



JUPITER INFOMEDIA LIMITED

Our Company was originally incorporated with the Registrar of Companies, Mumbai, Maharashtra on April 04, 2005 as Jupiter Infomedia Private Limited. Pursuant to shareholders Resolution dated April 07, 2012 the Company was converted into Public Limited Company and the name was changed to Jupiter Infomedia Limited. For details of the changes in our name and Registered Office, see "History and Other Corporate Matters" on page 97 of this Prospectus.

Registered Office: 336, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai – 400053, Maharashtra, India.

Tel: +91 – 22 – 6197 9000; **Fax:** +91 – 22 – 2634 1693

Contact Person: Dipti Kothari, Company Secretary and Compliance Officer. **Tel:** +91 – 22 – 6197 9000; **Fax:** +91 – 22 – 2634 1693

Email: cscoc@jupiterinfomedia.com; **Website:** www.jupiterinfomedia.com

Our Promoters: Mr. Umesh Modi and Mrs. Manisha Modi

THE ISSUE

PUBLIC ISSUE OF 20,40,000 EQUITY SHARES OF ₹ 10/- EACH ("EQUITY SHARES") OF JUPITER INFOMEDIA LIMITED ("JIL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT PRICE OF ₹ 20/- PER SHARE (THE "ISSUE PRICE"), AGGREGATING TO ₹ 408.00 LACS ("THE ISSUE"), OF WHICH, 5,40,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY THE PROMOTERS (THE "PROMOTERS CONTRIBUTION") AND 1,80,000 EQUITY SHARES OF ₹ 10/- EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKERS TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE PROMOTERS CONTRIBUTION AND THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 13,20,000 EQUITY SHARES OF ₹ 10 EACH IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 58.45% AND 37.82%, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (as amended from time to time)

For further details see "Issue Related Information" beginning on page 158 of this Prospectus.

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 166 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the company, there has been no formal market for the securities of the company. The face value of the shares is ₹ 10/- per Equity Share and the issue price is 2.00 time of the face value. The Issue Price (as determined by Company in consultation with the Lead Manager) as stated under the paragraph on "Basis of Issue Price" on Page No. 57 of this Prospectus should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer 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 offering. For taking an investment decision investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this document. **Specific attention of the Investors is invited to the statement of Risk Factors given on Page No. 09 of this Prospectus under the Section "General Risk".**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the Issuer and the issue, which is material in the context of the issue, that the information contained in this Offer Document 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 document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the SME Platform of the BSE Limited ("BSE"). In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain an in-principal listing approval for the shares being offered in this issue. However, our company has received an approval letter dated July 09, 2012 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, the designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER TO THE ISSUE



Aryaman Financial Services Limited

60, Khatau Building, Ground Floor,
Alkesh Dinesh Modi Marg, Fort,
Mumbai – 400 001.
Tel No.: +91 – 22 – 2261 8264 / 8635
Fax No.: +91 – 22 – 2263 0434. Web:
www.afsl.co.in
Email: info@afsl.co.in
Contact Person: Ms. Anju Kanuga / Ms. Nehar Sakaria
SEBI Registration No. INM000011344

REGISTRAR TO THE ISSUE



Karvy Computershare Private Limited

Plot nos.17-24, Vittal Rao Nagar,
Madhapur, Hyderabad – 500 081, India.
Toll Free No.1-800-3454001
Tel No.: +91 – 40 – 4465 5000
Fax No.: +91 – 40 – 2343 1551
Website: http://karisma.karvy.com
Email: jupiter.ipo@karvy.com
Contact Person: Mr. M Murali Krishna
SEBI Registration No.: INR000000221

ISSUE OPENS ON

July 30, 2012

ISSUE CLOSES ON

August 01, 2012

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
"We" or "us" or "our"	Unless the context otherwise require, refers to erstwhile firm viz., "Jupiter Infomedia Private Limited" started as a private limited company on April 04, 2005 under the Companies Act, 1956. Pursuant to shareholders Resolution dated April 7, 2012 our company was converted into a Public Limited Company and the name was changed to "Jupiter Infomedia Ltd." A fresh certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Mumbai vide certificate dated May 08, 2012.

Company Related Terms

Terms	Description
AoA / Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Jupiter Infomedia Limited
Auditors	Mahadev Desai Associates, Chartered Accountants, having its office at 102, 'A' Wing, Shubham Premises Co-Operative Society Ltd., Cardinal Road, Chakala, Andheri (East), Mumbai 400099.
Board of Directors / Director(s)	The Board of Directors of Jupiter Infomedia Limited, including all duly constituted Committees thereof.
Companies Act	The Companies Act, 1956, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time
Equity Shares	Equity Shares of our Company of Face Value of ₹10 each unless otherwise specified in the context thereof
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
"Jupiter Infomedia Limited" or "JIL" or the Company" or "Our Company"	Jupiter Infomedia Limited, a public limited Company incorporated under the Companies Act, 1956 with its registered office at 336, Link Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053, Maharashtra, India.
MoA / Memorandum / Memorandum of Association	Memorandum of Association of Jupiter Infomedia Limited
Non Residents	A person resident outside India, as defined under FEMA.
NRI's / Non Resident Indians	A person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Promoter Group	Mr. Umesh Modi, Mrs. Manisha Modi, Mrs. Kusumben Modi and Ms. Aishwarya Modi.
Promoters / Core Promoters	Mr. Umesh Modi and Mrs. Manisha Modi
Registered and /or Corporate Office	The Registered and Corporate Office of our company which is located at - 336, Link Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053, Maharashtra, India.

RoC	Registrar of Companies, Maharashtra situated at Mumbai.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time depending on the context of the matter being referred to.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Stock Exchange	Unless the context requires otherwise, refers to, the BSE Limited.

Issue Related Terms

Terms	Description
Allotment	Issue of the Equity Shares pursuant to the Issue to the successful applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who are to be Allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	The successful applicant to whom the Equity Shares are being / have been issued.
Applicant	Any prospective investor who makes an application for Equity Shares in terms of this Prospectus
Application Form	The Form in terms of which the applicant shall apply for the Equity Shares of the Company
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Applicants, to apply authorizing an SCSB to block the Application Amount in the ASBA Account maintained with the SCSB. ASBA is mandatory for QIBs and Non Institutional Applicants participating in the Issue
ASBA Account	An account maintained with the SCSB and specified in the Application Form for blocking the amount mentioned in the Application Form
Banker to the Company	HDFC Bank, Andheri (West) Branch, Ganga Jamuna Apartments, Ground Floor, Opp. Shoppers Stop, Andheri (West), Mumbai – 400058.
Bankers to the Issue	Axis Bank Limited, Universal Insurance Building, Sir P.M. Road, Fort, Mumbai – 400 001. HDFC Bank Limited, FIG – OPS Department, Lodha I, Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai – 400 042.
BSE	BSE Limited.
Depository	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996

Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA Applicants and a list of which is available at http://www.sebi.gov.in/pmd/scsb.html
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
Escrow Account	Account opened/to be opened with the Escrow Collection Bank(s) and in whose favour the Applicant (excluding the ASBA Applicant) will issue cheques or drafts in respect of the Application Amount when submitting an Application
Escrow Agreement	Agreement entered / to be entered into amongst the Company, Lead Manager, the Registrar, the Escrow Collection Bank(s) for collection of the Application Amounts and for remitting refunds (if any) of the amounts collected to the Applicants (excluding the ASBA Applicants) on the terms and condition thereof
Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Bankers to the Issue at which bank(s) the Escrow Account of the Company will be opened
IPO	Initial Public Offering
Issue / Issue Size / Public Issue	Public Issue of 20,40,000 Equity Shares of ₹ 10/- each for cash at a price of ₹ 20/- per Equity Share, aggregating to ₹ 408.00 Lacs of which, 5,40,000 Equity Shares are reserved for subscription by Promoters and 1,80,000 Equity Shares have been reserved for subscription by Market Makers to the Issue. The Issue less the Promoter's Contribution and the Market Maker's Reservation Portion i.e. the Issue of 13,20,000 Equity Shares of ₹ 10/- each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 58.45% and 37.82% of the post issue equity share capital of the Company by Jupiter Infomedia Limited.
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 20/-
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the SME Platform of BSE.
LM / Lead Manager	Lead Manager to the Issue, in this case being Aryaman Financial Services Limited.
Market Maker's Reservation Portion	1,80,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20/- per share aggregating ₹ 36.00 Lacs
Net Issue / Net Issue to the Public	13,20,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20/- per share aggregating ₹ 264.00 Lacs
Offer Document	Unless the context specifies otherwise, this means the Prospectus or Prospectus, as the context requires
Promoter's Contribution	5,40,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20/- per share aggregating ₹ 108.00 Lacs
Prospectus	The Prospectus, filed with the RoC containing, inter alia, the Issue opening and closing dates and other information

Qualified Institutional Buyers / QIBs	<p>Mutual Funds, Venture Capital Funds, or Foreign Venture Capital Investors registered with the SEBI;</p> <p>FIs and their sub-accounts registered with the SEBI, other than a subaccount which is a foreign corporate or foreign individual;</p> <p>Public financial institutions as defined in Section 4A of the Companies Act;</p> <p>Scheduled Commercial Banks;</p> <p>Multilateral and Bilateral Development Financial Institutions;</p> <p>State Industrial Development Corporations;</p> <p>Insurance Companies registered with the Insurance Regulatory and Development Authority;</p> <p>Provident Funds with minimum corpus of ₹ 2,500 Lacs;</p> <p>Pension Funds with minimum corpus of ₹ 2,500 Lacs;</p> <p>National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and</p> <p>Insurance Funds set up and managed by the army, navy, or air force of the Union of India.</p> <p>Insurance Funds set up and managed by the Department of Posts, India</p>
Refund Account	Account opened / to be opened with a SEBI Registered Banker to the Issue from which the refunds of the whole or part of the Application Amount (excluding to the ASBA Applicants), if any, shall be made
Refund Bank	Axis Bank Limited, Universal Insurance Building, Sir P.M. Road, Fort, Mumbai – 400 001.
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar/ Registrar to the Issue	Registrar to the Issue being Karvy Computer share Private Limited having its office located at Plot nos.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, India
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended from time to time.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000
SCSB	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Bankers to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at http://www.sebi.gov.in/pmd/scsb.pdf
SME Platform of BSE	The SME Platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.

