged to the Profit & Loss Account as an exceptional item.

4. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF LONG TERM LOANS AND ADVANCES **ANNEXURE - XIV**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Unsecured, Considered Good:					
Security Deposits,	29.60	35.93	33.00	29.97	29.00
To Subsidiaries/Group Companies	-	-	6.66	217.51	223.76
Loans to Employees	6.68	4.24	4.60	3.39	3.49
Capital Advances	2.99	7.32	8.12	3.57	0.95
	39.27	**47.49**	**52.38**	**254.44**	**257.19**
Other Loans & Advances					
Unsecured, Considered Good:					
MAT Credit Receivable	73.18	62.55	30.48	30.48	23.35
Advance Income Tax (net of provision for tax)	-	-	32.99	19.04	-
Income Tax Refund Due	47.13	40.79	11.76	-	-
	120.32	**103.34**	**75.23**	**49.52**	**23.35**
Total Long-term Loans & Advances	**159.59**	**150.83**	**127.62**	**303.96**	**280.54**

Amounts due from Subsidiary Company / Group Company:-

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
From Wholly Owned Subsidiaries Company					
- Loan Recoverable	-	-	-	216.22	223.76
- Other Recoverable	-	-	6.66	1.29	-
Total	**-**	**-**	**6.66**	**217.51**	**223.76**

Notes:

1. The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2. Amount due from Subsidiaries companies represents as disclosed in Annexure XXXV 'Related Parties Transactions'.

3. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

4. 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 the list is accurate and complete.

RESTATED OTHER NON-CURRENT ASSETS **ANNEXURE - XV**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Unsecured, Considered Good					
Interest Receivable on Loan Given to Wholly Owned Subsidiaries	-	-	0.32	0.13	34.11
Total	-	-	**0.32**	**0.13**	**34.11**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.Amount due from Subsidiaries companies represents as disclosed in Annexure XXXV 'Related Parties Transactions'

3. The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure-IV.

4. 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 the list is accurate and complete.

RESTATED STATEMENT OF INVENTORIES **ANNEXURE - XVI**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Raw Materials (Includes Materials in Transit)	127.50	98.76	118.96	102.00	73.46
Work-in-progress	372.45	385.11	504.76	663.68	457.66
Finished Goods (Includes Goods at Port)	202.56	210.61	112.37	56.01	83.87
Traded Goods	-	1.82	-	17.96	-
Stores and Spares (Includes Materials in Transit)	88.22	80.77	65.15	58.14	40.05
Scrap	3.56	9.05	1.84	6.26	2.52
Total	**794.28**	**786.13**	**803.08**	**904.05**	**657.56**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF TRADE RECEIVABLES **ANNEXURE - XVII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Debt outstanding for a period exceeding six months from the date they are due for payment					
- Unsecured, Considered Good	12.61	4.76	38.48	69.87	51.18
Less: Provision for Doubtful Debts	-	-	-	-	-
Debt outstanding for a period not exceeding six months					
- Unsecured, Considered Good	716.16	724.23	753.49	949.24	368.85
Less: Provision for Doubtful Debts	-	-	-	-	-
Total Trade Receivables	**728.77**	**729.00**	**791.97**	**1,019.12**	**420.03**

Amount outstanding from Subsidiary and Associate Company (included in trade receivables)

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
From Subsidiary & Associate Companies	332.61	345.82	316.08	526.41	178.78
Total	**332.61**	**345.82**	**316.08**	**526.41**	**178.78**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.Amount due from Subsidiaries and Associate companies represents as disclosed in Annexure XXXV 'Related Parties Transactions'.

3.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

4.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 the list is accurate and complete.

RESTATED STATEMENT OF CASH AND BANK BALANCES **ANNEXURE - XVIII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Cash on Hand	3.96	4.63	3.95	7.26	0.87
Cheques in Hand	0.04	-	4.07	0.12	-
Balances with Banks-in Cash Credit & Current Accounts	23.49	22.12	28.68	9.66	51.23
Balances with Banks-in EEFC Accounts	0.08	0.01	1.54	7.43	1.86
Fixed Deposits (more than 3 months & less than 12 months maturity)	0.89	0.89	0.86	0.83	1.10
Fixed Deposits (more than 12 months maturity)	0.02	0.02	0.02	0.02	0.02
Total Cash and Bank Balances	**28.48**	**27.66**	**39.12**	**25.32**	**55.08**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED STATEMENT OF SHORT TERM LOANS AND ADVANCES **ANNEXURE - XIX**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Unsecured, Considered Good:					
Advances to Suppliers	15.57	15.64	12.89	9.27	5.47
Balance with Sales Tax, Central Excise Department, Service tax etc.	89.38	81.18	72.90	97.90	92.41
Prepaid Expenses	12.24	10.66	7.52	6.39	5.17
Advance Payments, Other Recoverable in Cash or in Kind or for Value to be Received	0.89	0.68	0.44	0.84	0.77
Total Short Term Loans & Advances	**118.09**	**108.15**	**93.75**	**114.40**	**103.82**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities ,Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED STATEMENT OF OTHER CURRENT ASSETS **ANNEXURE - XX**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Export Incentives Receivable	23.88	31.19	42.93	53.73	19.96
Advance Rent	0.95	0.95	2.75	2.70	2.70
Commission Receivable	0.20	0.05	0.74	-	-
Interest Accrued on Fixed Deposits	0.43	0.21	0.16	0.03	0.03
Amount Receivable from Bank (Forward Contracts)	16.28	10.36	-	-	-
Share Issue Expenses (to the extent not written off or adjusted)	23.27	1.87	-	-	-
Total	**65.00**	**44.64**	**46.57**	**56.47**	**22.70**

Notes:
1.The figure disclosed above are based on the Restated Summary Statement of Assets and Liabilities of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure-IV.

RESTATED STATEMENT OF REVENUE FROM OPERATIONS **ANNEXURE - XXI**

Rs. In Million

PARTICULARS	Year ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Sales:					
a) Finished Goods(Net of returns, rebate etc)	4,078.46	3,876.84	4,055.74	3,420.84	2,019.57
b) Traded Goods	56.16	128.78	339.22	357.05	108.58
c) Manufacturing Scrap	159.51	132.26	170.58	110.56	59.82
d) Job Work Receipts	1.22	1.72	2.01	3.17	2.32
Total	**4,295.34**	**4,139.60**	**4,567.55**	**3,891.63**	**2,190.29**
Less: Excise Duty	111.13	97.68	93.18	103.99	77.23
Revenue From Operations (Net)	**4,184.20**	**4,041.92**	**4,474.37**	**3,787.64**	**2,113.07**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities ,Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF OTHER REVENUE FROM OPERATIONS **ANNEXURE -XXII**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Export Incentive	35.79	40.14	58.70	73.16	40.90
Total	**35.79**	**40.14**	**58.70**	**73.16**	**40.90**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF OTHER INCOME **ANNEXURE - XXIII**

Rs. In Million

Particulars	Year ended				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
SOURCES OF OTHER INCOME:-					
RECURRING					
Lease Receipts	7.24	7.24	6.32	3.93	0.55
NON - RECURRING					
Interest on Deposits	0.06	0.07	0.05	0.07	0.15
Interest on Loan to Subsidiaries	0.35	0.19	13.56	12.80	27.24
Dividend Income From Investment in Mutual Funds	-	-	0.02	0.12	-
Gain on Foreign Exchange Fluctuations including MTM	-	81.28	-	84.58	240.82
Miscellaneous Income	9.43	31.87	6.74	6.45	2.38
TOTAL	**17.07**	**120.64**	**26.69**	**107.95**	**271.14**

Notes:

1. The classification of 'Other Income' as recurring or non-recurring to business activities is based on the current operations and business activities of the Company as determined by the management.

2. The figures disclosed above are based on the Restated Summary Statement of Profits and Loss of the Company.

3.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

ANNEXURE -XXIV

RESTATED STATEMENT OF COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Inventories at the beginning of the year	87.60	92.96	82.01	66.68	112.38
Add:Purchase	1,810.72	1,777.32	1,991.69	1,758.81	845.85
	1,898.32	**1,870.28**	**2,073.70**	**1,825.49**	**958.24**
Less: Inventories at the end of the year	103.66	87.60	92.96	82.01	66.68
Cost of Materials Consumed	**1,794.66**	**1,782.68**	**1,980.73**	**1,743.48**	**891.55**

Notes:
1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF PURCHASE OF TRADED GOODS **ANNEXURE - XXV**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Linkage parts and components for off-highway Vehicles	38.03	115.36	315.54	325.55	109.69
Total	**38.03**	**115.36**	**315.54**	**325.55**	**109.69**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

ANNEXURE - XXVI

RESTATED STATEMENT OF CHANGES IN THE INVENTORIES OF FINISHED, WORK IN PROGRESS AND TRADED GOODS

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
(Increase)/Decrease in Stocks					
Stocks at the end of the year					
-Finished Goods	202.56	210.61	112.37	73.97	83.87
-Work In Progress	372.45	385.11	504.76	663.68	457.66
-Scrap	3.56	9.05	1.84	6.26	2.52
-Traded Goods	-	1.82	-		
	578.56	**606.60**	**618.97**	**743.91**	**544.05**
Stocks at the beginning of the year					
-Finished Goods	210.61	112.37	73.97	83.87	72.86
-Work In Progress	385.11	504.76	663.68	457.66	431.59
-Scrap	9.05	1.84	6.26	2.52	1.69
-Traded Goods	1.82	-			
	606.60	**618.97**	**743.91**	**544.05**	**506.14**
	-	-	-	-	-
Total	**28.04**	**12.38**	**124.93**	**(199.86)**	**(37.90)**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure - IV.

RESTATED STATEMENT OF EMPLOYEE BENEFITS EXPENSES **ANNEXURE - XXVII**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Salaries, Wages and Bonus (including Director's Remuneration)	605.73	553.79	498.67	414.63	319.96
Contributions to Provident and Other Funds	26.04	22.57	19.14	16.63	13.78
Staff welfare expenses	31.35	27.74	28.48	29.52	22.56
Total	**663.12**	**604.10**	**546.29**	**460.78**	**356.30**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF OTHER EXPENSES **ANNEXURE - XXVIII**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Stores, Spares and Tools consumed	302.18	296.94	327.60	316.94	206.79
Sub-contracting expenses	194.27	192.93	220.05	220.38	102.19
Power, Fuel and Water	263.56	239.17	203.08	176.79	118.26
Cartage, Freight and forwarding expenses	180.10	218.12	289.86	487.79	142.56
Air Freight	48.76	33.85	-	-	-
Rent	22.54	26.24	33.86	34.14	36.94
Rates and Taxes (including Wealth Tax)	11.13	9.17	11.46	9.99	6.16
Travelling and Conveyance	23.66	25.66	25.77	22.52	24.36
Communication	7.96	8.70	9.10	10.75	8.91
Printing and stationery	5.23	4.92	5.04	5.47	4.12
Insurance	4.42	3.95	2.56	2.71	2.74
Repair and maintenance:					
Plant and Machinery	20.05	12.17	53.62	53.20	37.95
Building	83.98	53.73	16.35	10.80	6.34
Others	28.50	16.56	16.58	9.81	10.21
Office Maintenance	9.52	8.95	8.62	7.98	7.42
Vehicle Repair and Maintenance	5.36	6.15	5.62	6.27	4.90
Advertisement, Publicity and Sales Promotion	4.25	3.78	4.15	2.70	3.75
Commission and Discount	2.65	2.31	1.53	4.17	0.50
Legal and professional fees	17.85	15.90	14.37	14.70	20.66
Directors Sitting Fees	0.02	-	-	-	-
Payment to auditors (Refer details below)	2.99	2.39	2.11	2.01	1.63
Exchange differences (net)	70.29	122.65	115.80	-	-
Bad debts	4.33	2.57	0.62	0.16	-
Loss on sale of fixed assets (net)	1.82	1.32	0.72	0.00	5.56
Expenses for Increase in Authorised Share Capital	1.75	-	-	-	-
Stamp Duty on issue of Shares	1.33	-	-	-	-
Miscellaneous expenses	8.50	2.37	0.99	2.44	2.49
	1,326.99	**1,310.50**	**1,369.45**	**1,401.70**	**754.46**

Payment to auditors:

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
As auditor:					
Audit Fee	1.90	1.75	1.65	1.40	1.20
Tax audit fee	0.18	0.10	0.10	0.35	0.10
In other capacity:					
Other Capacity	0.03	0.01	-	-	-
Taxation matters	0.12	0.10	0.10	0.07	0.07
Out of Pocket expenses	0.76	0.44	0.26	0.19	0.27
Total	**2.99**	**2.39**	**2.11**	**2.01**	**1.63**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF DEPRECIATION AND AMORTIZATION **ANNEXURE - XXIX**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Depreciation of Tangible Assets	106.57	101.97	97.92	73.07	67.94
Amortization of Intangible Assets	13.48	7.60	7.39	7.39	5.47
Total	**120.04**	**109.57**	**105.30**	**80.46**	**73.41**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

RESTATED STATEMENT OF FINANCE COSTS **ANNEXURE - XXX**

Rs. In Million

PARTICULARS	Year Ended				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Interest	95.27	77.55	122.90	110.15	137.52
Bill Discounting Charges	8.65	8.54	8.96	7.57	6.38
Bank Charges	3.59	4.17	6.56	3.35	2.37
Total	**107.52**	**90.25**	**138.42**	**121.07**	**146.27**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and loss and Cash Flows as appearing in Annexure -IV.

ANNEXURE - XXXI

STATEMENT OF PRINCIPAL TERMS OF SECURED AND UNSECURED LOANS AND ASSETS CHARGED AS SECURITY

A.DETAILS OF LONG TERM BORROWINGS

1. Working Capital Term Loan

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Kotak Mahindra Bank Limited	94.11 millions	Loan Amount:- Rs.150.00 millions Rate of Interest:- 11.60%	i).Mortgage by way of exclusive charge over land and buildings belonging to promoters situated at C-18,19 & 20,Sector-59,Noida,U.P ii).Personal Guarantee of the promoters	Repayable by first installments of Rs. 277,777 and in 35 EMIs of Rs. 4,277,777 Each starting from the month of February 2013.

2.Term Loans From Bank

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Induslnd Bank	300.00 millions	Loan Amount:- Rs.300.00 millions Rate of Interest:- 12.00%	i) Exclusive charge on Land and Building situated at C- 140, Phase V, Focal point, Dhandari Kalan, Ludhiana and Plot No.-D-126 A & D - 127 A, Phase V, Focal Point, Dhandari Kalan, Ludhiana. ii) FirstPari passu charge on the entire movable fixed assets of the company both present and future. iii) First pari passu charge by way of equitable mortgage of land and building situated at B208, A1 & A2, Phase II, Noida. iv)Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable in 48 EMIs starting from the end of 12 months from the date of first disbursement.

3.Term Loans For Vehicles
i From Financial Institutions

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Kotak Mahindra Prime Ltd. 7444548	0.44 millions	Loan amount:- Rs. 2.00 millions Rate Of Interest:- 11.52%	Secured by way of hypothecation of vehicle	Repayable in 36 EMIs of Rs.64,900 each starting from 24-11-2011
Kotak Mahindra Prime Ltd. 7553617	0.86 millions	Loan amount:- Rs. 3.50 millions Rate Of Interest:- 10.66 %	Secured by way of hypothecation of vehicle	Repayable in 36 EMIs of Rs.112,525 each starting from 26-12-2011
Kotak Mahindra Prime Ltd. 6776400	0.42 millions	Loan amount:- Rs. 0.95 millions Rate Of Interest:- 10.66 %	Secured by way of hypothecation of vehicle	Repayable in 60 EMIs of Rs.20,577 each starting from 29-03-2011
Kotak Mahindra Prime Ltd. 7717251	1.27 millions	Loan amount:- Rs. 2.02 millions Rate Of Interest:- 11.46 %	Secured by way of hypothecation of vehicle	Repayable in 60 EMIs of Rs.43,960 each starting from 17-02-2012
Kotak Mahindra Prime Ltd. 8105589	1.17 millions	Loan amount:- Rs. 2.00 millions Rate Of Interest:- 10.51 %	Secured by way of hypothecation of vehicle	Repayable in 48 EMIs of Rs.50,520 each starting from 19-06-2012
Kotak Mahindra Prime Ltd. 8548653	1.79 millions	Loan amount:- Rs. 2.70 millions Rate Of Interest:- 10.09 %	Secured by way of hypothecation of vehicle	Repayable in 48 EMIs of Rs.67,666 each starting from 30-10-2012

ii From Banks

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
ICICI Bank 27075215	1.71 millions	Loan amount:- Rs. 2.00 millions Rate Of Interest:- 11% p.a	Secured by way of hypothecation of vehicle	Repayable in 36 EMIs of Rs.65,478 each starting from 01-10-2013

B.SHORT TERM BORROWINGS

1.Working Capital Facility

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
FUND BASED				
Citi Bank	262.19 millions	Sanction Amt: Rs. 400 millions Rate Of Interest: Ranges from LIBOR+230 to 450bps	i) First Pari passu charge on all present and future stocks and receivables, to be duly registered with ROC. ii) First pari passu charge vide equitable mortgage of land and building situated at B208, A1 & A2, Phase II, Noida(UP) iii) Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. iv) Lien on investment in the units of Kotak Alternate Opportunities (India) Fund in the name of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months.
Kotak Mahindra Bank Limited	253.32 millions	Sanction Amt: Rs. 300 millions Rate Of Interest: Ranges from LIBOR+230bps to 450bps	i) First Pari passu charge on all existing and future current assets & moveable fixed assets of the Borrower, to be shared with other working capital and term lender of the Company. ii) First Pari passu charge on the immovable properties being land & building situated at Plot No. B-208, A1 & A2, Noida Phase II, U.P with other working capital and term lender of the Company iii) Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months
ING Vysya Bank	315.83 millions	Sanction Amt: Rs. 500 millions Rate Of Interest: Ranges from LIBOR+230bps to 450bps	i) First Pari passu charge on all existing and future currentassets & moveable assets of the Company, along with other working capital and term lenders. ii) First Pari passu charge on the immovable properties being land & building situated at Plot No. B-208, A1 & A2, Noida Phase II, U.P. iii) Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months

2. Cash Credit

Particulars	Outstanding Amount As At 31 March 2014	Sanction Amount and Present Rate of Interest	Details of Security	Repayment Schedule
Citi Bank	0.15 millions	Sanction Amt:Rs. 100 millions sublimit of total limit of Rs. 400 millions Rate Of Interest: 11%	i) First Pari passu charge on all present and future stocks and receivables, to be duly registered with ROC. ii) First pari passu charge vide equitable mortgage of land and building situated at B208, A1 & A2, Phase II, Noida(UP) iii) Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. iv) Lien on investment in the units of Kotak Alternate Opportunities (India) Fund in the name of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.	Repayable on Demand or within 6 Months.

RESTATED STATEMENT OF TAX SHELTER **ANNEXURE - XXXII**

Rs. In Million

	PARTICULARS	YEAR ENDED				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
	Restated Net Profit Before Current & Deferred Taxes	158.65	160.09	(20.92)	35.57	131.33
	Add: Wealth Tax	0.22	0.20	0.20	0.20	0.22
A	**Net Profit Before Current & Deferred Taxes, as Restated**	**158.87**	**160.30**	**(20.71)**	**35.77**	**131.56**
B	Tax Rate	32.45%	32.45%	32.45%	33.22%	33.99%
	MAT Rate	20.96%	20.01%	20.01%	19.93%	17.00%
C	**Tax At Notional Rates (A * B)**	**51.54**	**52.01**	**(6.72)**	**11.88**	**44.72**
	Permanent Differences					
	Expenses Disallowed under Income Tax	3.75	(63.17)	51.87	(19.16)	(239.15)
	Loss on Sale of Fixed Asset	1.82	1.32	0.72	0.00	5.56
	Income Offered to Tax in the Last Year	-	-	-	-	(1.02)
	Exempt Income	-	-	(0.02)	-	-
D	**Total Permanent Differences**	**5.56**	**(61.85)**	**52.57**	**(19.16)**	**(234.61)**
	Timing Differences					
	Disallowances u/s 43B of I.T Act,1961	3.03	(2.55)	14.80	12.30	4.86
	Adjustment Of Stock u/s 145A	7.64	(5.83)	(6.75)	16.59	(6.14)
	Difference Between Book Depreciation and Tax Depreciation	(25.07)	(7.93)	(17.82)	(57.90)	(108.45)
	Unabsorbed Depreciation/Brought Forward Losses	(55.96)	(82.14)	(22.10)	-	-
E	**Total Timing Differences**	**(70.37)**	**(98.45)**	**(31.86)**	**(29.00)**	**(109.73)**
F	**Net Adjustment (D + E)**	**(64.80)**	**(160.30)**	**20.71**	**(48.17)**	**(344.34)**
G	**Total Tax Expense/(Saving) (B * F)**	**(21.02)**	**(52.01)**	**6.72**	**(16.00)**	**(117.04)**
H	**Allowable Deduction**	**7.85**				
I	**Tax Payable for the Year (C + G -H)**	**22.67**	**-**	-	**-**	-
	Book Profit for MAT	158.87	160.30	(20.71)	35.77	131.56
	MAT Rate	20.96%	20.01%	20.01%	19.93%	17.00%
J	**Tax under MAT**	**33.30**	**32.07**	**-**	**7.13**	**22.36**
K	**Tax Payable for the Year (higher of I / J)**	**33.30**	**32.07**	**-**	**7.13**	**22.36**
	Total Tax as per Books of Accounts, as Restated	**33.30**	**32.07**	**-**	**7.13**	**22.36**
	Add: Interest on Tax	-	-	-	-	0.99
	Total Tax as per Books of Accounts, as Restated	**33.30**	**32.07**	**-**	**7.13**	**23.35**

Notes:

1.The figure disclosed above are based on the Restated Summary Statement of Profit and Loss of the Company.

2.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in Annexure - IV.

RESTATED STATEMENT OF DIVIDEND **ANNEXURE - XXXIII**

Rs. In Million

PARTICULARS	As At				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Total Number of Equity Shares outstanding at the year end	22,566,879	22,566,879	22,566,879	22,566,879	22,566,879
Face Value of Each Share	10	10	10	10	10
Rate of Dividend(%)	5%	5%	-	-	-
Amount of Dividend	22.57	11.28	-	-	-

Notes:

1.The above statement should be read with the notes to the Restated Summary Statement of Assets and Liabilities, Profit and Loss and Cash Flows as appearing in

2.The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014 and have been considered for dividend.

RESTATED STATEMENT OF ACCOUNTING RATIOS **ANNEXURE - XXXIV**

Rs. In Million (except per share data in Rs.)

PARTICULARS	As At				
	31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
Restated Net Profit after Tax (A)	90.70	128.62	(30.79)	29.43	74.04
Add: Employee Compensation Cost	-	-	-	-	-
Restated Profit for calculating Dilutive EPS (B)	90.70	128.62	(30.79)	29.43	74.04
Net Worth excluding Share Issue Expenses (to the extent not written off or adjusted) (C)	1,911.19	1,866.62	1,751.35	1,780.33	1,748.40
Weighted Average No. of Shares outstanding at the end of the year for calculating Dilutive EPS (D)	**22,566,879**	**22,566,879**	**22,566,879**	**22,566,879**	**19,903,143**
Less: Shares issued to ESOP Trust Included in Share Outstanding	513,600	513,600	525,600	525,600	465,600
Weighted Average No. of Shares outstanding at the end of the year for calculating Basic EPS (E)	**22,053,279**	**22,053,279**	**22,041,279**	**22,041,279**	**19,437,543**
No. Of Shares Outstanding at the End of the Year (F)	**22,566,879**	**22,566,879**	**22,566,879**	**22,566,879**	**22,566,879**
Earning Per share (EPS); Face Value Rs. 10/-					
a) Basic (A / E)	**4.11**	**5.83**	**(1.40)**	**1.34**	**3.81**
b) Diluted (A / D)	**4.02**	**5.70**	**(1.40)**	**1.30**	**3.72**
Net Asset Value per equity share (C / F)	**84.69**	**82.71**	**77.61**	**78.89**	**77.48**
Return on Net Worth (%) (A / C)	**4.75**	**6.89**	**(1.76)**	**1.65**	**4.23**

Notes:

1.ESOP issued to employees has not been considered for diluted EPS for the year ended 31 March, 2012 as they are anti dilutive in nature.

2.The ratios have been computed as below:

(i) Basic Earning Per Share

$$\frac{\text{Restated Net Profit after Tax}}{\text{Weighted Average Number of Equity Shares outstanding during the year excluding shares issued to ESOP Trust}}$$

(ii) Diluted Earning Per Share

$$\frac{\text{Restated Net Profit after Tax}}{\text{Weighted Average Number of Equity Shares outstanding during the year Including shares issued to ESOP Trust}}$$

(iii) Net Asset Value Per Share

$$\frac{\text{Restated Net worth}}{\text{Number of Equity Shares outstanding at the end of the year}}$$

(iv) Return on Net Worth

$$\frac{\text{Restated Net Profit after Tax}}{\text{Restated Net Worth}}$$

3. The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014 by way of capitalization of securities premium due to which the ratio of Net Assets Value Per Share will change from Rs. 84.69 to Rs. 42.34.

RESTATED STATEMENT OF RELATED PARTY TRANSACATIONS **ANNEXURE - XXXV**

LIST OF RELATED PARTIES

1 Subsidiary Companies

S.No.	Name of Company	Country of Incorporation	Voting Power held as at 31.03.2014	Voting Power held as at 31.03.2013	Voting Power held as at 31.03.2012	Voting Power held as at 31.03.2011	Voting Power held as at 31.03.2010
I.	Uniparts USA Limited	USA	100%	100%	100%	100%	100%
II.	Uniparts Europe BV	Netherlands	100%	100%	100%	100%	100%
III.	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	India	100%	100%	100%	100%	100%
IV.	Uniparts India Gmbh (From 13/04/2010)	Germany	100%	100%	100%	100%	-

1A Step down Subsidiaries

I.	Uniparts Olsen Inc.	USA	100%	100%	100%	100%	100%
II.	Uniparts Kavee BV	Netherlands	N.A.**	N.A.**	50%+1 Share	50%+1 Share	50%+1 Share
III.	Uniparts Kavee Services B.V.	Netherlands	N.A.**	N.A.**	50%+1 Share*	50%+1 Share*	50%+1 Share*

*Uniparts Kavee B.V. owns 100% in Uniparts Kavee Services B.V.; thus Uniparts India Ltd. owns 50% + 1 share in Uniparts Kavee Services indirectly.

**Uniparts Kavee B.V. cease to be step down subsidiary w.e.f 1st April 2012 due to which indirectly Uniparts Kavee Services B.V. also cease to be step down subsidiary w.e.f 1st April 2012.

2 Associates

I. SKG Engineering Pvt. Ltd.
II. Ace Tractors Parts Ltd.
III. Avid Maintenance Private Limited (Formerly Known as Kramp GF Exports Pvt. Ltd.)
IV. SGA Trading Pvt. Ltd.
V. Tima Trading Pvt. Ltd.
VI. Amazing Estates Pvt. Ltd.
VII. Vivify Net Pvt. Ltd. (From 2012 onwards)
VIII. G.K.P. Farms Pvt. Ltd.
IX. Silveroak Estates Pvt. Ltd.
X. Uniparts Engineering Pvt. Ltd.
XI. Charisma Homes Pvt. Ltd.
XII. Blue Bells Homes Pvt. Ltd.
XIII. Gripwel Fasteners (Partnership Firm)
XIV. Farmparts Company (Partnership Firm)
XV. Soni Holdings
XVI. Indento International
XVII. Uniparts India Limited Employee Group Gratuity cum Life Assurance Scheme

3 Trust

I. Uniparts ESOP Trust
II. Soni Foundation
III. P Soni Family Trust

4 Enterprises owned or significantly influenced by KMP and/or their relatives

I. None

5 Key Management Personnel

I. Mr. Gurdeep Soni - (Managing Director)
II. Mr. Paramjit Singh Soni - (Director & Vice-Chairman)
III. Mr. Herbert Coenen - (Director) (From 12 January 2013)
IV. Mr. Kirpal Singh Soni (Till 29 November 2013)

6 Relative of KMP*

I. Mr. Angad Soni
II. Mrs. Pamela Soni

*Relative of Key Management Personnel with whom transactions have been taken place during the year

DETAILS OF RELATED PARTY TRANSACTIONS

I. Subsidiary Companies/Step-Down Subsidiaries/Associates

Rs. In Million

	Nature of Transactions	YEAR ENDED				
		31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
1	**Purchase of goods/samples**					
	Uniparts USA Limited	6.71	-	1.28	-	-
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	12.13	27.43	18.82	13.33	6.38
	Uniparts India GmbH	46.46	18.93	24.48	3.53	-
	Uniparts Olsen Inc.	-	-	1.01	3.17	-
	Uniparts Kavee BV	-	-	-	6.97	0.31
	Ace Tractor Parts Ltd.	41.07	195.25	144.23	-	-
2	**Purchase of finished goods**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	16.12	98.12	300.24	325.55	109.69
3	**Purchase of Tools & Spares**				-	-
	Uniparts Olsen Inc.	0.05	3.00	3.78	0.06	1.14
4	**Sale of goods**				-	-
	Uniparts USA Limited	495.28	579.45	445.04	380.96	110.60
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	448.31	442.08	351.60	196.66	113.97
	Uniparts India GmbH	377.99	335.07	418.91	265.08	-
	Uniparts Olsen Inc.	415.91	563.79	506.99	291.00	81.67
	Uniparts Kavee BV	-	-	3.42	99.59	174.60
	Ace Tractor Parts Ltd.	-	0.66	0.26	-	-
5	**Purchase of Fixed Assets**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	0.15	-	-	2.60	30.02
	Uniparts India GmbH	-	-	0.54	-	-
	Uniparts Kavee BV	-	-	-	-	0.58
	Uniparts Olsen Inc.	0.34				
	Farmparts Company (Partnership Firm)	180.00				
6	**Sale of Fixed Assets**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	0.37	1.42	1.41	0.06	9.14
7	**Job Work Income**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	1.22	1.72	1.99	3.17	2.77
8	**Job Work Expenses**					
	Uniparts Kavee BV	-	-	-	0.10	-
9	**Rent Paid**					
	Gripwel Fasteners (Partnership Firm)	-	0.43	9.79	9.96	9.96
	Farmparts Company (Partnership Firm)	4.76	9.52	9.52	8.28	8.28
	SKG Engineering Pvt. Ltd.	4.76	4.76	4.76	4.14	4.14
	Soni Holdings	0.64	1.91	7.94	7.94	10.42
10	**Lease Rent on Machine Received**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	7.24	7.24	6.32	3.93	0.59
11	**Interest Received**					
	Uniparts USA Limited	-	-	3.53	5.18	19.45
	Uniparts Europe BV	-	-	-	-	0.35
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	0.35	0.19	9.45	7.39	7.35
	Uniparts India GmbH	-	-	0.18	0.13	-
12	**Interest Paid**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	0.40	0.74	-	-	-
13	**Re-imbursement of Expenses**					
	Uniparts Europe BV	-	-	-	-	-
	Uniparts USA Limited	1.68	1.15	-	-	-
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	-	4.88	0.03	-	3.38
	Uniparts India GmbH	0.17	-	-	0.01	-

	Uniparts Olsen Inc.	0.17	0.65	0.59	0.01	-
	Uniparts Kavee BV	-	-	-	-	-
	Soni Holdings	-	0.60	1.27	1.28	0.96
14	**Recovery of Expenses**					
	Uniparts USA Limited	-	0.92	14.79	45.30	0.07
	Uniparts Europe BV	-	-	-	1.29	1.42
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	0.01	2.72	27.33	0.12	0.03
	Uniparts India GmbH	2.04	4.11	4.64	0.48	-
	Uniparts Olsen Inc.	-	-	-	1.94	-
	Uniparts Kavee BV	-	-	-	0.49	-
15	**Other Income**					
	Uniparts USA Limited	-	-	1.61	4.09	-
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	0.01	-	-	-	0.09
	Uniparts Kavee BV	-	-	-	-	-
	Uniparts Olsen Inc.	-	27.26	-	-	-
16	**Guarantees & collaterals**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	175.00	200.00	200.00	55.70	55.70
	Uniparts USA Limited	-	81.44	76.32	66.81	67.34
	Uniparts Europe BV	-	-	-	69.40	66.59
17	**Stand by Letter of Credit Issued By Bank**					
	Uniparts India GmbH	205.93	173.95	169.73	-	-
	Uniparts USA Limited	-	271.45	254.40	-	-
	Uniparts Europe BV	-	-	-		
18	**Loan given**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	67.13	14.20	32.63	62.25	33.52
	Uniparts USA Limited	-			-	92.29
	Uniparts India GmbH	-			7.92	-
	Uniparts ESOP Trust	-	0.01		-	7.88
19	**Recovery of Loan**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	67.13	14.20	186.28	43.07	18.20
	Uniparts USA Limited	-	-	49.47	71.52	293.02
	Uniparts India GmbH	-	-	8.33	-	-
	Uniparts Europe BV	-	-	-	-	53.87
	Uniparts ESOP Trust	-	1.26	-	-	0.18
20	**Loan Accepted**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	64.34	54.70	-	-	-
	Avid Maintenance Private Limited (Formerly known as Kramp GF Exports Pvt. Ltd.)	-	9.00	8.40	4.00	4.56
	Gripwel Fasteners (Partnership)	-	-	4.00	5.08	3.65
	Farmparts (Partnership Firm)	-	-	-	4.50	-
21	**Loan Re-paid**					
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	64.34	54.70	-	-	-
	Avid Maintenance Private Limited (Formerly known as Kramp GF Exports Pvt. Ltd.)	-	9.00	8.40	4.00	4.56
	Gripwel Fasteners (Partnership Firm)	-	-	4.00	5.08	3.65
	Farmparts (Partnership Firm)	-	-	-	4.50	-
22	**Investment in Shares**	-				
	Uniparts Europe BV	-	-	-	-	53.87
	Uniparts USA Limited	-	-	-	-	273.89
	Uniparts ESOP Trust	-	-	-	-	7.88
	Uniparts India GmbH	-	-	-	5.94	-
23	**Current Account Receipts**					
	Silveroak Estates Pvt. Ltd.	-	-	-	-	-
	SKG Engineering Pvt. Ltd.	-	-	0.02	0.95	-
	Gripwel Fasteners	-	-	-	4.28	1.30
	Farmparts Company	-	1.11	0.91	-	0.93
	Amazing Estate Private Limited	-	1.38	1.64	0.44	-
	Tima Trading Private Limited	-	0.65	0.39	0.01	-
	SGA Trading Private Limited	-	1.58	0.49	-	-
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	5.04	10.12	-	-	-
	Soni Holdings	-	0.69	1.91	-	-