Technical / Industry Related Terms

Terms	Description
BFSI	Banking, Financial Services and Insurance
BPS	Basis Point
BSE	BSE Limited (formerly known as Bombay Stock Exchange Limited)
FMCG	Fast-moving consumer goods
IAMAI	Internet And Mobile Association of India

ICRIER	Indian Council for Research and International Economic Relations
IMRB	Indian Market Research Bureau
IT	Information Technology
ITU	International Telecommunication Union
MTNL	Mahanagar Telephone Nigam Ltd.
TRAI	Telecom Regulatory Authority of India
VAS	Value Added Services

Conventional Terms / General Terms / Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
AY	Assessment Year
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CIN	Company Identification Number
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
Gol/Government	Government of India
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries Of India
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NPV	Net Present Value
NRE Account	Non Resident External Account
NRIs	Non Resident Indians
NRO Account	Non Resident Ordinary Account

NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
RoE	Return on Equity
RoNW	Return on Net Worth
Rs. / ₹ / INR	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
STT	Securities Transaction Tax
UN	United Nations
US / United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Working Days	All days except Saturday, Sunday and any public holiday
Y-o-Y	Year on year

CERTAIN CONVENTIONS & USE OF MARKET DATA

Unless stated otherwise, the financial data in this Prospectus is derived from our financial statements prepared and restated in accordance with Indian GAAP, the Companies Act and SEBI (ICDR) Regulations, 2009 included on page 115 of this Prospectus. We have no subsidiaries. Accordingly, financial information relating to us is presented on a nonconsolidated basis. Our fiscal year commences on April 1 of every year and ends on March 31 of every next year. In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off.

All references to "Rupees" or "Rs." or "₹" are to Indian Rupees, the official currency of the Republic of India. In this Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word "Lacs" means "one hundred thousand" and the word "million" means "ten lac" and the word "Crore" means "ten million". Throughout this Prospectus, all figures have been expressed in Lacs. Unless otherwise stated, all references to India contained in this Prospectus are to the Republic of India.

Unless stated otherwise, industry data used throughout this Prospectus has been obtained from industry publications, internal company reports, newspaper and magazine articles etc. Such publications generally state that content therein has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although, we believe that the industry data used in this Prospectus is reliable, it has not been verified by any independent source.

For additional definitions, please refer to "*Definitions and Abbreviations*" beginning on page 01 of this Prospectus.

In the Section titled "*Main Provisions of the Articles of Association*" beginning on page 184 of this Prospectus, defined terms have the meaning given to such terms in the Articles of Association of our Company.

FORWARD LOOKING STATEMENTS

Statements included in this Prospectus which contain 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 expression or variations of such expressions, that are "forward-looking statements".

All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others: -

- General economic and business conditions in India and other countries
- Regulatory changes relating to the Information Technology sectors in India and our ability to respond to them.
- Our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks that have an impact on our business activities or investments.
- The monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.
- Changes in the value of the Rupee and other currencies.
- The occurrence of natural disasters or calamities.
- Change in political condition in India.

For further details of factors that could cause our actual results to differ please refer to the Sections titled "*Risk Factors*", "*Business Overview*" and "*Management Discussions and Analysis of Results of Operations of and Financial Condition of the Company*" beginning on pages 09, 81 and 132 respectively of this Prospectus.

SECTION II: RISK FACTORS

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

Materiality

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

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

Note:

The risk factors are disclosed as envisaged by the management along with the proposals to address the risk if any. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial implication of any of the risks described in this section.

In this Offer Document, any discrepancies in any table between total and the sums of the amount listed are due to rounding off. Any percentage amounts, as set forth in "Risk Factors" and elsewhere in this Offer Document unless otherwise indicated, has been calculated on the basis of the amount disclosed in the "Auditors Report" prepared in accordance with the Indian Accounting Standards.

INTERNAL RISK FACTORS

1. We generate a substantial majority of our revenue from advertising. The loss of advertisers, or reduction in spending by advertisers, could seriously affect our business.

A substantial majority of our revenue is currently generated from third parties advertising on our portals. Advertising could be in the form of direct advertising or in form of listing fees paid by clients for priority listings with us. As is common in the industry, our advertisers or paid listing users typically do not have long-term commitments with us. Many of them spend only a relatively small portion of their overall advertising / promotional budget with us.

Advertisers / Users will not continue to do business with us, or they will reduce the prices they are willing to pay to advertise with us, if we do not deliver ads and other commercial content in an effective manner, or if they do not believe that their investment in advertising with us will generate a competitive return relative to other alternatives. The loss of advertisers or reduction in spending by advertisers, could seriously affect our business revenues and thus financials.

Also, if the overall online promotional market ceases to be an effective promotional tool and other alternatives such as mobile advertising or TV advertising increase their presence, the same could adversely affect our business opportunities and affect our results of operations and financial condition.

2. **Our product brand  JimTrade.com ,  IndiaNetzone and  JimYellowpages have not been registered as Trademarks and are currently not protected under any intellectual property act in India or elsewhere. The same are hence susceptible to infringement or duplicity.**

We develop online publications through our portals. All our portals whether in the “under development”, or “to be launched” or “already operational” phase have a domain name registered and hence we are protected against duplicate domain name registrations. However, as brands, logos, publicity material etc., none of the above are protected under any Intellectual Property Act in India or elsewhere. We are hence vulnerable to infringement or duplicity. For example, one of our growth strategies is to further strengthen our brand recall by spreading awareness and carrying out other marketing exercises for our portals in order to increase the traffic and also the paid advertisements on the same. However, since none of our current popular brands are registered as an Intellectual Property our branding exercises may be affected if some other competitor registers a similar branding and seeks legal recourse through intellectual property laws in India or elsewhere. We are currently in the process of registering these brands, but no assurance can be given that we will be able to successfully do so in a timely and effective manner.

3. **If we fail to retain existing users or add new users, or if our users decrease their level of engagement with our online portals / publications, our revenue, financial results, and business may be significantly affected.**

The size of our user base and our users’ level of engagement are critical to our success. For details regarding our current user bases for various portals please refer to “Business Overview” beginning on page 81 of this Prospectus. Our financial performance has been and will continue to be significantly determined by our success in adding, retaining, and engaging users. We anticipate that our user base growth rate will decline over time as the size of our active user base increases and as we achieve higher market penetration rates. A number of factors including but not limited to those mentioned below could have a potential negative effect on our user retention, growth, and engagement, if:

- users increasingly engage with competing products;
- we fail to introduce new and improved products or if we introduce new products or services that are not favourably received;
- we are unable to successfully balance our efforts to provide a compelling user experience with the decisions we make with respect to the frequency, prominence, and size of ads and other commercial content that we display;
- we are unable to manage and prioritize information to ensure users are presented with content that is interesting, useful, and relevant to them;
- there are adverse changes in our products that are mandated by legislation, regulatory authorities, or litigation, including settlements or consent decrees;
- technical or other problems prevent us from delivering our products in a rapid and reliable manner or otherwise affect the user experience;

We cannot assure that we will be able to maintain stability in the growth of our customers or retention of our existing customers. In case of inability to maintain the same, the operations of the company can have an adverse impact which will further have an effect on the financials of our company.

4. **The proper functioning of our portals is essential to our business. Any breakdown in the functioning of our portals can lead to disruption in operations.**

The satisfactory performance, reliability and availability of our portals and our network infrastructure are critical to our success and our ability to attract and retain paid advertisers and maintain adequate user service levels. Our website and servers are vulnerable to telecommunications failures, computer viruses, hacking, defacement, physical or electronic break-ins and similar disruptions, which could lead to accessing difficulties, service interruptions, delays, loss of data, inability to accept and/or fulfil user requests or inaccurate data being processed or displayed.

We may also experience interruptions caused by reasons beyond our control. Any inability to accommodate increased user traffic, due to various factors, including systems or technology failure or obsolescence, on our website may cause unanticipated system disruptions, slower response time and degradation in quality of our service, which could have a material adverse effect on our business, reputation, financial condition and results of operations.

5. *The content we create may not generate revenue in the future.*


A significant majority of our portals are still in development stage and we continue to add features and profiles for increasing our content value. The content created should generate the necessary interest in our publications and hence increase our user base / online traffic. We may not be able to generate this interest and hence may not be a viable option for advertisers. Also, the content created by us is not protected from plagiarism and may not be able to protect itself against the same.


Our inability to effectively monetize the content or traffic on our websites / online publications will result in lower operating revenues and hence adversely affect our financial condition.

6. *Since, we have not begun aggressively marketing our portals; majority of our revenue in the past few years was derived from just one client – Google AdSense. Our inability to implement our marketing strategies and increase our income from paid listings and other direct advertisers will have our business be significantly dependent on revenue from just one client.*

Being a web info-media company, we have so far been developing content on our portals and have not yet begun aggressively marketing the same commercially. All our current clients are a result of “word of mouth” and other such means of publicity. Hence, we earn majority of our income from the advertisements from Google (known as Google AdSense) displayed on our website. There is no fixed procedure of determining the actual Revenue which we would earn from this vertical as the same is governed by the “Google AdSense” internal Program. The revenue earned from Google AdSense has aggregated to 89%, 83% and 78% of our total operating income in the last three financial years respectively. Inability to continue to earn revenues from this vertical would adversely affect our results of operations.

We now propose to market our portals commercially by opening marketing offices in various cities in India. Various factors such as competitive forces, delays or cost overruns in opening our marketing offices, low acceptance of our paid listings format to clients who currently avail free listings, low acceptance of commercial advertisements on our websites to regular users leading to lower traffic and many such other factors could affect the effective implementation of our marketing strategies. Our inability to implement our marketing strategies and increase our income from paid listings and other direct advertisers will have our business be significantly dependent on revenue from just one client.

7. *Our applications for registration of “Jupiter Infomedia Limited” or the logo  Jupiter Infomedia as a brand or trademark under Trademark Act are currently pending. Our inability to protect our brand name and brand identity could have an adverse effect on our business prospects.*

We have applied for registration of ‘Jupiter Infomedia Limited’ and our company’s logo “ Jupiter Infomedia” as trademark (TM-1) under Class 35 of the Act, at the office of Registrar of the Trademark, Mumbai, Maharashtra on May 22, 2012 and the application number is 2335728. The application is pending for approval.

We are hence subject to duplicity of our brand and in case someone else registers the same, we may be forced to change our branding and other sales and marketing material which shall result in increased expenditure and loss of goodwill in the market. This could hence, materially affect our results of operations.

8. We have not yet identified the exact properties proposed to be acquired from the Issue proceeds as part of our expansion plans.

Our main object of the issue is to buy and lease offices at various places in India which will be funded mainly by the issue proceeds of this issue. *For further details regarding such utilization, please refer to the section titled "Objects of the Issue" beginning on page 52 of this Prospectus.* This deployment forms approximately 72% of the Issue Proceeds. We have not yet entered into any definitive agreements to utilize the funds allocated for acquisitions. There can be no assurance that we will be able to conclude definitive agreements for such expenditures on terms anticipated by us. As on the date of this Prospectus, we have not yet identified specific properties to be bought / leased.

However we have estimated the cost on the basis of our internal management estimates and other publically available data. There can be no assurance that when we implement the buying or leasing of the property, we will get the same rates.

If the actual utilization towards any of the aforesaid objectives is higher than what is stated in the "Objects of the Issue", such increased fund requirements will be financed by surplus funds, if any, available in respect of the other purposes. In the event of a shortfall, the fund requirements will be met from internal accruals/ owned funds. Our management expects that such alternate arrangements would be available to fund any such shortfall. In the event any surplus is left out of the Issue Proceeds after meeting all the objectives as mentioned in the "Objects of the Issue", such surplus proceedings be used for general corporate purposes including for meeting future growth opportunities.

For any further details on the Objects of the issue and Utilization of issue proceeds, please refer the section titled "*Object of the Issue*" on page 52 of this Prospectus.

9. We are a closely held family run enterprise and even after this issue we will continue to be severely dependent on our senior management and promoter's ability to implement our growth strategies.

Till date we are a family run Small and Medium Enterprise. Through this issue we propose to get listed on the SME Platform of BSE and further increase our asset base in order to take our company to the next level of operational and financial strength. As we do not plan to significantly increase our senior skilled staff base or induct any other major key managerial person in the future, we will be severely dependent on our existing senior management and promoter's ability to effectively implement our growth strategies. If our Promoters disassociate from our company for any reason or in the event of them getting incapacitated to remain actively involved with the company in managing its affairs, our ability to maintain and grow our revenues could be adversely impacted. Financial impact of the aforesaid risk cannot be reasonably quantified.

10. Our failure to identify and understand evolving industry trends and preferences and develop new products to meet our customers' demands may adversely affect our business.

Changes in industry requirements and trends or in competitive technologies may render certain of our products and services obsolete or less attractive. Our ability to anticipate such changes and successfully develop and introduce new and enhanced products and services on a timely basis is a significant factor in our ability to remain competitive. For example, one of our strategies for growth is to enter other online segments, such as news, finance, travels etc. by developing new websites on different concepts/ segments. However, there can be no assurance that we will be able to secure the necessary technological knowledge, through technical assistance agreements or otherwise, which will allow us to develop our product portfolio in this manner. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies and our business and results of operations may be adversely affected. Moreover, we cannot assure you that we will be able to achieve the technological advances that may be necessary for us to remain competitive or that certain of our online publications will not become obsolete. We are also subject to the risks generally associated with new portal introductions and applications, including lack of market acceptance, delays in portal development and failure of portals to operate properly. Our failure to

successfully develop and produce new products and services, or a failure to maintain the revenue from our current products and services, could adversely affect our results of operations.

11. Our company has issued equity shares at a price lower than the issue price within the past twelve months.

We have issued equity shares twice at a price lower than the current issue price within the last twelve months. The details of the same are mentioned below:

Date of Allotment of fully Paid-up Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration
March 20, 2012	3,60,000	10	0	Bonus Issue in the ratio of 12:1 to all eligible equity shareholders	Bonus
March 31, 2012	10,60,000	10	15	Allotment to Promoters, Promoters Group and Non – Promoters	Cash

For any further details on the allotment of share and capital build-up, please refer to the section titled “*Capital Structure*” on page 43 of this Prospectus.

12. We require certain approvals and licenses in the ordinary course of business, and the failure to obtain or retain them in a timely manner all may adversely affect our operations.

We require certain approvals, licenses, registrations and permissions for operating our business, some of which may have expired and for which we may have either made, or are in the process of making, an application for obtaining the approval for its renewal. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, our business may be adversely affected. Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to make substantial compliance-related expenditure. If we fail to comply or a regulator claims that we have not complied with these conditions, our business, prospects, financial condition and results of operations may be adversely affected. For details, please refer to the section titled “*Government and Other Key Approvals*” beginning on page 146 of this Prospectus.

13. We might infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights which may force us to alter our technologies, obtain licenses or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition. In addition, in certain cases, our customers share their intellectual property rights in the course of the product / profile / data development process that we carry out for them. If our customer’s intellectual property rights are misappropriated by our employees in violation of any applicable confidentiality agreements, our customers may seek damages and compensation from us. This could have an adverse effect on our business, results of operations and financial condition and damage our reputation and relationships with our customers.

14. Our failure to keep our technical knowledge confidential could erode our competitive advantage.

Like many of our competitors, we possess extensive technical knowledge about our portals and related services. Such technical knowledge has been built up through our own experiences and through in-house development and redevelopment of procedures and systems. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Some of our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Even if all reasonable precautions, whether contractual or otherwise, are taken to protect our confidential technical knowledge of our products and business, there is still a danger that certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the core processes. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of research and development and certain other key employees, we cannot guarantee that we will be able to successfully enforce such agreements. The potential damage from such disclosure is increased as many of our designs and products are not patented, and thus we may have no recourse against copies of our products and designs that enter the market subsequent to such leakages. In the event that the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies in the automotive components sector could be harmed. If a competitor is able to reproduce or otherwise capitalize on our technology, content, and other key operating systems it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

15. We may not have sufficient insurance coverage to cover our economic losses as well as certain other risks including those pertaining to claims by third parties and litigation.

Our business involves many risks which may adversely affect our profitability, including breakdowns, failure or substandard performance of equipment, third party liability claims, employee fraud and infrastructure failure. We cannot assure you that the operation of our business will not be affected by any of the incidents and risks listed above. In addition, our insurance may not provide adequate coverage in such circumstances including those involving claims by third parties and is subject to certain deductibles, exclusions and limits on coverage. If our arrangements for insurance or indemnification are not adequate to cover claims, including those exceeding policy aggregate limitations or exceeding the resources of the indemnifying party, we may be required to make substantial payments and our results of operations and financial condition may be adversely affected. *For further details regarding our Insurance coverage, please refer to "Business Overview – Insurance" on page 91 of this Prospectus.*

16. Our office located at 336 Link Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400 053 is owned by the promoter Mrs. Manisha Modi and rented out to the company. In case of any conflict with the promoter, the renewal of the agreement could get affected.

We do not own the premises on which our Registered Office is situated at 336 Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400 053. The premises is owned by our Promoter Director Mrs. Manisha Modi and rented to us at a monthly rent of 1000/-. We currently occupy the office based on a lease agreement which is valid until March 31, 2015, subject to renewal. We cannot assure you that we will own, or have the right to occupy, these premises in the future, or that we will be able to continue with the uninterrupted use of this property, which may impair our operations and adversely affect our financial condition. For further details of our office premises please refer to the paragraph titled "*Business Overview – Land and Property*" on page 90 of this Prospectus.

17. Any mid-term or ad-hoc cancellation of lease agreements entered into with the owners of our offices will affect our business and financial results.

We do not own the offices from where we operate our business operations. The same are leased from the respective owners for specified time periods. Any dispute or mid-term or ad-hoc cancellation of such agreements by the owners or by our company will disrupt the operation having a negative bearing on our income thereby affecting our financial performance.

18. Our failure to manage our growth could affect the performance and features of our products and services and hence adversely affect our results of operations and goodwill in the market.

During the past few years, we have experienced high growth in our business operations, which has placed, and will continue to place, significant demands and stress on our managerial, operational, and financial infrastructure. *For further details pertaining to the growth in our web portal user base / traffic and our financial results please refer to "Business Overview" and "Auditor's Report" beginning on pages 81 and 115 respectively of this Prospectus.*

As our operations grow in scope and size, whether through offering of new products or expansion into new markets in India, we must continuously improve, upgrade, adapt and expand our systems and infrastructure to offer our users and paid advertisers enhanced services, features and functionality ahead of rapidly evolving consumer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner.

Also various other factors such as the ones enlisted below, may affect our ability to achieve our growth plans:

- the success of our marketing and brand building efforts;
- the timing and market acceptance of new services and products by us or our competitors;
- our ability to develop service and product enhancements at a reasonable cost and in a timely manner;
- fluctuations in demand for our services and products as a result of changes in pricing policies by us or our competitors;
- our ability to keep our marketplaces operating without service interruptions;
- continued acceptance of the Internet as a medium for commerce and communication in the face of increasing publicity on fraud, viruses and other risks of conducting business activities over the Internet;
- the amount and timing of capital and other expenditures relating to the maintenance and expansion of our businesses, operations and infrastructure;
- seasonal fluctuations in the sales of our membership packages and value-added services;
- general economic conditions in India and elsewhere in the world as well as those economic conditions specific to the Internet, e-commerce and Indian export industries; and
- public health epidemics or pandemics, terrorist actions or geopolitical events, including war

Secondly, the systems, infrastructure and technologies we currently employ may become obsolete or be unable to support our increased size and scale. We currently offer our services through Internet and we cannot anticipate which other forms of media will become relevant to the kind of services provided by us in the future and there can be no assurance that we will be able to adapt our systems to such media. Even if we are able to maintain, upgrade or replace our existing systems or innovate or customize and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. As some of our systems are customized or developed internally, considerable internal resources and expenses are required to maintain and upgrade these systems. We may be unable to devote adequate financial resources or obtain sufficient financing on commercially acceptable terms in time, or at all. We may also not be able to attract talent (in-house or external) to continue with the required upgrades and improvements to our systems.

Inability to manage our growth and adapt to changes required to maintain such growth will adversely affect our results of operations and financial conditions.

19. We face intense competition in our businesses, which may limit our growth and prospects.

Our Company faces significant competition in the businesses that we are involved in. In particular, we compete with other online media companies, both in India and abroad; and public and private sector databases operating in the markets in which we are present. In recent years, large international companies with a larger access to funding have also entered the online media markets. For further details, please refer to the chapter titled “*Business Overview*”, on page 81 of this Prospectus.

We compete on the basis of a number of factors, including execution, depth of product and service offerings, innovation, reputation and price. Our competitors may have advantages over us, including, but not limited to:

- Substantially greater financial resources;
- Longer operating history than in certain of our businesses;
- Greater brand recognition among consumers;
- Larger user bases in and outside India; or
- More diversified operations which allow profits from certain operations to support others with lower profitability.

In addition, it is possible that certain other alternative forms of promotional marketing such a trade shows, printed trade magazines may turn out to be better alternatives to online promotions thereby further intensifying the competition. These competitive pressures may affect our business, and our growth will largely depend on our ability to respond in an effective and timely manner to these competitive pressures.

20. We have experienced negative cash flows in previous years. Any operating losses or negative cash flows in the future could adversely affect our results of operations and financial condition.

The details of Cash flows of the Company are as follows:-

(₹ in Lacs)

Particulars	Year ended 31.03.08	Year ended 31.03.09	Year ended 31.03.10	Year ended 31.03.11	Year ended 31.03.12
Net Cash (used in) / from Operating activities	10.35	3.51	6.17	4.41	8.96
Net cash (used in) / from investing activities	(13.78)	(4.58)	(1.69)	(6.80)	(155.61)
Net cash (used in) / from financing activities	(0.35)	(0.39)	(0.42)	(0.42)	155.15
Net increase / (decrease) in cash and cash equivalents	(3.78)	(1.46)	4.06	(2.81)	8.50

If the negative cash flow trend persists in future, our Company may not be able to generate sufficient amounts of cash flow to finance our new capital expenditure, pay dividends or make new investments which could have a material adverse effect on our business and results of operations.

21. Post this Issue, our Promoters and Promoter Group will continue to hold majority shares in Our Company.

Post this Issue, our Promoters and Promoter Group will collectively own 57.02% of our Equity Share capital. Accordingly, our Promoters and Promoter Group will continue to have control over our business including matters relating to any sale of all or substantially all of our assets, the timing and distribution of dividends and the election, termination or appointment of our officers and directors. This control could delay, defer, or prevent a change in control in our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage potential acquirers from making an offer or otherwise attempting to obtain control over our Company even if it is in its best interest. Our Promoters and Promoter

Group may also influence our material policies in a manner that could conflict with the interests of our other shareholders.