24	**Current Account Payments**					
	Silveroak Estates Pvt. Ltd.	-	-	-	-	-
	SKG Engineering Pvt. Ltd.	-	-	0.02	0.95	-
	Gripwel Fasteners	-	-	-	4.28	1.30
	Farmparts Company	-	1.11	0.91	-	0.93
	Amazing Estate Private Limited	-	1.38	1.64	0.44	-
	Tima Trading Private Limited	-	0.65	0.39	0.01	-
	SGA Trading Private Limited	-	1.58	0.49	-	-
	Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)	5.04	4.10	-	-	-
	Soni Holdings		0.69	1.91	-	-
25	**Security Deposit**					
	Soni Holdings	0.17	-	-	-	-

II. Key Managerial Personnel's and Relatives of KMP

Rs. In Million

	Nature of Transactions	**YEAR ENDED**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
1	**Loans & Advances Taken**					
	- Mr. Gurdeep Soni	115.36	76.50	7.20	159.55	180.52
	- Mr. Kirpal Singh Soni	-	0.03	-	1.64	9.67
	- Mr. Paramjit Singh Soni	-	-	-	-	2.78
2	**Loans & Advances Repayment**					
	- Mr. Gurdeep Soni	170.81	21.05	123.75	43.00	281.48
	- Mr. Kirpal Singh Soni	50.00	30.03	25.00	1.64	9.67
	- Mr. Paramjit Singh Soni	-	-	-	-	85.25
3	**Interest Payment**					
	- Mr. Gurdeep Soni	4.06	1.88	8.64	2.45	5.67
	- Mr. Kirpal Singh Soni	2.81	8.72	11.01	12.61	12.59
	- Mr. Paramjit Singh Soni	-	-	-	-	3.09
4	**Managerial Remuneration**					
	- Mr. Gurdeep Soni	15.84	14.64	13.48	11.23	8.24
	- Mr. Kirpal Singh Soni	-	-	-	-	-
	- Mr. Paramjit Singh Soni	-	-	-	-	-
	- Mr. Herbert Coenen	-	-	-	-	-
5	**Salaries Allowances**					
	- Mr. Angad Soni	1.73	1.73	1.36	0.80	0.70
6	**Current Account Receipts**					
	- Mr. Gurdeep Soni	3.34	4.36	5.76	2.76	6.93
	- Mr. Paramjit Singh Soni	-	0.16	-	-	1.67
	- Mr. Kirpal Singh Soni	-	-	0.67	-	-
7	**Current Account Payments**					
	- Mr. Gurdeep Soni	0.76	4.35	6.10	3.40	10.22
	- Mr. Paramjit Singh Soni	-	0.16	-	-	1.85
	- Mr. Kirpal Singh Soni	2.53	-	0.67	-	-

III. Outstanding Balances at the end of the year

Rs. In Million

	Closing Balances	**As At**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
1	**Gripwel Fasteners Pvt. Ltd.(Formerly Known as Unilink Engineering Private Limited)**					
	- In Loan Account	-	-	-	153.65	123.10
	- In Other Non-current assets	-	-	-	-	11.37
	- In Trade Account	121.30	51.72	72.64	56.33	66.21
	- In Equity Shares	49.87	49.87	49.87	49.87	49.87
2	**Uniparts USA Limited**					
	- In Loan Account	-	-	-	49.47	99.24
	- In Other Non-current assets	-	-	-	-	19.45
	- In Trade Account	167.04	219.74	115.83	226.83	91.12
	- In Equity Shares	0.87	0.87	0.87	0.87	0.87
	- In Preference shares	392.67	392.67	392.67	392.67	392.67
3	**Uniparts Europe BV**					
	- In Loan Account	-	-	6.66	6.19	1.42
	- In Other Non-current assets	-	-	-	-	3.29
	- In Equity Shares	71.06	71.06	71.06	71.06	71.06

4	**Uniparts India GmbH**					
	- In Loan Account	-	-	-	8.20	-
	- In Other Non-current assets	-	-	0.32	0.13	-
	- In Trade Account	18.63	62.86	95.96	167.25	-
	- In Equity Shares	5.94	5.94	5.94	5.94	-
5	**Uniparts Kavee BV**					
	- In Trade Account	-	-	-	3.98	16.51
6	**Uniparts Olsen Inc.**					
	- In Trade Account	25.65	10.90	31.64	72.03	4.93
7	**Ace Tractor Parts Ltd**					
	- In Trade Account	-	0.60	-	-	-
8	**Uniparts ESOP Trust**					
	- In Loans and Advances	53.39	53.39	54.63	54.63	54.63
9	**Kirpal Singh Soni**					
	- In Loan Account	-	50.00	80.00	105.00	105.00
10	**Gurdeep Soni**					
	- In Loan Account	-	55.45	-	116.55	-
	- In Due to Directors	0.08	0.02	0.02	0.36	1.00
11	**Paramjit Singh Soni**					
	- In Loan Account	-	-	-	-	-
	- In Due to Directors	-	-	-	-	-
12	**SKG Engineering Pvt. Ltd**					
	- In Trade Account	0.62	-	-	-	-
13	**Farmparts Company (Partnership Firm)**					
	- In Trade Account	1.25	-	-	-	-

IV. Details of Personal Guarantees and Collaterals for the Loans/Other facilities taken by the Company from various Banks/Financial Institutions

Rs. In Million

	Particulars	**As At**				
		31-Mar-14	**31-Mar-13**	**31-Mar-12**	**31-Mar-11**	**31-Mar-10**
1	**Personal Guarantee**					
	- Gurdeep Soni					
	-Citi Bank NA	407.50	482.50	482.50	687.50	687.50
	-Kotak Mahindra Bank Limited	424.20	490.40	324.10	310.00	310.00
	-ING Vysya Bank Limited	500.00	500.00	576.97	380.91	344.00
	-Standard Chartered Bank	-	250.00	250.00	250.00	250.00
	-Barclays Bank	325.00	646.27	646.27	-	-
	-BNP Paribas	-	-	-	-	170.00
	-ABN Amro Bank	-	-	-	-	250.00
	-Induslnd Bank	375.00	-	-	-	-
	- Paramjit Singh Soni					
	-Citi Bank NA	407.50	482.50	482.50	687.50	687.50
	-Kotak Mahindra Bank Limited	424.20	490.40	324.10	310.00	310.00
	-ING Vysya Bank Limited	500.00	500.00	576.97	380.91	344.00
	-Standard Chartered Bank	-	250.00	250.00	250.00	250.00
	-Barclays Bank	325.00	646.27	646.27	-	-
	-BNP Paribas	-	-	-	-	170.00
	-ABN Amro Bank	-	-	-	-	250.00
	-Induslnd Bank	375.00	-	-	-	-
2	**Collateral Security**					
	- Gurdeep Soni					
	-Barclays Bank	325.00	646.27	646.27	-	-
	- Pamela Soni					
	-Barclays Bank	325.00	646.27	646.27	-	-
	- Gripwel Fasteners					
	-Barclays Bank	325.00	646.27	646.27	-	-
	- Angad Soni					
	-BNP Paribas	-	4.00	4.00	-	-

CAPITALISATION STATEMENT **ANNEXURE - XXXVI**

Rs. In Million

PARTICULARS	Pre Issue as on 31st March 2014	As adjusted for IPO (Refer note 2 below)
DEBT:		
Long Term Debt (A)	401.78	
Short Term Debt (refer note 3 below)	831.49	
Total Debt (B)	**1,233.27**	
SHAREHOLDER'S FUNDS:		
Share Capital		
–Equity Share Capital	220.53	
Reserves & Surplus, as Restated		
–Security Premium	1,014.97	
–Stock Option Outstanding	23.62	
–Surplus in the Statement of Profit and Loss	675.33	
Total Shareholder's Fund (C)	**1,934.46**	
Long Term Debt/Shareholder's funds (A/C)	**0.21**	
Total Debt/ Shareholder's funds (B/C)	**0.64**	

Notes:

1. The above has been computed on the basis of the Restated Summary Statements of the Company.

2. The corresponding post IPO capitalisation data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

3. The Company has during the year issued 22,566,879 equity shares as bonus shares in the ratio of 1:1. These bonus shares have been allotted on April 04, 2014 by way of capitalization of securities premium. As there will be no impact on total shareholders fund so there will be no change in any ratio.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion and analysis of our financial condition and results of operations are based on, and should be read in conjunction with, our audited and restated consolidated financial statements as of and for the years ended March 31, 2014, 2013 and 2012, the notes and significant accounting policies thereto and the reports thereon in "Financial Statements" on page 198, which have been prepared in accordance with the Indian GAAP, Companies Act and the SEBI ICDR Regulations.

We prepare our audited unconsolidated and consolidated financial statements in accordance with Indian GAAP, which differs in certain material respects from IFRS and U.S. GAAP. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information depends on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations. Any reliance on the financial disclosure in this Draft Red Herring Prospectus, by persons not familiar with Indian accounting practices, should accordingly be limited.

Our fiscal year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular fiscal year are to the 12-month period ended March 31 of that year.

Our financial statements for the five fiscal years may not be directly comparable with each other in view of Kavee, a step-down subsidiary of our Company (where 50% plus one share was held by Uniparts Europe B.V., a 100% Subsidiary of our Company), ceasing to be a step-down subsidiary of our Company, with effect from April 1, 2012 and the financial results of Kavee, therefore, not being consolidated with our financial results for fiscal 2013 and 2014 and any future periods. For purposes of the discussion of our financial statements in this section, we have excluded revenues, expenses and other financial information for Kavee.

This discussion also contains certain forward-looking statements and reflects our management's current views with respect to future events and our financial performance. Actual results may differ materially from those anticipated in these forward-looking statements. 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. Given these uncertainties, prospective investors should not place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the sections titled "Risk Factors", "Forward Looking Statements" and "Business" on pages 14, 12 and 135, respectively.

Overview

We are a global manufacturer and supplier of engineering systems, solutions, assemblies and components, including 3PL and PMP, primarily catering to OHVs in the agriculture, and CFM sectors. Based on the global addressable market size, in the CRISIL Report, we estimate that we had a 19.2% market share in the global 3PL market (in terms of value) and a 7.4% market share in the global PMP market in the CFM sector (in terms of value), in fiscal 2013 (assuming USD 1 = ₹ 54.37 for fiscal 2013). In addition to our established product verticals of 3PL and PMP, we have a presence in the complementary product verticals of hydraulic cylinders and PTO applications.

We supply our products to over 25 countries in North and South America, Europe, India and Japan. We primarily serve OEMs, through our global service delivery model based on our dual-shore integrated manufacturing, warehousing and supply chain management systems and solutions, operating out of six manufacturing facilities (five in India and one in the US) and three warehouses located across three continents.

We also cater to the aftermarket requirements of our customers primarily in the agriculture sector. We are focused on providing replacement of 3PL parts to organized aftermarket retailers and distributors in North America, Europe, South Africa and Australia. We manufacture all the critical parts that form the 3PL assembly, which includes top link, lower link, drawbar, chain stabilizers and linkage pins. Some of the other products sold by us in the aftermarket segment include weather caps, PTO parts, pins, leveling boxes, straps, hitch balls, lynch pins, R-clips, weldons, ratchet jacks and balls.

We believe that our diversified product range across the agriculture and CFM sectors, our market share, dual-shore integrated manufacturing, warehousing and supply chain solutions, together with our scale of operations and our technical and value-engineering expertise, catering to several global OEMs as well as the aftermarket segment, serve to differentiate us from other producers of engineering systems. We believe we are well positioned to benefit from increasing mechanization, particularly in the agriculture and CFM sectors. We are committed to continuing to diversify our product offerings, customer base and geographical footprint, thereby minimizing our exposure to individual geographies, industry sectors, customers, product platforms and foreign currencies.

As part of our global service delivery model, we have set up facilities in India, the United States and Europe. In India, we have five manufacturing and distribution facilities, two at Ludhiana in the state of Punjab, one at Visakhapatnam in the state of Andhra Pradesh, and two at Noida in the state of Uttar Pradesh. One of our Noida facilities and our Visakhapatnam facility, are located in Special Economic Zones ("**SEZs**"), and are dedicated to our export operations. Our Ludhiana facilities are the source of machined forgings and structural fabrications for our other Indian facilities, and are the first level of processing for a majority of our products. One of our Noida facilities serves as a hub for our aftermarket sales in the U.S. and Europe, while the other serves as a hub for our domestic OEM sales. Our Visakhapatnam facility serves as a hub for our export OEM sales. In the United States, we have a manufacturing, warehousing and distribution facility at Eldridge in the state of Iowa, acquired pursuant to our acquisition in 2005 of Olsen Engineering LLC, now known as UOI, and a warehousing and distribution facility at Augusta in the state of Georgia. In Germany, we have set up a warehousing and distribution facility in Hennef, which serves as our base for serving our key European customers.

Key highlights of our history are as follows:

- Promoters commenced business in 1984.
- Commissioned our Ludhiana facility, in two phases in 1990 and 1993.
- Started manufacturing components for the US aftermarket customers in 1997.
- Commenced sales to domestic OEMs in the agricultural segment and developed our 3PL OEM product vertical in 2000.
- Commenced sales to John Deere in India in 2001.
- Commenced sales to John Deere in Americas and OEMs in Europe in 2003.
- Commissioned Noida facility in two phases in 2000 and 2006.
- Consolidated all the businesses in Uniparts India Limited in 2005.
- Acquired a manufacturing and distribution facility in the U.S., in Eldridge, Iowa, in 2005.
- Set up a warehousing and distribution facility in Augusta, Georgia, U.S., in 2005.
- Commenced manufacturing products for the PMP vertical in India, in 2006.
- Acquired 50% + 1 share equity interest in Kavee (a joint venture with Kramp), which owned 100% interest in Uniparts Kavee Services B.V., in 2007.
- Started manufacturing hydraulic cylinder components in 2007.
- Commissioned our Visakhapatnam facility, which is situated within an SEZ, in 2008.
- Set up a warehousing facility and distribution facility in Hennef, Germany, which has been operating since 2010.
- Commenced sales of components for the Indian construction market in 2011.
- Started sales to the US hydraulics market from Visakhapatnam, India in 2011.
- Sold our entire equity interest in Kavee, with effect from April 1, 2012, to Kramp.

Our consolidated revenues in fiscal 2014, 2013 and 2012 aggregated to ₹ 8,170.57 million, ₹ 7,963.83 million and ₹ 7,574.14 million (excluding Kavee), respectively, with the agriculture sector accounting for 67.49%, 67.55% and 68.24%, and the CFM sector accounting for 32.41%, 32.45% and 31.76% of our consolidated revenues, in fiscal 2014, 2013 and 2012, respectively.

Our 3PL vertical accounted for 47.89%, 45.32% and 48.63%; PMP vertical accounted for 50.07%, 52.97% and 49.56%; hydraulic cylinders vertical accounted for 0.03%, 0.06% and 0.02% and PTO applications vertical accounted for 1.94%, 1.62% and 1.77%, of our consolidated revenues in fiscal 2014, 2013 and 2012, respectively. Our consolidated EBITDA for fiscal 2014, 2013 and 2012 aggregated to ₹ 914.27 million, ₹ 797.74 million and ₹ 663.33 million, respectively, and our consolidated PAT for fiscal 2014, 2013 and 2012 aggregated to ₹ 435.61 million, ₹ 391.65 million and ₹ 256.80 million, respectively.

Significant factors affecting our results of operations and financial condition

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

Market conditions affecting the OHV industry

The sales of our products are directly related to the production and sales of OHVs by our major customers. OHV production and sales may be affected by general economic or industry conditions, including seasonal trends in the agriculture sector, reductions in new housing construction, volatile fuel prices, rising employee expenses and challenges in maintaining amicable labor relations, stringent regulation as well as evolving regulatory requirements, government initiatives, trade agreements and other factors. The cyclical nature of the agriculture and CFM industries, both globally and in regions in which we operate, means that our revenues across periods could fluctuate significantly.

Global service delivery model

Local Deliveries contributed to 46.34%,48.53% and 47.86% of our consolidated revenue from operations in fiscal 2014, 2013 and 2012, respectively, while Direct Exports contributed to 27.65%, 25.46% and 29.03%, respectively, and Warehouse Sales contributed to 26.01%,26.01% and 23.11%, respectively, in the same periods.

We have set up our global service delivery model in a scalable manner, optimized to provide premium-priced Local Deliveries manufactured onshore in smaller lots and with shorter lead times, as well as cost-competitive offshore deliveries from India with longer lead times and greater inventory cycles. We expect that the proportion of our Warehouse Sales may increase going forward, as compared to Direct Exports and Local Deliveries, which we believe may have a favorable impact on our margins, going forward.

However, an increased proportion of Warehousing Sales may lead to increased inventory maintained at our warehouses, leading to a higher overall working capital requirement. In addition, if a significant customer defaults in payment on any order to which we have devoted significant resources and built significant unsold inventory, it may affect our profitability and liquidity and decrease capital resources available to us for other uses.

For more information, see the chapter "*Business – Global service delivery model*" on page 145.

Customer specifications, purchasing patterns, terms of supply arrangements and pricing of our products

A significant majority of our income from operations is from sales to OEMs. Within OEM sales, we depend on a limited number of customers for a significant portion of our revenues. Sales to our top 10 customers constituted 82.50%, 83.65% and 81.41% (excluding Kavee) of our income from operations for fiscal 2014, 2013 and 2012, respectively. The demand for our products from these customers has a significant impact on our results of operations and financial condition, and our sales are particularly affected by the inventory and production levels of our key OEM customers. We may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from them is reduced for any reason.

Our supply agreements with our key OEM customers are long term agreements and the supply of our products to other OEM customers is on the basis of purchase orders. There may be instances where customers have modified their requirements with little advance notice, which may either require us to increase production or decrease production and inventories at short notice and bear additional costs.

Our supply arrangements with our key OEM customers typically provide for periodic price review of our products (generally bi-annual, although annual or quarterly in certain cases). In addition, under some of our long term agreements with our key OEM customers, we may be required to provide an annual cost reduction in relation to our products. Our continued ability to undertake value engineering and provide cost reductions to our customers is linked to our ability to maintain or improve our margins.

Our contracts and supply arrangements with key OEM customers also contain certain standards and performance obligations and our failure to meet such specification could result in reduction of business, termination of contracts or additional costs and penalties.

Product and market mix and growth of new lines of business

Through a process of continuing horizontal and vertical integration, we have expanded from purely aftermarket sales into sales in the OEM markets and from being a 3PL and PMP manufacturer into emerging verticals such as hydraulic cylinders and PTO applications. Our 3PL vertical accounted for 47.89%, 45.32% and 48.63% of our consolidated revenues and the PMP vertical accounted for 50.07%, 52.97% and 49.56% of our consolidated revenues, in fiscal 2014, 2013 and 2012, respectively.

We seek to orient our product mix towards supplying higher value products per vehicle to OEMs.

Our ability or inability to expand our product portfolio and the resultant change in the mix of products can have a significant impact on our results of operations due to different margins and sale trends in each product segment. As the production volume of our various products fluctuates primarily based on market demand and production capacity for such products, the percentage of revenue from those products may also fluctuate between varying margin and average realization products, which will in turn cause our revenues and operating margins to fluctuate.

Input and employee costs

Our expenditure on raw material and components consumed (including change in inventory) and purchase of traded goods represented 38.85%, 40.88% and 47.66% of our consolidated income, respectively, for fiscal 2014, 2013 and 2012, respectively. Our financial condition and results of operations are significantly impacted by the availability and cost of raw materials, particularly steel.

We have a diverse portfolio of vendors supplying steel based raw materials to us and are not significantly dependent on any single vendor. We source steel directly from Indian steel mills as well.

Steel used for products manufactured by our facility at Eldridge, Iowa, is primarily sourced in the US. Our expenditure on steel sourced from the U.S. accounted for approximately 36.5% of our total expenditure on raw materials and components in fiscal 2014. We have also developed a supply chain for sourcing specific forms of steel, such as tubes, from China, for our manufacturing facilities in India as well as the U.S.

Commodity prices are influenced by, among other factors, changes in global economic conditions, industry cycles, demand-supply dynamics, attempts by particular producers to capture market share and speculation in the market. The changes in raw material costs are generally passed through to our OEM customers under long term agreements. Nonetheless, because such price adjustments based on cost changes only occur at periodic intervals, there is generally a time lag between changes in our raw material costs and any adjustments to our prices which, if such raw material costs increase significantly during this period, can have a negative impact on our profitability. We also seek to increase our margins by improving our procurement costs for steel in India and obtaining better credit terms from our suppliers and better financing terms under our working capital facilities.

Employee costs comprise our second largest expense after raw material costs. In fiscal 2014, 2013 and 2012, our employee costs aggregated to ₹ 1,582.24 million, ₹ 1,460.01 million and ₹ 1,302.67 million, respectively, on a consolidated basis, and, as a percentage of our consolidated income, were 19.36%, 18.33% and 17.20%, respectively, in those periods. We are both backward and forward integrated in terms of our operations which as a business model inherently has higher manpower cost but at the same time helps in managing material cost, product quality and customer service levels. However, we believe that we have sufficient human resources to sustain our current operations and planned growth, particularly at the management level, and we expect to improve our operational efficiency by reducing our employee costs as a percentage of our total income in future periods. As a material portion of our overall manpower is located in India, rising wages in India may have a material impact on our net income.

Macroeconomic conditions

Our business depends substantially on global economic conditions. The global economic downturn, which began in 2008, coupled with the global financial and credit market disruptions, weakened end markets,

diminished demand and credit availability, and increased borrowing costs**.** There may also be a number of secondary effects of an economic downturn, such as the insolvency of suppliers or customers, delays in deliveries by suppliers, payment delays and/or stagnant demand by customers. Cuts in federal or central, state and local government investment as well as consequent impairment in infrastructural facilities and growth can also drag down global and national growth rates.

A significant majority of the end users of our products are located and operating in North and South America, Europe, Japan and India and some of them were adversely impacted by the recession in some of these economies, disruption in banking and financial systems, economic weakness, unfavorable government policies, rising inflation, lowering spending power, customer confidence and political uncertainty. For instance, the IMF's *World Economic Outlook, July 2014*, forecast of global growth for 2014 has been marked down by 0.3% to 3.4%. The RBI's *Macroeconomic and Monetary Developments, Third Quarter Review, 2013-2014* has projected that global growth, after decelerating for the last three years is poised to improve in 2014, but risks to outlook remain with uncertainties arising from moves to unwind unconventional monetary policies and possibility of a renewed deflation in the euro area.

While the global economy has recovered to some extent, we are unable to predict with any degree of certainty the pace or sustainability of economic recovery, the volumes of federal or central, state and local government investment, or the effects of regulatory intervention.

Further, our business plans envisage enhancing our operations in line with our customers' growth in key markets, including India, Europe and Japan, and the setting up of new facilities in Ludhiana as well in Visakhapatnam. We expect to continue to incur substantial expenditure in connection with setting up such new facilities, which would require us to successfully attract additional business from our existing and new customers. While we consult with our customers prior to expanding in current markets or setting up operations in new markets, our customers may not give us sufficient commitments to purchase our products in these markets. Accordingly, our successful expansion in any market is subject to business, economic and competitive uncertainties and contingencies, many of which are beyond our control.

Foreign currency fluctuations

Our financial statements are presented in Indian Rupees. However, our revenues and operating expenses and finance charges of our Subsidiaries are influenced by the currencies of those countries where we manufacture and/or sell our products (for example, the United States, Europe and Japan). The exchange rate between the Indian Rupee and these currencies, primarily the U.S. dollar, has fluctuated in the past and our results of operations have been impacted by such fluctuations in the past and may be impacted by such fluctuations in the future. For example, during times of strengthening of the Indian Rupee, we expect that our overseas sales and revenues will generally be negatively impacted as foreign currency received will be translated into fewer Rupees. However, the converse positive effect of depreciation in the Indian Rupee may not be sustained or may not show an appreciable impact in our results of operations in any given financial period due to other variables impacting our business and results of operations during the same period. Moreover, as a significant part of our long term and working capital borrowings are USD and Euro denominated, we expect that our cost of borrowing as well as our cost of raw materials and components incurred by our foreign Subsidiaries may rise during a sustained depreciation of the Indian Rupee against the U.S. Dollar or the Euro.

We may, therefore, suffer losses on account of foreign currency fluctuations for our inventory in our international warehouses, since the prices that our customers pay for our products are only subject to revision for foreign currency fluctuations on a periodic basis and outside a specified range and we may not be able to pass on all losses on account of foreign currency fluctuations to our customers. Moreover, we may be required to reconfigure our loan portfolio from time to time, so as to effectively manage our finance charges.

While we seek to hedge our foreign currency risk by entering into forward exchange contracts, any amounts we spend in order to hedge the risks on account of fluctuations in currencies may not adequately hedge against any losses we incur due to such fluctuations. Our foreign exchange losses for fiscal 2014, 2013 and 2012 amounted to ₹ 81.94 million, ₹ 169.04 million and ₹ 67.00 million, respectively. As on March 31, 2014, our total unhedged foreign currency receivables amounted to ₹ 132.02 million, our total unhedged foreign currency loans amounted to ₹ 450.37 million, while our total unhedged foreign currency payables amounted to ₹ 2.99 million, and the total value of our outstanding forward exchange contracts amounted to ₹ 591.14 million, on a consolidated basis.

During the consolidation of our foreign Subsidiaries' financials with the Company's financials, differences arising out of (i) conversion of material consumption value denominated in foreign currency at the average exchange rate for the period to arrive at the material consumption value in Rupees (reporting currency) for the period; and (ii) conversion of opening inventory at the period opening foreign exchange rate, closing inventory at period closing foreign exchange rate, purchase for the period at average exchange rate for the period to arrive at the material consumption value in Rupees for the period, results in an overall gain or loss (depending upon the foreign currency exchange rates movement during the period), which is attributable to the movement in foreign currency exchange rates over the reporting period.

Presentation and disclosure of financial statements

The revised Schedule VI was notified under the Companies Act, 1956, and became applicable to us for preparation and presentation of our financial statements from the financial year starting from April 1, 2011. Accordingly, we have presented our financial statements as at and for the year ended March 31, 2012, along with the comparatives as at and for the year ended March 31, 2011, following the requirements of the revised Schedule VI.

The adoption of the revised Schedule VI does not impact the recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on the presentation and disclosures made in the financial statements. We have also reclassified the previous year figures pertaining to the years ended March 31, 2010, in accordance with the requirements of the revised Schedule VI.

We have prepared our restated consolidated financial statements along with related notes in accordance with the requirements of the Guidance Note on revised Schedule VI and have reclassified previous year figures accordingly.

Basis of preparation of our consolidated financial statements

Our restated consolidated financial statements have been prepared by applying the necessary adjustments to the consolidated financial statements of our Company. The consolidated financial statements are prepared on accrual basis, in accordance with Indian GAAP under the historical cost convention and comply in all material respects with the accounting standards notified by the Companies (Accounting Standards) Rules, 2006, as amended, to the extent applicable. The accounting policies have been consistently applied by us and are consistent with those used for the purpose of preparation of financial statements as at and for the years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010, except for accounting of inventories, which does not have any material impact.

Our financial statements have been consolidated on a line-by-line basis by adding together the book value of like items, assets, liabilities, income and expenses after eliminating intra-group balance and intra-group transactions in accordance with Accounting Standard 21 on "*Consolidated Financial Statements*". The unrealized profits resulting from the intra-group transactions and intra-group balances are eliminated in full. Unrealized losses resulting from intra-group transactions are also eliminated unless the cost cannot be recovered.

The excess or deficit of our Company's portion of equity in our Subsidiaries over our carrying cost of investments, if any, is treated as a capital reserve or goodwill, respectively.

For more information on our Subsidiaries, see the chapters "*History and Other Corporate Matters*" and "*Financial Statements*" on pages 161 and 198, respectively.

Significant accounting policies

While we believe that all aspects of our restated consolidated financial statements should be studied and understood in assessing our current and expected results of operations and financial condition, the following significant accounting policies warrant particular attention.

Revenue recognition

Sales

We recognize sales of our products when significant risks and rewards of ownership of products are passed on to our customers at the time of dispatch of goods from the factory, stockyard, storage area or port, as the case may be. Sales include job work, sale of scrap and excise duty, but exclude Value Added Tax ("**VAT**").

Income and expenditure

Income and expenditure are accounted for on accrual basis except dividend income and insurance claims.

Dividend income from investment is recognized when our right to receive such payment is established.

Revenue in respect of insurance and other claims is recognized when it is reasonably certain that the ultimate collection will be made.

Export entitlements/ obligations

Benefits accrued during the year under the Duty Drawback Scheme in accordance with relevant import and export policies, are included under '*Other Operating Revenue*'.

Export incentives, receivable on export performance, are recognized in accordance with Accounting Standard 9 (AS 9) on "*Revenue Recognition*", with reference to certainty of collectability of such export incentives.

Depreciation and amortization

Depreciation on fixed assets (except leasehold land which is not depreciated or amortized) has been provided on the basis of the straight-line method at the rates and manner prescribed under Schedule XIV of the Companies Act, 1956. Depreciation on leasehold improvements is charged over the period of lease.

Amortization in respect of intangible assets is provided on straight-line method over the estimated period of the asset's economic life.

Our Company has used the following useful lives and rate of depreciation to provide depreciation and amortization on its fixed assets.

Particulars	Depreciation Rates (SLM) / Estimated useful
i. Buildings	3.34%
ii. Leasehold Improvements	Over a Lease Period
iii. Plant and Machinery	
a. Electrical Equipments, Generator, Materials Handling Plant and	7.42%
b. Testing Equipments, Weighting Scale and Electrical Fittings	4.75%
c. Tools and Dies	11.31%
iv. Furniture and Fixtures	6.33%
v. Vehicles	
a. Commercials Vehicle, Tractor	11.31%
b. Car, Motor cycle /Scooter	9.50%
c. Cycle	7.07%
vi. Office Equipments	4.75%
vii. Computer	16.21%
viii. Softwares	5 years

Pursuant to the provisions of the Companies Act, 2013, with effect from April 1, 2014, the method of calculating the useful life of assets, and consequently, the resultant rate of depreciation on the fixed assets, has undergone a change. This will have a corresponding effect on the depreciation cost for future periods, and therefore, going forward, our depreciation cost may vary from past reported periods, to the extent of the impact of such change.

Borrowing cost

Borrowing costs that are directly attributable to the acquisition or construction of the qualifying assets are capitalized until the time all substantial activities necessary to prepare such assets for their intended use are

complete. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are recognized as expenditure during the period in which they are incurred.

Inventories

Raw material, packing material and consumable stores and spares are valued at cost computed on the First-In-First-Out ("**FIFO**") method.

Works in progress are valued at material cost plus appropriate share of labor and production overheads incurred until the stage of completion of production.

Finished and traded goods are valued at the lower of cost or net realizable value.

Scrap is valued at net realizable value calculated as last month's average realization.

Foreign Currency Transactions

Foreign currency transactions, on initial recognition, are recorded by applying to the foreign currency amount the exchange rate prevailing at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate and non-monetary items carried at historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting monetary items at exchange rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Taxation

Current Tax

Current tax is provided on the basis of tax payable on estimated taxable income, computed in accordance with applicable provisions of the I.T. Act after considering tax allowances and exemptions. Advance taxes and provisions for current tax are presented in the balance sheet after setting off advance taxes paid and income tax provision arising in the same tax jurisdiction and enterprise.

Deferred Tax

In accordance with Accounting Standard 22 (AS 22) "*Accounting for Taxes on Income*", deferred tax for timing differences between book profits and taxable profits as per the provisions of the I.T. Act for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the date of the balance sheet. Deferred tax assets are recognized and carried forward only to the extent that there is virtual certainty that the assets will be realized in the future.

Minimum Alternate Tax

Minimum Alternate Tax ("**MAT**") paid in a year is charged to the statement of profit and loss as current tax. We recognize MAT credit available as an asset only to the extent that there is convincing evidence that we will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward.

Employee benefits

Contributions to provident funds, which are defined contribution schemes, are made to a government administered provident fund and are charged to the statement of profit and loss as incurred. We have no further obligations beyond our monthly contributions to these funds.

Provision for gratuity and leave encashment, which are in the nature of defined benefit plans, are provided based on actuarial valuations based on projected unit credit method, as at the balance sheet date.

Employee stock compensation costs

The Company has accounted for the share based payment for employees in respect to the ESOP 2007 based on the Guidance Note on "*Accounting for Employees Share Based Payment*". The Company follows the fair market value method (calculated on the basis of the Black-Scholes method) to account for compensation expenses arising from issuance of stock options to our employees and has recognized the services received in an equity-settled employee share-based payment plan as an expense when we receive the services, with a corresponding credit to the stock options outstanding account. Further, employee compensation cost recognized earlier on grant of options is reversed in the year when the options are surrendered by the employees.

Leases

Finance leases, which effectively transfer to us substantially all the risk and benefit incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance cost in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of leases are capitalized.

Leases where the lessor effectively retains substantially all the risk and benefit of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

Cash flow statement

Our cash flows are reported using the indirect method, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Our cash flows from our operating, financing and investing activities are segregated.