22. *Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.*

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Our Promoters are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “*Business Overview*” and “*Our Promoters and Promoters Group*”, beginning on pages 81 and 111, respectively and the section titled “*Related Party Transactions*” beginning on page 128 of this Prospectus.

23. *The proposed objects of the issue for which funds are being raised have not been appraised by any bank or financial institution. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.*

The objects of the issue for which part of the fund are being raised have not been appraised by any bank or financial institution. In the absence of such independent appraisal, the requirement of funds raised through this issue, as specified in the section titled “*Objects of the issue*” are based on the company’s estimates and deployment of these funds is at the discretion of the management and the Board of Directors of the company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

24. *We have not made any alternate arrangements for meeting our regular working capital requirements. If our operations do not generate the necessary cash flow, our working capital requirements may negatively affect our asset portfolio related decisions and our hence affect our financial condition.*

As on date, we have not made any alternate arrangements for meeting our working capital requirements. Also the funds raised from this Issue are to be primarily utilized for acquiring office spaces and setting up offices in different locations in India. Only the first 3 month expenses for these offices are to be financed from the Issue proceeds. We currently meet our working capital requirements through our owned funds and internal accruals and we propose to meet the remaining working capital requirements after the end of three months from our internal accruals and owned funds. We have not tied up with any bank or financial institutions for the same. Any shortfall in our net owned funds, internal accruals and our inability to raise debt would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations

25. *We have entered into, and will continue to enter into, related party transactions.*

We have entered into transactions with several related parties in the past. For more information regarding our related party transactions, please refer to “*Annexure XIV - Related Party Transactions*” of the Auditor’s Report on page 128 of this Prospectus. These transactions may involve conflicts of interests which may be detrimental to our Company. We cannot assure you that such transactions could not have been made on more favourable terms with unrelated parties.

26. *The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in “Objects of the Issue” and we have not appointed any monitoring agency for the same.*

Since this Issue Size does not exceed ₹ 500 crores, there is no requirement of appointing a Monitoring Agency for overseeing the deployment of funds raised from this issue. The deployment of the funds towards the objects of the Issue is entirely at the discretion of our Board of Directors and is not subject to monitoring by external independent agency. However, the deployment of funds is subject to monitoring by our audit committee.

EXTERNAL RISKS

27. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business and financial performance.*

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business, including those relating to consumer protection, Internet and privacy. Please refer to the section titled “*Key Industry Regulations and Policies*” on page 92 of this Prospectus for details of the material laws currently applicable to us.

There can be no assurance that the Government may not implement new regulations and policies which will require us to obtain approvals and licenses from the Government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur capital expenditures to comply with the requirements of any new regulations, which may also materially harm our cash flows and in turn affect our results of operations.

28. *Our Equity Shares have never been publicly traded and the Issue may not result in an active or liquid market for our Equity Shares. Further, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.*

Prior to the Issue, there has been no public market for our Equity Shares, and even though we have appointed M/s. BCB Brokerage Pvt. Ltd. as Market Makers to the Issue, an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. Listing and quotations does not guarantee that a market for our Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and volatility in the Stock Exchanges and securities markets elsewhere in the world.

29. *Any future issuance of Equity Shares may dilute your shareholdings and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.*

Any future equity issuances by us may lead to the dilution of investors’ shareholdings in our Company. In addition, any sales of substantial amounts of our Equity Shares in the public market after the completion of this Issue, including by our Promoters or other major shareholders, or the perception that such sales could occur, could adversely affect the market price of our Equity Shares and could materially impair our future ability to raise capital through offerings of our Equity Shares. Our Promoters and Promoters Group will hold 57.02% of our equity share capital after this Issue. We cannot predict what effect, if any, market sales of our Equity Shares held by our Promoters or other major shareholders or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

30. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to investors’ assessments of our financial condition.*

Our financial statements, including the financial statements provided in this Prospectus are prepared in accordance with Indian GAAP. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. Each of U.S. GAAP and IFRS differs in significant respects from Indian GAAP. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting

practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited.

31. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet the requirements of the RBI Circular dated October 4, 2004, as amended by the RBI Circular dated May 4, 2010. The RBI must approve the conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a stock exchange in India through a stock broker at the market price.

As provided in the foreign exchange controls currently in effect in India, the RBI has provided the price at which the Equity Shares are transferred based on a specified formula, and a higher (or lower, as applicable) price per share may not be permitted. There are also restrictions on sales between two non-residents if the acquirer is impacted by the prior joint venture or technical collaboration. The approval from the RBI or any other government agency may not be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline.

32. Natural calamities could have a negative effect on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. The erratic progress of a monsoon would also adversely affect sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities in the future could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

33. Tax rates applicable to Our Company may increase and may have an adverse impact on our business.

The tax rates including surcharge and education cess applicable to us for fiscal 2012 are 33.99%. Any increase in the tax rates may have an adverse impact on our business and results of operations and we can provide no assurance as to the extent of the impact of such changes.

34. Political instability or changes in the Government could adversely affect economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued in the future. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and adversely affect our business, financial condition and results of operations.

35. Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Terrorist

attacks and other acts of violence may adversely affect the Indian stock markets, where our Equity Shares will trade, and the global equity markets generally.

36. All of our revenue is derived from business in India and a decrease in economic growth in India could cause our business to suffer.

We derive all of our revenue from our operations in India and, consequently, our performance and the quality and growth of our business are dependent on the health of the economy of India. This economy has sustained growth over the five years ended fiscal 2010 with an average real gross domestic product growth rate of approximately 8.5%. However, the Indian economy may be adversely affected by factors such as adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities or interest rates changes, which may also affect the microfinance industry. Any such factor may contribute to a decrease in economic growth in India which could adversely impact our business and financial performance.

37. There is no guarantee that the Equity Shares issued pursuant to the Issue will be listed on the SME Platform of BSE in a timely manner, or at all.

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the SME Platform of BSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

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

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares.

The BSE may not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

PROMINENT NOTES:

1. Pre and Post Issue Net Worth (assuming full subscription to the Issue)

Pre Issue Net worth (Based on audited accounts as on March 31, 2012)	₹ 199.17 lacs
Post Issue Net worth	₹ 607.17 lacs
Issue Size	Issue of 20,40,000 Equity Shares of ₹ 10/- each at ₹ 20 (including share premium of ₹10/-) per Equity Share aggregating to ₹ 4,08,00,000/- (Rupees Four Crore Eight Lacs Only)
Cost Per Share to the Promoters	Mr. Umesh Modi - ₹ 8.99 Mrs. Manisha Modi - ₹ 13.54
Net Asset Value per share or Book Value (Based on Audited Accounts as on March 31, 2012) (Face Value of ₹ 10/- per share)	₹ 13.74/-

2. Our Company its Promoters / Directors, Company's Associates or Group companies have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI. The Promoters, their relatives, Company, group companies, associate companies are not declared as wilful defaulters by RBI / Government authorities and there are no violations of securities laws committed in the past or pending against them.
3. Investors are advised to refer to the paragraph titled "*Basis of Issue Price*" beginning on page 57 of this Prospectus.
4. The Lead Manager and our Company shall update this Prospectus and keep the investors / public informed of any material changes till listing of the Equity Shares offered in terms of this Prospectus and commencement of trading.
5. Investors are free to contact the Lead Manager for any clarification, complaint or information pertaining to the Issue. The Lead Manager and our Company shall make all information available to the public and investors at large and no selective or additional information would be made available for a section of the investors in any manner whatsoever.
6. In the event of over-subscription, allotment shall be made as set out in paragraph titled "*Basis of Allotment*" beginning on page 171 of this Prospectus and shall be made in consultation with the Designated Stock Exchange i.e. BSE. The Registrar to the Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner as set out therein.
7. The Directors / Promoters of our Company have no interest in our Company except to the extent of remuneration and reimbursement of expenses (if applicable) and to the extent of any equity shares (of Jupiter Infomedia Limited) held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as director, member, partner, and/or trustee, and to the extent of benefits arising out of such shareholding. For further details please refer to the section titled "*Our Management*" on page 100 of this Prospectus.
8. No loans and advances have been made to any person(s) / companies in which Directors are interested except as stated in the Auditors Report. For details please refer to "*Financial Information*" beginning on page 115 of this Prospectus.

9. The details of transaction by our Company with group companies during the last year are disclosed under "*Related Party Transactions*" in the Financial Information of our Company beginning on page 128 of this Prospectus.

10. Our company was originally incorporated with the Registrar of Companies, Maharashtra on April 04, 2005 as a Private Limited Company. Pursuant to shareholders Resolution dated April 07, 2012 our company was converted into a Public Limited Company and the name was changed to Jupiter Infomedia Ltd. A fresh certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Mumbai vide certificate dated May 08, 2012.

SECTION III: INTRODUCTION

SUMMARY OF OUR INDUSTRY

The information in this section has not been independently verified by us, the Lead Manager or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry and government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.

Online Advertising & Marketing in India

The online advertising market comprises of search, display, and rich media, video and is currently valued around ₹ 1850 cr (USD 410 million) which is 7% of the overall advertising pie and less than the global average of 15.5%. Advertisers in India are now spending 5-10 % of their advertising budgets on the internet, according to the report. Globally, the trend of online advertising is growing at the cost of a decline in print advertising which is different in India where print and internet both are in the growth mode. The online advertising is expected to reach ₹ 7000 cr (USD 1.6 billion) by 2025, according to the report. Due to the increasing Internet penetration and improved user engagement, the time spent on the web is expected to increase significantly, resulting in online advertising to account for 10-15 per cent of the overall advertising market by 2015. Also, the report estimates the overall Internet commerce market to be worth about ₹ 46,520 crore at the end of 2011. While 76 per cent of this market was captured by the online travel industry, about eight per cent was contributed by financial services transactions and e-retailing each.

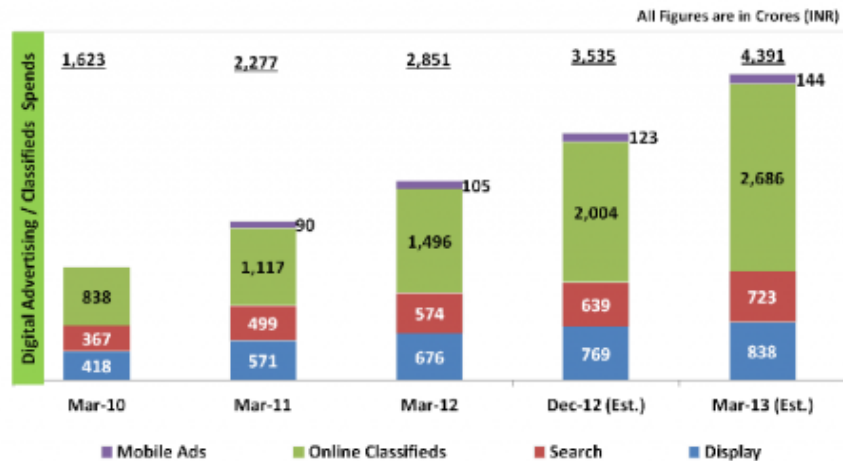
(Source: http://articles.economictimes.indiatimes.com/2012-02-20/news/31079720_1_online-advertising-advertising-market-e-retailing)

As per the by the Internet and Mobile Association of India (IAMAI) and IMRB, the Indian online advertising market, including classifieds, will grow by a whopping 54% in the next 12 months. As of March 2012, the industry was worth ₹ 2,851 crores in annual revenue and will further grow to ₹ 4,391 crores by March 2013, the IAMAI, which represents the online and VAS players in India, said. However, online classifieds are sometimes not included in the definition of online ad market. India has a large online matrimonial ad segment.