Provisions and contingencies

We create a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure of contingent liability is made when there is a possible obligation or a present obligation that will probably not require outflow of resources or where a reliable estimate of the obligation cannot be made.

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.

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.

Results of Operations and Financial Condition

The following table sets out selected data for fiscal 2014, 2013 and 2012, together with the percentage each line item represents of our total revenue for the periods presented.

For the purpose of the table below and the discussion of the financial information below, we have excluded financial information in relation to Kavee for fiscal 2012. As a result, the financial information presented below may vary to that extent from our restated consolidated financial information included elsewhere in this Draft Red Herring Prospectus.

Particulars	Fiscal					
	2014		2013		2012	
	(₹ in million)	Percentage of Total Income	(₹ in million)	Percentage of Total Income	(₹ in million)	Percentage of Total Income
Income						
Revenue from operations	8,156.6	99.83%	7,831.29	98.33%	7,497.60	98.99%

Particulars	Fiscal					
	2014		2013		2012	
	(₹ in million)	Percentage of Total Income	(₹ in million)	Percentage of Total Income	(₹ in million)	Percentage of Total Income
Other income	13.98	0.17%	132.54	1.67%	76.54	1.01%
Total revenue	**8,170.57**	**100.00%**	**7,963.83**	**100.00%**	**7,574.14**	**100.00%**
Expenditure						
Cost of raw materials and components consumed	3,094.88	37.88%	3,185.35	40.00%	3,487.82	46.05%
Increase/(decrease) in inventory of finished, work in progress and traded goods	79.33	0.97%	70.11	0.88%	(213.20)	(2.81%)
Employee benefit expenses	1,582.24	19.37%	1,460.01	18.33%	1,302.67	17.20%
Other expenses	2,499.85	30.60%	2,450.62	30.77%	2,333.52	30.81%
Total expenditure	**7,256.31**	**88.81%**	**7,166.09**	**89.98%**	**6,910.82**	**91.24%**
EBITDA	**914.27**	**11.19%**	**797.74**	**10.02%**	**663.33**	**8.76%**
Depreciation and amortization	166.32	2.04%	150.92	1.90%	142.23	1.88%
Earnings before interest, tax	**747.95**	**9.15%**	**646.83**	**8.12%**	**521.10**	**6.88%**
Finance charges	146.84	1.80%	159.79	2.01%	196.97	2.60%
Restated profit before tax	**601.11**	**7.36%**	**487.03**	**6.11%**	**324.13**	**4.28%**
Less: Tax expenses						
-Current tax	97.74	1.20%	78.57	0.99%	31.37	0.41%
-MAT credit	(26.32)	(0.32%)	(36.86)	(0.46%)	(4.59)	(0.06%)
-Deferred tax	94.08	1.15%	53.67	0.67%	40.55	0.54%
Total tax expenses	**165.5**	**2.03%**	**95.38**	**1.20%**	**67.33**	**0.89%**
Restated profit after tax	**435.61**	**5.33%**	**391.65**	**4.91%**	**256.80**	**3.39%**

Fiscal 2014 compared with Fiscal 2013

Income

Our total revenues comprise revenue from operations (revenue from the sale of products and other operating revenue, net of excise duty paid or payable) and other income (interest income, gain or loss on sale of assets and income on account of foreign exchange gains, if any).

Our total revenue in fiscal 2014 and 2013 were ₹ 8,170.57 million and ₹ 7,963.83 million, respectively.

Our 3PL vertical accounted for 47.89% and 45.32%; our PMP vertical accounted for 50.07% and 52.97% and our hydraulic cylinders vertical accounted for 0.03% and 0.06% of our consolidated revenues in fiscal 2014 and 2013, respectively. Further, our International Sales accounted for 88.84% and 89.81% of our consolidated revenue from operations in fiscal 2014 and 2013, respectively. Local Deliveries contributed to 46.34% and 48.53% of our consolidated revenue from operations in fiscal 2014 and 2013, respectively, while Direct Exports contributed to 27.65% and 25.46%, respectively, and Warehouse Sales contributed to 26.01% and 26.01%, respectively, in the same periods.

Our revenue from operations increased by 4.15% to ₹ 8,156.60 million in fiscal 2014 from ₹ 7,831.29 million in fiscal 2013 primarily due to increased average sales realization as a result of favourable movement in the U.S. Dollar and Euro rates against the Indian Rupee although the volume of sales of our products did not increase over this period.

Sales of finished goods: Our sales of finished goods (net of returns/rebates) increased to ₹ 7,912.55 million in fiscal 2014 from ₹ 7,613.51 million in fiscal 2013.

Sales of manufacturing scrap: Our sales of manufacturing scrap increased to ₹ 208.26 million in fiscal 2014 from ₹ 177.63 million in fiscal 2013.

Expenditure

Our total expenditure increased by 1.26% to ₹ 7,256.31 million in fiscal 2014 from ₹ 7,166.09 million in fiscal 2013.

Cost of raw materials and components consumed and change in inventory of finished, work-in-progress and traded goods: Our cost of raw materials and components consumed (which primarily consist of steel) and our

change in inventories, decreased by 2.50% to ₹ 3,174.21 million in fiscal 2014 from ₹ 3,255.46 million in fiscal 2013 despite increase in sales.

As a percentage of our total income, cost of raw materials and components consumed (net of inventory of finished, work-in-progress and traded goods) decreased to 38.85% in fiscal 2014, from 40.88% in fiscal 2013 primarily as a result of higher sales realization as well as operating and purchasing efficiencies.

Employee benefit expenses: Our employee benefit expenses, which primarily consist of salaries, wages and bonus (including Directors' remuneration, contribution to provident and other funds, gratuity expenses, leave encashment expenses and staff welfare expenses), increased to ₹ 1,582.24 million in fiscal 2014 from ₹1,460.01 million in fiscal 2013, primarily due to an increase in the number of our employees to support our business requirements. We are both backward and forward integrated in terms of our operations which as a business model inherently has higher manpower cost but at the same time helps in managing material cost, product quality and customer service levels. As a percentage of our total income, employee benefit expenses increased to 19.37% in fiscal 2014 from 18.33% in fiscal 2013.

Other expenses: Our other expenses, which primarily consists of stores, spares and tools consumed, sub-contracting expenses, power, fuel and water expenses, cartage, freight and forwarding expenses and repair and maintenance costs, increased to ₹ 2,499.85 million in fiscal 2014 from ₹ 2,450.62 million in fiscal 2013, primarily as a result of our increased operations. As a percentage of our total income, other expenses decreased marginally to 30.60% in fiscal 2014 from 30.77% in fiscal 2013. In fiscal 2014, our Company incurred expenses of ₹ 13.06 million towards outsourcing of the heat treatment process on account of a fire at the heat treatment plant at our Visakhapatnam facility. Our Company also incurred additional freight cost to meet our customers' delivery schedules.

EBITDA

As a result of the foregoing, our EBITDA increased by 14.60% from ₹ 797.74 million in fiscal 2013 to ₹ 914.27 million in fiscal 2014. EBITDA, as a percentage of our total income increased to 11.19% in fiscal 2014 from 10.02% in fiscal 2013.

Depreciation

Our depreciation and amortization increased by 10.20% from ₹ 150.92 million in fiscal 2013 to ₹ 166.32 million in fiscal 2014 as a result of additional capital expenditure.

Finance charges

Our finance charges, which primarily consists of interest expenses, bill discounting charges and bank charges, decreased by 8.10% from ₹ 159.79 million in fiscal 2013 to ₹ 146.84 million in fiscal 2014, as a result of a decrease in outstanding borrowings. The overall mix of the Company's consolidated debt has been refinanced in a manner which has reduced the average borrowing costs during the fiscal. As a percentage of our total income, finance charges decreased to 1.80% in fiscal 2014 from 2.01% in fiscal 2013.

Profit before tax

Our profit before tax increased by 23.42% from ₹ 487.03 million in fiscal 2013 to ₹ 601.11 million in fiscal 2014, largely due to the factors discussed above.

Total tax expenses

Our total tax expenses increased by 73.52% from ₹ 95.38 million in fiscal 2013 to ₹ 165.50 million in fiscal 2014, largely as a result of decreased MAT credit and higher current as well as deferred tax liability due to higher revenues. Further, tax expenses for fiscal 2014 include an additional impact of ₹ 17.1 million on account of an assessment order (for assessment year 2010-11) taken into consideration for the purpose of the tax expense calculation, pursuant to which, an amount of ₹ 52.85 million was disallowed from deductible expenses. Our Company has filed an appeal against the assessment order. The impact of the disallowance was however, taken into account while computing the tax liability of the company for fiscal 2014.

Profit after tax

As a result of the foregoing, our profit after tax increased by 11.23% from ₹ 391.65 million in fiscal 2013 to ₹ 435.61 million in fiscal 2014. Our profit after tax, as a percentage of our total income increased to 5.33% in fiscal 2014 from 4.91% in fiscal 2013.

Fiscal 2013 compared with Fiscal 2012 (excludes financial information relating to Kavee)

Income

Our total revenue comprise revenue from operations (revenue from the sale of products and other operating revenue, net of excise duty paid or payable) and other income (interest income, gain or loss on sale of assets and income on account of foreign exchange gains, if any).

Our total revenue in fiscal 2013 was ₹ 7,963.83 million and our total revenue in fiscal 2012 was ₹ 7,574.14 million.

Our 3PL vertical accounted for 45.32% and 48.63%; our PMP vertical accounted for 52.97% and 49.56% and our hydraulic cylinders vertical accounted for 0.06% and 0.02% of our consolidated revenues in fiscal 2013 and 2012, respectively. Further, our international sales accounted for 89.81% and 86.95% of our consolidated revenue from operations in fiscal 2013 and 2012, respectively. Local Deliveries contributed to 48.53% and 47.86% of our consolidated revenue from operations in fiscal 2013 and 2012, respectively, while Direct Exports contributed to 25.46% and 29.03%, respectively, and Warehouse Sales contributed to 26.01% and 23.11%, respectively, in the same periods.

Our revenue from operations increased by 9.45% to ₹ 7,831.29 million in fiscal 2013 from ₹ 7,497.60 million in fiscal 2012 primarily due to increased average sales realization as a result of favourable movement in the U.S. Dollar and Euro rates against the Indian Rupee.

Sales of finished goods: Our sales of finished goods (net of returns/rebates) increased to ₹ 7,613.51 million in fiscal 2013 from ₹ 7,273.33 million in fiscal 2012.

Sales of manufacturing scrap: Our sales of manufacturing scrap decreased to ₹ 177.63 million in fiscal 2013 from ₹ 224.27 million in fiscal 2012 as a result of lower scrap generation.

Expenditure

Our total expenditure increased by 3.69% to ₹ 7,166.09 million in fiscal 2013 from ₹ 6,910.82 million in fiscal 2012. Our total expenditure in fiscal 2013 included a one-time extraordinary expense incurred on account of divestment of stake in Kavee of ₹ 17.76 million.

Cost of raw materials and components consumed and change in inventory of finished, work-in-progress and traded goods: Our cost of raw materials and components consumed and our change in inventories, decreased by 0.59% to ₹ 3,255.46 million in fiscal 2013 from ₹ 3,274.63 million in fiscal 2012.

As a percentage of our total income, cost of raw materials and components consumed (net of inventory of finished, work-in-progress and traded goods) decreased to 40.88% in fiscal 2013, from 43.24% in fiscal 2012 primarily as a result of higher sales realization as well as operating and purchasing efficiencies.

Employee benefit expenses: Our employee benefit expenses, which primarily consist of salaries, wages and bonus (including Directors' remuneration, contribution to provident and other funds, gratuity expenses, leave encashment expenses and staff welfare expenses), increased to ₹ 1,460.01 million in fiscal 2013 from ₹1,302.67 million in fiscal 2012, primarily due to an increase in our employee strength to support our business requirements. As a percentage of our total income, employee benefit expenses increased to 18.33% in fiscal 2013 from 17.20% in fiscal 2012.

Other expenses: Our other expenses, which primarily consists of stores, spares and tools consumed, sub-contracting expenses, power, fuel and water expenses, cartage, freight and forwarding expenses and repair and maintenance costs, increased to ₹ 2,450.62 million in fiscal 2013 from ₹ 2,333.52 million in fiscal 2012,

primarily as a result of our increased operations. As a percentage of our total income, other expenses decreased marginally to 30.77% in fiscal 2013 from 30.81% in fiscal 2012, as a result of operating efficiencies.

EBITDA

As a result of the foregoing, our EBITDA increased by 20.27% from ₹ 663.33 million in fiscal 2012 to ₹ 797.74 million in fiscal 2013. EBITDA, as a percentage of our total income increased to 10.02% in fiscal 2013 from 8.76% in fiscal 2012.

Depreciation

Our depreciation and amortization increased by 6.11% from ₹ 142.23 million in fiscal 2012 to ₹ 150.92 million in fiscal 2013 as a result of additional capital expenditure.

Finance charges

Our finance charges, which primarily consists of interest expenses, bill discounting charges and bank charges, decreased by 18.88% from ₹ 196.97 million in fiscal 2012 to ₹ 159.79 million in fiscal 2013, as a result of a decrease in average borrowing costs. As a percentage of our total income, finance charges decreased to 2.01% in fiscal 2013 from 2.60% in fiscal 2012.

Profit before tax

Our profit before tax increased by 50.26% from ₹ 324.13 million in fiscal 2012 to ₹ 487.03 million in fiscal 2013, largely due to the factors discussed above.

Total tax expenses

Our total tax expenses increased by 41.67% from ₹ 67.33 million in fiscal 2012 to ₹ 95.38 million in fiscal 2013, largely as a result of decreased MAT credit as well as current and deferred taxation because of higher revenues.

Profit after tax

As a result of the foregoing, our profit after tax increased by 52.51% from ₹ 256.80 million in fiscal 2012 to ₹ 391.65 million in fiscal 2013. Our profit after tax, as a percentage of our total income increased to 4.91% in fiscal 2013 from 3.39% in fiscal 2012.

Liquidity and Capital Resources

Cash Flows

Our restated statements of cash flows have been prepared under the "Indirect method" set out in Accounting Standard 3 on "**Cash Flow Statements**", as notified under the Companies (Accounting Standards) Rules, 2006.

As on March 31, 2014, 2013 and 2012, we had cash and cash equivalents of ₹ 78.12 million, ₹ 145.30 million and ₹ 74.29 million, respectively.

For the purpose of the table below and the discussion of the financial information below, we have excluded financial information in relation to Kavee for fiscal 2012. As a result, the financial information presented below may vary to that extent from our restated consolidated financial information included elsewhere in this Draft Red Herring Prospectus.

(₹ in million)

Particulars	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
Net cash flow from/(used in) operating activities	674.18	471.19	233.00
Net cash flow from/(used in) investing activities	(331.33)	(142.39)	(99.16)
Net cash flow from/(used in) financing activities	(425.30)	(258.77)	(119.80)
Net increase/(decrease) in cash and cash equivalents	(82.45)	70.02	14.04

Particulars	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
Cash & cash equivalents at the beginning of the year	145.30	74.29	58.58
Effects of exchange difference on cash and cash equivalent held in foreign currency	15.26	0.99	2.01
Cash & cash equivalents at the end of the year	**78.12**	**145.30**	**74.63**

Cash flow from operating activities

Our net cash from operating activities in fiscal 2014 was ₹ 674.18 million. Our cash flows from operating activities for this period were positively impacted primarily due to increased profitability owing to improved margins. The net working capital position improved due to an increase in payables of ₹ 135.12 million and other current liabilities of ₹ 23.86 million which was partially offset by an increase in inventories and receivables of ₹ 57.04 million and ₹ 19.56 million respectively. Other current assets and long term loans and advances also increased by ₹ 24.27 million and ₹ 34.97 million, respectively.

Our net cash from operating activities in fiscal 2013 was ₹ 471.19 million. Our cash flows from operating activities for this period were positively impacted primarily due to increased profitability owing to improved margins and due to working capital management leading to a decrease in inventories of ₹ 205.87 million and a decrease in net trade receivables of ₹166.06 million, which was partially offset by a decrease in our other current liabilities of ₹ 289.83 million and a decrease in trade payables of ₹ 177.68 million. These working capital movements were largely consistent with the growth in our business during fiscal 2013.

Our net cash from operating activities in fiscal 2012 was ₹ 233.00 million. Our cash flows from operating activities for this period were positively impacted due to an increase in our profit before tax and due to working capital management. Our inventories increased by ₹ 306.30 million, our trade receivables decreased by ₹ 7.5 million and trade payables declined by ₹ 20.13 million during this period. Our cash flow from operations improved over fiscal 2011 due to increase in our total revenue by 27.09%, increase in our profit before tax by ₹ 243.34 million and better working capital control, which resulted in less than proportionate increase in net working capital requirements.

Cash flow from investing activities

Our net cash used in investing activities in fiscal 2014 was ₹ 331.33 million, primarily on account of net purchase of fixed assets (including intangible assets) of ₹ 339.88 million. We invested ₹ 138.70 million in land, ₹ 58.97 million in building, ₹ 179.77 million in plant and machinery and the balance investment was made in other assets including IT infrastructure.

Our net cash used in investing activities in fiscal 2013 was ₹142.39 million, primarily on account of purchase of fixed assets (including intangible assets) of ₹ 152.78 million.

Our net cash used in investing activities in fiscal 2012 was ₹ 100.41 million, primarily on account of purchase of fixed assets (including intangible assets) of ₹ 109.09 million.

Cash flow used in financing activities

Our net cash used in financing activities in fiscal 2014 was ₹ 425.30 million, which primarily comprised of repayment of short-term borrowings of ₹ 338.46 million and interest paid of ₹ 126.36 million which was partially offset by increase in long term borrowing of ₹ 39.52 million.

Our net cash used in financing activities in fiscal 2013 was ₹ 258.77 million, which primarily comprised of repayment of short-term borrowings of ₹ 149.80 million and interest paid of ₹ 140.38 million which was partially offset by increase in long term borrowing of ₹ 31.41 million.

Our net cash used in financing activities in fiscal 2012 was ₹ 109.54 million, which primarily comprised of repayment of long-term borrowings of ₹ 226.61 million and interest paid of ₹ 171.11 million, which was partially offset by short-term borrowings of ₹ 288.18 million.

Capital expenditure

Our capital expenditure principally includes purchases of machinery and equipment, furniture and fixtures and IT infrastructure. Land and buildings are added infrequently on specific need basis.

Capital commitments

Our outstanding capital commitments as on March 31, 2014, 2013 and 2012 were ₹ 7.95 million, ₹ 20.63 million and ₹ 17.21 million, respectively, on account of contracts remaining to be executed on capital accounts and not provided for as on those dates, net of advances.

Indebtedness

Our business requires significant amount of working capital, primarily on account of high inventory levels owing to multiple levels of operations (backward integrated manufacturing operations as well as forward integrated warehousing).

As on March 31, 2014, our consolidated debt aggregated to ₹ 2,122.99 million, which consisted primarily of long term secured loans from banks and financial institutions amounting to ₹ 437.40 million, long term secured loans (maturing within 12 months) from banks and financial institutions of ₹ 120.49 million and short term secured working capital loans of ₹ 1,565.10 million. Over the last three fiscal years, loans from related parties have been repaid in full, long term loans from banks and financial institutions have increased as a proportion of total debt while short term loans have reduced as a proportion of total debt.

The following table sets out the principal elements of our indebtedness on a consolidated basis, as of March 31, 2014, 2013 and 2012.

(₹ in million)

Particulars	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
Long term borrowings			
Secured term loans from banks	429.62	228.97	66.57
Secured term loans from financial institutions	7.78	13.37	17.76
Unsecured term loans from related parties	-	141.95	182.80
Others	-	-	20.37
Long term borrowings shown under other current liabilities			
Secured term loans from banks	114.97	72.83	182.03
Secured term loans from financial institutions	5.52	11.26	17.45
Indian Rupee loans from related parties	-	50.00	-
Short term borrowings			
Secured working capital demand loan	-	-	-
Secured bank overdraft/lines of credit	598.85	787.14	891.08
Secured FCNR (B) loan	-	-	76.32
Secured pre-shipment packing credit-foreign currency	966.09	1,093.71	1,028.95
Secured post-shipment packing credit- foreign currency	-	22.70	57.00
Cash credit – Indian currency	0.15	-	-
Total debt	**2,122.99**	**2,421.93**	**2,540.33**

For more information, see the chapter "*Financial Indebtedness*" on page 326.

Contingent Liabilities

As of March 31, 2014, we had the following contingent liabilities not provided for, as disclosed in the notes to our restated consolidated financial information:

(in ₹ million)

Particulars	As of March 31, 2014
Claims against the Company not acknowledged as debt (excluding cases where the possibility of any outflow in settlement is remote)	
- Sales tax matters	1.09
- Excise matters	1.04
- Labour matters	Not ascertainable

Particulars	As of March 31, 2014
- Income tax	29.74
- Sales tax liability against pending forms	76.58
- Others	-
Guarantees issued by banks and financial institutions on behalf of the Company	
- Sales tax matters	0.03
- Pollution Control Board	0.02
- Excise matters	0.50
Other money for which the Company is contingently liable	
Excise duty outstanding against exports made under bond	3.52
Excise duty outstanding against exports made under declaration/undertaking	7.08
Bond cum legal undertaking to Andhra Pradesh Special Economic Zone	1,409.46
Total	**1,529.05**

The bond cum legal undertaking to Andhra Pradesh Special Economic Zone ("**APSEZ**") where our Visakhapatnam facility is located, is the bond given to APSEZ for removal of goods without payment of duty and is based on projection of year on year period at the time of renewal of the letter of permission with the APSEZ.

For details of our outstanding tax, labor and other matters, see the chapter "*Outstanding Litigation and Material Developments*" on page 333.

Quantitative and qualitative disclosure about market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices are subject to commodity price risk, foreign exchange risk and interest rate risk.

The financial instruments that are affected by these include loans and borrowing, deposits, available-for-sale investments and derivative financial instruments. We, from time to time, undertake analysis in relation to the amount of our net debt, the ratio of fixed to floating interest rates of our debt and our financial instruments that are in foreign currencies. We use derivative financial instruments such as foreign exchange contracts to manage our exposures to foreign exchange fluctuations.

Commodity price risk

Commodity price risk is the possibility of impact from changes in the prices of raw materials such as steel, which we use in the manufacture of our products. While we seek to pass on input cost increases to our customers, we may not be able to fully achieve this in all situations or at all times.

Foreign exchange risk

While we have long term agreements with our major customers, we face foreign exchange risk in respect of (i) our foreign currency loans, in respect of which we selectively hedge currency exchange rate risk, (ii) currency mismatches between our income and our expenditures, which we seek to manage as much as possible by matching income currency to expenditure currency, and (iii) currency translation for the purpose of preparing our consolidated financial statements, on account of our global operations.

Interest rate risk

We are subject to market interest risks due to fluctuations in interest rates primarily in relation to our debt obligations with floating interest rates. As on March 31, 2014, 80.96% of our total consolidated loans carried floating interest rate. The interest rate on remaining loans (except vehicle loans), although fixed, is subject to periodic review by lending banks / financial institutions in relation to their respective base lending rates, which may vary over a period result of any change in the monetary policy of the Reserve Bank of India.

Inflation risk

Inflationary factors such as increases in the input costs and overhead costs may adversely affect our operating results. There may be time lag in recovering the inflation impact from our customer and we may not be able to

recover the full impact of such inflation. A high rate of inflation in the future may, therefore, have an adverse effect on our ability to maintain our profit margins.

Credit risk

We are subject to the risk that our counterparties under various financial or customer agreements will not meet their obligations. Our credit risk exposure relates to our operating activities and our financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

In relation to credit risk arising from financing activities, we monitor our credit spreads and financial strength on a regular basis, and based on our on-going assessment of counterparty risk, we adjust our exposure to various counterparties.

As on March 31, 2014, 2013 and 2012, our provision for doubtful debts amounted to ₹ 5.34 million, ₹ 1.36 million and ₹ 2.29 million, respectively, on a consolidated basis.

Unusual or infrequent events of transactions

To the best of our knowledge, there have been no other events or transactions that may be described as "unusual" or "infrequent" during the last three fiscal years, except as disclosed in this Draft Red Herring Prospectus.

Significant economic and regulatory changes

Except as described in "*Risk Factors*" and "*Key Industry Regulations and Policies in India*" on pages 14 and 154, respectively, to the best of our knowledge, there have been no significant economic or regulatory changes that we expect could have a material adverse effect on our results of operations.

Future relationship between costs and income

Other than as described in this section and in "*Risk Factors*" and "*Business*" on pages 14 and 135, respectively, to the best of our knowledge, there are no factors that are expected to have a material adverse effect on the relationship between our costs and income.

Known trends or uncertainties

Except as described in this section and in "*Risk Factors*" and "*Business*" on pages 14 and 135, respectively, to the best of our knowledge, there are no trends or uncertainties that have or had or are expected to have a material adverse impact on our results of operations.

Dependence on a few customers and suppliers

A significant majority of our income from operations is from sales to OEMs. OEM and aftermarket sales constituted 88.16% and 11.84% of our income from operations in fiscal 2014, respectively. Within OEM sales, we depend on a limited number of customers for a significant portion of our revenues. Sales to our top 10 customers constituted 82.50% of our income from operations for fiscal 2014 on a consolidated basis.

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from them is reduced for any reason, including as a result of reduction in demand from such a customer or a dispute with or disqualification by a major customer or the discontinuation of a product line or business by a major customer, or as a result of a major customer suffering a decline in market share. In addition, cuts in production schedules are sometimes announced by customers with little advance notice, making it difficult for suppliers, such as us, to respond with corresponding production and inventory reductions. The loss of a major customer or significant reduction in demand for our products from a major customer may have an adverse effect on our financial condition and results of operations.

Cyclicality of business

As the end users of our products are primarily engaged in the agriculture and CFM sectors, the demand for our products and, therefore, our results of operations and financial condition are related not only to global economic and market conditions but also to the level of investment and production in these specific segments of the global and domestic economies, which have historically been cyclical (in part, due to the seasonal nature of the agricultural sector, particularly in India, where agricultural activity and growth depend significantly on rainfall during the monsoon season and in Europe, the U.S. and Japan, which is dependent on the length of the winter months) and subject to significant adverse impact from economic downturns. An unanticipated spell of poor weather may significantly depress agricultural growth and demand for our products from customers in this sector, which may, in turn, adversely affect our financial condition and results of operations during the relevant periods. The performance of CFM segment is also impacted by prolonged economic conditions and may be impacted by weather cycles. As a result, our quarterly results may vary significantly from one year to the next and our results in one fiscal quarter may not be indicative of our results in the next or any future fiscal quarter or period.

For more information, see the section "*Risk Factors*" on page 14.

Related party transactions

We have, in the ordinary course of our business, entered into transactions with certain related parties. For instance, we have in the past purchased goods and samples from and sold goods to, and may in the future continue to purchase goods and samples from and sell goods to, certain Group Companies, namely, Ace Tractor Parts Limited. Further, one of our manufacturing facilities in India and our Registered Office are located in premises that are leased from certain Group Companies - SKG Engineering Private Limited and Soni Holdings (Partnership Firm). We have also accepted certain interest-bearing loans and advances from our Promoters and certain Group Companies and certain members of our Promoter Group in the preceding five fiscals, which have since been repaid. However, some of the company's loans have been secured by collaterals and personal guarantees of our Promoters and Promoter Group entities.

While, in our view, all such related party transactions that we have entered into are legitimate business transactions conducted on an arms' length basis, we cannot assure you that we could not have achieved more favorable terms had such arrangements not been entered into with related parties. Further, we cannot assure you that these or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For information on our related party transactions, see the section "*Risk Factors*" and the chapter "*Financial Statements*" on pages 14 and 198, respectively.

Significant developments after March 31, 2014

In the opinion of our Board, other than as disclosed below in this section and elsewhere in this Draft Red Herring Prospectus, there have not arisen any circumstances since March 31, 2014, which materially and adversely affect or are likely to materially and adversely affect our trading or profitability, the value of our assets or our ability to pay our liabilities within the next 12 months:

Our Company, pursuant to working capital facilities agreement with DBS Bank dated August 25, 2014, has been sanctioned credit facilities aggregating to ₹300 million. As security for the purposes of repayment of these financial facilities, a first pari passu charge has been created on all present and future stocks, receivables and moveable fixed assets of our Company by a deed of hypothecation dated August 25, 2014. These financial facilities are further secured by a first *pari passu* equitable mortgage of the property situated at B-208, A1 & A2, Phase II, Noida, U.P. Our Company has not drawn-down any amounts from this financing facility as on the date of this Draft Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

Set forth below, is a brief summary of our Company's borrowings (both fund based and non-fund based) as of July 31, 2014, together with a brief description of certain significant terms of such financing arrangements. Our Company's borrowings consist of mostly working capital facilities availed of from the banks mentioned below. The total amount outstanding as on July 31, 2014 is ₹ 2,095.01 million*.

A. Secured Borrowings of our Company

S. No.	Name of the Lender(s)	Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Security
1.	**Citibank N.A.**	**Fund based**: Fund Based Working Capital - ₹ 600 million Sub-limit of above: Export Pre/Post Shipment - ₹ 600 million Cash Credit ("**CC**") / working capital demand loan ("**WCDL**") – ₹ 100 million Ad-hoc facility - ₹ 200 million for 6 months **Non Fund based:** Sight LC ("**SLC**") / Bank Guarantees ("**BGs**") - ₹ 7.5 million	497.10 (1)	LIBOR+2.75%	Export Loan: Maximum tenor of 180 days CC: Revolving basis WCDL: Maximum tenor of 1 year BGs: Maximum tenor of 2 years SLC: 180 days	Security for regular limits: i. First pari passu charge on present and future stocks and book debts. ** ii. Lien on investment in the units of Kotak Alternate Opportunities (India) Fund in the name of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. iii. First pari passu charge vide equitable mortgage of land and building situated at B – 208/A1 & A2, Phase II, Noida, Uttar Pradesh.** iv. First pari passu charge on all the present and future moveable fixed assets.** v. Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. vi. Demand promissory note and letter of continuity. vii. Cash margins of 10% for SLC and BGs. Security for adhoc limits: Demand promissory note and letter of continuity.

S. No.	Name of the Lender(s)	Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Security
2.	**ING Vysya Bank Limited**	**Fund based:** Packing credit/pre-shipment credit in foreign currency ("**PCL/PCFC**")[2] - ₹ 350 million Sub-limit of above: Post shipment limit ("**PSL**") / export bill re-discounting ("**EBRD**") – ₹ 350 million CC – ₹ 210 million WCDL – ₹ 170 million Foreign currency loan ("**FCL**") – ₹ 210 million	139.71 [1]	PCL/PCFC: LIBOR+3.50% PSL/EBRD: LIBOR+3.50% ING Vysya Bank Rate ("**IVBR**") plus 3.00%. At negotiated rate with minimum of IVBR. At negotiated rate with minimum of IVBR.	PCL/PCFC: Maximum 180 days PSL/EBRD-Maximum 180 days CC: October 31, 2014 WCDL: Maximum up to180 days with rollover option FCL: Maximum up to 90 days with cooling period of one day	i. First pari passu charge on the entire present and future current assets, along with other working capital bankers. ** ii. First pari passu charge on all the movable fixed assets, both present and future, along with other working capital bankers and term lenders. ** iii. First pari passu charge on the immovable property of the Company situated at B208, A1 & A2, Phase II, Noida, along with other working capital bankers and term lenders. ** iv. Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.
3.	**Kotak Mahindra Bank Limited**	Working Capital Term Loan ("**WCTL**") - ₹ 61.30 million Sublimit of above: Foreign Currency Term Loan ("**FCTL**")[3] - ₹ 61.30 million	57.00	Kotak Mahindra Bank Base Rate plus 1.90%, presently 11.90%	WCTL: 14 months	Security for WCTL: Mortgage by way of exclusive charge over land and building belonging to Gripwel Fasteners (partnership firm) situated at Plot No. C-18, 19 & 20, Sector – 59, Noida.
		Fund based: Pre-shipment export credit[4] - ₹ 300 million Sub-limit of above: Post-shipment export credit - ₹	239.84 [1]	LIBOR+3.00%	Pre-shipment/Post-shipment export credit: 180 days	Common security for all other limits: i. First pari passu charge on all existing and future current assets and moveable fixed assets, to be shared with other existing working capital and term lenders of the Borrower. **

S. No.	Name of the Lender(s)	Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Security
		300 million CC of ₹ 20 million		LIBOR+3.00%		ii. Mortgage by way of first pari passu charge over land and building situated at B – 208/A1 & A2, Phase II, Noida, to be shares with other existing working capital lenders of the Borrower. ** iii. Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni. iv. Bank Guarantees are secured by 100% margin in the form of fixed deposit with the bank.
		Non-fund based BG - ₹ 0.40 million Receivable finance (under bills acceptance scheme of Mahindra & Mahindra) - ₹ 40 million			Bank Guarantee: 2 years Receivable Finance: Maximum tenor of 64 days	
4.	**Barclays Bank PLC**	**Fund based** Short Term Loan / Overdraft - ₹ 100 million	-	10.90%	Maximum term of 12 months	i. Lien on units of debt mutual funds to be provided by Gripwel Fasteners (partnership firm), Mr. Gurdeep Soni and Mrs. Pamela Soni. ii. Personal guarantees of Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.
		Non-Fund based Stand by Letter of Credit ("**SBLC**") – ₹ 225 million				
5.	**Indusind Bank Limited**	**Fund based** Term Loan – ₹ 300 million CC/Overdraft – ₹ 75 million Sub-limit of CC: WCDL – ₹ 75 million Packing credit – ₹ 75 million Post-shipment export credit / Foreign Bills Purchased / Discounted – ₹ 75 million	300.00 41.48 (1)	Base Rate plus 1%, presently 12% 1.5% above base rate, presently 12.5% LIBOR+3.50% LIBOR+3.50%	Corporate Term Loan: Door to door tenor not to exceed 60 months CC/WCDL: Repayable on demand Packing credit /Post-shipment export credit: 180 days	i. Exclusive charge on the industrial property located at C 140, Phase V, Focal Point, Dhandari Kalan, Ludhiana. ii. Exclusive charge on plot no. D – 126 A & D – 127 A, Phase V, Focal Point, Dhandari Kalan, Ludhiana. iii. First pari passu charge on the entire movable fixed assets of our Company both present and future.** iv. First pari passu charge by way of equitable mortgage on land and building located at B – 208, A1 and A2, Phase II, Noida.**

S. No.	Name of the Lender(s)	Amount Sanctioned	Amount Outstanding as on July 31, 2014 (₹ million)	Rate of Interest as on 31 July, 2014	Tenor/ Repayment Schedule	Security
						v. Hypothecation of the entire current assets of our Company, existing and future, comprising, inter alia, of stocks of raw materials, work in progress, finished goods, receivables, book debts and other current assets (on pari passu basis with working capital bankers).** vi. Personal Guarantee of Mr. Gurdeep Soni & Mr. Paramjit Singh Soni.
		Letter of credit (inland/foreign) - ₹ 75 million Bank Guarantee - ₹ 75 million			Letter of Credit: not exceeding 90 day	

(1) The facility has been availed in USD. US$ 1= ₹ 60.56 as on July 31, 2014 (source: in.reuters.com)
(2) ING Vysya Bank Limited as part of the facility, has also provided a loan equivalent factor for forwards facility of ₹ 120 million.
(3) Kotak Mahindra Bank Limited as part of the facility, has also provided an interest rate swap (mark-to-market) facility of ₹ 2.5 million.
(4) Kotak Mahindra Bank Limited as part of the facility, has also provided a forwards (mark-to-market) facility of ₹ 100 million.
**The amounts outstanding as of July 31, 2014 are as certified by the lenders and do not contain particulars of the overdraft taken by our Company against fixed deposits.*
***The security created by our Company in favour of the lenders rank first pari passu for all purposes and for all intents and without any preferences or priority of one lender over the other lenders.*

Except as disclosed in the section "*Risk Factors*", there has not been any re-scheduling, prepayment, penalty or default by our Company in respect of any of the term loans availed of by our Company since incorporation till the date of this DRHP.

B. Unsecured borrowings of our Company

As on July 31, 2014, our Company does not have any unsecured borrowings.

C. Borrowings of UUL

Set forth below is a summary of UUL's borrowings as of July 31, 2014, together with a brief description of certain significant terms of such financing arrangements.

S. No.	Name of the Lender(s)	Amount Sanctioned**	Amount Outstanding as on July 31, 2014 (₹ million)**	Rate of Interest as on July 31, 2014	Tenor/ Repayment	Security
1.	JPMorgan Chase Bank	Revolving line credit of ₹ 242.24 million (USD 4 million) Term loan of ₹ 65.40 million (USD 1.08 million)	210.53 59.95	Adjusted LIBOR plus 2.25% or Consumption Based Fixed Rate (prime rate) minus 0.65%	For the term loan: repayable by monthly instalments until March 24, 2016.	i. Personal Guarantee of Mr. Paramjit Singh Soni. ii. First priority lien on all the business assets and all proceeds. iii. First priority lien on machinery and equipment.

S. No.	Name of the Lender(s)	Amount Sanctioned**	Amount Outstanding as on July 31, 2014 (₹ million)**	Rate of Interest as on July 31, 2014	Tenor/ Repayment	Security
						iv. First mortgage on UUL's property at Augusta, Georgia.

***Calculated assuming US$ 1= ₹60.56 as on July 31, 2014. (source: www.in.reuters.com)*

D. Borrowings of UOI

Set forth below is a summary of UOI's borrowings as of July 31, 2014, together with a brief description of certain significant terms of such financing arrangements.

S. No.	Name of the Lender(s)	Amount Sanctioned**	Amount Outstanding as on July 31, 2014 (₹ million)**	Rate of Interest as on July 31, 2014	Tenor/ Repayment	Security
1.	JP Morgan Chase Bank	Revolving line of credit of ₹ 666.16 million (USD 11 million) Non-revolving line of credit of ₹ 151.40 million (USD 2.50 million) for capital expenditure purposes Term loan of ₹ 109.00 million (USD 1.8 million)	263.35 16.29 81.76	Adjusted LIBOR plus 2.25% or Consumption Based Fixed Rate (prime rate) minus 0.65%	For the term loan: repayable by monthly instalments until March 24, 2016.	i. Personal Guarantee of Mr. Paramjit Singh Soni. ii. First priority lien on all the business assets and all proceeds. iii. First priority lien on machinery and equipment. iv. First mortgage on UUL's property at Augusta, Georgia.

***Calculated assuming US$ 1= ₹60.56 as on July 31, 2014. (source: www.in.reuters.com)*

E. Borrowings of UIG

Set forth below is a summary of UIG's borrowings as of July 31, 2014, together with a brief description of certain significant terms of such financing arrangements.

S. No.	Name of the Lender(s)	Amount Sanctioned**	Amount Outstanding as on July 31, 2014 (₹ million)**	Rate of Interest as on July 31, 2014	Tenor/ Repayment	Security
1.	Barclays Bank PLC, London	Demand loan facility of ₹ 202.70 million (Euro 2.5 million)	72.97	LIBOR+1.75%	Repayable on demand. Expires in one year from the date of drawdown	i. Legal charges over a euro cash deposit placed with bank.

S. No.	Name of the Lender(s)	Amount Sanctioned**	Amount Outstanding as on July 31, 2014 (₹ million)**	Rate of Interest as on July 31, 2014	Tenor/ Repayment	Security
					Repayment shall be made in installments of Euro 100,000 payable monthly.	ii. SBLC of Euro 2.5 million provided by Barclays Wealth, India.

***Calculated assuming EUR€ 1= ₹ 81.08 as on July 31, 2014. (source: www.in.reuters.com)*

F. Borrowings of Gripwel Fasteners Private Limited

Set forth below is a summary of GFPL borrowings as of July 31, 2014, together with a brief description of certain significant terms of such financing arrangements.

S. No.	Name of the Lender(s)	Amount Sanctioned**	Amount Outstanding as on July 31, 2014 (₹ million)**	Rate of Interest as on July 31, 2014	Tenor/ Repayment	Security
1.	Citibank N.A	Export pre/post shipment/usance letter of credit of ₹ 175 million)	115.03 [(1)]	LIBOR+2.75%	Export loans/ Usance Letter of Credit: Maximum tenor of 180 days.	i. First and exclusive charge on present and future stocks and book debts. ii. Corporate guarantee of Uniparts India Limited. iii. First exclusive charge by way of equitable mortgage on land and building located at 142A/ 30-142A/51 NSEZ. iv. Demand promissory note and letter of continuity for ₹ 175 million.

[(1)]The facility has been availed in USD.

Restrictive Covenants

Our financing agreements include various restrictive conditions and covenants restricting certain corporate actions. During the currency of these financing arrangements, we are either required to take the prior approval of the lender before undertaking such corporate actions or intimate the lender subsequently. For instance, we are required to obtain the prior written consent of or provide written intimation to some of our lenders, *inter alia,* for the following:

- To enter into any amalgamation, demerger, merger or corporate reconstruction.
- To effect any change in status, constitution control, ownership or nature of business and operation which shall have a material adverse effect on our Company.
- To enter into any, or be a party to, any transaction with any affiliate of our Company, except in the ordinary course of business and pursuant to the reasonable requirements of our Company's business and upon fair and reasonable terms which are fully disclosed to the lender.
- To change the shareholding pattern of the directors, promoters, shareholders (including by issue of new shares and transfer of shares).
- To make any change in management/Board or permit any transfer of controlling interest.
- To change our name or trade name.
- To change its accounting standards as well as its accounting year.
- To enter into a transaction or series of transactions (whether related or not) and whether voluntary or involuntary, to sell, lease, transfer, otherwise dispose of any charged assets, or enter into any compromise with its creditors.
- To utilize the facility for purposes other than those specified in the respective sanction letters or financing agreements.
- To enter into any banking transaction through another lender.
- Before creating a charge on any assets, save to the extent already notified to the lender prior to the date of the agreement, and to ensure that the assets are free from encumbrance, lien, pledge, charge, mortgage, attachment at all times until our Company discharges its obligations under the loan agreement to the satisfaction of the lender.
- Before effecting any future secured borrowings.
- To raise long- term debt.
- To maintain certain specified financial ratios such as minimum debt service coverage ratios and maximum debt/EBITDA.
- To declare dividends for any year except out of the profits relating to that year.
- To invest by way of share capital in or lend or advance funds to or place deposits with any other concern.

SECTION VII: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our Subsidiaries, our Directors, our Promoters and Group Entities that would have a material adverse effect on our business. Further, except as stated below there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by our Company and our Subsidiaries, default in creation of full security as per terms of issue/other liabilities. In relation to amounts owed to small scale undertakings our Company is in the process of receiving intimations from its vendors regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006 due to which related disclosure has not been made in the financial statements. No proceedings have been initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company and our Subsidiaries and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, our Subsidiaries, our Promoters, our Directors and Group Entities.

Litigation against our Company

Tax proceedings

Excise Tax / Customs matters

There are 13 central excise and service tax cases pending against our Company before the Commissioner of Central Excise and Customs and Service Tax, and the Custom Excise and Service Tax Appellate Tribunal ("**CESTAT**"). The aggregate amount involved in these cases is approximately ₹ 4.49 million. A brief description of the cases is provided below:

1. The Assistant Commissioner, Central Excise Division, Ludhiana, issued six notices (bearing nos. V(87)21/D/Ldh-II/tech/SKG/23/10/525 dated January 27, 2011, V(87)21/D/Ldh-II/04/10/1788 dated March 23, 2010, V(87)21/D/Ldh-II/02/94/2010-1741 dated March 25, 2011, V(87)21/D/Ldh-II/61/2011/6219 December 29, 2011, V(87)21/D/R-1/SKG Engg/Ldh-II/102/2012-2013/543-44 dated August 27, 2012 and V(87)21/D/R-1/SKG Engg. Ldh-II/102/12-13/745 dated May 3, 2013) asking our Company to show cause why Cenvat credit aggregating to ₹ 0.21 million should not be disallowed and interest should not be recovered for certain periods between September 2006 to March 2013, on account of our Company allegedly having availed Cenvat credit on inputs which are common for dutiable finished goods as well as exempted goods, while only goods manufactured on job work basis were exempted from payment of excise duty as per notification 214/86-CE dated March 25, 1986. Our Company filed replies dated August 19, 2011, June 27, 2013, June 24, 2013, June 7, 2013 and two replies dated June 12, 2013, respectively.

2. The Deputy Commissioner, Central Excise Division, Ludhiana, issued a notice (bearing no. V(87)21/D/Ldh-II/80/2011/1237) dated April 13, 2012, asking our Company to show cause why Cenvat credit of ₹ 0.032 million should not be disallowed and interest should not be recovered and penal action should not be imposed for the period April 2011 to January 2012, on the ground that our Company had allegedly cleared for export exempted goods manufactured out of inputs liable for Cenvat without payment of duty. Our Company replied to this notice by a letter dated June 28, 2013.

3. The Assistant Commissioner of Central Excise, Customs and Service Tax, Vishakhapatnam issued an order (bearing no. 09/2011(R)/AKM/VSP-5/Cus) dated January 20, 2011, rejecting our Company's refund claim of ₹ 1.92 million on supplies to SEZ, Vishakhapatnam during the period June to October 2008. Our Company filed an appeal (bearing no. 01/2011-Cus) dated February 10, 2011, before the Commissioner of Customs and Central Excise (Appeals), Vishakhapatnam, who, by its order dated April 6, 2011, upheld the impugned order and rejected our appeal. Our Company filed an appeal (bearing no. C/1769/2011) before the CESTAT, Vishakhapatnam.

4. The Assistant Commissioner, Central Excise Division-II, Ludhiana, issued a notice (bearing no. V(73)/21/D/Ldh-II/86/09/2412) dated May 24, 2010 asking our Company to show cause why goods valuing ₹ 4.04 million involving central excise duty of ₹ 0.33 million should not be seized. Our Company filed its reply on May 4, 2011. The Assistant Commissioner, Central Excise Division-II, Ludhiana by its order (bearing no. 148/CE/AC/Ldh-II/10) dated July 22, 2011, directed confiscation of seized goods valued at ₹ 4.04 million involving central excise duty of ₹ 0.33 million. The Assistant Commissioner, Central Excise Division-II, Ludhiana further directed our Company to redeem the seized goods on payment of redemption fine amounting to ₹ 0.50 million and additionally imposed a penalty of ₹ 0.33 million. Our Company filed an appeal (bearing no. 735 of 2011) dated October 17, 2011 before the Commissioner of Central Excise (Appeals), Chandigarh. The appeal was rejected and thereafter, our Company filed another appeal before the CESTAT, New Delhi against rejection of the appeal. The CESTAT, New Delhi has granted a stay by its order dated February 4, 2014.

5. Our Company, in the course of audit of accounts, was informed that the Cenvat credit was not admissible on the inputs/materials used in the manufacture of goods cleared under notification (bearing no. 214/1986-CE) dated March 25, 1986. Thereafter, on being advised by the audit officers, our Company had reversed an amount of ₹ 0.53 million under protest vide R.G.23-A Part-II, Entry No. 2245 dated February 5, 2011 for duty reversal and interest of ₹ 0.19 million was paid under protest on February 7, 2011. Our Company requested the Deputy Commissioner, Central Excise, Ludhiana vide its letter dated July 1, 2013 to re-credit the debited duty which was rejected by the Deputy Commissioner, Central Excise, Ludhiana vide its order dated July 29, 2013. Our Company has filed an appeal before the Commissioner (Appeals), Central Excise (Appeals), New Delhi on September 30, 2013 against the rejection.

6. The Deputy Commissioner, Central Excise Division, Ludhiana, issued two notices (bearing no. IV(16)DBK/SKG/Ldh-II/04/14/2637 dated July 30, 2014 and IV(16)DBK/SKG/Ldh-II/06/14/3016 dated August 14, 2014) asking our Company to show cause as to why the entire drawback claim of ₹ 0.724 million should not be rejected on the ground of limitation under rule 13(1) of the Customs, Central Excise Duties and Service Tax Drawback Rules, 1995 ("**Drawback Rules**") read with section 75(2) of the Customs Act, 1962. It has been alleged in the show cause notice that our Company had filed its drawback claim after the lapse of prescribed time limit of three months and no reasons for delay had been provided. The show cause notice also alleges that in case of manual shipping bills, it was mandatory on the part of the exporter i.e., our Company to file the claim within three months from the date of making an order permitting clearances and loading of goods. Our Company replied to the notice bearing no. IV(16)DBK/SKG/Ldh-II/04/14/2637 dated July 30, 2014 by its reply dated August 29, 2014 and notice bearing no. IV(16)DBK/SKG/Ldh-II/06/14/3016 dated August 14, 2014 by its reply dated September 12, 2014 stating that the drawback claim is not time barred and time period for the purpose of sanction of drawback claim has to be construed from the date of submission of the information/documents.

7. The Deputy Commissioner, Central Excise Division, Ludhiana, issued a notice (bearing no. IV(16)DBK/FARMPARTS/Ldh-II/05/14/3014) dated August 14, 2014 asking our Company to show cause as to why the entire drawback claim of ₹ 0.217 million should not be rejected on the ground of limitation under rule 13(1) of the Drawback Rules read with Section 75(2) of the Customs Act, 1962. It has been alleged in the show cause notice that our Company had filed its drawback claim after the lapse of prescribed time limit of three months and no reasons for delay had been provided. The show cause notice also alleges that in case of manual shipping bills, it was mandatory on the part of the exporter i.e., our Company to file the claim within three months from the date of making an order permitting clearances and loading of goods. Our Company replied to the notice by its reply dated September 12, 2014 stating that the drawback claim is not time barred and time period for the purpose of sanction of drawback claim has to be construed from the date of submission of the information/documents.

VAT, Entry Tax and Sales Tax

There are a total of 10 notices issued against our Company by the Deputy Commissioner of Commercial Taxes, Meerut and Noida on account of alleged discrepancies in filing road permits for transport vehicles and also as

assessment demands. The total involved amount in the pending matters is ₹ 2.03 million. A brief description of the matters is given below:

1. Our Company received seven notices bearing nos. 909 dated February 6, 2013 issued by Deputy Commissioner of Commercial Tax, Noida, 1294 dated May 18, 2013 issued by Assistant Commissioner of Commercial Tax, Meerut, 2546 dated May 22, 2013 issued by Assistant Commissioner of Commercial Tax, Gautam Budh Nagar, 6732 dated September 21, 2013 issued by Deputy Commissioner of Commercial Tax, Noida, 5333 dated October 23, 2013 issued by Deputy Commissioner of Commercial Tax, Noida, 3661 dated December 13, 2013 issued by Deputy Commissioner of Commercial Tax, Noida and 3814 dated October 17, 2011 issued by Deputy Commissioner of Commercial Tax, Noida on account of alleged discrepancies in filing road permits for transport vehicles which were detained but subsequently released on payment of penalties aggregating to ₹ 0.80 million.

2. Our Company received a notice dated November 18, 2013 (bearing no. 33318) issued by the Allahabad High Court informing that the Commissioner, Commercial Tax, Lucknow has filed the revision application (bearing no. D320 of 2013) before the Allahabad High Court against the order dated December 4, 2012 passed by the Sales Tax Tribunal, Noida in favour of our Company regarding sales tax involving amount of ₹ 0.29 million and for entry tax involving amount ₹ 0.29 million, thus involving a total amount of ₹ 0.58 million. The notice further directed our Company to appear before the Allahabad High Court on December 17, 2013.

3. Our Company received an assessment order issued by Deputy Commissioner of Commercial Tax, Noida dated March 19, 2014 (bearing no. 1693) for the assessment year 2010-2011 raising a demand of ₹ 0.65 million on account of credit disallowed from available credit. Our Company has filed a rectification application on July 23, 2014 against the assessment order.

Income Tax matters

Following are the claims pending against our Company before the various income tax authorities. The aggregate tax liability payable in these claims is approximately ₹ 25.10 million. Brief descriptions of the cases are provided below:

1. Our Company filed rectification applications dated February 14, 2011 (for assessment year 2008-2009) , January 16, 2013 (for assessment years 2007-2008, 2009-2010 and 2010-2011) and July 1, 2013 (for assessment year 2011-2012) for amounts of ₹ 3.16 million, ₹ 2.69 million, ₹ 2.24 million, ₹ 1.14 million and ₹ 3.81 million, respectively before the Deputy Commissioner of Income Tax ("**DCIT**"), New Delhi, claiming allowance of credit for tax withheld in the U.S.A with respect to income from subsidiaries in the U.S.A while calculating tax payable in India. The DCIT, New Delhi by a common order dated May 30, 2013, dismissed the rectification applications filed by our Company. Our Company has filed separate appeals dated July 2, 2013 before the Commissioner of Income Tax (Appeals) ("**CIT (A)**"), New Delhi in respect of all the assessment years.

2. Our Company filed a rectification application dated April 25, 2012 with the Assistant Commissioner of Income Tax ("**ACIT**"), New Delhi to avail deduction under section 80 HHC of the I.T. Act for assessment years 2003-2004 and 2004-2005 in light of a Supreme Court judgment stating that the benefit of section 80 HHC of the I.T. Act on profit transfer of Duty Entitlement Pass Book ("**DEPB**"), earlier available only to exporters with turnover less than ₹ 100 million, would now be available to all exporters.

3. Our Company received an assessment order from DCIT, New Delhi dated December 29, 2006 for the assessment year 2004-2005. Our Company filed a rectification application dated January 6, 2007 for adjustment of wrongful disallowance of rebate under section 80 HHC of the I.T. Act before the DCIT, New Delhi. The DCIT, New Delhi by its order dated April 30, 2008, demanded a total sum of ₹ 1.03 million. Our Company paid sum of ₹ 0.92 million and requested by its letter dated June 13, 2013 that the balance sum of ₹ 0.12 million be adjusted with the refund for assessment year 2003-2004.

4. Our Company received an assessment order dated December 29, 2010 from DCIT, New Delhi for assessment year 2008-2009 and filed an appeal (bearing no. 193/10-11/957) dated January 24, 2011 before

the CIT (A), New Delhi, challenging the disallowance of foreign travelling expenses of directors, amounting to ₹ 0.18 million. Our Company filed letter dated June 2, 2011 withdrawing the appeal. The CIT (A), by its order dated February 29, 2012, disallowed the withdrawal and enhanced disallowance of foreign traveling expense to ₹ 1.23 million. Our Company has filed an appeal (bearing no. 1824/Del/12/Assessment Year 2008-2009) dated March 26, 2012 before the ITAT.

5. Our Company received transfer pricing order dated December 27, 2013 from the Transfer Pricing Officer, New Delhi for assessment year 2009-2010, enhancing our Company's income by ₹ 2.62 million on the basis of the interest earned from loans extended to associate enterprises. Pursuant to this order, the DCIT, New Delhi by provisional assessment order dated March 28, 2013, confirmed the enhancement under the transfer pricing order, with additional disallowance of ₹ 11.49 million with respect to cost incurred and claimed by our Company towards freight and marine insurance and enhanced a sum of ₹ 7.22 million on account of lesser interest of 6% charged from our Subsidiary, GFPL as opposed to arm's length rate of 16%. Our Company filed an appeal (bearing no. 90/2013) dated April 26, 2013, before the Dispute Resolution Panel, New Delhi. The Dispute Resolution Panel, New Delhi reduced the disallowance from 10% to 5% on ocean, air freight and marine insurance and accordingly, the DCIT, New Delhi passed the final order. Our Company has filed an appeal before ITAT on February 22, 2014 against the order of DCIT, New Delhi.

6. Our Company received assessment order under section 143(1) of the I.T. Act dated March 26, 2012 for assessment year 2011-2012 from the DCIT, New Delhi, disallowing tax deducted at source ("**TDS**") credit of ₹ 0.018 million and filed a rectification application dated July 1, 2013 with the DCIT, New Delhi. The DCIT, New Delhi has not adjusted the amounts until date.

7. Our Company received an assessment order under section 143(1) of the I.T. Act dated June 14, 2013 for assessment year 2012-2013, disallowing ₹ 123.12 million and ₹ 0.53 million, respectively, on account of depreciation and withholding tax and filed a rectification application (bearing no. 604195310060813) dated August 6, 2013 before the DCIT, New Delhi challenging the disallowance. The application was rejected since the matter was taken up for scrutiny under section 143(3) of the I.T. Act. Our Company filed another rectification application dated May 19, 2014 and the Assessing Officer, New Delhi has allowed ₹ 123.12 million on account of depreciation. Our Company is in process of filing a rectification application against the order for the balance demand of ₹ 0.53 million.

8. Our Company, in respect of a unit of a partnership firm (Gripwel Fasteners) acquired by our Company pursuant to slump sale agreement dated September 1, 2005, filed a rectification application dated April 25, 2012 for assessment years 2001-2002, 2002-2003 and a petition under section 264 of the I.T. Act dated October 22, 2012 for assessment years 1999-2000, 2000-2001, 2003-2004 and 2004-2005, to avail deduction under section 80 HHC of the I.T. Act in light of a Supreme Court judgment which lays down that the benefit of section 80 HHC of the I.T. Act on profit transfer of DEPB, earlier available only to exporters with turnover less than ₹ 100 million, would now be available to all exporters. The petition in respect of assessment years 1999-2000, 2000-2001, 2003-2004 and 2004-2005 was rejected by the CIT by its order dated March 26, 2014. Our Company has sent a reminder letter dated May 29, 2014 requesting the disposal of pending rectification applications in respect of assessment years 2001-2002 and 2002-2003.

9. Our Company, in respect of a unit of a partnership firm (Farmparts Company) acquired by our Company pursuant to slump sale agreement dated September 14, 2005, received an assessment order dated February 28, 2006 and a demand notice for ₹ 0.05 million for the assessment year 2003-2004. Our Company filed an appeal (bearing no. 12/06-07) dated March 16, 2006, before the CIT (A) on the ground that the deduction under section 80 HHC of the I.T. Act wrongly excluded the claim on job work receipts and miscellaneous income, with an application for stay dated April 17, 2006. The CIT (A) by its order dated January 11, 2007, allowed the appeal and directed the DCIT, New Delhi to re-calculate the deduction. The DCIT filed an appeal (bearing no. Income Tax (Appeal) 3097/Del/07) dated January 11, 2007 before ITAT on the ground that CIT (A) had erred in holding that income from job work was linked with main business of the assessee. Our Company filed an application dated January 30, 2007 seeking for an order giving effect to the appeal and issuance of a fresh demand notice. A notice dated June, 2007 for ₹ 0.004 million issued by the

Assessment Officer, New Delhi was received by our Company. The ITAT, by its order dated April 30, 2008, upheld the order of CIT (A). Our Company has filed a rectification application dated May 2, 2008 before DCIT, New Delhi.

10. Our Company, in respect of a unit of a partnership firm (Farmparts Company) acquired by our Company pursuant to slump sale agreement dated September 14, 2005, received an assessment order and demand notice dated December 27, 2006 from Income Tax Officer, New Delhi for ₹ 0.044 million for the assessment year 2004-2005 and filed a rectification application dated January 3, 2007 with the DCIT, New Delhi, claiming that deduction under section 80 HHC of the I.T. Act was wrongly allowed and an application dated February 25, 2008 for issuance of a fresh demand notice. A subsequent notice dated August 1, 2011 was received from the Income Tax Officer, New Delhi for payment of ₹ 0.044 million and to show cause why penalty should not be imposed. Our Company has filed its reply dated August 8, 2011.

11. Our Company, in respect of a unit of SKG Engineering Private Limited acquired by our Company pursuant to slump sale agreement dated October 10, 2005, received an assessment order and demand notice dated February 27, 2006 for ₹ 0.40 million for assessment year 2003-2004. Our Company filed an appeal (bearing no. CIT (A)-XI/Del/39/06-07) dated April 10, 2006 before the CIT (A) challenging the disallowance of depreciation on car and other ancillary expenses i.e. postage, telegram and telephone and car maintenance, as well as disallowance on job work and deduction under section 80 HHC of I.T. Act. The CIT (A) rejected the appeal, by its order dated September 15, 2008. Our Company filed a rectification application dated March 9, 2010 with the Income Tax Department, New Delhi and by rectification order dated March 31, 2010, the Income Tax Department, New Delhi demanded ₹ 1.81 million. Our Company filed an appeal (bearing no. 14/10-11) dated April 29, 2010 before the CIT (A), which was dismissed by the CIT (A) by its order dated August 3, 2011. Our Company filed an appeal (bearing no. Income Tax (Appeal) 4772/DEL/2011) before the ITAT on September 17, 2011, which was dismissed by an ex-parte order dated June 28, 2012. Our Company filed a miscellaneous application (bearing no. 288/Del/2012) on December 17, 2012, recalling the order. The ITAT allowed the application and recalled the order by its order dated June 19, 2013.

12. Our Company received an assessment order dated May 19, 2014 for the assessment year 2010-2011. Our Company filed an appeal before the CIT (A) on June 27, 2014 challenging the assessment order on account of reduction of the returned loss of ₹ 202.6 million to loss of ₹ 149.83 million by making adjustments in various components such as transfer pricing adjustment on account of interest received on the loan extended to associate enterprises and various other corporate tax adjustments involving a total amount of ₹ 52.86 million. Our Company also filed a rectification application on June 3, 2014 on account of certain disallowances and the DCIT, New Delhi by his order dated July 14, 2014 passed a partial order rectifying some of the claims and rejected certain claims. Thereafter, DCIT, New Delhi issued a fresh demand notice in July 14, 2014.

13. As per the TDS Reconciliation, Analysis and Correction Enabling System ("**Traces**") website, our Company has observed certain demands on account of TDS payments for the financial years 2007-2008 to 2013-2014. Most of these demands were on account of software glitches in the Tax Department's website which have been now rectified but demands of ₹ 1.26 million are still outstanding. Our Company is in the process of filling the rectification applications.

Civil Cases

1. Container Freight Station, Punjab State Water Corporation, Ludhiana filed a suit (bearing civil suit no. 49370 of 2013) dated March 3, 2013 in the court of Civil Judge, Senior Division, Ludhiana seeking the grant of a permanent injunction against Farmparts Company (a unit of our Company) as well as against three other companies from interfering or causing interference in the peaceful and smooth operation of its business and carrying on any business causing nuisance, noise or air pollution with the use of machines. Our Company is in process of filing its written submission.

Notices against our Company

1. Our Company received a letter dated August 21, 2014 from the Reserve Bank of India ("**RBI**") stating that four remittance transactions undertaken by our Company under the overseas direct investment mechanism in relation to UUL were reported with inordinate delay on June 4, 2014, June 2, 2014 and June 12, 2014 (for two transactions). The RBI in its letter stated that such delay was in contravention of regulation 6(2)(vi) of RBI notification no. FEMA120/RB-2004 dated July 7, 2004, as amended, and advised our Company to compound the aforementioned delay. Our Company has filed its application dated September 18, 2014 with the RBI for compounding of the aforementioned contraventions of the provisions of notification no. FEMA 120/RB-2004 dated July 7, 2004.

2. Our Company received summons dated July 7, 2014 (bearing no. AP/SRO/PTC/ENF/Z-1/2014/39260/2484) from the Regional Provident Fund Commissioner - II ("**RPFC - II**"), Patancheru, Medak, Andhra Pradesh under section 7A of Employees Provident Funds and Miscellaneous Provisions Act, 1952 to show cause why our Company was making lower provident fund contributions in respect of contract labour engaged through M/s. Tirumala Automobiles. Our Company appeared before the RPFC – II on July 28, 2014 and submitted that a similar matter was pending in the High Court of Punjab and Haryana and the matter be kept in abeyance till such time, the aforesaid matter is decided.

3. Puneet Steels and Alloys Private Limited issued a legal notice dated May 28, 2014 to our Company for recovery of ₹ 0.708 million with interest at the rate of 18% per annum along with amount under the "C Form" being a cumulative amount of ₹ 0.96 million. Our Company has replied to the said legal notice by its reply dated June 13, 2014 denying the allegations made against the Company and calling upon Puneet Steels and Alloys Private Limited to withdraw the legal notice.

4. Our Company received three notices dated August 27, 2013 for assessment year 2012-2013, August 28, 2014 for assessment year 2011-2012 and September 4, 2014 for assessment year 2013-2014, respectively issued by the Income Tax department in relation to scrutiny of the accounts and our Company is in process of filing its reply.

5. Tiger Steel Engineering (India) Private Limited issued a legal notice dated April 21, 2012 to our Company for recovery of ₹ 0.29 million with interest at the rate of 24% per annum, on account of delayed payment by our Company for supply of pre-fabricated steel structures. Our Company is in the process of replying to this notice.

6. Our Company received a show cause notice (no. DCIT/Cir-6(1)/Vsp/2012-13) dated March 19, 2013 issued by the DCIT, Visakhapatnam regarding the non-payment of TDS in relation to 30.01 acres of land acquired on a 35 year lease from Andhra Pradesh Industrial Infrastructure Corporation Limited, Special Project Zone, Atchutapuram, Visakhapatnam on November 1, 2007. Our Company paid ₹ 90.9 million at the time of allotment. The DCIT, Visakhapatnam issued the notice asking as to why an order under section 201(1) and 201(1A) of the I.T. Act should not be passed. Our Company replied to the notice by its reply dated April 3, 2013 challenging the notice on the ground that the I.T Department, Visakhapatnam lacks jurisdiction and that the 'upfront payment' was made by our Company towards cost of the land which is payment for capital expenditure and not payment for rent and hence not liable for tax deduction at source.

Labour related litigation against our Company

Our Company is involved in the following labour matters which have been initiated against the Company:

1. Noida Engineering Majdoor Sangh (the "**Complainant**") filed a complaint (bearing no. NSMS/Gripwel/Noida/ 2000) dated September 26, 2000, before the Deputy Labour Commissioner, Gautam Budh Nagar, Noida against Ace Tractors Parts Limited (formerly known as GKN Walterscheid Gripwel Limited) and our Company (collectively the "**Respondents**") for alleged wrongful termination of service of workmen working in the unit of GKN Walterscheid Gripwel Limited, which was shut down on account of

financial losses on September 22, 2000 in contravention of section 6E of the Uttar Pradesh Industrial Disputes Act, 1947. Certain workmen of the closed unit were transferred and absorbed in our Company. On failure of conciliation proceedings after the initial filing of statement of claim by the Complainant and reply to the statement of claim by the Respondents, the matter was referred to the Labour Court, Ghaziabad. The matter was transferred to Labour Court, Noida and registered as case no. 306 of 2008 on the basis of the request made by the Complainant. Our Company filed an application dated July 22, 2014 under section 28D and 29D of the Uttar Pradesh Industrial Disputes Act, 1947 challenging the locus standi of the Complainant. The complainant is yet to file its reply to the application.

2. There are 19 other labour and service related matters pending against our Company before the various courts including, *inter alia*, the Labour Court, Ghaziabad and the Labour Court, Noida with respect to disputes relating, to amongst others, continuation of service, retrenchment compensation, failure to provide full back wages and all consequential benefits, non-payment of wages, illegal and wrongful suspension, compensation for accident and serious misconduct while working on the premises. The aggregate amount involved in these cases cannot be ascertained.

Litigation by our Company

1. Our Company had placed an order with Mysore Kirloskar Limited ("**MKL**") on July 24, 2000 for supply of 10 machines for a sum of ₹ 14 million which was accepted by MKL by its letters dated August 8, 2000 and August 14, 2000, respectively. Our Company was informed that MKL had filed a reference under section 15(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 before the Board for Industrial and Financial Reconstruction ("**BIFR**") bearing no. 409 of 2000. On account of MKL's failure to deliver the machines on the date of delivery, our Company issued a legal notice dated March 21, 2001 to MKL and its directors. Subsequently, the BIFR by its order dated October 31, 2002 directed MKL to be wound up and an Official Liquidator was appointed. Thereafter, our Company moved an application dated February 4, 2003 under section 22(1) of the Sick Industrial Companies (Special Provisions) Act, 1985 before the BIFR seeking permission to file appropriate legal proceedings against MKL which however was not allowed. Thereafter, our Company filed a claim petition dated June 18, 2005 before the Official Liquidator, Bangalore claiming ₹ 67.88 million on account of the default.