Excluding online classifieds, online advertising in India was worth about ₹ 1,250 crore last month and will grow about 25% to ₹ 1,561 in the next 12 months. Mobile advertising will grow from ₹ 105 crore to ₹ 144 crore during the same period. Interestingly, the display market continues to be slightly ahead of the search market in India, contributing about 55-60% of the total 'pure' online ad market. The ratio will remain very similar even after a year, it predicted. Worldwide, analysts have been pointing to a sharper rise in search advertising compared to that of display.

In terms of size, IAMAI mentioned in the report that the online advertising market in India is about 11% the size of the conventional or traditional media ad market, the annual survey said. Online advertising has been growing in India, even in the recent economic downturn. "On an average, the digital ad spends have been growing at 25% year-on-year basis.

(Source: http://rtn.asia/1174_indian-online-ad-spend-jump-54-year-iamai)

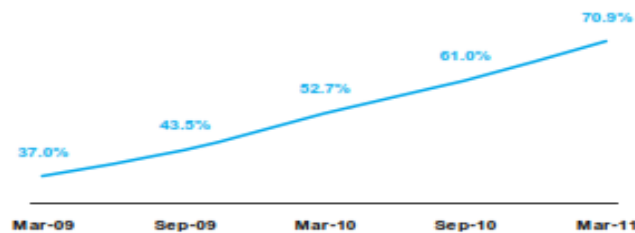


(Source: http://rtn.asia/1174_indian-online-ad-spend-jump-54-year-iamai)

Mobile Ubiquity and Internet Penetration Changing Source of Information/Media

The growth of the advertising sector and search services in India is also due in part to the growing use of mobile internet in India. According to TRAI, the number of wireless subscribers in India was 811.6 million as of 31 March 2011, with an overall teledensity rate of 68.0%. The number has grown at a CAGR of 43.9% from 391.8 million in March 2009. The number of mobile subscribers in India is expected to exceed 1 billion by 2014.

Overall (Wireless and Wireline) Teledensity in India



Source: TRAI

Growing Online Population

As of September 2011, there were 112 Mn claimed Internet users in India. 88 Mn users are from urban cities and 24 Mn are from rural villages. It is expected that by September 2011, there will be 112 Mn Internet users in India – 88 Mn from urban cities and 24 Mn from rural villages. In March 2011, India has witnessed an 18% rise in Active Internet Users among urban cities, amounting to 65 million across in country. Numbers of people who have Ever Used internet and are PC literates have also grown to 82 Mn and 114 Mn respectively. This growth is expected to continue and by September 2011, there will be 119 Mn PC literates and 88 Mn claimed Internet users – of which there will be 70 Mn active Internet users who access Internet at least once a month. Among rural villages as of March 2011, there are 18 Mn claimed Internet users and 14.3 active Internet users. It is expected that the growth in the rural villages will be higher compared to urban cities. It is expected that by December 2011, there will be 29 Mn claimed and 24 Mn active Internet users. While the 18% hike in the total Active Internet Users appears to be satisfactory, a look at past six years trend unveils the gradually approaching saturation. While the growth levels approach stagnancy, the dynamics with Internet continue to take shape to accommodate India as a universally acceptable Media vehicle.

(Source: IAMAI | Cube report 2011)

The growth of the online advertising sector and search services in India is due in part to the growing internet base in India. The Indian internet market is still in its nascent stage and has a high potential to expand rapidly. Growing number of Internet and broadband connections can give the Indian economy the much-needed fillip by adding \$ 17 billion to the gross domestic product (GDP) annually. According to a report, India - The Impact of Internet - 10 per cent increase in internet penetration can increase the GDP by 1.08 per cent. This will help the country add \$17 billion annually. The report, jointly prepared by the Indian Council for Research on International Economic Relations (ICRIER), The Internet and Mobile Association of India (IAMAI) and the Department of IT said as the number of internet users goes up, the growth impact of the internet will improve significantly. Broadband, it said, has a bigger impact on growth. It added that an additional \$87 billion in GDP during 2012-2014 can be generated if the targets are achieved according to TRAI's National Broadband Plan. The Department of Information Technology expects to add 175 million broadband users by 2014, which will result in 700 million Internet users. India has over 100 million internet users and the number of broadband users according to the latest data is just over 13 million.

(Source: <http://www.business-standard.com/india/news/internet-penetration-to-boost-indias-gdp/462368/>)

Internet landscape and impact statistics

	Internet users Million	Internet penetration % of population	Fixed broadband subscribers % of population	Mobile broadband subscriptions % of population	Median monthly cost of 1 Mbps \$ PPP	Online retail share of retail %	Internet contribution to GDP ¹ % of GDP	Internet contribution to GDP growth ¹ % of GDP growth
Argentina*	26	64	10	13	16	1.1	2.2	2.7
Brazil	79	41	7	11	17	3.1	1.4	2.4
Canada	28	81	30	15	5	0.9	2.7	10.2
China	486	36	9	2	11	1.1	2.6	3.4
France	50	78	33	36	8	3.8	3.2	17.6
Germany	67	82	32	36	4	3.8	3.2	24.3
Hungary*	7	68	20	30	3	1.1	3.9	11.4
India	98	8	1	1	59	0.3	3.2	5.2
Italy	33	54	22	59	7	0.9	1.7	12.2
Japan	101	79	27	88	-	3.2	4.0	-
Malaysia*	16	55	7	27	50	4.4	4.1	2.3
Mexico*	39	34	10	8	22	0.5	1.0	2.2
Morocco*	16	49	2	10	-	0.5	0.9	1.2
Nigeria*	52	33	<1	3	-	0.1	0.5	0.9
Russia	61	43	11	17	5	2.1	0.8	0.9
South Korea	40	83	36	91	-	12.3	4.6	16.0
Sweden	8	90	32	84	3	3.8	6.3	32.9
Taiwan*	16	72	23	-	-	3.0	5.4	12.7
Turkey*	36	49	10	18	9	0.8	0.9	1.5
United Kingdom	53	85	31	56	4	7.7	5.4	22.7
United States	250	81	27	54	5	4.0	3.8	14.9
Vietnam*	27	31	4	13	41	-	0.9	1.6

(Source: Internet World Stats)

Local Indian Search Market

The local search market generally comprises offline and online search services. Offline local search services primarily includes print directory and phone based searches, where the chief source of revenue is advertisement fees paid by the business entities. Online local search involves the use of localized portals that allow users to search for geographically constrained results from a database of local listings. Major players

have multi-channel access including phone, web and mobile portals, and advertising is the main source of revenue.

The local search market has evolved from word of mouth and print directories as a mode of getting local information to professional phone, web-based and voiced-based and mobile phone search services. For online search services, listing may be free or sponsored. Sponsored results get greater visibility as they are highlighted and are given preference over the other listings. Other revenue sources include database sharing or syndication by sourcing for listing or powering search results, partnering with global search engines or selling contact details of users to businesses for marketing activities. For offline search services, players come out with printed copies of local directories or operate phone-based services to respond to queries over the phone. The major source of revenue is the advertisement fee paid by the advertisers.

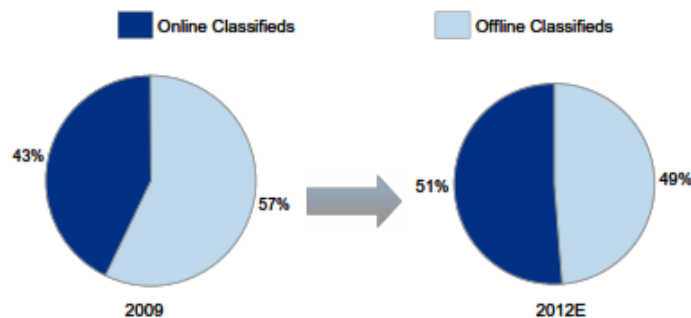
Due to consumers becoming more receptive towards phone based searches, the offline search services market has expanded. With the proliferation of technology and advancement in the current market scenario, consumers are driven more towards saving time and effort. Most leading players have call centres which provide instant response to consumer queries. The key driver for online search services is the proliferation of internet, including mobile internet, and the growing number of users in India. Consumers find it convenient to conduct search on the internet for any services or product required, especially with the reduction in price of access devices, launch of 3G network and innovative data plans that facilitate the use of internet on mobile internet. Local online search services help provide better visibility to small and local business owners by providing a scope to market and publicize their products and services and to reach a larger audience in a cost effective manner compared to traditional advertising media like TV and newspapers.

However, local offline search services face challenges such as lower acceptance in corporate culture and global drive towards a paperless environment. Local online search services are limited by generic search engines, the lack of awareness, low English literacy rate and language barriers and insufficient information and the lack of comprehensive databases.

Local offline and online classifieds

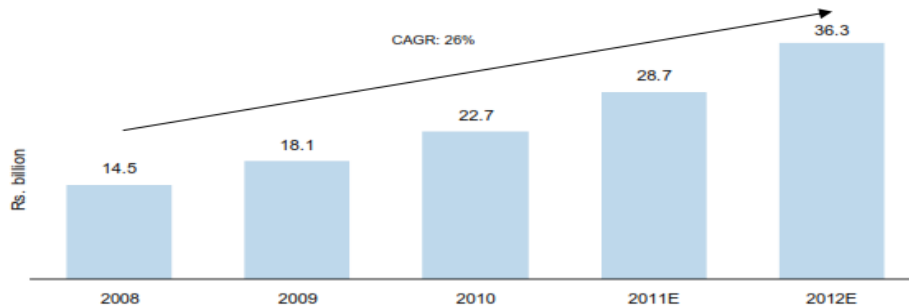
According to Netscribes, classifieds is a distinct type of advertising medium with both offline and online modes that usually comprises text with no graphics and short statements about the requirements of the buyer or the seller. It is increasingly become a popular mode of advertising. In 2009, the market segment for offline and online classifieds was 57% and 43%, respectively. With growing internet usage, the online classifieds segment is growing rapidly. It is estimated that the market segment will become 49% and 51%, respectively, by 2012.

Classifieds Market Segmentation



It is expected that the classifieds market in India will be driven by the growth in services sector, favourable demographics and growth in the advertising industry. The size of the classifieds market has grown from ₹ 14.5 billion in 2008 is expected to reach ₹ 36.3 billion in 2012.