Notices by our Company

1. Our Company issued a legal notice dated September 5, 2014 to DTDC Courier and Cargo Limited ("**DTDC**") stating that our Company sent a courier to STJ Electronics Private Limited, New Delhi containing the payment advice and a cheque bearing no. 267505 dated March 11, 2014 for ₹ 0.23 million drawn on ING Vysya Bank Limited, Visakhapatnam Branch, Waltair Main Road, Visakhapatnam ("**ING Vysya Bank**"). However, our Company was informed by STJ Electronics Private Limited that it had not received the aforesaid courier. Our Company by its letter dated May 3, 2014 informed DTDC about the non-delivery and requested to provide the proof of delivery of the aforesaid cover. DTDC informed our Company on May 3, 2014 that the courier bag sent to Delhi containing the aforesaid cover was misplaced. Thereafter, our Company, while going through its bank accounts found that one Mr. Deepak Kumar Singh had encashed the cheque. On account of the aforementioned, our Company issued a legal notice calling upon DTDC to pay an amount of ₹ 0.23 million towards the value of the cheque, ₹ 0.05 million towards compensation for mental agony and ₹ 0.005 million towards loss sustained due to non-delivery of cover within ten days from the date of receipt of notice.

Litigation against our Subsidiaries

UOI

1. UOI had, on November 5, 2012, filed a protest with the Port Director, Bureau of Customs and Border Protection, in the state of Illinois, U.S.A. against the decision of the Customs Service Officer to, among other things, reclassify certain machine components imported from India. These were described by UOI on the invoice as 'bushings', on entry into the U.S.A on July 19, 2011, as 'plain shaft bearings' within the meaning

of HTS 8483. This matter is currently pending before the Customs Border Patrol headquarters in Washington D.C.

GFPL

Income Tax matters

1. GFPL received scrutiny assessment notice dated May 2, 2014 from the Income Tax Officer, New Delhi under section 142(1) of the I.T. Act in connection with the assessment proceedings for the assessment year 2012-2013 directing GFPL to produce balance sheet, profit and loss statement and audit report along with annexures and appear before the Income Tax Officer, New Delhi on May 9, 2014.

2. GFPL received a notice dated September 16, 2014 from the Income Tax Officer, New Delhi seeking explanations for increase in TDS deducted and deposited by GFPL amounting to ₹ 2.30 million in the financial year 2013-2014 vis-à-vis financial year 2012-2013. As per the notice, GFPL had deducted and deposited TDS amounting to ₹ 1.20 million in financial year 2012-2013 whereas in financial year 2013-2014, the TDS deducted and deposited is ₹ 3.50 million. GFPL is in the process of preparing and filing the reply to the same.

3. GFPL received two demand notices dated September 13, 2012 and December 6, 2012 issued by the Income Tax Officer, New Delhi under section 221(1) of the I.T. Act in relation to assessment year 2008-2009 regarding deposit of tax amounting to ₹ 2.15 million. GFPL filed rectification applications on October 23, 2012 and December 13, 2012, respectively, against the above notices. Thereafter, the I.T. Department, New Delhi by its order dated May 30, 2013 under section 154, reduced the demand to nil. The I.T. Department on September 15, 2014 issued another notice under section 221(1) of the I.T. Act raising again the demand for ₹ 2.15 million despite the case having been settled. GFPL is in the process of preparing and filing the reply to this notice

4. As per the Traces website, GFPL has observed certain demands on account of TDS payments for the financial years 2008-2009, 2010-2011 and 2013-2014. Most of these demands were on account of software glitches in the Tax Department's website which have been now rectified but demands of ₹ 1.46 million are still outstanding. GFPL is in the process of filling the rectification applications.

Litigation involving our Directors

Litigation against our Directors

Other than the matters listed under the heading 'Litigation against our Promoters', there are no cases pending against our other Directors.

Litigation by our Directors

Other than the matters listed under the heading 'Litigation by our Promoters', there are no cases by our Directors.

Litigation involving our Promoters

Litigation against our Promoters and Promoter Directors

Notices against our Promoters

Wealth Tax

1. The Assistant Commissioner of Wealth Tax, New Delhi issued a notice dated August 6, 2013 under section 16(2) of the Wealth Tax Act, 1957 directing Mr. Gurdeep Soni to appear in person or produce evidence to

verify the correctness and completeness of his wealth tax returns for assessment year 2012-2013.

2. The Assistant Commissioner of Wealth Tax, New Delhi issued notices dated June 25, 2014 and July 17, 2014, respectively, under section 16(2) of Wealth Tax Act, 1957 directing Mr. Paramjit Singh Soni to appear in person or produce evidence to verify the correctness and completeness of his wealth tax returns for assessment year 2013-2014 and 2012-2013, respectively.

3. The Assistant Commissioner of Wealth Tax, New Delhi issued a notice dated August 20, 2014 under section 16(2) of the Wealth Tax Act, 1957 for the assessment year 2013-2014 directing Mr. Gurdeep Soni to appear in person or produce evidence to verify the correctness and completeness of his wealth tax returns.

Income Tax

1. Intimation under section 143(1) of I.T. Act dated March 31, 2012 for assessment year 2010-2011 was received from Centralized Processing Cell ("**CPC**") of the Income Tax department by Mr. Gurdeep Soni raising a demand of ₹ 4.94 million. A rectification application dated August 23, 2008 was filed by Mr. Gurdeep Soni. Thereafter, the case was selected for scrutiny and same was assessed under section 143(3) of the I.T. Act with '*NIL*' demand. The Assessing Officer, New Delhi did not consider the TDS, advance tax paid and self-assessment tax amounting to ₹ 5.18 million. A rectification application has been filed on August 23, 2013.

2. Intimation under section 143(1) of I.T. Act dated September 7, 2011 for assessment year 2011-2012 was received from CPC by Mr. Paramjit Singh Soni adjusting the allowed refund of ₹ 2,911 with an outstanding demand for financial year 2002-2003 of ₹ 1,490 and for financial year 2008-2009 of ₹ 1,420. A rectification application under section 154 was filed on February 8, 2013 for incorrect adjustments.

3. Intimation under section 143(1) of I.T. Act dated June 9, 2010 for assessment year 2009-2010 was received from CPC by Mr. Paramjit Singh Soni raising a demand of ₹ 0.08 million. A rectification application dated August 21, 2013 was filed by Mr. Paramjit Singh Soni. Thereafter, the case was selected for scrutiny and same assessed under section 143(3) of the I.T. Act with '*NIL*' demand. A rectification application filed by our Company is pending.

4. Intimation under section 143(1) of I.T. Act dated March 30, 2010 for the assessment year 2008-2009 was received from CPC by Mr. Paramjit Singh Soni raising a demand of ₹ 14,650. A rectification application dated January 7, 2012 was filed by Mr. Paramjit Singh Soni. No order has been received till date.

5. A notice dated September 10, 2014 under section 143(2) of the Income Tax Act, 1961 was issued by the Assistant Commissioner of Income Tax, New Delhi seeking information in respect with the return of income filed by Mr. Paramjit Singh Soni on July 31, 2013 for assessment year 2013-2014. In view of the aforesaid, Mr. Paramjit Singh Soni was requested to appear before the ACIT, New Delhi on September 17, 2014 along with all the relevant documents.

Litigation by our Promoters

1. Mr. Gurdeep Soni filed a First Information Report dated April 10, 2013 before the Station House Officer, Delhi Police, Vasant Kunj Police Station, against Mr. Anil Monga, a real estate broker on account of misappropriation of funds. Mr. Anil Monga induced Mr. Gurdeep Soni and Mr. Paramjit Singh Soni to invest in certain plots in a real estate project in Bhopal of Mr. Amit Rathore, a builder. It was later discovered that the builder did not have any land nor any approval or permission for development of property in Bhopal. The investigation is pending.

2. Mr. Gurdeep Soni and Mr. Paramjit Singh Soni issued legal notices dated October 21, 2010 to Mr. Neville Tuli, Chairman, Osian's Connoisseurs of Art Private Limited on account of failure to redeem units of Contemporary - I, a scheme of the Osian's Art Fund. These units were each initially valued at ₹ 5 million. It

was requested that the redemption amount of ₹ 5.58 million (i.e., value of 50,000 units at the net asset value of ₹ 111.72 per unit) along with interest at the rate of 12% per annum till the date of repayment. Mr. Paramjit Singh Soni and Mr. Gurdeep Soni each received a reply and a bank draft of ₹ 1 million on June 30, 2011. Thereafter, Mr. Paramjit Singh Soni and Mr. Gurdeep Soni by letters dated December 3, 2011, requested the refund of the balance portion of the principal amount. However, no further payment or response has been yet received from Osian's Connoisseurs of Art Private Limited.

Litigation involving our Group Entities

Litigation filed by our Group Entities

There is no pending litigation that have been filed by our Group Entities

Litigation against our Group Entities

Labour Cases

Ace Tractors Parts Limited (formerly known as GKN Walterscheid Gripwel Limited)

Other than as mentioned under the head 'Labour related litigation against our Company' (in which matter Ace Tractors Parts Limited is also a party) there is no labour case pending against Ace Tractors Parts Limited.

Details of Income Tax Notices

Silveroak Estate Private Limited ("**Silveroak Estate**")

1. The Assessing Officer, New Delhi issued an intimation under section 143(1) dated June 10, 2002 for assessment year 2001-2002 demanding ₹ 0.16 million. Silveroak Estate filed a rectification application dated August 6, 2013, seeking adjustment of ₹ 0.12 million, which was not allowed with respect to credit of TDS. Further, the Assessing Officer issued another notice dated January 28, 2014 directing Silveroak Estate to produce copies of TDS certificates.

SKG Engineering Private Limited ("**SKGEPL**")

1. The Assessing Officer, New Delhi issued an intimation under section 143(1) of the I.T. Act dated May 17, 2013 for the assessment year 2012-2013, demanding ₹ 0.28 million. SKGEPL filed a rectification application dated July 8, 2013. The Assessing Officer passed a rectification order under section 154 of the I.T. Act, raising a fresh demand of ₹ 4,750. SKGEPL is in process of filing another rectification application against the said demand.

Amazing Estates Private Limited ("**Amazing Estates**")

1. The Assessing Officer, New Delhi issued an intimation under section 143(1) of the I.T. Act dated April 20, 2014 demanding ₹ 0.108 million. Amazing Estates filed a rectification application dated June 24, 2014 to reprocess the case on the ground that due to some technical error wrong demand has been raised.

SGA Trading Private Limited ("**SGA Trading**")

1. The Assessing Officer, New Delhi issued a notice under section 143(2) of the I.T. Act dated September 25, 2013 for assessment year 2012-2013 and the hearing was held on October 4, 2013. Thereafter, another notice dated May 23, 2014 was issued by the Assessing Officer under section 142(1) of the I.T. Act for producing the documents before the Assessing Officer. Subsequently, hearing was held on June 16, 2014.

Tima Trading Private Limited ("**Tima Trading**")

1. The Assessing Officer, New Delhi issued a notice under section 143(2) of the I.T. Act dated September 5, 2013 for assessment year 2012-2013 and a show cause notice under section 271(1) (b) dated September 5, 2013 was also issued for initiation of penalty proceedings. The hearing was held on September 13, 2013. Thereafter, another notice dated July 23, 2014 was issued under section 142(1) of the I.T. Act to produce the documents specified therein along with the notice under section 143(2) of the I.T. Act for the assessment year 2012-13.

P. Soni Family Trust

1. The Assessing Officer, New Delhi issued a notice under section 143(2) of the I.T. Act dated September 3, 2014 directing to appear in person or produce evidence in support of the return filed on October 3, 2013 for assessment year 2013-2014.

Gripwel Fasteners

1. The Assessing Officer, New Delhi issued a notice under section 143(2) of the I.T. Act dated September 18, 2014 directing to appear in person or produce evidence in support of the return filed on July 31, 2013 for assessment year 2013-2014.

Details of TDS Notices

SKG Engineering Private Limited ("**SKGEPL**")

1. Two intimations under section 200A of I.T. Act each dated August 16, 2013 received from TDS, CPC for the fourth quarter of financial year 2012-2013 was received demanding ₹ 17,540 and for the third quarter of financial year 2012-2013 demanding ₹ 2,000, respectively. The demand of ₹ 2,000 was paid by SKGEPL on February 7, 2014. Thereafter, Traces created a fresh demand of ₹ 120 by its order dated April 26, 2014. The demand was paid on June 25, 2014. However, a subsequent notice dated July 2, 2014 was received directing SKGEPL to pay an amount of ₹ 120. SKGEPL is in process for filing a rectification application for both the outstanding demands.

2. Intimation under section 200A of I.T. Act dated November 20, 2013 for financial years 2013-2014 received from TDS, CPC for 1st quarter creating demand of ₹ 14,610, which has been paid via challan no. 73013 dated February 7, 2014 BSR 0510308. Again, SKGEPL received notice to pay the demand of ₹ 440 vide order dated July 2, 2014.

P. Soni Family Trust

1. Two intimations under section 220A of the I.T. Act dated October 15, 2012 and July 9, 2013, respectively were received from TDS, CPC and for the second quarter of the financial year 2012-2013 demanding ₹ 2,040 and for the third quarter of the financial year 2012-2013 demanding of ₹ 8,730, respectively. Thereafter, intimation under section 200A of the I.T. Act dated September 07, 2014 was received from TDS, CPC increasing the demand for the second quarter of the financial year 2012-2013 to ₹ 2,190. P. Soni Family Trust is in process of filing rectification application.

Soni Holdings

1. Intimation under section 220A of the I.T. Act dated November 16, 2013 was received from TDS, CPC dated November 16, 2013 for the first quarter of the financial year 2013-2014 demanding ₹ 7,650. The said demand was paid by Soni Holdings on February 7, 2014. Thereafter, Traces raised a fresh demand of ₹ 230 by its order dated April 26, 2014. The said demand of ₹ 230 was also paid by Soni Holdings on June 25, 2014. A fresh notice dated June 30, 2014 has been received with a demand for ₹ 230.

Gripwel Fasteners

1. Intimation under section 220A of the I.T. Act dated November 15, 2013 was received from TDS, CPC for the first quarter of the financial year 2013-2014 demanding ₹ 13,800. Accordingly ₹ 14,000 has been paid by Gripwel Fasteners on June 25, 2014. Another demand notice under section 154 of the I.T. Act dated June 30, 2014 for ₹ 280 was received.

Material developments since the last balance sheet date

Except as disclosed in the chapter "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on page 308, in the opinion of our Board, there have not arisen, since March 31 2014, any circumstances that materially or adversely affect or are likely to affect our profitability or the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

Material frauds against our Company

There have been no material frauds committed against our Company in the five years preceding the date of this Draft Red Herring Prospectus.

LICENSES AND APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/or regulatory authorities, required for carrying out its present business and except as mentioned below, no further material approvals are required for carrying on our Company's present business. Certain approvals have elapsed in their normal course and our Company has made applications to the appropriate authorities for renewal of such licenses and/or approvals. The object clause and objects incidental to the main objects of the Memorandum of Association enable our Company to undertake its existing activities.

APPROVALS IN RELATION TO OUR COMPANY'S INCORPORATION

1. Certificate of incorporation of our Company dated September 26, 1994.

2. Certificate of commencement of business dated September 7, 1998.

APPROVALS FOR THE ISSUE

Corporate Approvals

1. The Board of our Company has, pursuant to resolutions passed at its meeting held on September 18, 2014 authorised the Issue, subject to approval by the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013.

2. The shareholders of our Company have, pursuant to a resolution dated September 20, 2014 under section 62(1)(c) of the Companies Act, 2013, authorised the Issue.

3. Ambadevi Maritius Holding Limited and Ashoka Investment Holdings Limited, pursuant to the resolutions of their board of directors, each dated September 17, 2014, respectively, have consented to participate in the Issue by way of Offer for Sale as the Investor Selling Shareholders, offering up to 923,077 and 3,076,923 Equity Shares respectively.

4. Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni, and Ms. Meher Soni have authorized the sale of up to 680,000 Equity Shares, 453,334 Equity Shares, 453,333 Equity Shares, and 453,333 Equity Shares, respectively, as part of the Offer for Sale in this Issue pursuant to their letters dated September 18, 2014, respectively.

Approvals from Stock Exchanges

1. Our Company has received an in-principle approval from the NSE dated [●] for listing of Equity Shares issued pursuant to the Issue.

2. Our Company has received an in-principle approval from the BSE dated [●] for listing of Equity Shares issued pursuant to the Issue.

MATERIAL APPROVALS IN RELATION TO THE BUSINESS OF OUR COMPANY

1. Noida Facility

B – 208, A1 & A2, Phase II, Noida, Uttar Pradesh ("**Noida Unit**")

S. No.	License/Approval	Registration Number	Date of Issuance	Validity
1.	License to work a factory issued under Factories Act, 1948 by the Deputy Director of Factories, Uttar Pradesh	NDA-2186	September 19, 2002	December 31, 2014
2.	Consent to operate under Air (Prevention and Control of Pollution) Act, 1981 issued by the Uttar Pradesh Pollution Control Board	554/C-1/Consent (Air) Order/18/2014	April 3, 2014	December 31, 2014
3.	Consent to operate under Water	497/C-1/Consent Water-01/2014	April 2, 2014	December 31, 2014

S. No.	License/Approval	Registration Number	Date of Issuance	Validity
	(Prevention and Control of Pollution) Act, 1974 issued by Uttar Pradesh Pollution Control Board			
4.	Acknowledgement of manufacture of tractor parts and accessories for total capacity of 18000 MT issued by Secretariat for Industrial Assistance, Ministry of Commerce and Industry, GoI	5898/SIA/IMO/2006	November 27, 2006	NA
5.	Registration certificate under sub-section 2 of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970	12586/G.O.R	September 9, 2013	NA
6.	ISO 9001:2008 certification issued by certification body of TUV NORD CERT GmbH for manufacture and sale of Three Point Linkage Systems and Sub Systems for Off Highway Equipment	04 100 030752-E3	April 26, 2012	May 1, 2015
7.	ISO 14001:2004 certification issued by certification body of TUV NORD CERT GmbH for manufacture and sale of Three Point Linkage Systems and Sub Systems for Off Highway Equipment	44 104 104349	October 11, 2013	September 28, 2016

2. Visakhapatnam Facility

S. No	License/Approval	Registration Number	Date of Issuance	Validity
1.	Factory license under Factories Act, 1948 issued by Director of Factories, Andhra Pradesh	54846	March 13, 2014	Valid until cancellation
2.	Registration certificate under sub-section 2 of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 and Rules framed thereunder	VSEZ/VSP/CL-PE/078/2014	April 3, 2014	NA
3.	ISO 9001:2008 certification for manufacturing of three point linkage system, precision machined parts and hydraulic cylinders for off highway equipment	44 100 124369 – E3	August 14, 2012	August 13, 2015
4.	ISO 14001:2004 certification for manufacturing of three point linkage system, precision machined parts and hydraulic cylinders for off highway equipment	44 104 14390247	July 3, 2014	July 2, 2017
5.	Letter of Permission ("**LOP**") issued by the Office of the Development Commissioner, Ministry of Commerce and Industry, GoI, for setting up facilities in a Special Economic Zone	23(Prop)/VSEZ/2007/7698	April 23, 2009	NA

3. Ludhiana Facilities

C-140, D – 126A and D – 127A, Phase V, Focal Point, Ludhiana ("**Ludhiana Unit 1**")

S. No.	License /Approval	Registration Number	Date of Issuance	Validity
1.	License to work a factory for Unit D – 126A and D – 127A, issued under Factories Act, 1948 by the Chief Inspector Factories, Punjab	LDH-7/F-12/122	December 31, 2013	December 31, 2014
2.	License to work a factory for Unit C – 140, issued under Factories Act, 1948	LDH-7/F-10/120	December 31, 2013	December 31, 2014

S. No.	License /Approval	Registration Number	Date of Issuance	Validity
	by the Chief Inspector Factories, Punjab			
3.	Consent to operate under Air (Prevention and Control of Pollution) Act, 1981 issued by the Punjab Pollution Control Board for units at D – 126A and D – 127A	R14LDH1CTOA1197912	May 21, 2014	March 31, 2018
4.	Consent to operate under Section 25/26 of Water (Prevention and Control of Pollution) Act, 1974 Act, 1974 issued by the Punjab Pollution Control Board for units at D – 126A and D – 127A	R14LDH1CTOW1198191	May 21, 2014	March 31, 2018
5.	Authorization for handling hazardous waste under Rule 5 of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 issued by the Punjab Pollution Control Board to units at D – 126A and D – 127A units	HMC/LDH/2011-16/F(New)-959	January 20, 2011	January 19, 2016
6.	Consent to operate under Air (Prevention and Control of Pollution) Act, 1981 issued by the Punjab Pollution Control Board for unit at C – 140	R13LDH1CTOA234203	May 21, 2013	March 31, 2016
7.	Consent to operate under Water (Prevention and Control of Pollution) Act, 1974 Act, 1974 issued by the Punjab Pollution Control Board for unit at C – 140	R13LDH1CTOW234287	May 21, 2013	March 31, 2016
8.	Authorization for handling hazardous waste under Rule 5 of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 issued by the Punjab Pollution Control Board to unit at C – 140	HMC/LDH/2011-16/F(New)-960	January 20, 2011	January 19, 2016
9.	Acknowledgement for manufacture of parts and accessories for Agricultural Machinery Equipment for total capacity of 15000 M.T. issued by Secretariat for Industrial Assistance, Ministry of Commerce and Industry, GoI	2217/SIA/IMO/2010	June 30, 2010	NA
10.	Registration certificate under sub-section 2 of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 and Rules framed thereunder for unit at C – 140	1/1739	May 27, 2013	Valid until cancellation
11.	Registration certificate under sub-section 2 of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 and Rules framed thereunder for units at D – 126A and D – 127A unit	2/1740	May 27, 2013	Valid until cancellation
12.	ISO 9001:2008 certification by certification body of TUV NORD CERT GmbH for manufacture and supply of forging, components and assemblies for Three Point Linkage for tractors, farm equipment and trailers	44 100 104332	September 5, 2013	September 20, 2016

C – 198, Phase V, Focal Point, Ludhiana and E – 488, Phase VI, Focal Point, Ludhiana ("**Ludhiana Unit 2**")

S. No.	License/Approval	Registration Number	Date of Issuance	Validity

S. No.	License/Approval	Registration Number	Date of Issuance	Validity
1.	License to work a factory issued under Factories Act, 1948 by the Chief Inspector Factories, Punjab for unit at C – 198	LDH-7/S-70/423	December 31, 2013	December 31, 2014
2.	Registration certificate for unit at C – 198 under sub-section 2 of section 7 of the Contract Labour (Regulation and Abolition) Act, 1970 and Rules framed thereunder	3/1741	May 27, 2013	Valid until cancellation
3.	Acknowledgement of manufacture of tractor parts and accessories for total capacity of 5300 M.T. issued by Secretariat for Industrial Assistance, Ministry of Commerce and Industry, GoI to unit at C-198	5807/SIA/IMO/2006	November 27, 2006	NA
4.	Consent to operate under Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 issued by the Environmental Engineer, Punjab Pollution Control Board to unit at C-198	R14LDH4CTOA670999	February 19, 2014	June 30, 2018
5.	Consent to operate under Section 25/26 Water (Prevention and Control of Pollution) Act, 1974 issued by the Environmental Engineer, Punjab Pollution Control Board to unit at C-198	R14LDH4CTOW679211	February 19, 2014	June 30, 2018
6.	Authorization for operation of a facility for collection, storage, disposal of hazardous wastes generated under Rule 5 of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 for unit at C – 198	HMC/LDH/2010-15/F(New)-586	June 10, 2010	June 9, 2015
7.	ISO 9001:2008 certification for manufacturing of components for tractor attachment systems, farm, construction and forestry machineries for unit at C – 198	QM 04 00274	September 10, 2012	August 24, 2015

Registered Office and Corporate Office Approvals

1. Registered Office

S. No.	License	Registration Number	Date of Issuance	Validity
1.	Trading House certificate issued under the Foreign Trade Policy, 2004 – 2009, by the Office of the Zonal Joint Director of Foreign Trade, Ministry of Commerce and Industry, GoI	C-0244	July 22, 2009	5 years from April 01, 2014 and co-terminus with Foreign Trade Policy, 2014-2019
2.	Registration as commercial establishment under the Delhi Shops and Establishment Act, 1954	2011034409	September 15, 2011	September 14, 2031

2. Corporate Office

S. No.	License	Registration Number	Date of Issuance	Validity
1.	Registration under Uttar Pradesh Shops and Commercial Establishments Act, 1962 by the Inspector of Shops and Establishments, Noida	35/13227	January 4, 2013	March 31, 2017

Intellectual Property

Trade Marks:

S. No.	Trade Mark No.	Trademark	Class	Date of Issuance	Validity
1.	1084310		12	March 19, 2005	With effect from March 4, 2002 to March 4, 2022
2.	1084318		12	March 19, 2005	With effect from March 4, 2002 to March 4, 2022
3.	1544416		12	March 31, 2010	With effect from March 28, 2007 to March 28, 2017

Other Approvals

1. Our Company was issued Certificate of Importer-Exporter Code bearing number 0599060182 dated March 21, 2000.

2. Registration-cum-membership in the name of our Company bearing number EPC/D/R- 4073/Engg.(SSI) of Engineering Export Promotion Council India valid from April 3, 2014 to March 31, 2015.

Licenses /Approvals which have expired and for which applications for renewal have been made:

Visakhapatnam Facility

Combined application dated June 7, 2014 to the Andhra Pradesh Pollution Control Board, Visakhapatnam for renewal of consent to operate under the Air (Prevention and Control of Pollution) Act, 1981, Water (Prevention and Control of Pollution) Act, 1974 and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.

Noida Facility

Application dated July 16, 2014 to the Uttar Pradesh Pollution Control Board for renewal of authorization for handling hazardous waste under Rule 5 of the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008.

Ludhiana Unit 2

Application dated August 13, 2014 to the Deputy Director of Factories, Ludhiana for registration of factory license under the Factories Act, 1948 for unit at E – 488.

Application dated September 18, 2014 to the Punjab Pollution Control Board for consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 for unit at E – 488.

Application dated September 18, 2014 to the Punjab Pollution Control Board for consent to operate under the Air (Prevention and Control of Pollution) Act, 1981 for unit at E – 488.

Intellectual Property Applications

Trade Marks

S. No.	Application No.	Trade mark	Class	Application Date	Status as on August 31, 2014
1.	2695537		Class 12	March 10, 2014	Pending

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue consists of a Fresh Issue of 7,000,000 Equity Shares and an Offer for Sale for up to 6,040,000 Equity Shares by Ambadevi Mauritius Holding Limited (up to 923,077 Equity Shares), Ashoka Investment Holdings Limited (up to 3,076,923 Equity Shares), Mr. Gurdeep Soni (up to 680,000 Equity Shares), Mr. Paramjit Singh Soni (up to 453,334 Equity Shares), Mr. Karan Soni (up to 453,333 Equity Shares) and Ms. Meher Soni (up to 453,333 Equity Shares).

1. Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited, pursuant to the resolutions of their board of directors each dated September 17, 2014, have consented to participate in the Issue by way of Offer for Sale as the Investor Selling Shareholders, offering up to 923,077 and 3,076,923 Equity Shares respectively.

2. Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni pursuant to letters dated September 18, 2014, respectively have consented to participate in the Issue by way of Offer for Sale as the Individual Selling Shareholders, offering up to 680,000, 453,334, 453,333 and 453,333 Equity Shares, respectively, as part of the Offer for Sale in this Issue.

The Fresh Issue has been authorised by a resolution passed by the Board on September 18, 2014. The shareholders of our Company have authorised the Issue by a special resolution passed at the AGM of our Company held on September 20, 2014.

The Board of Directors pursuant to its resolution dated September 18, 2014 has taken on record the Offer for Sale by the Selling Shareholders.

The Board of Directors pursuant to its resolution dated September 21, 2014 has approved and authorised this Draft Red Herring Prospectus.

If required, we will obtain necessary regulatory approvals for the sale of shares by Mr. Paramjit Singh Soni, Mr. Karan Soni and Ms. Meher Soni, as part of the Offer for Sale prior to allocation of the shares in the Issue.

BSE and NSE have given in-principle approval for the Issue pursuant to their letters dated [●] and **[●]**, respectively.

Prohibition by SEBI, RBI or other Governmental authorities

Our Company, the Promoters, the Directors, the Promoter Group, Group Entities have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority. The Individual Selling Shareholders and the Investor Selling Shareholders confirm that such Individual Selling Shareholders or such Investor Selling Shareholders, as the case may be, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The listing of any securities of our Company or of our Subsidiaries has never been refused at any time by any of the stock exchanges in India or abroad.

Our Company, the Promoters, the Directors, including relatives as defined in the Companies Act, 2013 of the Promoters and the Directors or the Group Entities have not been identified as willful defaulters by RBI or any other authority.

The companies, with which any of the Promoters, Directors or persons in control of our Company are or were associated as promoters, directors or persons in control, have not been debarred from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or statutory or governmental authority.

None of the Directors are associated in any manner with any entities, which are engaged in securities market related business and are registered with the SEBI for the same. No action has been initiated by SEBI against the

Directors of our Company, or any entity in which the Directors are involved in as promoters or directors.

The Individual Selling Shareholders and the Investor Selling Shareholders each have confirmed that they have held their respective proportion of the Equity Shares proposed to be offered and sold as part of the Offer for Sale for a period of atleast one year prior to the date of filing of this Draft Red Herring Prospectus. The Individual Selling Shareholders and the Investor Selling Shareholders each confirm that their proportion of the Equity Shares offered and sold as part of the Offer for Sale are free from any lien, encumbrance or third party rights. The Individual Selling Shareholders and the Investor Selling Shareholders each have also confirmed that they have not been identified as willful defaulters by RBI.

Eligibility for this Issue

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the ICDR Regulations, which states as follows:

""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;

Provided further that the limit of fifty per cent. on monetary assets shall not be applicable in case the public offer is made entirely through an offer for sale.

(b) it has a minimum average pre-tax operating profit of rupees fifteen crore calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years.

(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 the 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."

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets and Net worth derived from the Auditor's report on our Company's restated standalone financial statements as at and for the last five years ended March 31, 2014, March 31, 2013, March 31, 2012, March 31, 2011 and March 31, 2010 are set forth below:

(₹ in million unless otherwise stated)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Net tangible assets[(1)]	3,870.34	3,636.31	3,728.62	4,295.42	3,456.24
Monetary assets[(2)]	28.48	27.66	39.12	25.32	55.08
Monetary assets as a percentage of the net tangible assets	0.74%	0.76%	1.05%	0.59%	1.59%
Net worth[(3)]	1,911.19	1,866.62	1,751.35	1,780.33	1,748.40

(1) 'Net tangible assets' means the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 - Intangible Assets, issued by the Institute of Chartered Accountants of India.
(2) Monetary assets comprise of cash and bank balances
(3) 'Net worth' means the aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the Statement of Profit and loss account.

The pre-tax operating profits derived from the restated consolidated financial statements, for the last five financial years are set forth below:

(₹ in million)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011	Fiscal 2010
Pre-Tax Operating Profits	747.95	646.83	540.58	242.84	231.62

For further details of the financial statements of our Company, please refer to the chapter "*Financial Statements*" beginning on page 198.

Hence, we are eligible for the Issue as per Regulation 26(1) of the SEBI ICDR Regulations. In accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted under the Issue shall not be less than 1,000, otherwise the entire application money will be refunded. If such money is not repaid within 12 Working Days of the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, whichever is earlier, then our Company and every officer of our Company who is an officer in default, shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid by the Company to the applicants at the rate of 15% per annum for the delayed period.

In the event there is a delay with respect to Allotment, the Investor Selling Shareholders and the Individual Selling Shareholders shall pay interest only if such delay is on account of Allotment of the Equity Shares offered by the Investor Selling Shareholders or Individual Selling Shareholders by way of the Offer for Sale. In such an event the Investor Selling Shareholders and the Individual Selling Shareholders shall pay interest pro-rata to the extent of the Equity Shares offered by them, as part of the Offer for Sale.

The Issue is being made for at least 25% of the post Issue paid-up capital pursuant to Rule 19(2)(b)(i) of the SCRR read with Regulation 41 of the SEBI ICDR Regulations. Further, this Issue is being made through the Book Building Process wherein 50% of the Issue shall be Allotted to QIBs on a proportionate basis out of which 5% of the QIB Category (excluding the Anchor Investor Portion, which shall be allocated on a discretionary basis) 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 Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue will be available for allocation to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price. Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Category to the Anchor Investors on a discretionary basis. One third of the Anchor Investor Portion shall be reserved for allocation to domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For further details, please refer to the chapter "*Issue Procedure*" beginning on page 372.

Our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI ICDR Regulations:

1. Our Company has applied to the NSE and the BSE for obtaining their in-principle listing approval for listing of the Equity Shares under the Issue through its applications dated [●]. For the purposes of the Issue, the [●] shall be the Designated Stock Exchange;

2. Our Company has entered into agreements dated December 18, 2012 and August 25, 2014 with NSDL and CDSL, respectively, for dematerialisation of the Equity Shares; and

3. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing of this Draft Red Herring Prospectus.

We are not required to make firm arrangements of finance through verifiable means towards 75% of the means of finance, excluding the amount to be raised through the Issue. For further details in this regard, please refer to the chapter "*Objects of the Issue*" beginning on page 86.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH 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, ICICI SECURITIES LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND INDIA INFOLINE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS AND THE INDIVIDUAL SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDERS WILL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES FOR THEIR RESPECTIVE PROPORTION OF THE EQUITY SHARES OFFERED BY WAY OF THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS 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, ICICI SECURITIES LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND INDIA INFOLINE LIMITED, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 25, 2014 WHICH READS AS FOLLOWS:

"WE, THE BOOK RUNNING LEAD MANAGERS TO THE ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC., AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 25, 2014 PERTAINING TO THE 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 ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC., FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

    c. **THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE**

COMPANIES ACT, 2013, COMPANIES ACT, 1956, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT UNTIL DATE SUCH REGISTRATIONS ARE VALID. – NOTED FOR COMPLIANCE**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE 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 SEBI ICDR REGULATIONS, SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE ISSUE. – NOT APPLICABLE**

8. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. – COMPLIED WITH TO THE EXTENT APPLICABLE**

9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) SECTION 40 OF THE COMPANIES ACT, 2013 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 COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE**

10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE - NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE ISSUE HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY;**

11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS 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 COMPANY THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND**

    b. **AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.**

13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS, WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE**

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, 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.**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE BRLMS (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory or other clearances as may be required for the purpose of the Issue. SEBI further reserves the right to take up, at any point of time, with the BRLMs any irregularities or lapses in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

The filing of this Draft Red Herring Prospectus does not, however, absolve the Investor Selling Shareholders or the Individual Selling Shareholders from any liabilities to the extent of the statements made by them in respect of their proportion of the Equity Shares offered by such Investor Selling Shareholders or Individual Selling Shareholders, as the case may be, as part of the Offer for Sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus and Prospectus with the RoC in terms of Sections 26 and 32 of the Companies Act, 2013.

CAUTION - DISCLAIMER STATEMENT OF OUR COMPANY, THE SELLING SHAREHOLDERS AND THE BOOK RUNNING LEAD MANAGERS

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisement or any other material issued by or at the instance of our

Company and that anyone placing reliance on any other source of information, including our website 'www.unipartsgroup.com' would be doing so at his or her own risk. The Individual Selling Shareholders, the Investor Selling Shareholders, their respective directors, affiliates, associates and and officers accept/undertake no responsibility for any statements made by such Individual Selling Shareholder or Investor Selling Shareholder, as the case may be, other than those made in relation to them and to the Equity Shares offered by them respectively, by way of the Offer for Sale.

The BRLMs accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered into between the BRLMs, our Company and the Selling Shareholders and the Underwriting Agreement to be entered into among the Underwriters, our Company and the Selling Shareholders.

All information shall be made available by our Company and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Our Company, its Directors and officers, the Selling Shareholders and any member of the Syndicate are not liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

The BRLMs and its respective associates and affiliates may engage in transactions with, and perform services for, our Company, affiliates or associates, Selling Shareholders, or Group Entities or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions or other financial services with our Company, the Selling Shareholders, affiliates or associates or third parties, for which they have received, and may in future receive, compensation.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the BRLMs and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Individual Selling Shareholders and the Investor 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 in the Issue.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India, Hindu Undivided Families ("**HUFs**"), companies, other corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under the applicable trust laws, and who are authorized under their constitution to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act, 2013, venture capital funds, permitted insurance companies and pension funds and, to permitted non-residents including Eligible NRIs, Eligible Qualified Foreign Investors ("**QFIs**"), Alternative Investment Funds ("**AIFs**"), Foreign Institutional Investors ("**FIIs**"), Foreign Portfolio Investors registered with SEBI ("**FPIs**") and QIBs.

Any disputes arising out of this Issue will be subject to the jurisdiction of courts in New Delhi, 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 this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (the "U.S Securities Act") and may not be offered or sold within the United States (as defined in Regulation S of the U.S Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in reliance on Regulation S of the U.S Securities Act.

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.

Price information of past issues handled by the BRLMs

1. Past issues handled by ICICI Securities Limited

a. Price information of past issues handled by ICICI Securities Limited

Issue Name	Issue size (₹ Mn.)	Issue price (₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day (Closing)
Wonderla Holidays Limited	1,812.5	125	May 9, 2014	160	157.80	26.24%	6858.80	166.80	7263.55	212.60	7235.65	216.15	7654.60
Bharti Infratel Limited	41,727.60	220*	December 28, 2012	200	191.65	-12.89%	5,908.35	207.40	5,988.40	204.95	6,039.20	210.30	6,074.80
Credit Analysis and Research Limited	5,399.78	750	December 26, 2012	940	922.55	23.01%	5,905.60	929.25	5,988.40	931.05	6,056.60	924.85	6,074.65
Tara Jewels Limited	1,794.99	230	December 6, 2012	242	229.9	-0.04%	5,930.90	230.25	5,857.90	223.75	5,905.60	234.00	5,988.40

**Discount of Rs. 10 per equity share offered to retail investors and Premium of Rs. 10 per equity share to Anchor investors.*
All calculations are based on Issue Price of Rs 220.00 per equity share
Note:

1. *All above data is of NSE (website www.nseindia.com)*
2. *Benchmark Index considered above in all the cases was NIFTY*
3. *10th, 20th, 30th trading day from listed day have been taken as listing day plus 10, 20 and 30 calendar days. Wherever 10th, 20th, 30th trading day is a holiday, we have considered the closing data of the next trading date/day*

b. Summary statement of price information of past issues handled by ICICI Securities Limited

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2014-15	1	181.25	0	0	0	0	1	0	0	0	0	1	0	0
2013-14	0	Nil	0	0	0	0	0	0	0	0	0	0	0	0
2012-13	3	4,892.24	0	0	2	0	0	1	0	0	1	0	0	2

Note*:* In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.

2. Past issues handled by Edelweiss Financial Services Limited

a) Price information of past issues handled by Edelweiss Financial Services Limited

Issue Name	Issue size (₹Cr.)	Issue price [a](₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date [b] (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day[b] (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day[b] (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day[b] (Closing)
Sharda Cropchem Limited	351.86	156	September 23, 2014	254.1	231.5	48.37%	26,775.69	NA	NA	NA	NA	NA	NA
Wonderla Holidays Limited	181.25	125	May 9, 2014	164.75	157.6	26.08%	22,994.23	167	24,363.05	210.1	24,556.09	216	25,580.21
Credit Analysis and Research Limited	539.98	750	December 26, 2012	949	923.95	23.19%	19,417.46	934.45	19,784.08	924.15	19,906.41	916.6	19,923.78

Source: All share price data is from www.bseindia.com

b) Summary statement of price information of past issues handled by Edelweiss Financial Services Limited

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2012-2013	1	539.98						1						1
2013-2014														
2014-2015	2	533.11					2					1		

Source: All share price data is from "www.bseindia.com"

Note1: Since Sharda Cropchem Limited listed only on September 23, 2014, price data for 10th, 20th and 30th calendar day from listing is not available for the same

Note2: In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.

Past issues handled by India Infoline Limited

c) Price information of past issues handled by India Infoline Limited

Issue Name	Issue size (₹Cr.)	Issue price [a](₹)	Listing date	Opening price on listing date	Closing price on listing date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date [b] (Closing)	Closing price as on 10th calendar day from listing day	Benchmark index as on 10th calendar day from listing day[b] (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar day from listing day[b] (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar day from listing day[b] (Closing)
Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Nil	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

d) Summary statement of price information of past issues handled by India Infoline Limited

Fiscal Year	Total No. of IPOs	Total Funds Raised (₹ Cr.)	No. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			No. of IPOs trading at discount as on 30th calendar day from listing day			No. of IPOs trading at premium as on 30th calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2011-2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2012-2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2013-2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Note: In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.

Track Record of Past Issues Handled by the Book Running Lead Managers

For details regarding the track record of the Book Running Lead Managers as specified in circular no.CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer to the websites of the Book Running Lead Managers at www.icicisecurities.com, www.edelweissfin.com and www.iiflcap.com.

Filing

A copy of this Draft Red Herring Prospectus has been filed with the SEBI at 5th floor, Bank of Baroda Building, 16, Sansad Marg, New Delhi – 110 001, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed, will be delivered for registration to the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013 will be delivered for registration to the RoC at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi – 11 0019.

Listing

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Applications will be made to the BSE and the NSE for permission to list the Equity Shares and for an official quotation of the Equity Shares of our Company. [●] shall be the Designated Stock Exchange.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in reliance of the Red Herring Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date. If our Company does not allot Equity Shares pursuant to the Offer within 12 Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

The Individual Selling Shareholders and the Investor Selling Shareholders confirm to provide reasonable cooperation, in order to facilitate their proportion of the Equity Shares offered as part of the Offer for Sale. Other than listing fees and expenses in relation to the legal counsel to the Company, which will be paid by the Company, expenses in relation to the legal counsel to the Individual Selling Shareholders which will be paid by the Individual Selling Shareholders, and expenses in relation to the legal counsel to the Investor Selling Shareholders which will be paid by the Investor Selling Shareholders, all expenses which directly relate to the Issue will be borne by the Company, the Individual Selling Shareholders and the Investor Selling Shareholders in proportion to the Equity Shares offered by each of them as part of the Issue. Expenses for corporate advertisements relating to the Company's business shall be paid by the Company. Further, the Individal Selling Shareholders and the Investor Selling Shareholders confirm that they shall reimburse our Company for any interest paid by it, on behalf of the Individual Selling Shareholders or the Investor Selling Shareholders, in proportion to the Equity Shares offered by each of the Individual Selling Shareholders or the Investor Selling Shareholders as part of the Offer for Sale, in so far as any delays pertain to the Allotment of such Equity Shares offered by the Individual Selling Shareholders or Investor Selling Shareholders, as applicable.

Disclaimer Clause of the BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who—*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

Consents

Consents in writing of the (a) Selling Shareholders; (b) our Directors, our Chief Financial Officer, our Company Secretary and Compliance Officer, the Statutory Auditors, the Domestic Legal Counsel to our Company, the Domestic Legal Counsel to the Investor Selling Shareholders, the Domestic Legal Counsel to the BRLMs, the Bankers to our Company, lenders, industry sources etc.; and (c) the BRLMs and the Registrar to the Issue, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with RoC and such persons have agreed that such consents have not been withdrawn up to the time of delivery of the Prospectus for registration, as is required under Section 26 and 32 of the Companies Act, 2013.

Consents in writing of the Syndicate Members, the Escrow Collection Banks, and the Refunds Bank(s) shall be obtained prior to filing of the Red Herring Prospectus with RoC and will be filed along with a copy of the Red Herring Prospectus with RoC for registration, is as required under Section 26 and 32 of the Companies Act, 2013.

M/s. S. C. Varma and Co., Chartered Accountants, our Statutory Auditors have given their written consent to the inclusion of their audit reports to the restated consolidated and restated standalone financial statements in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

M/s. S. C. Varma and Co., Chartered Accountants, our Statutory Auditors have given their written consent to the statement of tax benefits accruing to our Company and its members in the form and context in which it appears in this Draft Red Herring Prospectus and such consent will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Raman Anil & Associates have given their written consent to the inclusion of their proposal in this Draft Red Herring Prospectus and such consent will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

Expert Opinion

Except for the report of the Auditor of our Company on the restated consolidated and standalone financial information and statement of tax benefits accruing to our Company and its members, and the proposal prepared by Raman Anil & Associates Private Limited dated September 10, 2014, our Company has not obtained any expert opinions.

Estimated Expenses of the Issue

The total expenses of the Issue are estimated to be approximately ₹[●] million. The expenses of the Issue includes, among others, brokerage, fees payable to the BRLMs to the Issue and Registrar to the Issue, legal fees, stamp duty, printing and distribution expenses and listing fees and other miscellaneous expenses estimated as follows:

(₹ in million)

Activity	Issue Expense*	As a % of total Issue Expenses	As a % of Issue
BRLMs' fees, Registrar's fees, Underwriting commissions, brokerages and selling commissions (including commissions to SCSBs[#] for ASBA and Non-Syndicate Registered Brokers)	[●]	[●]	[●]
Fees paid to the Bankers to the Issue, processing fees to the SCSBs for processing Application Forms procured by the Syndicate at Syndicate ASBA Centres or Non-Syndicate Registered Brokers and submitted to the SCSBs	[●]	[●]	[●]
Advertising and marketing expenses, printing, stationery and distribution expenses	[●]	[●]	[●]
SEBI processing fees, listing fees and other costs associated with listing including processing fees of Stock Exchanges, bidding software expenses, depository charges etc.	[●]	[●]	[●]
Others (audit fees, legal fees etc.)	[●]	[●]	[●]
Total estimated Issue expenses*	**[●]**	**[●]**	**[●]**

**To be completed after finalization of the Issue Price.*

[#]The SCSB's would be entitled to a processing fee of ₹[●] per Bid Cum Application Form for processing the Bid cum Application Forms procured by the members of the Syndicate or the Registered Brokers and submitted to the SCSBs.

Sharing of Expenses

Other than listing fees and expenses in relation to the legal counsel to the Company, which will be paid by the Company, expenses in relation to the legal counsel to the Individual Selling Shareholders which will be paid by the Individual Selling Shareholders, and expenses in relation to the legal counsel to the Investor Selling Shareholders which will be paid by the Investor Selling Shareholders, all expenses which directly relate to the Issue will be borne by the Company, the Individual Selling Shareholders and the Investor Selling Shareholders in proportion to the Equity Shares offered by each of them as part of the Issue. Expenses for corporate advertisements relating to the Company's business shall be paid by the Company.

Fees, Brokerage and Selling Commission

The total fees payable to the BRLMs and Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the engagement letters with the BRLMs dated August 19, 2013 and as amended on September 19, 2014, September 18, 2014 and September 20, 2014, respectively and the Syndicate Agreement to be executed among our Company, the Selling Shareholders and the members of the Syndicate, copies of which shall be available for inspection at the Registered Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Issue Closing Date.

Fees payable to the Registrar to the Issue

The total fees payable to the Registrar to the Issue for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement signed with among our Company, the Selling Shareholders and the Registrar to the Issue, a copy of which is available for inspection at the Registered Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Issue Closing Date.

The Registrar to the Issue will also be reimbursed with all relevant out-of-pocket expenses such as cost of

stationery, postage, stamp duty, communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to make refunds to unsuccessful Bidders.

Previous public or rights issues

Our Company has not made any public issue of its Equity Shares or rights issue of any kind since its incorporation except for the rights issue made by the Company in 2009. For further details please refer to the chapter "*Capital Structure*" beginning on page 71.

Previous issue of shares otherwise than for cash

Our Company has not issued any Equity Shares for consideration otherwise than for cash, except for the Equity Shares allotted pursuant to Bonus Issues in 2007 and 2014, for further details please refer to the chapter "*Capital Structure*" beginning on page 71.

Commission or brokerage on previous issues

No sum has been paid or payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our incorporation.

Particulars in regard to our Company and other listed Group Entities which made any capital issue during the last three years

Neither our Company nor our Subsidiaries, Group Entities or associate companies, have made any public issue (including any rights issue to the public) in the last three years. For further details please refer to of the chapter "*Capital Structure*" beginning on page 71.

Promise vs. Performance – Previous Issues of our Company and our Group/Subsidiary/Associate Companies

There has been no public issue by our Company, Group Entities, our Subsidiaries, except for the rights issue to the existing shareholders made by the Company in 2009. For further details please refer to the chapter "*Capital Structure*" beginning on page 71.

Outstanding debentures or bond issues

As on the date of filing this Draft Red Herring Prospectus, our Company does not have any outstanding debentures or bonds.

Outstanding Preference Shares

As on the date of filing this Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

Stock Market Data

This being the first public issue by our Company, no stock market data is available.

Mechanism for Investor Grievances and Redressal System

The Agreement between the Registrar to the Issue, the Selling Shareholders and our Company entered on September 24, 2014 provides for retention of records with the Registrar to this Issue for a period of at least three years from the last date of dispatch of the Allotment Advice, demat credit and making refunds as per the modes disclosed to enable the Bidders to approach the Registrar to this Issue for redressal of their grievances.

Investors may contact the BRLMs for any complaint pertaining to the Issue. All grievances relating to the non-ASBA process must be addressed to the Registrar to the Issue quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Syndicate Member or the Registered Broker where the Bid was submitted and cheque or draft number and issuing bank thereof.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Broker Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker, as the case may be, where the ASBA Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible. Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares.

Our Company has appointed Mr. Lalit Khanna, Company Secretary and Associate Vice-President-Legal, as the Compliance Officer of our Company and for redressal of any complaints, he may be contacted at:

SB Tower, Ground Floor,
Plot No. 1A/1
Sector – 16A, Film City
Noida – 201 301, Uttar Pradesh
India

Tel: +91 120 458 1400
Fax: +91 120 458 1499
E-mail: compliance.officer@unipartsgroup.com

Changes in the auditors during last three years and reasons thereof

There has been no change in our auditors during the last three years.

Capitalisation of reserves or profits during the last five years

Our Company has not capitalised its reserves since incorporation. It has however issued bonus shares out of the surplus in the profit and loss accounts of our Company on February 2, 2007 and out of securities premium account on April 4, 2014. For further details please refer to of the chapter "*Capital Structure*" beginning on page 71.

Revaluation of assets during the last five years

Our Company has not revalued its assets since incorporation.

SECTION VIII: ISSUE INFORMATION

ISSUE STRUCTURE

Public Issue of up to 13,040,000 Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] per Equity Share (including share premium of ₹ [●] per Equity Share) aggregating ₹ [●] million, through the Book Building Process. The Issue consists of a Fresh Issue of 7,000,000 Equity Share aggregating up to ₹ [●] million and an Offer for Sale of up to 6,040,000 Equity Shares aggregating up to ₹ [●] million.

The Issue will constitute atleast 25% of the total post issue paid-up equity capital of our Company. The Issue is being made through the Book Building Process:

Particulars	Qualified Institutional Bidders**	Non-Institutional Bidders	Retail Individual Investors
Number of Equity Shares available for allocation*	[●] Equity Shares or Issue less allocation to Non-Institutional Investors and Retail Individual Investors.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Retail Individual Investors.	Not less than [●] Equity Shares available for allocation or Issue less allocation to QIBs and Non-Institutional Investors.
Percentage of the Issue size available for allocation	50% of the Issue shall be available for allocation to QIBs. However, 5% of the QIB Category (excluding Anchor Investor Portion) shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% Mutual Fund Portion will also be eligible for allocation in the remaining QIB Category.	Not less than 15% of the Issue or Issue less allocation to QIBs and Retail Individual Investors shall be available for allocation.	Not less than 35% of the Issue or the Issue less allocation to QIBs and Non-Institutional Investors shall be available for allocation.
Basis of Allotment/allocation, if respective category is oversubscribed	Proportionate as follows: (a) [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds; (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate.	Not less than the minimum Bid Lot (subject to availability of Equity Shares in the Retail Category), and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. For more details please refer to of the chapter "*Issue Procedure*" beginning on page 372.
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹ 200,000.	[●] Equity Shares.
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue size, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid does not exceed the Issue size, subject to applicable limits.	Such number of Equity Shares in multiples of [●] so as to ensure that the payment amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in	Compulsorily in	Compulsorily in

Particulars	Qualified Institutional Bidders**	Non-Institutional Bidders	Retail Individual Investors
	dematerialised form.	dematerialised form.	dematerialised form.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter.	[●] Equity Shares and in multiples of one Equity Share thereafter subject to availability in the Retail Category.
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can Apply ***	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs other than Category III FPIs, FVCIs, VCFs, AIFs, multilateral/bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy 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 Karta), companies, corporate bodies, scientific institutions, societies and trusts, Category III FPIs.	Resident Indian individuals (including HUFs in the name of the Karta) and Eligible NRIs who are individuals applying for Equity Shares such that the Bid Amount does not exceed ₹ 200,000 in value.
Terms of Payment	The entire Bid Amount will be payable at the time of submission of the Bid cum Application Form to the Designated Branch or the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre, as the case may be. The SCSB will be authorized to block funds equivalent to the Bid Amount in the relevant ASBA Account as detailed in the Bid cum Application Form.	The entire Bid Amount will be payable at the time of submission of the Bid cum Application Form to the Designated Branch or the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre, as the case may be. The SCSB will be authorized to block funds equivalent to the Bid Amount in the relevant ASBA Account as detailed in the Bid cum Application Form.	The entire Bid Amount will be payable at the time of submission of the Bid cum Application Form to the Syndicate or the Designated Branch or the member of the Syndicate at the Specified Location or the Registered Broker at the Broker Centre, as the case may be. In case of ASBA Bidders, the SCSB will be authorized to block funds equivalent to the Bid Amount in the relevant ASBA Account as detailed in the Bid cum Application Form.

* *Subject to valid Bids being received at or above the Issue Price, the Issue is being made through the Book Building Process wherein 50% of the Issue shall be Allotted to QIBs on a proportionate basis. 5% of the QIB Category shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs (including Mutual Funds), subject to valid Bids being received from them at or above*

the Issue Price. Mutual Funds participating in the 5% reservation in the QIB Category will also be eligible for allocation in the remaining QIB Category. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable law.

** *Our Company may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Issue Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹ 100.00 million, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100.00 million but up to ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor, and (iii) minimum of five and maximum of 25 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 2,500.00 million, subject to a minimum Allotment of ₹ 50.00 million per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹ 100.00 million. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above Anchor Investor Issue Price.*

The QIB Category includes Anchor Investor Portion, as per the SEBI ICDR Regulations. Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Issue Price shall be payable by Anchor Investor Pay-in Date.

*** *In case of joint Bids, the Bid-cum-Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Bidder would be required in the Bid-cum-Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders.*

Bidders will be required to confirm and will be deemed to have represented to our Company, the BRLMs, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.

SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

Withdrawal of the Issue

Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company shall issue a public notice in the newspapers, in which the pre-issue advertisements were published, within two days of the or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLMs, through the Registrar to the Issue, shall instruct the SCSBs to unblock the ASBA Accounts within one Working Day of receipt of such notification. Our Company shall also promptly inform the Stock Exchanges on which the Equity Shares were proposed to be listed.

If our Company, the Individual Selling Shareholders and the Investor Selling Shareholders withdraw the Issue after the Bid/Issue Closing Date and thereafter determine that they will proceed with an issue of our Company's Equity Shares or offer for sale by existing shareholders, our Company shall file a fresh draft red herring prospectus with SEBI and/or the Stock Exchanges, as the case may be.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within 12 Working Days of the Bid/Issue Closing Date, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Bid/Issue Programme	
BID/ISSUE OPENS ON	[●]*
BID/ISSUE CLOSES ON	[●]**
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds/un-blocking of ASBA Accounts	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

**Our Company may consider participation by Anchor Investors. The Anchor Investors shall Bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid/Issue Opening Date.*

***Our Company may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs one day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company, the Individual Selling Shareholders, the Investor Selling Shareholders or the BRLMs. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Individual Selling Shareholders and the Investor Selling Shareholders confirm that they shall extend reasonable co-operation required in order to facilitate their proportion of the Equity Shares offered as part of the Offer for Sale.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the Bidding Centres mentioned in the Bid-cum-Application Form or, in case of Bids submitted through ASBA, at the Designated Branches (a list of such branches is available at the website of the SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries) or with the members of the Syndicate at the Specified Locations or with the Registered Brokers at the Broker Centres (a list of such Broker Centres is available at the websites of the Stock Exchanges), as the case may be. **Except in case where the Bidding by the QIBs is closed one day prior to the Bid/Issue Closing Date, on the Bid/Issue Closing Date, Bids (excluding ASBA Bidders) shall be accepted until 3.00 p.m.** and uploaded

i. up to 5.00 p.m. or such extended time as permitted by the Stock Exchanges in case of Bids by Retail Individual Investors; and
ii. up to 4.00 p.m. for Bids by QIBs and Non-Institutional Investors.

It is clarified that Bids not uploaded in the book would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the BSE and NSE.

QIBs and Non-Institutional Investors shall neither withdraw nor revise their Bids so as to lower the size of their Bid at any stage after they have Bid for the Issue. QIBs and Non-Institutional Investors may revise their Bids upwards (in terms of quantity of Equity Shares or the Bid Amount) during the Bid/Issue Period. Such upward revision must be made using the Revision Form. Retail Individual Investors may either withdraw or revise their Bids until finalisation of the Allotment.

On the Bid/Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading the Bids received by Retail Individual Investors after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Working Days. Neither our Company, the Individual Selling Shareholders, the Investor Selling Shareholders, the members of the Syndicate, the SCSBs or the Registered Brokers will be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Bids will be accepted only on Working Days.

Revisions, if any, in the Price Band, will be determined by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs and will be determined during the Bid/Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side, i.e., the Floor Price can move up or down to the extent of 20% of the Floor Price as disclosed at least one Working Day prior to the Bid/Issue Opening Date and the Cap Price will be

revised accordingly.

In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional Working Days after revision of Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the changes on the website of the members of the Syndicate and by intimation to SCSBs and the Registered Brokers.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid-cum-Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

TERMS OF THE ISSUE

The Equity Shares being issued and transferred are subject to the provisions of the Companies Act, the Memorandum and Articles of Association of our Company, SEBI ICDR Regulations, the SCRA, the SCRR, the Listing Agreements, if any, the terms of the Red Herring Prospectus, Prospectus, Bid-cum-Application Form, the Revision Form, the abridged prospectus and other terms and conditions as may be incorporated in the Allotment Advice, and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to applicable laws, guidelines, rules notifications and regulations relating to the issue and sale of capital and listing and trading of securities issued from time to time by SEBI, Government of India, Stock Exchanges, RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI or any other authorities while granting its approval for the Issue.

Ranking of Equity Shares

The Equity Shares being issued and transferred shall be subject to the provisions of the Memorandum and Articles of Association and the Companies Act, and shall rank *pari passu* in all respects with the other existing Equity Shares of our Company including in respect of the rights to receive dividends. The Allottees of the Equity Shares in this Issue shall be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to the section "*Main Provisions of the Articles of Association*" beginning on page 418.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to the shareholders of our as per the provisions of the Companies Act, the Memorandum and Articles of Association and the Listing Agreements to be entered into with the Stock Exchanges. In respect of the Offer for Sale, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in such Offer for Sale for the entire year. Please refer to the chapter "*Dividend Policy*" on page 197.

Face Value and Price Band

The face value of each Equity Share is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs and published in one English national daily newspaper with wide circulation and one Hindi national daily newspaper with wide circulation which shall also serve as the regional language newspaper with wide circulation, with Hindi being the regional language of Delhi where the Registered Office is located, at least five Working Days prior to the Bid/Issue Opening Date.

At any given point of time there shall be only one denomination of Equity Shares, subject to applicable law.

Rights of the Equity Shareholder

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

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable law, including RBI rules and

regulations, if any; 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 to be executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association such as those dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, please refer to the section "*Main provisions of the Articles of Association*" beginning on page 418.

Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. In terms of existing SEBI ICDR Regulations, the trading in the Equity Shares shall only be in dematerialised form for all investors. Since trading of the Equity Shares is in dematerialised mode, the tradable lot is one Equity Share. Allocation and Allotment of Equity Shares through this Issue will be done only in electronic form, in multiples of one Equity Share, subject to a minimum Allotment of [●] Equity Shares. For details of allocation and Allotment, please refer to the chapter "*Issue Procedure*" beginning on page 372.

Compliance with SEBI ICDR Regulations

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

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013 read with Companies (Share Capital and Debentures) Rules, 2014, the First/Sole Bidder, along with other Joint Bidders, may nominate any one person in whom, in the event of the death of Sole Bidder or in case of Joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Company's Registered/Corporate Office or to our Registrar and Transfer Agents.

In accordance with Section 72 of the Companies Act, 2013, any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or

2. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, interests, 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 dematerialised mode, there is no need to make a separate nomination with us. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidders require changing the nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

The Issuer is required to receive a minimum subscription of 90% of the Issue. If our Company does not receive (i) the minimum subscription of 90% of the Issue; and (ii) a subscription in the Issue equivalent to the minimum

number of securities as specified under Rule 19(2)(b)(ii) of the SCRR, including devolvement of Underwriters, if any, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law.

In accordance with Clause 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

Arrangement for disposal of odd lots

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

Restriction on transfer of Equity Shares

Except for lock-in of pre-Issue equity shareholding, Promoters' minimum contribution and lock-in of Equity Shares Allotted to Anchor Investor for a period of 30 days from the date of Allotment, as detailed in the chapter "*Capital Structure*" beginning on page 71 and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/splitting except as provided in the Articles of Association. Please refer to the section "*Main Provisions of the Articles of Association*" beginning on page 418.

Option to receive Equity Shares in Dematerialised Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful Bidders will only be in the dematerialised form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialised segment of the Stock Exchanges.

Joint Holders

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

ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "**General Information Document**") included below under section "**- Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect amendments to the SEBI ICDR Regulations and to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant portions of the General Information Document which are applicable to this Issue.*

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Please note that QIBs (other than Anchor Investors) and Non-Institutional Investors can participate in the Issue only through the ASBA process. Retail Individual Investors can participate in the Issue through the ASBA process as well as the non ASBA process. ASBA Bidders should note that the ASBA process involves application procedures that are different from the procedure applicable to non-ASBA Bidders. However, there is a common Bid cum Application Form for ASBA Bidders (submitted to SCSBs or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centres) as well as for non-ASBA Bidders. Bidders applying through the ASBA process should carefully read the provisions applicable to such applications before making their application through the ASBA process. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form. In case of ASBA Bidders, an amount equivalent to the full Bid Amount will be blocked by the SCSBs.

ASBA Bidders may submit ASBA Bids to a Designated Branch (a list of such branches is available on the website of the SEBI (www.sebi.gov.in) or to the Syndicate at the Specified Cities or to the Registered Brokers at the Broker Centres. Non-ASBA Bidders are required to submit Bids to the Syndicate, only on a Bid cum Application Form bearing the stamp of a member of the Syndicate or the Registered Broker. ASBA Bidders are advised not to submit Bid cum Application Forms to Escrow Collection Banks, unless such Escrow Collection Banks are also SCSBs.

All Bidders are required to pay the full Bid Amount or, in case of ASBA Bids, ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid.

*SEBI by its circular (CIR/CFD/DIL/1/2011) dated April 29, 2011 ("**2011 Circular**") has made it mandatory for QIBs (other than Anchor Investors) and Non Institutional Investors to make use of the facility of ASBA for making applications for public issues. Further, the 2011 Circular also provides a mechanism to enable the Syndicate and sub-Syndicate Members to procure Bid cum Application Forms submitted under the ASBA process from prospective Bidders. SEBI by its circular (CIR/CFD/14/2012) dated October 4, 2012 ("**2012 Circular**"), has introduced an additional mechanism for prospective Bidders to submit Bid cum Application Forms (ASBA and non-ASBA applications) using the stock broker network of Stock Exchanges, who may not be Syndicate Members in the Issue. Further, SEBI by its circular (CIR/CFD/DIL/ 4 /2013) dated January 23, 2013 ("**2013 Circular**"), in partial modification of the 2011 Circular, mandates that in order to facilitate Syndicate/ sub-syndicate/ non-syndicate members to accept Bid-cum-Application Forms from prospective ASBA Bidders in the locations, all the SCSBs having a branch in the location of Broker Centres, notified in terms of the 2012 Circular are required to name at least one branch before March 1, 2013, where Syndicate/sub-syndicate/ non-syndicate members can submit such Bid-cum-Application Forms.*

PART A

Book Building Procedure

This Issue is being made through the Book Building Process, where 50% of the Issue shall be allocated to QIBs on a proportionate basis, provided that our Company may allocate up to 60% of the QIB Category to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, of which at least one third will be available for allocation to domestic Mutual Funds. Further, 5% of the QIB Category (excluding the Anchor Investor Portion) will be available for allocation on a proportionate basis to Mutual Funds only. The remainder will be available for allocation on a proportionate basis to all QIBs including Mutual Funds, subject to valid Bids being received at or above the Offer Price.

Further, not less than 15% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue will be available for allocation on a proportionate basis to Retail Individual Investors, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Category, would be met with spill-over from any other category or categories, as applicable, on a proportionate basis, subject to applicable law.

In case of QIBs (other than Anchor Investors) Bidding through the Syndicate ASBA, the Book Running Lead Managers and the members of the Syndicate, may reject Bids at the time of acceptance of the Bid cum Application Form, provided that the reasons for such rejection shall be disclosed to such Bidder in writing. Further, Bids from QIBs can also be rejected on technical grounds. In case of Non-Institutional Investors and Retail Individual Investors, our Company has a right to reject Bids based on technical grounds only.

However, our Company, in consultation with the Book Running Lead Managers reserve the right to reject any Bid received from Anchor Investors without assigning any reason.

Bidders can Bid at any price within the Price Band. The Price Band and the Bid Lot for the Issue will be decided by our Company in consultation with the Book Running Lead Manager, and advertised in one English national daily newspaper with wide circulation and one Hindi national daily newspaper with wide circulation which shall also serve as the regional language newspaper with wide circulation, with Hindi being the regional language of Delhi where the Registered Office is located, at least five Working Days prior to the Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders depository account, including DP ID, Client ID and PAN (other than Bids made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. On Allotment, the Equity Shares will be traded only on the dematerialized segment of the Stock Exchanges.

Bidders are required to ensure that the PAN (of the sole/first Bidder) provided in the Bid cum Application Form is exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Bid-cum-Application Form

Please note that there is a common Bid-cum-Application Form for ASBA Bidders as well as for non-ASBA Bidders. Copies of the Bid-cum-Application Form and the abridged prospectus will be available at the offices of the BRLMs, the Syndicate Members, the Registered Brokers, the SCSBs and the Registered Office of our Company. An electronic copy of the Bid-cum-Application Form will also be available on the websites of the SCSBs, the NSE (www.nseindia.com) and the BSE (www.bseindia.com) and the terminals of the Registered Brokers at least one day prior to the Bid/Issue Opening Date.

Retail Individual Investors may Bid through the ASBA process at their discretion. However, QIBs (excluding Anchor Investors) and Non-Institutional Investors must compulsorily use the ASBA process to participate in the Issue. Anchor Investors are not permitted to participate in this Issue through the ASBA process.