Classifieds Market Size and Growth



Offline classifieds comprises of print media, while online classifieds comprises of horizontal or general / multipurpose classifieds website or vertical sites in jobs, real estate and matrimonial websites. Both the offline and online markets are growing on account of increasing penetration of print media and the internet. For offline classifieds, generally various types of classified advertisers and newspaper publishing houses come together to offer classified advertisements through the print media, with a revenue structure that is primarily determined by various factors associated directly with the costs of the classified advertisements. For online classifieds, advertisers are generally required to register with the respective portal and pay membership fees upfront to become a registered subscriber, with major sources of revenue generated from paid subscriptions, paid memberships, paid listings, leads generated, brokerage charges and access.

Offline classifieds market has grown consistently over the last few years and will grow further due to increasing print penetration, especially in tier two and tier three cities. The growth of the offline classifieds market is also driven by the presence of newspapers in various vernacular languages as it provides a huge scope to cater to a large section of the population. In addition, growing readership base of newspapers in India, due to growing literacy and new technologies, will contribute to the growth of offline classifieds. The online classifieds market has grown due to increasing market penetration as consumers are increasingly using online classifieds as it is more convenient. In addition, online classifieds are more cost effective as they can obtain more exposure than through traditional print media. The online classifieds market is also driven by the strong growth in online advertising, which has grown from ₹ 1.6 billion in 2006 to ₹ 7.8 billion in 2010. Generally, the classifieds market is expected to grow due to the favourable demographics of India; it is the second most populous country worldwide with one of the largest young populations, which equates to a large demand for classifieds services. In addition, growth in the services sector acts as a driver, as it has opened up a large number of job opportunities and increased the disposable income in India, and consequently, increased the advertisements by, among others, job recruiters, automobile and real estate sectors.

Offline classifieds face challenges such as the lesser space for advertisements, especially display advertisements, becoming a major bottleneck as it restricts the scope of advertisement exposure, unlike online classifieds which offers various advertising forms, such as listings, banners, featured advertisements, home page panels and micro sites. The low visibility and coverage of offline classifieds also restricts the growth of its market, as they are contained only in a segment of the print media and are limited to the distribution area.

The low presence of vernacular languages in online classifieds medium poses a barrier for the online classifieds market and restricts the market, as non-familiarity with English may alienate people from using online media and choose print media instead. The absence of strong online payment mechanism also hinders

the growth of the online classifieds market, with low credit card penetration rates and phishing scams and fraudulent methods discouraging the use of online payment modes.

(Source: Netscribes)

For further details regarding the Key Risks inherent to our Industry, please refer to “Risk Factors” on page 09 of this Prospectus.

SUMMARY OF BUSINESS

Overview

We are a growth oriented web Infomedia Company with online publications on Business, Encyclopedia and Yellowpages. We develop various informative online publications / verticals in house. The company aims to develop an online information library that would provide in-depth information to its visitors on various topics.

At present, we have three online publications where a substantial progress has been done. These include an online business directory (B2B Portal operating through the website - www.JimTrade.com), an Encyclopedia on India (operating through the website - www.IndiaNetzone.com) and an online yellowpages directory (operating through the website - www.jimyellowpages.com).

We intend to be the market leader in each segment we are operating in. At present, JimTrade.com, has already achieved the status of being one of the leading online business directory with nearly 3,00,000 products profiles. IndiaNetzone.com has been consistently developing well researched articles for “everything” related to India and Jimyellowpages.com has been launched with a focus to become the complete Online Yellowpages of India.

JimTrade.com – B2B Portal - Online business directory of India

JimTrade.com, a B2B Portal, is one of India’s largest online business directory with more than 3,00,000 product profiles of Indian Manufacturers. JimTrade.com provides the information on product profiles, supplier’s directory & trade shows in India. [JimTrade](http://JimTrade.com) facilitates global trade, with a particular focus on the Indian market, by providing information to global buyers and integrated marketing services to suppliers. Its integrated sourcing, marketing and cataloging tools aim to provide the right information at the right time, and in the right format to its patrons and hence create a network where sellers can promote their businesses online and buyers can carry out fast, free, reliable and comprehensive sourcing online. It allows users to browse suppliers and products information by and across 21 industry categories and thousands of product sub-categories ranging from agriculture to Industrial Supplies.

We believe JimTrade.com bridges the gap between our users and businesses by helping users find relevant manufacturers of products and services quickly while helping businesses listed in our database to market their products & services. We also believe that JimTrade.com is particularly relevant to SMEs, who have limited other cost effective options to access and advertise to such a large number of potential buyers. Listing on JimTrade.com provides manufacturers with exposure to buyers at a time when the users are making a purchase decision. Businesses may choose to pay for a listing to be featured on a priority basis in our search results / listings and also increased listings would result in increased online traffic.

IndiaNetzone.com – free Encyclopedia on India

IndiaNetzone.com, an encyclopedia of India, is an informative and descriptive website that provides in-depth information on arts, entertainment, health, reference, sports, society, travel and various other interesting subjects related to India. To achieve this mission, the editorial team of the company does extensive research from numerous sources and makes a complete compilation of facts on various subjects related to India. Our editorial team has already developed nearly 30,000 informative & researched articles.

The Forum at <http://www.IndiaNetzone.com> provides a platform to share knowledge, ask questions and interact with people hailing from different walks of life. The newsletter provided by the editorial team presents information on different informative, popular and recent topics from India. We believe that an online forum such as IndiaNetzone.com would attract a good amount of online traffic and hence increase the saleability of the portal to potential advertisers.

JimYellowpages.com – online Yellow-pages of India

JimYellowpages is online Yellow-page directory of India which contains 100+ cities and lacs of business listings. The mission of JimYellowpages is to give each business listing located in every nook & corner of India. We believe that an online database such as jimyellowpages.com would attract a good amount of online traffic and hence increase the saleability of the portal to potential advertisers. We may also explore the possibility of paid listings for priority clients in the future.

Our Market Opportunities

Our Advertising Market Opportunity

Advertisers' objectives range from building long-term brand awareness to stimulating an immediate purchase. We offer advertising solutions that are designed to be more engaging and relevant for users in order to help advertisers better achieve their goals. The revenue will be generated from advertising. The advertising opportunity / structure will depend from portal to portal & target visitor base. Generally advertising opportunity will consist of banner advertisement, featured listing, priority listings etc.

Our long term growth opportunity

The potential for our business to grow is based on both internal and external factors. A significant portion of our marketing effort is going to focus on contacting SMEs and other businesses to become paid users by converting free listings into campaigns.

According to the Ministry of Micro, Small and Medium Enterprises, or Gol, there were an estimated 26.0 million SMEs operating in India.

According to TRAI, the number of mobile subscribers in India is expected to exceed 1,000 million by 2014. We believe that India's large and growing Internet and mobile subscriber base provides a large potential for us to further grow our user base and search volumes.

According to Internet World Stats, as of March 31, 2011, Internet penetration was at 8.4% (or approximately 100 million users) in India, making India the world's third largest population of internet users after China and the United States, as compared to over 78.2% in the United States, which we believe represents a significant scope for further penetration and growth of Internet in India.

In addition to our strategy of geographic expansion in India as also reflected in our objects of the issue to open marketing offices across India, we also believe that we can selectively license our brand name to expand internationally.

Our Competitive Strengths

Dynamic Management Team backed by Experienced Promoters

We have developed a young and dynamic team for editorial, data management, designing and programming. This dynamic management team is backed by the promoters who have over 5 years of experience in the field. Having an efficient team in place helps us execute work faster. We believe that their strong technical experience will help us in achieving our key business strategies. For further details regarding the experience and qualifications of our management and Promoters please refer to sections titled "*Our Management*" and "*Our Promoters & Promoter Group*" beginning on pages 100 and 111 of this Prospectus respectively.

Technological expertise for the development of product portfolios on a cost effective basis in JimTrade.com

It is a challenge for most SMEs to attract the attention of the right target consumer and to expand into new markets because of their limited marketing budgets and resources. The company has currently developed

various programs for data management & automated many of its operations which help us provide cost effective solutions to SME Manufacturers and other patrons. For example, details of an SME which does not have a website can be available to potential consumers online when the SME is listed in our database along with product description and image within a limited time span at a limited cost.

The company has a competent team which possesses the expertise to develop user friendly programs. These skills of web promotion have helped to establish good visitor base and we believe that this technological expertise will help us manage the growth of additional listings once we begin our aggressive marketing strategy.

Experience and Expertise in Local Indian Markets

We have been in operation in the Indian market for over seven years and the senior management team has wide ranging experience in the online media, advertising and IT industry. We believe that we possess strong knowledge of the Indian markets and the experience and expertise of our management and first-hand experience with various market participants (including SMEs and users) differentiate the company from other generic and local service providers. We believe our local expertise would help us to grow in an industry that has historically been difficult to monetize.

Strong Brand Recognition

We believe that JimTrade.com and IndiaNetzone.com are well-established in their respective arenas. We believe we have a very strong brand recall in India. Historically our brand development has been fuelled primarily through word of mouth by users based on their experience with our service and such users sharing their experiences with others. We believe that the following key factors, among other things, have contributed to the strength of our brand in India:

- Long standing presence in the respective field
- Strength and quality of our database
- Fast response to search queries and
- Consistent delivery of quality user experience.

Strong database with appropriate content

Content is the “king” is the phrase for internet. In the online business directory segment, we have already achieved top position in terms of product profiles which is almost 3,00,000 product profiles and the same are growing regularly at a rapid pace. In the encyclopedia segment, we have already developed researched articles of around 30,000 in number.

First Mover Advantage in the Indian Online Media

Indian online media is still in nascent stage and provides enormous opportunities. We are focusing on areas which have very few players and provide tremendous growth opportunities.

As we are one of the first companies to offer comprehensive information about manufacturers in India, we believe that we have a first mover advantage among consumers seeking information on manufacturers & Indian products. We started JimTrade.com in 2005 and we provide fast and free access to our large database of product profiles and manufacturers directory, which attracts more trade visitors, which in turn will attract more paid business listings. We believe this creates a self-perpetuating growth cycle that enables us to maintain a leading position in the local B2B publication market. We believe that a large database of product profiles and suppliers such as the one we have developed over several years requires considerable time and effort to develop, which creates a significant barrier to entry.

In case of Encyclopedia, IndiaNetzone.com is a unique website which has already developed thousands of researched informative articles. Due to this, it has already established a regular visitor base.

Our Business Strategies

Our broad strategy is as follows:

- To identify high growth potential segment
- Develop rich & huge content
- Establish visitor base
- Explore the advertisement opportunity

Every vertical has been started after research on many aspects to see that it provides huge growth opportunity & has very few information providers. Due to this, we get the early starter advantage and it ensures consistent growth opportunity. Further, the high quality of content leads to development of visitor base and ensures enduring value. All these factors give us the adequate leverage during the proposed commercial launch or establishing of our marketing networks.

Extend Into New Products and Services

We believe that with ever-expanding growth of the internet in India and elsewhere, the online market is poised to grow as extensively as one is currently covered by the print media, and that there is an opportunity to enter other online segments, such as news, finance, travels etc. We intend to develop new websites on different concepts/ segments. The concept of new website / portal would be selected based on growth opportunities and market size. Apart from this, we may enter into development of website and related programming for third part.