ASBA Bidders must provide bank account details in the relevant space provided in the Bid-cum-Application Form and the Bid-cum-Application Form that does not contain such details are liable to be rejected. In relation to non-ASBA Bidders, the bank account details shall be available from the depository account on the basis of the DP ID, Client ID and PAN provided by the non-ASBA Bidders in their Bid-cum-Application Form.

ASBA Bidders shall ensure that the Bids are made on Bid-cum-Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the bidding centres only (except in case of electronic Bid-cum-Application Forms) and the Bid-cum-Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid-cum-Application Forms for the various categories is as follows:

S. No.	Category	Colour of Bid-cum-Application Form*
.	Resident Indians including resident QIBs, Non-Institutional Investors, Retail Individual Investors and Eligible NRIs applying on a non-repatriation basis	White
.	Non-Residents including FPIs and Eligible NRIs, applying on a repatriation basis	Blue
.	Anchor Investors**	[●]

** Excluding electronic Bid-cum-Application Forms*

*** Bid-cum-Application Forms for Anchor Investors will be made available at the office of the BRLMs.*

Who can Bid?

In addition to the category of Bidders set forth under "– *General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in a Issue"*, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

(i) Mutual Funds registered with SEBI. Bids by asset management companies or custodians of Mutual Funds should clearly indicate the name of the concerned scheme for which the Bid is submitted;
(ii) Venture Capital Funds and Alternative Investment Funds registered with SEBI;
(iii) Foreign Venture Capital Investors registered with SEBI;
(iv) FPIs registered with SEBI, provided that any QFI or FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995;
(v) State Industrial Development Corporations;
(vi) Scientific and/or industrial research organisations in India, authorised to invest in equity shares;
(vii) Insurance companies registered with IRDA;
(viii) Provident funds and pension funds with a minimum corpus of ₹ 250 million and who are authorised under their constitutional documents to hold and invest in equity shares;
(ix) National Investment Fund set up by resolution no. F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI published in the Gazette of India;
(x) Insurance funds set up and managed by the army, navy or air force of the Union of India or by the Department of Posts, India;
(xi) Multilateral and bilateral development financial institutions; and
(xii) Any other person eligible to Bid in the Issue under applicable laws.

Bids by Eligible NRIs

Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment.

Eligible NRIs bidding on repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to the Non-Resident External ("**NRE**") or Foreign Currency Non

Resident (Bank) ("**FCNR**") accounts maintained with authorised dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000 ("**Authorised Dealer**"). Eligible NRIs bidding on repatriation basis are advised to use the Bid-cum-Application Form for Non-Residents (Blue in colour), accompanied by a bank certificate confirming that the payment has been made by debiting the NRE or FCNR account, as the case may be.

Eligible NRIs bidding on non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as the Non-Resident Ordinary Rupee Account ("**NRO**"). Eligible NRIs bidding on non-repatriation basis are advised to use the Bid-cum-Application Form for Residents (White in colour).

Bids by Foreign Portfolio Investors (including FIIs and QFIs)

In terms of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (the "**SEBI FPI Regulations**") investment in the Equity Shares by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is permitted up to 10% of our post-Issue Equity Share capital. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Any QFI or FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or if it has obtained a certificate of registration as FPI, whichever is earlier. Further, a QFI may participate in the Issue until January 6, 2015 (or such other date as may be specified by SEBI) or if it has obtained a certificate of registration as FPI, whichever is earlier.

In accordance with foreign investment limits applicable to our Company, total foreign investment including FPI investment may be up to 100% through the automatic route.

FPIs who wish to participate in the Issue are advised to use the Bid-cum-Application Form for Non-Residents (blue in colour). FPIs are required to Bid through the ASBA process to participate in the Issue.

Bids by SEBI registered Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended ("**SEBI VCF Regulations**"), and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulation, 2012, as amended ("**SEBI AIF Regulations**") prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations.

In accordance with RBI regulations, OCBs cannot participate in the Issue.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR

Regulations, in one English national daily newspaper with wide circulation and one Hindi national daily newspaper with wide circulation which shall also serve as the regional language newspaper with wide circulation, with Hindi being the regional language of Delhi where the Registered Office is located.

Payment instructions

In terms of the RBI circular (No. DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS cheques will be processed in three CTS centres thrice a week until April 30, 2014, twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Issue Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payment. Investors are cautioned that Bid-cum-Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Issue Closing Date.

Payment into Escrow Accounts for Bidders other than ASBA Bidders

In addition to the payment instructions for non-ASBA Bidders as provided in the sub-section titled "*Part B – General Information Document for Investing in Public Issues – Applying in the Issue – Payment Details – Instructions for non-ASBA Applicants*" on page 389 of this Draft Red Herring Prospectus, non-ASBA Bidders are requested to note that the payment instruments for payment into the Escrow Account should be drawn in favour of:

(i) In case of resident Retail Individual Investors: "*[●]*"
(ii) In case of Non-Resident Retail Individual Investors: "*[●]*"

Our Company, the Individual Selling Shareholders and the Investor Selling Shareholders in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. The payment instruments for payment into the Escrow Account(s) for Anchor Investors should be drawn in favor of:

(i) In case of resident Anchor Investors: "*[●]*"
(ii) In case of non-resident Anchor Investors: "*[●]*"

Undertakings by our Company

Our Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;

2. That all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed shall be undertaken within 12 Working Days of the Bid/Issue Closing Date;

3. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 12 Working Days from the Bid/Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

4. That no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, undersubscription etc.;

5. That adequate arrangements shall be made to collect all Bid-cum-Application Forms in relation to ASBA and to consider them similar to non-ASBA applications while finalising the Basis of Allotment;

6. That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company; and

7. That our Company shall not have recourse to the Issue Proceeds until the final approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Undertakings by the Investor Selling Shareholders

The Investor Selling Shareholders specifically undertake the following:

1. The Equity Shares offered by them by way of Offer for Sale have been held by the Investor Selling Shareholders for a period of not less than one year prior to the date of this Draft Red Herring Prospectus;

2. The Investor Selling Shareholders will not have recourse to the proceeds of the Offer for Sale and these shall be held in escrow in favour of the Investor Selling Shareholders, until approval for listing and trading of the Equity Shares from the Stock Exchanges has been received;

3. The Investor Selling Shareholders will take all such steps as may be required to ensure that the Investor Offered Shares shall be transferred pursuant to the Offer for Sale, free and clear of any liens or encumbrances; and

4. The Investor Selling Shareholders have authorized the Compliance Officer of the Company and the Registrar to the Issue to redress any complaints received from Bidders in respect of the Offer for Sale.

Undertakings by the Individual Selling Shareholders

The Individual Selling Shareholders specifically undertake the following:

1. The Equity Shares offered by them by way of Offer for Sale have been held by the Individual Selling Shareholders for a period of not less than one year prior to the date of this Draft Red Herring Prospectus;

2. The Individual Selling Shareholders will not have recourse to the proceeds of the Offer for Sale and these shall be held in escrow in favour of the Investor Selling Shareholders, until approval for listing and trading of the Equity Shares from the Stock Exchanges has been received;

3. The Individual Selling Shareholders will not transfer the Equity Shares offered by them as part of the Offer for Sale;

4. The Individual Selling Shareholders will take all such steps as may be required to ensure that the Individual Offered Shares shall be transferred pursuant to the Offer for Sale, free and clear of any liens or encumbrances; and

5. The Individual Selling Shareholders have authorized the Compliance Officer of the Company and the Registrar to the Issue to redress any complaints received from Bidders in respect of the Offer for Sale.

Utilization of Issue Proceeds

The Board of Directors certify that:

(a) all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
(b) details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed until the time any part of the Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
(c) details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

PART-B

General Information Document for Investing in Public Issues

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/ Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **BRLM(s)** to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is inter-alia required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer Bidders/Applicants may refer to the RHP/Prospectus.

2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act 2013), the Securities Contracts (Regulation) Rules, 1957 (the "**SCRR**"), industry- specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (**"Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM(s), and the advertisement in the newspaper(s) issued in this regard.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. [Bidders/Applicants may note that this is not applicable for Fast Track FPOs.]:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

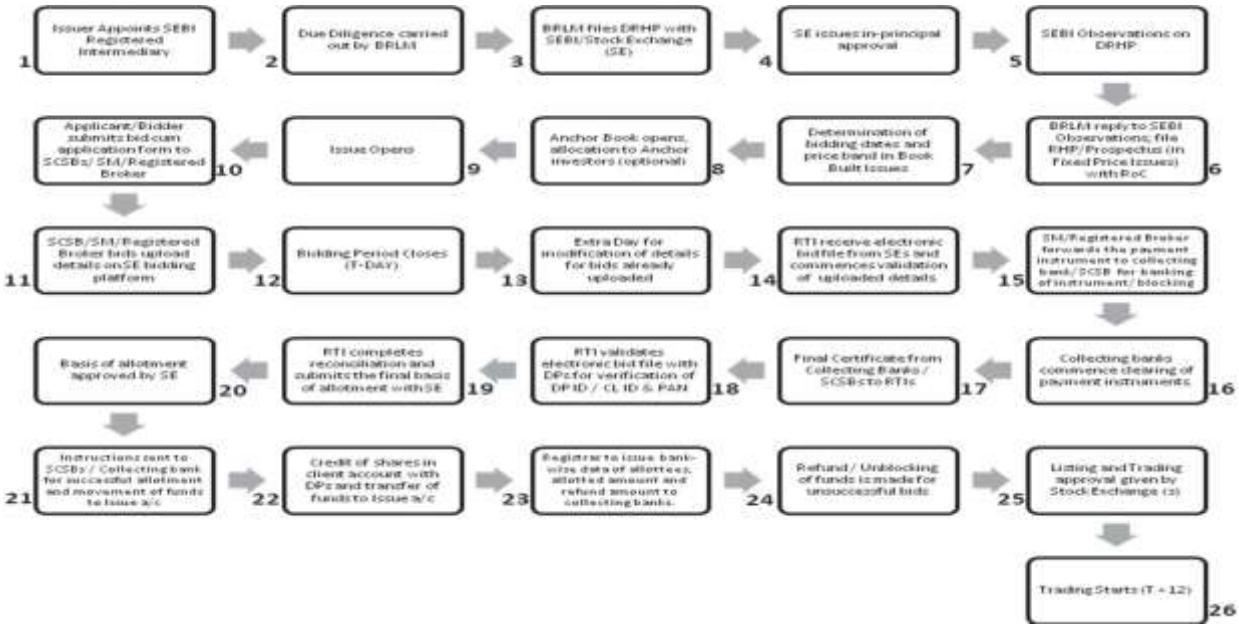
(a) Step 7: Determination of Issue Date and Price
(b) Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and

Non-ASBA forms directly to collection Bank and not to Broker.

(c) Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform

(d) Step 12: Issue period closes

(e) Step 15: Not Applicable



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Bidder/Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs, FIIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

1. Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
2. Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
3. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
4. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
5. QIBs;
6. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
7. Qualified Foreign Investors subject to applicable law;
8. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI Regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
9. FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
10. Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
11. FPIs other than Category III FPIs bidding under the QIBs category;
12. FPIs which are Category III FPIs, bidding under the NIIs category;
13. Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
14. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
15. Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
16. As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Issue: Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issuer. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub- Accounts which are foreign corporate(s) or foreign individuals bidding under the QIB, FPIs, QFIs), on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants bidding/applying in the reserved category	[As specified by the Issuer]

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM / APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - R

FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI's APPLYING ON A NON-REPATRIATION BASIS

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
IN

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S/AGENT'S STAMP & CODE
ESCROW BANK / SCSB BRANCH STAMP & CODE	SUB-BROKER'S/SUB-AGENT'S STAMP & CODE
BANK BRANCH SERIAL NO.	REGISTRAR'S / SCSB SERIAL NO.

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1	
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. Category

☐ Retail Individual

☐ Non-Institutional

☐ QIB

6. Investor Status

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VC
☐ Others (Please specify) - OTH

* HUF should apply only through Karta. (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

Amount Paid (₹ in figures) (₹ in words)

☐ (A) CHEQUE/ DEMAND DRAFT (DD)

Cheque/DD No. Dated D D M M Y Y

Drawn on (Bank Name & Branch)

☐ (B) ASBA

Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID CUM APPLICATION FORM AND THE ATTACHED FORM 3A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the instructions for Filling up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS) (For ASBA option ONLY)	BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : 2011	I/We authorize the SCSB to do all acts as are necessary to make the Application in this Issue 1) 2) 3)	

TEAR HERE

XYZ LIMITED — Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID

PAN

Amount Paid (₹ in figures) | Bank & Branch

Cheque / DD/ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

Stamp & Signature of Banker

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

TEAR HERE

COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - NR

FOR ELIGIBLE NRIs, FIIs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS

Logo

To,
The Board of Directors
XYZ Limited

BOOK BUILDING ISSUE
INE523L01018

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE	BROKER'S/AGENT'S STAMP & CODE
ESCROW BANK / SCSB BRANCH STAMP & CODE	**SUB-BROKER'S/SUB-AGENT'S STAMP & CODE**
BANK BRANCH SERIAL NO.	**REGISTRAR'S / SCSB SERIAL NO.**

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")

Bid Options	No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (in Figures)			
		Bid Price	Discount, if any	Net Price	"Cut-off" (Please tick)
Option 1					☐
(OR) Option 2					☐
(OR) Option 3					☐

5. Category

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. Investor Status

NRI	Non-Resident Indian (Repatriation basis)
FII	Foreign Institutional Investor
FVCI	Foreign Venture Capital Investor
FIIDA	FII Sub Account Corporate / Individual
OTH	Others (Please Specify)

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below) — PAYMENT OPTIONS ☐ Full Payment ☐ Part Payment

Amount Paid (₹ in figures) (₹ in words)

☐ **(A) CHEQUE/ DEMAND DRAFT (DD)**
Cheque/DD No. Dated D D M M Y Y
Drawn on (Bank Name & Branch)

☐ **(B) ASBA**
Bank A/c No.
Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/We (on behalf of joint applicants, if any) hereby confirm that I/We have read the instructions for Filling up the Bid Cum Application Form given overleaf.

8A. SIGNATURE OF SOLE/ FIRST APPLICANT	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER/s (AS PER BANK RECORDS) (For ASBA option ONLY)	BROKER'S / SCSB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)
Date : 2011	I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) 2) 3)	

TEAR HERE

XYZ LIMITED

Acknowledgement Slip for Syndicate Member / SCSB

Bid cum Application Form No.

DPID / CLID PAN

Amount Paid (₹ in figures) Bank & Branch Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile Email

TEAR HERE

XYZ LIMITED

	Option 1	Option 2	Option 3
No. of Equity Shares			
Bid Price			
Amount Paid (₹)			

Stamp & Signature of Syndicate Member / SCSB

Cheque / DD/ASBA Bank A/c No

Bank & Branch

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.

PLEASE FILL IN BLOCK LETTERS

TEAR HERE — TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid-cum Application Form/Application Form may be used to dispatch communications(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids /Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

1. ***makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***
2. ***makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***
3. ***otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant**: Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE/FIRST BIDDER/APPLICANT

(a) PAN (of the sole/ first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms/Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/**Application Form **is liable to be rejected**.

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 FIELD NUMBER 4: BID OPTIONS

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))

(c) **Cut-Off Price**: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment**: The allotment of specified securities to each RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be allotted on a proportionate basis. For details of the Bid Lot, bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.

In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(b) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(c) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at 'Cut-off Price'.

(d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.

(e) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least Rs. 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid

Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories bidding in their respective Reservation Portion as well as bids made by them in the Net Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.

(b) Upto 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis [subject to the criteria of minimum and maximum number of anchor investors based on allocation size], to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one- third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, FPIs, QFIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made for Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.

(c) QIBs and NIIs can participate in the Issue only through the ASBA mechanism.

(d) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

(e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 **Instructions for non-ASBA Bidders**:

(a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.

(b) **For Bids made through a member of the Syndicate**: The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.

(c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.

(d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.

(e) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

(f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.

(g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) ASBA Bidders may submit the Bid cum Application Form either

1. in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
2. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
3. in physical mode to a member of the Syndicate at the Specified Locations or
4. Registered Brokers of the Stock Exchange

(b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries).

(g) **ASBA Bidders bidding through a Registered Broke**r should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.

(h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

5. Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.

(l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the Controlling Branches, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may 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 or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Issue Closing Date.

4.1.7.3 **Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

(d) Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.

(c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

(a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.

(b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.

(c) All communications in connection with Bids/Applications made in the Issue should be addressed as under:

a. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Issue.
b. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
c. In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
d. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker
e. Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLM(s) in case of any other complaints in relation to the Issue.

(d) The following details (as applicable) should be quoted while making any queries -

i. full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
ii. name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or
iii. In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof
iv. In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 **INSTRUCTIONS FOR FILING THE REVISION FORM**

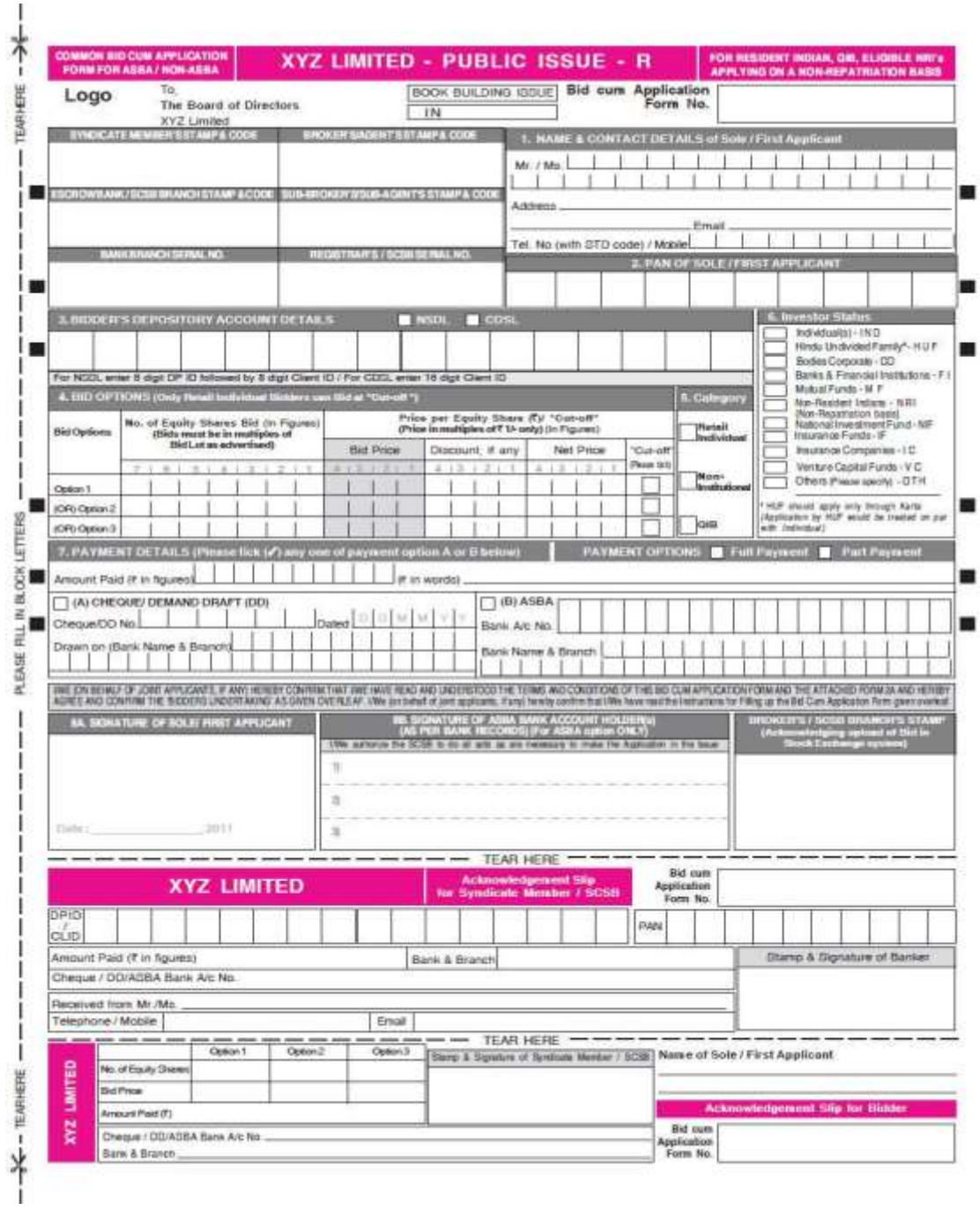
(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIIs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RII may revise their bids till closure of the bidding period or withdraw their bids until finalization of allotment.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:



Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the

Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.

(b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate / Registered Broker to whom the original Bid was submitted.

(e) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant

does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted downwards for the purpose of allotment, such that no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(f) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of bidding may be unblocked in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Price or Price band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager to the Issue (LM) may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of Rs. 10,000 to Rs.15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIIs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed Rs. 200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications**: An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Collection Bank(s) or SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

- All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated

as multiple applications by a Bidder/Applicant and may be rejected.

- For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

(a) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 FIELD NUMBER 6: INVESTOR STATUS

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 FIELD 7: PAYMENT DETAILS

(a) All Applicants are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Issue, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.

(b) RIIs and/or Reserved Categories bidding in their respective reservation portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("Non-ASBA Mechanism").

(c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 Instructions for non-ASBA Applicants:

(a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).

(b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).

(c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.

(d) Payments should be made by cheque, or demand draft drawn on any bank (including a co - operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

(e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.

(f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 **Payment instructions for ASBA Applicants**

(a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.

(b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.

(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;

(d) Applicants shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.

(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.

(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.

(j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.

(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.

(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the Controlling Branches, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.3.5.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.

(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

4.4 **SUBMISSION OF BID CUM APPLICATION FORM/ REVISION FORM /APPLICATION FORM**

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form / Revision Form in the following manner:-

Mode of Application	**Submission of Bid cum Application Form**
Non-ASBA Application	1) To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form 2) To Registered Brokers

ASBA Application	(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres (b) To the Designated branches of the SCSBs where the ASBA Account is maintained

(a) Bidders/Applicants should not submit the bid cum application forms/ Revision Form directly to the escrow collection banks. Bid cum Application Form/ Revision Form submitted to the escrow collection banks are liable for rejection.

(b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.

(c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the Registrar of Companies (RoC) and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(d) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.

(b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/ any of the Registered Brokers to register their Bid.

(c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.

(d) For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs can also set up facilities for off-line electronic registration of Bids,

subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/ Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

(a) RIIs can withdraw their Bids until finalization of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) In case a RII wishes to withdraw the Bid after the Bid/Issue Period, the same can be done by submitting a withdrawal request to the Registrar to the Issue until finalization of Basis of Allotment. The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to

i. the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,

(b) the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,

(c) the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or

(d) With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the specified locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 **GROUNDS FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, inter-alia, on the following grounds, which have been detailed at various placed in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs; and

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;

(h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(k) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(l) Bids/Applications at Cut-off Price by NIIs and QIBs;

(m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;

(p) Bids/Applications for a Bid/Application Amount of more than Rs. 200,000 by RIIs by applying through non-ASBA process;

(q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

(r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Issue Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;

(t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/ Application Form at the time of blocking such Bid/Application Amount in the bank account;

(u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;

(v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;

(w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Investors not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Investors accompanied with cheque(s) or demand draft(s);

(x) ASBA Bids/Applications submitted to a BRLM at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the issuer or the Registrar to the Issue;

(y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP / Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP / Prospectus.

(b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB category is not available for subscription to other categories.

(c) In case of under subscription in the Net Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Net Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) Illustration of the Book Building and Price Discovery Process

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs. 20 to Rs. 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative	Subscription
5	24	500	16.67%
1	23	1,500	50.00%
1	22	3,000	100.00%
2	21	5,000	166.67%
2	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 Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLMs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of bidding ("Alternate Book Building Process").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue. As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Syndicate Members/SCSB and/or Bankers to the Issue or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("**ASBA Account**"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Investor is will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable

7.1 ALLOTMENT TO RIIs

Bids received from the RIIs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIIs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

i. In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIIs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
ii. In the event the number of RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (in that category) who will then be allotted minimum Bid Lot shall be determined on the basis of draw of lots.

7.2 ALLOTMENT TO NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The allotment to all successful NIIs may be made at or above the Issue

Price. If the aggregate demand in this category is less than or equal to the Non- Institutional Category at or above the Issue Price, full allotment may be made to NIIs to the extent of their demand. In case the aggregate demand in this category is greater than the Non- Institutional Category at or above the Issue Price, allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP / Prospectus. Bids received from QIBs bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer subject to compliance with the following requirements:

i. not more than 60% of the QIB Category will be allocated to Anchor Investors;
ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:
    i. a maximum number of two Anchor Investors for allocation up to Rs. 10 crores;

    • a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and

    • a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than Rs. 250 crores subject to minimum allotment of Rs.5 crores per such Anchor Investor.

(b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) In the event that the Issue Price is higher than the Anchor Investor Issue Price: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Issue Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) In the event the Issue Price is lower than the Anchor Investor Issue Price: Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIIs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations,2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may 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 may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may 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 may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; 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 category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date**: On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.

(b) **Issuance of Allotment Advice**: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within 12 Working Days of the Bid/ Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer may be punishable with a fine which shall not be less than Rs.5 lakhs but which may extend to Rs.50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs.50,000 but which may extend to Rs.3 lakhs, or with both.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus.

If such money is not repaid within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

8.2.2 NON RECEIPT OF MINIMUM SUBSCIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, within 60 days from the Bid/Issue Closing Date, the Issuer may forthwith, without interest refund the entire subscription

amount received. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

If there is a delay beyond the prescribed time, then the Issuer and every director of the Issuer who is an officer in default may, be liable to repay the money, with interest at the rate of 15% per annum.

8.2.3 **MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

8.2.4 **IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

(a) **In case of ASBA Bids/Applications**: Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.

(b) **In case of Non-ASBA Bid/Applications**: Within 12 Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/ allotment to Bidders/Applicants.

(c) In case of non-ASBA Bidders/Applicants, the Registrar to the Issue may obtain from the depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Bidders/Applicants' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

(d) In the case of Bids from Eligible NRIs, FPIs, QFIs and FIIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may 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 may be dispatched by registered post. The Issuer may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

i. **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may 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 Bidders/Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **Direct Credit**—Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

(d) **RTGS**—Bidders/Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS; and

(e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received.

Please note that the refund through he abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres, etc. Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 **Mode of making refunds for ASBA Bidders/Applicants**

In case of ASBA Bidders/Applicants, the Registrar to the Issue may instruct the Controlling Branch 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.

8.4 **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/Allot/ Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted

Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Issues, includes Fixed Price Issue
Application Supported by Blocked Amount/ (ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Issue who Bid/apply through ASBA
Banker(s) to the Issue/ Escrow Collection Bank(s)/ Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid /Issue Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/Issue Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Opening Date

Bid/Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/ Issue Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of issues undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/ Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges.
BRLM(s)/ Book Running Lead Manager(s)/Lead Manager/ LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIIs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price

DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may Issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India

Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
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 RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and FPIs which are Category III FPIs, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form

Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FIIs FPIs, QFIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas 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 FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholders
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act after the Pricing Date, containing the Issue Price ,the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Qualified Foreign Investors or QFIs	Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis

Qualified Institutional	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/ RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds (excluding refunds to ASBA Bidders/Applicants), if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Refunds through electronic transfer of funds	Refunds through NECS, direct credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/ Categories	Categories of persons eligible for making application/bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or bids for a value of not more than Rs. 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than Rs.200, 000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building process to modify the quantity of Equity Shares and/or bid price indicates therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/ SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of the Bids in this Issue (excluding Bids from ASBA Bidders/Applicants)
Syndicate	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

SECTION IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Set forth below is certain information relating to our share capital, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares and/or on their consolidation/splitting and other important terms of Articles of Association of our Company. Please note that each provision herein below is numbered as per the corresponding article number in the Articles of Association and capitalised/defined terms herein have the same meaning given to them in the Articles of Association.

The Articles of Association of the Company comprises of two parts. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable. However Part II shall become inapplicable without any further action immediately on the commencement of trading of the Equity Shares of the Company on the Stock Exchanges subsequent to the Issue.

PART I

1. SHARES

Share capital

1.1 The authorised share capital of the Company shall be such as given in Clause V of the Memorandum of Association or as altered from time to time, thereat payable in the manner as may be determined by the Board, with the power to increase, reduce, sub-divide or to repay the same or to divide the same into several classes and to attach thereto any rights and to consolidate or sub-divide or re-organize the shares and subject to the provisions of the Companies Act, to vary such rights as may be determined in accordance with the regulations of the Company.

Redeemable preference shares

1.2 The Company shall have the power to issue preference shares carrying the right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the Board may, subject to the provisions of Section 55 of the Companies Act, exercise such powers in such manner as it thinks fit.

Allotment of shares

1.3 Subject to the provisions of the Companies Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 53 and 54 of the Companies Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the general meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Board 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.

Commission for placing shares

1.4 The Company may, subject to compliance with the provisions of Section 40 of the Companies Act, exercise the powers of paying commission on the issue of shares or debentures, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be in accordance with and disclosed in the manner required by the Companies Act. The commission may be paid or satisfied in cash or by allotment of fully or partly paid shares, debentures or debenture stock of the Company or partly in one way and partly in the other.

Trusts not recognized

1.5 Subject to Section 89 of the Companies Act, the Company shall be entitled to treat the registered holder of any shares as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by law required, be bound to recognize any trust, benami or equitable or other claim to or interest in such shares or any fractional part of a share whether or not it shall have express or other notice thereof.

2. FURTHER ISSUE OF SHARES

Securities

2.1 Where at any time, the Company proposes to increase the subscribed capital of the Company by issue of further shares either out of the unissued capital or out of the increased share capital, such shares shall be offered:

(a) 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, subject to the following conditions:

(i) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than 15 (Fifteen) days and not exceeding 30 (Thirty) days from the date of offer within which the offer, if not accepted, will be deemed to have been declined.

(ii) The aforesaid offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any one of them in favour of any other person and the notice referred to in sub clause (i) hereof shall contain a statement of this right.

PROVIDED THAT the Board may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.

(iii) 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 may dispose of them in such manner which is not disadvantageous to the shareholders of the Company.

(b) To employees under a scheme of employees' stock option, subject to a special resolution passed by the Company and subject to the conditions in the Companies Act and other applicable laws.

(c) To any persons, if authorized by a special resolution of the shareholders, whether or not those persons include the persons referred to in sub-clause (a) or sub-clause (b) hereof, either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer, and subject to any conditions as may be prescribed in the Companies Act.

2.2 Nothing contained in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company;

PROVIDED THAT the terms of issue of such debentures or the terms of such loans containing an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in the general meeting.

6. CALLS

Calls

6.1 The Board may from time to time, subject to the terms on which any shares, may have been issued make such calls as it thinks fit upon the members in respect of all monies unpaid on the shares held by them respectively, and not by the conditions of allotment thereto 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 and places appointed by the Board. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be made payable by installments.

When call deemed to have been made

6.2 That the option or right to call of shares shall not be given to any person except with the sanction of the Company in a general meeting.

Notice to call

6.3 Not less than 30 (Thirty) days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

Amount payable

6.4 That if the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price or installment thereof shall be payable as if it was a call duly made by the Board and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount of issue price or installments accordingly.

Interest to be charged on non–payment of calls

6.5 If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of 10 (Ten) per cent per annum, from the day appointed for the payment thereof to the actual payment or at such other rate as the Board may determine but they shall have the power to waive the payment thereof wholly or in part.

Evidence in actions by Company against shareholders

6.6 On the trial, at hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was when the claim arose, on the register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call or that a quorum of Directors was present at the meeting at which any call was made or that such meeting was duly convened or constituted, or any other matter whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debts.

Payment of calls in advance

6.7 The Board may, if it thinks fit, subject to the provisions of Section 50 of the Companies Act, agree to and receive from any member willing to advance the same, all or any part of the money 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 calls then made, upon the shares in respect of which such advance has been made, the Company may pay interest at such rate not exceeding, unless the Company in general meeting shall otherwise direct, 12 (Twelve) percent per annum on the member paying such sum as advance and the Board agrees upon money so paid in excess of amount of call shall not rank for dividends or confer a right to participate in

profits. The Board may at any time repay the amount so advanced upon giving such member notice in writing.

The members shall not be entitled to any voting rights in respect of the money so paid by them 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.

7. FORFEITURE AND LIEN

Notice may be given for calls or installment not paid

7.1 If a member fails to pay any call, or installment on or before the day appointed for the payment of the same, the Board may at any time thereafter, during such time as the call or installment remain unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses that may have been incurred by the Company by reasons of such non-payment.

Form of notice

7.2 The notice shall name a further day (not being earlier than the expiry of 14 (Fourteen) days from the date of service of the notice) and a place or place on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment on or before the time, and at the place or places appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.

If notice not complied with shares may be forfeited

7.3 If the requirement of any such notice as aforesaid to be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares not actually paid before the forfeiture. Subject to Section 123 of the Companies Act, neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided.

Notice after forfeiture

7.4 When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Forfeited shares to become property of the Company

7.5 Any share so forfeited shall be deemed to be the property of the Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as they think fit.

Power to annul forfeiture

7.6 The Board may, at any time before any share so forfeited shall be sold, re-allotted or otherwise disposed of annul the forfeiture thereof upon such conditions as they think fit.

Arrears to be paid notwithstanding forfeiture

7.7 A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the Company all moneys, which, at the date of the forfeiture, were presently payable by him to the Company in respect of the shares. The liability of such person shall cease if and when the Company receives payment in full of all such monies in respect of the shares.

Effect of forfeiture

7.8 The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share, and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture

7.9 A duly verified declaration in writing that the declarant is a Director, the manager or the Secretary of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a written title to such share.

Company lien on shares and debentures

7.10 The Company shall have a first and paramount lien upon all the shares/debentures registered in the name of such 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 shares shall be created except on the footing and condition that this Article will have full effect. That fully paid shares/debentures shall be free from all lien and that in the case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares. 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 Board may at any time declare any shares/debentures wholly or in part to be exempt from the provision of the clause.

Intention as to enforcing lien by sale, Application of proceeds of sale

7.11 For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his committee, *curator bonis* or other person recognized by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for 30 (Thirty) days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member and the residue (if any) be paid to such member, his executors, administrator, or other representatives or persons so recognized as aforesaid.

Validity of shares

7.12 Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and after his name has been entered in the register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

Power to issue new certificate

7.13 Where any shares under the powers in that behalf herein contained are sold by the Board and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Board may issue new certificate in lieu of certificate not so delivered up.

8. TRANSFER AND TRANSMISSION OF SHARES

Execution of transfer etc.

8.1 Subject to the provisions of the Companies Act and these Articles, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company within a period of 60 (Sixty) days from the date of the execution together with the certificate or certificates of the shares or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of the 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 in respect thereof.

Application for transfer

8.2 Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by the Companies Act, and subject to the provisions of Articles hereof, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice enter in the register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

Noticeoftransfer to registered holder

8.3 Before registering any transfer tender for registration, the Company, may if it so thinks fit give notice by letter posted 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 two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.

Registerof transfers

8.4 The Company shall keep a 'Register of Transfer' and therein shall be fairly and distinctly entered particulars of every transfer of any share.

In what case to decline to register transfer of shares

8.5 Subject to the provisions of Section 58 of the Companies Act and Section 22A of the Securities Contracts (Regulation) Act, 1956 as amended, the Board at their own absolute and uncontrolled discretion and by giving reason for such refusal, may refuse to register or acknowledge any transfer of a share whether fully paid up or not and where the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases Board shall within 30 (Thirty) days from the date on which the instrument of transfer was lodged with the Company send to the transferor and transferee notice of the refusal to register such transfer, provided that registration of a transfer of shares shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to Company on any account whatsoever except when the Company has a lien on the shares. However, no transfer of shares/debentures shall be refused on the ground of them not being held in marketable lots.

No transfer to minor etc.

8.6 No transfer shall be made to a minor or a person of unsound mind.

No fee for registration for transfer etc.

8.7 No fee shall be charged for registration for transfer, transmission, probate, succession certificate grant and letter of administration, certificate of death or marriage, power of attorney or similar other documents.

When instrumentof transfer to be retained

8.8 All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instruments of transfer shall be returned to the person who lodged the transfer deeds.

Notice of refusal to register transfer

8.9 If the Board refuses to register the transfer of any share, the Company shall within 30 (Thirty) days from the date on which the instrument of transfer was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation of such transfer, notice of such refusal.

Power to close transfer book & register

8.10 Subject to the provisions of the Companies Act, the Register of Members may be closed for any period or periods not exceeding in the aggregate forty-five days in each year, but not exceeding thirty days at any one time, subject to giving of previous notice of at least seven days (or such lesser period as may be specified by Securities and Exchange Board of India for listed Companies or the Companies which intend to get their securities listed.

Transmission of registered shares

8.11 The executors or administrators or nominees or the holder of succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered shares the survivors shall be only persons recognized by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate or other legal representation as the case may be from a competent court, provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with production of the probate or letter of administration or a secession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable.

Transfer of shares deceased or insolvent members

8.12 Any person becoming entitled to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article, or of his title as the Board think sufficient, may with the consent of the Board (which they shall not be under any obligation to give), be registered as a member in respect of such shares may, subject to the regulations as to transfer hereinbefore contained, transfer such shares. This Article is hereinafter referred to as 'The Transmission Article'. Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect of the share himself he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfer of shares. All the limitations,

restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.

Rights to executors and trustees.

8.13 Subject to any other provisions of these Articles if the Board in its sole direction is satisfied in regard thereof, a person becoming entitled to a share in consequence of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.

Provisions of articles relating to transfer applicable

8.14 The instrument of transfer shall be in writing and all the provisions of Section 56 of the Companies Act and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and the registration thereof. A common form of transfer shall be used.

10. STOCKS

Stocks

10.1 The Company may exercise the power of conversion of its shares into stock and in that case regulations in Table "F" in Schedule I to the Companies Act shall apply.

11. ALTERATION OF CAPITAL

Power to sub- divide and consolidate

11.1 The Company may, by ordinary resolution, from time to time, subject to Section 61 of the Companies Act, alter the conditions of Memorandum of Association as follows:

(a) Increase the share capital by such amount to be divided into shares of such amount as may be specified in the resolution;

(b) Consolidate and divide all or any its share capital into shares of larger amount than its existing shares;

(c) Sub- divide its existing shares or any of them into shares of smaller amount than is fixed by Memorandum of Association, and the resolution whereby any share is subdivided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. However, that in the sub – division in the proportion between the amount paid and the amount, if any, unpaid on each reduced shares shall be the same as it was in the share from which the reduced share is derived;

(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the share so cancelled; and

(e) Convert all or any one its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

Surrender

11.2 Subject to applicable law, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

12. MODIFICATION OF RIGHTS

Power of modify rights

12.1 If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting the provisions of these Articles, relating to general meeting shall apply, but so that the necessary quorum shall be two persons at least holding or representing by Proxy one-tenth of the issued shares of the class but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members who are present shall be a quorum and that any holder of shares of the class present in person or by Proxy may demand a poll and, on a poll, shall have one vote for each shares of the class of which he is the holder.

13. BORROWING POWERS

Power to borrow

13.1 The Board may, from time to time and at its discretion, subject to the applicable provisions of the Companies Act and directions issued by the Reserve Bank of India to raise or borrow, either from the Directors or from elsewhere and secure the payment of any sums or sum of money for the purposes of the Company.

Condition on which money may be borrowed

13.2 The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds, redeemable debenture or debenture-stock, or any mortgage or other security on the undertaking of the whole or part of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the right to allotment of conversion into shares shall not be issued except with the sanction of the Company in a general meeting and subject to the provisions of the Companies Act.

Issue at discount etc. or with special privileges

13.3 Subject to the provisions of the Companies Act, any debentures, debenture-stock, bonds or other securities may be issued at a discount or 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, drawing, allotment of shares, attending (but not voting) at general meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in a general meeting accorded by a special resolution.

Debentures, debentures-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Instrumentof Transfer

13.4 Save as provided in Section 56 of the Companies Act, no transfer of debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and the transferee has been delivered to the Company together with the certificate or certificates of debentures.

13.5 If the Board refuses to register the transfer of any debentures, the Company shall, within 30 (Thirty) days from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

14.RESERVES

Reserves

14.1 Subject to the provisions of the Companies Act, the Board may in accordance with Section 123 of the Companies 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 pending such application may at its discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company as the Board may from time to time think fit). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.

Capitalization

14.2 Any general meeting may resolve that the whole or any part of the undivided profit of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalized and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized amount be applied on behalf of such members in paying up in full any un-issued shares of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued share and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalized amount provided that any sum standing to the credit of a Securities Premium Account or a Capital Redemption Reserve Account may, for the purpose of this Article only be applied in the paying up of un-issued shares to be issued to members of the Company as fully-paid bonus shares.

Fractional Certificate

14.3 For the purpose of giving effect to any resolution under two last preceding Articles, the Board may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate.

15. GENERAL MEETINGS

Extra-ordinary general meeting

15.1 The Board may, whenever they think fit, call an extra ordinary general meeting. If at any time Directors capable of acting who are sufficient in number to form a quorum are not within India, any Director or any two members of the Company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Calling of extra-ordinary general meeting on requisition

15.2 The Board of the Company shall on the requisition of such member or members of the Company as is specified in sub section (2) of Section 100 of the Companies Act forthwith proceed to call an extra-ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the other provisions of Section 100 of the Companies Act and of any statutory modification thereof for the time being shall apply.

Quorum

15.3 The quorum for a general meeting shall be as provided in Section 103 of the Companies Act.

Chairman

15.4 At every general meeting, the 'Chair' shall be taken by the Chairman of the Board. If at any meeting, the Chairman of the Board is not present within fifteen minutes after the time appointed for holding the meeting or, though present be unwilling to act as chairman, the members present shall choose one of the Directors present to be Chairman or if no Directors shall be present or through present be

unwilling to take the Chair then the members present shall choose one of their members being a member, entitled to vote, to be Chairman.

Sufficiency of ordinary resolution

15.5 Any act or resolution which, under the provisions of this Article or of the Companies Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Companies Act or the Articles specifically require such act to be done or resolution passed as a special resolution.

When Quorum not present, Meeting to be dissolve and when adjourned

15.6 Subject to the provisions of the Companies Act, If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if converted upon a resolution of the shareholders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at same time and place, unless the same shall be public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present shall be a quorum and may transact the business for which the meeting was called.

Power to adjourn general meeting

15.7 The Chairman of a general meeting may adjourn the same, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Save as aforesaid, and as provided in Section 103 of the Companies Act, it shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.

Business may proceed notwithstanding demand of poll

15.8 If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting or the transaction of any business other than the question on which a poll has been demanded.

16. VOTES OF MEMBERS

Votes of Members

16.1 On a show of hands every member present in person and being a holder of equity shares shall have one vote and every person present either as a Proxy on behalf of a holder of equity shares or as a duly authorized representative of a body corporate being a holder of equity shares, if he is not entitled to vote in his own right, shall have one vote.

16.2 On a poll the voting rights of holder of equity shares shall be in proportion to his share in the paid-up equity share capital of the Company. A member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Companies Act and shall vote only once.

16.3 No Company or body corporate shall vote by Proxy so long as a resolution of the Board under Section 113 of the Companies Act is in force and the representative named in such resolution is present at the general meeting at which the vote by Proxy is tendered.

16.4 A person becoming entitled to a share shall not before being registered as member in respect of the share be entitled to exercise in respect thereof any right conferred by membership in relation to meeting of the Company.

Votes in respect of deceased, insolvent and insane members

16.5 If any member be a lunatic or idiot, he may vote whether on a show of hands or at a poll by his committee or other legal curator and such last mentioned persons may give their votes by Proxy provided that at least 24 (Twenty Four) hours before the time of holding the meeting or adjourned meeting as the case may be, at which any such person proposes to vote he shall satisfy the Board of his rights under this Articles unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders

16.6 Where there are joint holders of any share any one of such persons 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 such joint-holders be present at any meeting either personally or Proxy then that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

Instrument appointing Proxy to be madein writing and depositedat the Office

16.87 The instrument appointing a Proxy shall be in writing under the hands of the appointer or of his attorney duly authorized in writing or if such appointer is a corporation under its Seal or the hands of its attorney.

16.8 The instrument appointing a Proxy and the power-of-attorney or other authority (if any), under which it is signed or a notarized copy of that power of authority shall be deposited at the Office not less than 48 (Forty Eight) hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of Proxy shall not be treated as valid.

When vote by Proxy valid though authority revoked

16.9 A vote given in accordance with the terms of an instrument appointing a Proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote is given. Provided that no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the Office or by the Chairman of the meeting before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidences as he may in his discretion think fit of the due execution of an instrument of Proxy and that the same has not been revoked.

Form of instrument appointing Proxy

16.10 Every instrument appointing a Proxy shall as nearly as the circumstances will admit, be in the form set out in the Companies Act.

Validity of vote

16.11 No objection shall be taken to the validity of any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by Proxy or otherwise shall be deemed valid for all purposes.

16.12 Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll be ordered to be taken by the Chairman of the meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by Proxy and fulfilling the requirements as laid down in Section 107 of the Companies Act, for the time being in force.

Restriction on voting

16.13 No member shall be entitled to exercise any voting rights either personally or by Proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other

sums presently payable by him have not been paid or in regard to which the Company has exercised any right or lien.

17. DIRECTORS GENERAL PROVISIONS

Number of Directors

17.1 The number of Directors shall not be less than 3 (Three) and not more than 15 (Fifteen).

First Directors

17.2 The following shall be the First Directors of the Company:-

1. Sh. Kirpal Singh
2. Sh. Gurdeep Soni
3. Sh. Paramjit Singh Soni

Power of Directors to add – its numbers

17.3 The Board shall have power, at any time and from time to time, to appoint any person as additional Directors as an addition to the Directors but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any Director so appointed shall hold office only until the next annual general meeting of the Company and shall be eligible for re- election.

Share qualification of the Directors

17.4 A Director shall not be required to hold any qualification share.

Remuneration of Directors

17.5 The Company may exercise the powers of paying the commission to Directors within the limits and subject to the conditions as prescribed in the Companies Act and such commission shall be divided among the Directors in such proportion and manner as may be determined by the Board. The Board may allow and pay to any Director who for the time being is resident out to that place at which meeting of the Board may be held and who shall come to that place for the purpose of attending such meeting such sum as the Board may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as above specified. If any Director being willing is appointed to an executive office either whole time or part time to be called upon to perform extra services or to make any special exertions for any of the purposes of the Company then, subject to the provisions of the Companies Act, the Board may remunerate such Director by a fixed sum and/ or by a percentage of profits and/or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.

17.6 The sitting fees payable to a Director for attending a meeting of the Board or a committee of the Board or a general meeting shall be decided by the Board from time to time, within the maximum limits of such fees prescribed under provisions of Section 197 of the Companies Act.

Continuing Directors may act

17.7 The continuing Directors may act notwithstanding any vacancy in the Board but so that if the number falls below the minimum number fixed above, the Directors shall not except for the purpose of filling vacancies or of summoning a general meeting act so long as the number is below the minimum.

Director may contract with Company

17.8 Except as provided under the Companies Act, the directors (including Managing Director shall not be disqualified by reason of his or their office as such, from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lesser or

otherwise nor shall any such contract or any contract or arrangement entered in to by or on behalf of the Company with a Relative or such Directors of the Managing Director or with any firm in which any Director or a Relative shall be a partner or with any other partner or with a private Company in which such Director is a member or Director interested be avoided, nor shall any Director or otherwise so contracting or being such members or so interested be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

Directors' confidentiality

17.9 Without prejudice to the customary fiduciary duties of Directors in discharge of their duties, if so required by the Board, each Director shall sign a declaration pledging himself to observe strict secrecy in respect of and keep confidential all information of the Company disclosed to him or to which he becomes privy and shall by such declaration pledge himself not to reveal the same to any person except when required to do so by any court of law or arbitral forum or as permitted under the provisions of these Articles.

18. APPOINTMENT OF DIRECTORS

Appointments of Directors

18.1 The Company in a general meeting may, subject to the provision of these Articles and the Companies Act, at any time elect any person to be a Director and may, from time to time, increase or reduce the number of Directors.

18.2 Any member of the Company shall be competent to propose the name of any person who is otherwise not disqualified as being a director of a Company for the office of Director in the Company and shall accordingly give a notice of at least 14 (Fourteen) days in writing along with a deposit of Rs. 100,000 (Rupees One Lakh only) or such sum as may for the time being be prescribed by the Companies Act which shall be refunded only after the person proposed to be appointed as Director is elected.

Board may fill up casual vacancies

18.3 If any Director appointed by the Company in general meeting vacates office as a Director before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Section 169 of the Companies Act.

Nominee Director

18.4 (a) The Company shall, subject to the provision of the Companies Act, be entitled to agree with any person, firm or corporation (including public financial institution as defined in Section 2(72) of the Companies Act) that he or it shall have the right to appoint his or its nominee on the Board of the Company upon such terms and condition as the Company may deem fit. The corporation, firm or a person shall be entitled, from time to time, to remove any such Director or Directors and appoint another or others in his or their places. The nominee Director shall be entitled to the same rights and privileges and be subject to the same obligation as any other Director of the Company.

(b) Notwithstanding anything contained herein, Ambadevi Mauritius Holding Limited, Ashoka Investment Holdings Limited, and any of their affiliates (collectively the "**Investors**") shall be entitled to nominate one (1) director on the Board who shall be a senior experienced professional, till the earlier of (i) the expiry of a period of three (3) years from the date of Completion of the IPO; or (ii) the date on which the Investors (together with their affiliates) first cease to hold an aggregate of more than 5% of the total issued and paid up share capital of the Company (excluding any shares purchased by the Investors after Completion of the IPO). The Investors' nominee Director or his alternate cannot, unless waived in writing by Mr. Gurdeep Soni or Mr. Paramjit Singh Soni, be any

person who at the relevant time also is a director or employee of any person which is a direct competitor of any Group Company.

For the purpose of this Article 18.4(b):

"Completion of the IPO", and all grammatical variations thereof, shall mean the commencement of trading of the shares of the Company on the BSE Limited, or the National Stock Exchange of India Limited, or such other Indian or international stock exchanges acceptable to the Investors.

"Group Companies" means the Company and each company that is a subsidiary of the Company and "Group Company" means any of them.

Alternate Director

18.5 The Board may appoint an alternate Director to act for a Director ("**Original Director**") during his absence for a period of not less than three months from India in accordance with the provision of Section 161 of the Companies Act. An alternate Director appointed under this Article shall not hold office as such for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India any provision for the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

19. ROTATION OF DIRECTORS

Rotation of Directors

19.1 Not less than two-thirds of the total number of Directors (other than the Independent Directors) shall be persons whose period of office is liable to determination by retirement of Directors by rotation.

19.2 At each 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 the number nearest to one-third shall retire from office.

19.3 The Director to retire by rotation at every annual general meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

19.4 Subject to the foregoing provisions as between Directors appointed under any of the Articles referred to above, the Director or Directors who shall not be liable to retire by rotation shall be determined by and in accordance with their respective seniorities as may be determined by the Board.

Retiring Directors eligible for re-election

19.5 A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

19.6 Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place, the place of the retiring Directors not filled up, the meeting shall stand adjourned till the same day in the next week which is not a public holiday at the same time and place and if at the adjourned meeting, the place of the retiring Directors are not filled up, the retiring Directors or such of them as have not had their places filled up shall (it will to continue in office) be deemed to have been re-elected at the adjourned meeting.

21. POWERS OF DIRECTORS

General power of the Company vested in the Directors

21.1 Subject to the provisions of the Companies Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers and to do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly required or directed to be exercised or done by the Company in the general meeting but subject nevertheless to provisions of any law and of these presents, from time to time, made by the Company in general meeting, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

Power to delegate

21.2 Without prejudice to the general powers conferred by the preceding Articles, the Board may, from time to time and at any time, subject to the restrictions contained in the Companies Act, delegate to one or more of the Directors, managers, secretaries, officers, assistants and other employees or other persons (including any firm or body corporate) any of the powers authorized and discretions for the time being vested in the Board.

Power to authorize sub – delegation

21.3 The Board may authorize any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

Signing of documents

21.4 All deeds, agreements and documents and all cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments, all receipts for moneys paid to the Company shall be signed drawn accepted or endorsed or otherwise executed as the case may be by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Board shall, from time to time, by resolution determine.

Management abroad

21.5 The Board may make such arrangements as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local bodies and agents and fix their remuneration and delegate to them such power as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed there and shall be signed by such persons as the Board shall appoint from time to time by writing under the Seal. The Company may also exercise the power of keeping foreign registers. Such regulation not being inconsistent with the provisions of Sections 88 of the Companies Act and the Board may, from time to time, make such provisions as it think fit relating thereto and may comply with the requirements of any local law.

Key Managerial Personnel

21.6 Subject to the provisions of Section 203 of the Companies Act, the Board may appoint key managerial personnel on such terms and such remuneration and upon such conditions as they may think fit.

22. MANAGING DIRECTORS

Power to appoint managing director

22.1 Subject to the provision of the Companies Act, the Board may, from time to time, appoint one or more Directors to be managing director or managing directors of the Company and may, from time to time, (subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office and appoint another or others in his place or their places.

Remuneration of the Managing Director

22.2 Subject to the provisions of Section 197 and Schedule V of the Companies Act, a managing director in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.

Powers of Managing Directors

22.3 Subject to the provision of the Companies Act, in particular to the prohibitions and restrictions contained in Sections 179 and 180 thereof, the Board may, from time to time, entrust to and confer upon a managing director for the time being such of the powers exercisable under these presents by the Board as it may think fit and may confer such powers for such time, and be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any such powers.

25. DIVIDEND

How profits shall be divisible

25.1 Subject to rights of members entitled to shares (if any) with preferential or special rights attached to them, the profits of the Company, from time to time, determined to be distributed as dividend in respect of any year of other period shall be applied for payment of dividend on the shares in proportion to the amount of capital paid on the shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid. Provided always that subject as aforesaid any capital paid up on a share during the period in respect of which a dividend is declared shall (unless the Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitle the holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to dividend or to participate in profits.

Declaration of dividends

25.2 The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of the applicable law, fix the time for payment.

Restrictions on amount of dividends

25.3 No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.

Dividend out of profits only

25.4 No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.

Interim dividends

25.5 The Board may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

Debts may be deducted

25.6 The Board may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists, subject to applicable law.

25.7 A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.

Retention in certain cases

25.8 The Board may retain the dividends payable upon shares in respect of which any person is under the transmission Article entitled to become a member or which any person under the Article is entitled to become a member or which any person under the Article is entitled to become a member or which any person under the Article entitled to transfer until such person shall duly become a member in respect thereof or shall transfer the same.

Dividends to joint-holders

25.9 Any one of the several persons who are registered as joint holders of any share may give effective receipts of all dividend payments on account of dividends in respect of such shares.

Payment by post

25.10 Unless otherwise directed, any dividend may be paid by electronic mode, cheque or warrant sent through the post or such other mode as may be permitted under the Companies Act to the registered address of the member or person entitled thereto, or in the case of joint -holders to the registered address of that one whose name stands first on the register in respect of the joint holding or to such person and such address and the person or member entitled or such joint- holders as the case may be, may be direct and every cheque or warrant shall be made payable at par to the person or to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint-holders, as the case may be, may direct.

When payments good discharge

25.11 The payment of every cheque or warrant sent under the provisions of the last preceding Article shall, if such cheque or warrant purports to be duly endorsed, be a good discharge to the Company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.

25.12 Any dividend remaining unpaid or unclaimed after having been declared shall be dealt in accordance with the provisions of the applicable law.

Where the Company has declared a dividend but which has not been paid or claimed within 30 (Thirty) days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company within 7 (Seven) days from the date of expiry of the said period of 30 (Thirty) days, open a special account in that behalf in any scheduled bank and transfer to the said special account, the total amount of the dividend which remains unpaid or in relation to which no divided warrant has been posted.

Any money transferred to the said special account of the Company which remains unpaid or unclaimed for a period of 7 (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 the Companies Act and the Company shall comply with all other requirement as specified in the Companies Act or other applicable laws in respect of such unpaid or unclaimed dividend.

25.13 No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and the Company shall comply with the provisions of the applicable laws in respect of such dividend.

29. SECRECY

No shareholder to enter the premises of the Company without permissions

Subject to applicable law, no member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or to require discovery or any information respecting any detail of the Company's trading or any matter which is or may be in nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which, in the opinion of the Board it will be inexpedient in the interest of the members of the Company to communicate to the public.

30. WINDING UP

Distributions of Assets

30.1 Subject to the provisions of applicable law, if the Company is wound up and the assets available for distribution among the members as such are insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the member shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up, paid up or which ought to have been paid-up on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution of assets in specie

30.2 In the event of the Company being wound up, whether voluntarily or otherwise, the liquidators, may with the sanction of special resolution, divide among the contributories, in specie or kind, any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustee upon such trusts for the benefit of the contributories or any of them, as the liquidators, with like sanction shall think fit.

31. INDEMNITY AND RESPONSIBILITY

Indemnity

31.1 Subject to the provisions the Companies Act, the Company shall indemnify and defend its Directors, manager, Company Secretary and other officers or employees of the Company and it shall be the duty of the Company to pay out of the fund of the Company all bonafide costs losses and expenses, (including traveling expenses) which any such Director, manager or Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all bonafide liabilities incurred by him or by them as such Director, manager, Secretary, officer or employee in any proceeding whether civil or criminal in which judgment is given in his or their favour or he or they is or are acquitted, or in connection with any application under Section 463 of the Companies Act in which relief is granted by the court or tribunal and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the members over all other claims.

Individual responsibility of Directors

31.2 Subject to the provision of the Companies Act and so far as such provisions permit, no Director, auditor or other officer of the Company shall be liable for acts, receipts, neglects or defaults of any other Director or officer or for joining in any receipt or act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency or the title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or

deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss occasioned by any error of judgment, omission default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

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 our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These Contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10.00 am to 4.00 pm on Working Days (Monday to Friday) from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts to the Issue

1. Agreement entered into between our Company, the Selling Shareholders and the Registrar to the Issue dated September 24, 2014.

2. Tripartite Agreement between CDSL, our Company and the Registrar to the Issue dated August 25, 2014.

3. Tripartite Agreement between NSDL, our Company and the Registrar to the Issue dated December 18, 2012.

4. Issue Agreement entered into between our Company, the Selling Shareholders and the BRLMs dated September 24, 2014.

5. Escrow Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs, the Syndicate Members, the Escrow Collection Bank(s) and the Registrar to the Issue.

6. Syndicate Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs, and the Syndicate Members.

7. Underwriting Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs, and the Syndicate Members.

Material Documents

1. Letter Agreement dated September 22, 2014 between Uniparts India Limited, Ashoka Investment Holdings Limited, Ambadevi Mauritius Holding Limited, Mr. Gurdeep Soni and Mr. Paramjit Singh Soni.

2. Letter Agreement dated September 22, 2014 between Ashoka Investment Holdings Limited, Ambadevi Mauritius Holding Limited, Mr. Gurdeep Soni and Mr. Paramjit Singh Soni

3. Employment Agreement dated September 2, 2014 between Gripwel Fasteners Private Limited and Mr. Gurdeep Soni.

4. Letter dated August 23, 2014 from Mr. Gurdeep Soni to the Board of Directors waiving remuneration with effect from July 1, 2014.

5. Deed of Variation dated February 4, 2014 to the Uniparts ESOP Trust Deed between our Company and Mr. Sanjay Verma, Mr. Sanjiv Kashyap and Ms. Rini Kalra.

6. Supplemental Deed to the Shareholders Agreement dated January 30, 2014 between our Company, Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Mr. Karan Soni, Ms. Meher Soni, Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited.

7. Agreement to Sell dated August 23, 2013 between our Company and M/s. Farmparts Company.

8. Deed of cessation dated January 24, 2013 between our Company, Uniparts Europe B.V., Kramp Groep

B.V., and Uniparts Kavee B.V

9. Employment Agreement dated April 23, 2012 between Uniparts India Limited and Mr. Gurdeep Soni.

10. Employment Agreement dated April 24, 2012 between Uniparts USA Limited and Mr. Paramjit Singh Soni.

11. Employment Agreement dated January 1, 2012 between Uniparts India GmbH and Mr. Herbert Coenen.

12. Shareholders Agreement dated September 25, 2007 between our Company, Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited.

13. Investment Agreement dated September 13, 2007 between our Company, Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Ambadevi Mauritius Holding Limited and Ashoka Investment Holdings Limited.

14. Shareholders' Agreement dated May 25, 2007 between our Company, Mr. Paramjit Singh Soni, Mr. Gurdeep Soni and the Olsen Investors.

15. Agreement dated March 30, 2007 between our Company and Ace Tractor Parts Limited.

16. Shareholders resolution authorizing the Uniparts Employee Stock Option Plan 2007 dated February 2, 2007.

17. Uniparts ESOP Trust Deed dated February 2, 2007 between our Company and Mr. Kirpal Singh, Mr. Paramjit Singh Soni and Mr. Gurdeep Soni.

18. Share Purchase and Shareholders Agreement dated January 22, 2007 between our Company, Uniparts Europe B.V., Kramp Groep B.V., and Uniparts Kavee B.V.

19. Uniparts Employee Stock Option Plan 2007.

20. Investment-Cum-Unit Purchase Agreement dated November 11, 2005 between our Company, Uniparts USA Limited, Olsen Engineering LLC and the Olsen Legacy Shareholders.

21. Agreement dated October 10, 2005 between our Company and SKG Engineering Private Limited.

22. Agreement dated September 14, 2005 between our Company and M/s. Farmparts Company.

23. Agreement dated September 1, 2005 between our Company and M/s. Gripwel Fasteners.

24. The certificate of commencement of business of our Company dated September 7, 1998.

25. The certificate of incorporation of our Company dated September 26, 1994.

26. The Memorandum and Articles of Association, as amended from time to time.

27. Board resolutions by our Company authorising the Issue dated September 18, 2014.

28. Shareholders' resolution by our Company authorizing the Fresh Issue dated September 20, 2014.

29. Resolution by the boards of directors of Ashoka and Ambadevi, each dated September 17, 2014, authorising the Offer for Sale of 3,076,923 and 923,077 Equity Shares, respectively.

30. Letters dated September 18, 2014 by Mr. Gurdeep Soni, Mr. Paramjit Singh Soni, Ms. Meher Soni and Mr. Karan Soni approving the Offer for Sale of 680,000, 453,334, 453,333 and 453,333 Equity Shares, respectively.

31. Statement of Tax Benefits dated September 21, 2014 and report dated September 21, 2014 of the Auditors, M/s S.C. Varma and Co., Chartered Accountants, prepared as per Indian GAAP and mentioned in this Draft Red Herring Prospectus.

32. Copies of restated standalone and consolidated financial statements for Financial Years 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014 and the audit reports thereon.

33. Copies of annual reports of our Company for Financial Years 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-2014.

34. Consent of the architect firm, Raman Anil & Associates Private Limited, for inclusion of its name in relation to the proposal submitted by it for use in this Draft Red Herring Prospectus.

35. Consent of the Auditors, M/s S.C. Varma and Co., Chartered Accountants, for inclusion of their audit report and Statement of Tax Benefits in the form and context in which they appear in this Draft Red Herring Prospectus.

36. Consents of the Individual Selling Shareholders, Investor Selling Shareholders, Bankers to our Company, BRLMs, Registrar to the Issue, the Statutory Auditors, Legal Counsel to the Company, Legal Counsel to the Underwriters, Legal Counsel to the Investor Selling Shareholders, Directors, Chief Financial Officer, Company Secretary and Compliance Officer as referred to, in their respective capacities. Consents of the Syndicate Member(s), Escrow Collection Banks and Refund Bank(s) shall be included at the time of filing the Red Herring Prospectus with RoC.

37. Consent from CRISIL Limited to include excerpts from its reports, on "*Global Precision Machine Parts and 3-Point Linkage Industry*", in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

38. Consent from Frost & Sullivan to include excerpts from its reports on '*European Hydraulic Equipment Market for Industrial and Mobile Applications*', dated October 2012, '*Analysis of the Hydraulic Equipment Market in India*', dated April 2013 and '*Analysis of the North American Hydraulic Cylinders Market*', dated March 2013, in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.

39. Due diligence certificate dated September 25, 2014, issued to SEBI by the BRLMs.

40. In-principle listing approval dated [●] and [●] from BSE and NSE, respectively.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors, hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the rules, regulations and guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities Contract (Regulation) Act, 1956, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

Signed by the Directors of our Company

Mr. Gurdeep Soni
Chairman and Managing Director

Mr. Paramjit Singh Soni
Vice Chairman

Mr. Alok Nagory
Non-Executive Independent Director

Mr. Ashish Kumar Agarwal
Non-Executive Nominee Director

Mr. Herbert Coenen
Executive Director

Mr. M. R. Umarji
Non-Executive Independent Director

Mr. Sharat Krishan Mathur
Non-Executive Independent Director

Ms. Shradha Suri
Non-Executive Independent Director

AND

Mr. Sanjiv Kashyap
Chief Financial Officer

Place: New Delhi, India

Date: September 25, 2014

DECLARATION BY MR. GURDEEP SONI

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself in connection with the Offer for Sale, and the Equity Shares offered by him in the Offer for Sale, are true and correct.

Mr. Gurdeep Soni

Place: New Delhi, India

Date: September 25, 2014

DECLARATION BY MR. PARAMJIT SINGH SONI

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself in connection with the Offer for Sale, and the Equity Shares offered by him in the Offer for Sale, are true and correct.

Mr. Paramjit Singh Soni

Place: New Delhi, India

Date: September 25, 2014

DECLARATION BY MR. KARAN SONI

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to himself in connection with the Offer for Sale, and the Equity Shares offered by him in the Offer for Sale, are true and correct.

Mr. Karan Soni

Place: Los Angeles, USA

Date: September 25, 2014

DECLARATION BY MS. MEHER SONI

The undersigned Selling Shareholder hereby certifies that all statements and undertakings made by the Selling Shareholder in this Draft Red Herring Prospectus about or in relation to herself in connection with the Offer for Sale, and the Equity Shares offered by her in the Offer for Sale, are true and correct.

Ms. Meher Soni

Place: Boston, USA

Date: September 25, 2014

DECLARATION BY ASHOKA INVESTMENT HOLDINGS LIMITED

Ashoka Investment Holdings Limited hereby certifies that all statements and undertakings made by Ashoka Investment Holdings Limited in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares of the Company offered by it in the Offer for Sale, are true and correct. Ashoka Investment Holdings Limited assumes no responsibility for any other statements in the Draft Red Herring Prospectus.

Signed by the Investor Selling Shareholder, Ashoka Investment Holdings Limited

For and on behalf of ASHOKA INVESTMENT HOLDINGS LIMITED

Sangeeta Bissessur

Authorised Signatory

Place: Mauritius

Date: September 25, 2014

DECLARATION BY AMBADEVI MAURITIUS HOLDING LIMITED

Ambadevi Mauritius Holding Limited hereby certifies that all statements and undertakings made by Ambadevi Mauritius Holding Limited in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares of the Company offered by it in the Offer for Sale, are true and correct. Ambadevi Mauritius Holding Limited assumes no responsibility for any other statements in the Draft Red Herring Prospectus.

Signed by the Investor Selling Shareholder, Ambadevi Mauritius Holding Limited

For and on behalf of AMBADEVI MAURITIUS HOLDING LIMITED

Mr. Fareed Soreefan

Authorised Signatory

Place: Mauritius

Date: September 25, 2014