Increase our brand and marketing efforts across India

We believe that we are a popular brand in our respective field. Increasing the awareness about our portals would help us increase our online traffic as well as our customer base and hence provide a larger array of services to clients. We plan to open up marketing offices in various metros and other cities from the funds raised in this issue. For further details, please refer to the section titled “*Objects of the Issue*” on page 52 of this Prospectus.

For further details regarding the Key Risks inherent to our Business, please refer to “*Risk Factors*” on page 09 of this Prospectus

SUMMARY OF OUR FINANCIAL INFORMATION

ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
A. Non-Current Assets					
1. Fixed assets					
(i) Tangible assets	5.37	6.57	7.53	8.10	11.17
(ii) Intangible assets	0.34	0.57	0.00	0.00	0.00
(iii) Capital work-in-progress	0.00	0.00	0.00	0.00	0.00
(iv) Intangible assets under development	0.00	0.00	0.00	0.00	0.00
2. Non-current investments	16.76	15.98	12.81	6.28	4.86
3. Deferred tax assets	0.28	0.22	0.23	0.30	0.00
4. Long term loans and advances	158.96	4.51	1.51	1.51	0.05
5. Other non-current assets	0.00	0.00	0.00	0.00	0.00
Total A	181.71	27.85	22.08	16.19	16.08
B. Current Assets					
1. Current investments	0.00	0.00	0.00	0.00	0.00
2. Inventories	0.00	0.00	0.00	0.00	0.00
3. Trade receivables	13.44	16.02	15.27	13.57	10.80
4. Cash and cash equivalents	11.11	2.61	5.42	1.36	2.82
5. Short-term loans and advances	14.45	13.04	9.35	7.80	4.71
6. Other current assets	0.00	0.00	0.00	0.00	0.00
Total B	39.00	31.67	30.04	22.73	18.33
Total Assets C (A + B)	220.71	59.52	52.12	38.92	34.41
D. Non-Current Liabilities					
1. Long-term borrowings	0.00	0.00	0.00	0.00	0.00
2. Deferred tax liabilities (Net)	0.00	0.00	0.00	0.00	0.14
3. Other Long term liabilities	0.00	0.00	0.00	0.00	0.00
4. Long term provisions	0.00	0.00	0.00	0.00	0.00
Total D	0.00	0.00	0.00	0.00	0.14
E. Current Liabilities					
1. Short-term borrowings	0.00	0.00	0.00	0.00	0.00
2. Trade payables	0.00	0.08	0.00	0.00	0.08
3. Other current liabilities	9.30	6.88	6.58	4.71	8.65
4. Short-term provisions	12.24	11.68	9.64	8.21	4.89
Total E	21.54	18.64	16.22	12.92	13.62

F. Total Liabilities & Provisions (D+E)	21.54	18.64	16.22	12.92	13.76
G. Net Worth [C - F]	199.17	40.88	35.90	26.00	20.65
Represented by Shareholders' Fund:					
Share Capital	145.00	3.00	3.00	3.00	3.00
Reserves & surplus	56.48	37.99	33.04	23.16	17.84
Miscellaneous Expenditure (to the extent not written off)	-2.31	-0.11	-0.14	-0.16	-0.19
Net Worth	199.17	40.88	35.90	26.00	20.65

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE II: STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(₹ in lacs)

Particulars	for the year ended on March 31				
	2012	2011	2010	2009	2008
REVENUE					
Revenue from operations	63.94	78.55	70.64	70.69	56.36
Other Income	0.55	1.42	6.90	(1.44)	0.30
Total Income	64.49	79.97	77.54	69.25	56.66
EXPENSES					
Cost of Services	4.93	5.01	5.70	6.60	4.91
Employee benefit expense	38.02	43.52	42.28	36.71	22.71
Financial costs	0.00	0.00	0.00	0.00	0.00
Depreciation and amortization expense	2.35	2.44	2.62	3.34	3.03
Other expenses	15.54	12.15	9.07	7.53	11.02
Directors Remuneration	0.00	9.30	6.00	5.85	1.50
Preliminary Expenses written off	0.69	0.03	0.03	0.03	0.03
Total Expenditure	61.53	72.45	65.70	60.06	43.20
Net Profit/(Loss) before tax	2.96	7.52	11.84	9.19	13.46
Less : Provision for Taxation					
Current Years Income Tax	1.01	2.04	1.61	3.57	3.97
Deferred Tax	(0.06)	0.01	(0.07)	(0.30)	0.12
Fringe Benefit Tax	0.00	0.00	0.00	0.18	0.20
Net Profit after tax but before extraordinary Items	2.01	5.47	10.30	5.74	9.17
Extra-ordinary items	0.00	0.00	0.00	0.00	0.00
Net Profit after extraordinary Items available for appropriation	2.01	5.47	10.30	5.74	9.17
Proposed Dividend	0.45	0.45	0.36	0.36	0.33
Dividend distribution Tax	0.07	0.07	0.06	0.06	0.05
Net Profit carried to Balance sheet	1.49	4.95	9.88	5.32	8.79

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE III: STATEMENT OF CASH FLOWS, AS RESTATED

(₹ in lacs)

Particulars	for the year ended on March 31				
	2012	2011	2010	2009	2008
A. Cash Flows from operating activities					
Net Profit before tax	2.96	7.52	11.84	9.19	13.46
Adjustments for:					
Depreciation	2.35	2.44	2.62	3.34	3.03
Loss / (profit) on sale of fixed assets/investment	(0.25)	(1.11)	(6.55)	1.76	(0.22)
Preliminary Expenses W/off	0.69	0.03	0.03	0.03	0.03
Interest expense	0.00	0.00	0.00	0.00	0.00
Dividend Received	(0.30)	(0.30)	(0.35)	(0.32)	(0.08)
Provision on Standard Assets	0.00	0.00	0.00	0.00	0.00
Operating cash generated before working capital changes and taxes	5.45	8.58	7.59	14.00	16.22
(Increase) / Decrease in Receivables	2.59	(0.76)	(1.70)	(2.77)	(7.02)
(Increase) / Decrease in Inventory	0.00	0.00	0.00	0.00	0.00
(Increase) / Decrease in short term Current Assets	(1.34)	(1.66)	0.00	0.00	0.00
Increase / (Decrease) in short Term Current Liabilities	2.35	0.38	2.01	(4.16)	6.13
Operating cash generated before taxes	9.04	6.54	7.90	7.07	15.33
Less: Direct Tax paid	0.09	2.13	1.73	3.56	4.99
Net cash generated from operating activities (A)	8.96	4.41	6.17	3.51	10.35
B. Cash Flows from investing activities					
Sale / (Purchase) of Fixed Assets (Net)	(0.92)	(2.04)	(2.05)	(0.27)	(10.80)
Sale / (Purchase) of Investments (Net)	(0.54)	(2.06)	0.01	(3.17)	(3.06)
Decrease / (Increase) in Long Term Current Assets	(154.45)	(3.00)	0.00	(1.46)	0.00
Increase / (Decrease) in Long Term Current Liabilities	0.00	0.00	0.00	0.00	0.00
Dividend Received	0.30	0.30	0.35	0.32	0.08
Net Cash generated from investing activities (B)	(155.61)	(6.80)	(1.69)	(4.58)	(13.78)
C. Cash flow from financing activities					
Proceeds from issue of share capital (including Share Premium)	159.00	0.00	0.00	0.00	0.00
Increase / (decrease) in Secured Loans	0.00	0.00	0.00	0.00	0.00
Increase / (decrease) in Unsecured Loans	0.00	0.00	0.00	0.00	0.00
Public Issue Expenses	(2.88)	0.00	0.00	0.00	0.00
Dividend Paid (including Div Tax)	(0.97)	(0.42)	(0.42)	(0.39)	(0.35)
Net cash from financing activities [C]	155.15	(0.42)	(0.42)	(0.39)	(0.35)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	8.50	(2.81)	4.06	(1.46)	(3.78)
Opening balance of cash and cash equivalents	2.61	5.42	1.36	2.82	6.60
Closing balance of cash and cash equivalents	11.11	2.61	5.42	1.36	2.82

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

BRIEF DETAILS OF THE ISSUE

PRESENT ISSUE IN TERMS OF THIS PROSPECTUS

Equity Shares Offered: Present Issue of Equity Shares by our Company	20,40,000 Equity Shares of ₹10 each for cash at a price of ₹ 20/- per share aggregating ₹ 408.00 Lacs
Issue Reserved for the Promoters Contribution	5,40,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20/- per share aggregating ₹ 108.00 Lacs
Issue Reserved for the Market Makers	1,80,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20/- per share aggregating ₹ 36.00 Lacs
Net Issue to the Public	13,20,000 Equity Shares of ₹ 10 each for cash at a price of ₹ 20/- per share aggregating ₹ 264.00 Lacs
Equity Shares outstanding prior to the Issue	14,50,000 Equity Shares
Equity Shares outstanding after the Issue	34,90,000 Equity Shares
Objects of the Issue	Please refer Chapter to the title “ <i>Objects of the Issue</i> ” on page 52 of this Prospectus

This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to section titled “*Issue related Information*” beginning on page 158 of this Prospectus.

GENERAL INFORMATION

Our company was originally incorporated with the Registrar of Companies, Maharashtra on April 04, 2005 as a Private Limited Company. Pursuant to shareholders Resolution dated April 07, 2012 our company was converted into a Public Limited Company and the name was changed to Jupiter Infomedia Ltd. A fresh certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Mumbai vide certificate dated May 08, 2012.

Brief Company and Issue Information

Registered Office	336, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400 053 Tel No.: +91 – 22 – 6197 9000 Fax No.: +91 – 22 – 2634 1693
Date of Incorporation	April 04, 2005
Company Registration No.	152387
Company Identification No.	U22200MH2005PLC152387
Address of Registrar of Companies	100, Everest, Marine Drive, Mumbai – 400002.
Name of the Stock Exchange	SME Platform of BSE Limited
Issue Programme	Issue Opens on : July 30, 2012 Issue Closes on : August 01, 2012
Company Secretary & Compliance Officer	Ms. Dipti Kothari 336 Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai 400 053 Tel No.: +91 – 22 – 6197 9000 Fax No.: +91 – 22 – 2634 1693 Email: csc@jupiterinfomedia.com

Note: Investors can contact the Compliance Officer in case of any Pre Issue or Post Issue related problems such as non-receipt of letter of allotment or share certificates, credit of securities in depositories' beneficiary account or dispatch of refund orders etc.

Board of Directors of the Company

Our Board of Directors consists of:

Name	Designation	DIN No.
Mr. Umesh Modi	Chairman and Managing Director	01570180
Mrs. Manisha Modi	Whole Time Director	02057625
Mr. Digesh Manilal Rambhia	Non – Executive Independent Director	01332484
Mr. Jay Ishwarlal Desai	Non – Executive Independent Director	05265036
Mr. Sivaramakrishnan Iyer	Non – Executive Independent Director	05288389

For further details pertaining to the education qualification and experience of our Directors, please refer to page 100 of this Prospectus under the Section titled “*Our Management*”.

Details of Key Intermediaries pertaining to this Issue and our Company

Lead Managers of the Issue	Bankers to the Issue (Escrow Collection Banks)
<p>Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400 001, India. Tel. No.: +91 – 22 – 2261 8264 Fax No.: +91 – 22 – 2263 0434 Website: www.afsl.co.in Email: info@afsl.co.in Contact Person: Ms. Anju Kanuga / Ms. Nehar Sakaria SEBI Registration No.: INM000011344</p>	<p>Axis Bank Limited Universal Insurance Building, Sir P.M. Road, Fort, Mumbai – 400 001. Tel No.: +91 – 22 – 6610 7353 / 7265 Fax No.: +91 – 22 – 2283 5758 / 6610 7322 Website: www.axisbank.com Email: rajesh.khandelwal@axisbank.com Contact Person: Rajesh Khandelwal / Nachiket Kalwit SEBI Registration No.: INBI00000017</p>
Registrar to the Issue	<p>HDFC Bank Limited FIG – OPS Department, Lodha I, Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai – 400 042. Tel No.: +91 – 22 – 3075 2928 Fax No.: +91 – 22 – 2579 9801 Email: deepak.rane@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. Deepak Rane SEBI Registration No.: INBI00000063</p>
<p>Karvy Computershare Private Limited Plot nos.17-24, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081, India Toll Free No.1-800-3454001 Tel: +91 – 40 – 4465 5000 Fax: +91 – 40 – 2343 1551 Website: http://karisma.karvy.com Email: jupiter.ipo@karvy.com Contact Person: Mr. M. Murali Krishna SEBI Registration No.: INR000000221</p>	Refund Banker to the Issue
Banker to the Company	<p>Axis Bank Limited Universal Insurance Building, Sir P.M. Road, Fort, Mumbai – 400 001. Tel No.: +91 – 22 – 6610 7353 / 7265 Fax No.: +91 – 22 – 2283 5758 / 6610 7322 Website: www.axisbank.com Email: rajesh.khandelwal@axisbank.com Contact Person: Rajesh Khandelwal / Nachiket Kalwit SEBI Registration No.: INBI00000017</p>
<p>HDFC Bank, FIG – OPS Department, Lodha I, Think Techno Campus, O-3 Level, Next to Kanjurmarg Railway Station, Kanjurmarg (East), Mumbai – 400 042. Tel No.: +91 – 22 – 3075 2927 Fax No.: +91 – 22 – 2579 9809 Email: uday.dixit@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. Uday Dixit</p>	Legal Advisor to the Issue
Statutory Auditors to the Company	<p>Deven Dwarkadas & Partners Olympus House, 1st Floor, 25, Raghunath Dadaji Street, Off. Rustomji Sidhwa Marg (Gundow Street), Fort, Mumbai 400001. Tel No.: +91 – 22 – 67439501 / 02 Telefax No.: +91 – 22 – 6655 0922 Email: devendwarkadas@vsnl.net Contact Person: Mr. Deven Dwarkadas</p>
<p>Mahadev Desai Associates 102, 'A' Wing, Shubham Premises Co-Operative Society Ltd., Cardinal Road, Chakala, Andheri (East), Mumbai 400099. Telefax No.: +91 – 22 – 2824 5625 Email: mtd@vsnl.com Contact Person: Mr. Mahadev Desai</p>	

Statement of inter se allocation of responsibilities

Since Aryaman Financial Services Ltd is the Sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Manager's is not required.

Self Certified Syndicate Banks (“SCSBs”)

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on <http://www.sebi.gov.in/pmd/scsb.html>. For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

Credit Rating

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

IPO Grading

Since the issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing a IPO Grading agency.

Trustees

As the Issue is of Equity Shares, the appointment of trustees is not required.

Monitoring Agency

As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹ 500.00 Crore. Since the Issue size is only of ₹ 4.08 Crores, our Company has not appointed any monitoring agency for this Issue.

However, as per the Clause 52 of the SME Listing Agreement to be entered into with the Stock Exchange upon listing of the equity shares and the Corporate Governance Requirements, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Details of the Appraising Authority

The objects of the issue and deployment of funds are not appraised by any independent agency/ bank/ financial institution.

Underwriting

This Issue excluding the Promoters Contribution is 100% Underwritten. The promoters shall satisfy the requirements of Regulation 32 of SEBI ICDR at least one day prior to the date of opening of the issue and the amount of promoters' contribution (in this case being 5,40,000 shares) shall be kept in an escrow account with the Banker to the Issue and shall be released to the issuer along with the release of the issue proceeds. Pursuant to the terms of the Underwriting Agreement dated May 28, 2012, the obligations of the Underwriters are several and are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this issue:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (₹ in Lacs)
Aryaman Financial Services Limited 60, Khatau Building, Gr. Floor, Alkesh Dinesh Modi Marg, Opp. P.J. Tower (BSE Bldg.), Fort, Mumbai – 400001, Tel. No.: +91 – 22 – 2261 8264; Fax No.: +91 – 22 – 2263 0434 Website: www.afsl.co.in; Email: info@afsl.co.in, Contact Person: Ms. Anju Kanuga/Ms. Nehar Sakaria SEBI Registration No.: INM000011344	13,20,000	264.00
BCB Brokerage Pvt. Limited 1207/A P.J.Towers, Dalal Street, Fort. Mumbai 400 001 Tel. No.: +91 – 22 – 2272 2448 / 49 / 50 Fax No.: +91 – 22 – 2272 2451 Website: http://bcbbrokerage.com/; Email: bbplmumbai@gmail.com Contact Person: Mr. Uttam Bagri SEBI Registration No.: BSE Cash : INB011161131	1,80,000	36.00

In the opinion of our company's Board of Directors the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective obligations in full.

Details of the Market Making Arrangement for this Issue

Our company and the Lead Manager have entered into a tripartite agreement dated May 28, 2012 with the following Market Maker to fulfil the obligations of Market Making:

Name:	BCB Brokerage Pvt. Limited
Address:	1207/A, P.J.Towers, Dalal Street, Fort, Mumbai 400 001.
Tel No.:	+91 – 22 – 2272 2448 / 49 / 50
Fax No.:	+91 – 22 – 2272 2451
E-mail:	bbplmumbai@gmail.com
Contact Person:	Mr. Uttam Bagri
SEBI Registration No.:	BSE Cash : INB011161131

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

- 1) The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2) The minimum depth of the quote shall be ₹1,00,000/- . However, the investors with holdings of value less than ₹ 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or

jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

- 3) Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 4) There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
- 5) The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations, 2009. Further the company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time.

The Market Making Agreement is available for inspection at our office from 11.00 a.m. to 5.00 p.m. on working days.

CAPITAL STRUCTURE

The share capital of the Company as at the date of this Prospectus, before and after the Issue, is set forth below.

(₹ in Lacs, except share data)

	Particulars	Aggregate Nominal value	Aggregate Value at Issue Price
A	Authorised Share Capital		
	35,00,000 Equity Shares of face value of ₹ 10/- each	350.00	-
B	Issued, Subscribed & Paid-up Share Capital before the Issue		
	14,50,000 Equity Shares of face value of ₹ 10/- each	145.00	-
C	Present Issue in terms of this Prospectus*		
	20,40,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per Equity Share	204.00	408.00
	Which Comprises		
(I)	5,40,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per Equity Share reserved as Promoters Contribution	54.00	108.00
(II)	1,80,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per Equity Share reserved as Market Maker Portion	18.00	36.00
(III)	Net Issue to Public of 13,20,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per Equity Share to the Public	132.00	264.00
	Of Which		
	6,60,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per Equity Share will be available for allocation for Investors of upto ₹ 2.00 Lacs	66.00	132.00
	6,60,000 Equity Shares of ₹ 10/- each at a premium of ₹ 10/- per Equity Share will be available for allocation for Investors of above ₹ 2.00 Lacs	66.00	132.00
D	Post Issue Issued, Subscribed & Paid-up Share Capital		
	34,90,000 Equity Shares of ₹ 10/- each	349.00	-
E	Share Premium Account		
	Before the issue		53.00
	After the Issue		257.00

* The present issue has been authorized pursuant to a resolution of our Board dated May 8, 2012 and by Special Resolution passed under Section 81(1A) of the Companies Act, 1956 at the Annual General Meeting of our shareholders held on May 14, 2012.

CLASSES OF SHARES

The Company has only one class of share capital i.e. Equity Shares of ₹ 10/- each only.

Changes in Authorized Share Capital

Sr. No	Date and Type of Shareholders Meeting approving the change	Nature of Change	Increase (No. of shares)	Cumulative No. of Equity Shares	Face Value (₹)	Cumulative Authorised Share Capital (₹)
1	On Incorporation	-	-	1,00,000	10	10,00,000
2	EGM held on March 19, 2012	Increase	29,00,000	30,00,000	10	3,00,00,000
3	EGM held on April 07, 2012	Increase	5,00,000	35,00,000	10	3,50,00,000

Notes to the Capital Structure:

1. Share Capital History of our Company:

a) Equity Share Capital

Our Company has made allotments of Equity Shares from time to time. Our Company has not made any allotment of preference shares. The following is the Equity share capital build-up of our Company:

Date of Allotment of fully Paid-up Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Nature of Consideration	Cumulative No. of Shares Allotted	Cumulative Paid Up Share Capital (₹)	Cumulative Share Premium (₹)
April 4, 2005	10,000	10	10	Subscription to MoA	Cash	10,000	1,00,000	-
April 1, 2006	20,000	10	50	Allotment to Promoter	Cash	30,000	3,00,000	8,00,000
March 20, 2012	3,60,000	10	0	Bonus Issue in the ratio of 12:1 to all eligible equity shareholders	Bonus	3,90,000	39,00,000	-
March 31, 2012	10,60,000	10	15	Allotment to Promoters, Promoters Group and Non – Promoters	Cash	14,50,000	1,45,00,000	53,00,000

b) Shares allotted for consideration other than cash

The following shares were allotted for consideration other than cash:

Date of Allotment of fully Paid-up Shares	Number of Equity Shares Allotted	Face Value (₹)	Issue Price (₹)	Nature of Allotment (Reasons for Issue / Benefits to issuer)	Nature of Consideration	Allotted person
March 20, 2012	3,60,000	10	-	Bonus Issue in the ratio of 12:1	Bonus	Allotted to all the Shareholders of the Company

Notes:

Bonus Equity shares have been issued to all our Shareholders on March 20, 2012 by capitalizing Share Capital (₹ 8,00,000) and Profit & Loss A/c (₹ 28,00,000). The relevant provisions of the Companies Act have been complied with w.r.t the bonus issues.

No bonus shares have been issued out of Revaluation Reserves.

Except for what has been stated above our Company has not issued any Equity Share for consideration other than cash. Further, our Company has not allotted any Equity Shares pursuant to any scheme approved under section 391-394 of the Companies Act, 1956.

c) History & Share Capital Build-up of our Promoters

Our Promoters have been allotted Equity Shares and have entered into Purchase/Sale Transactions of the Company's Equity shares from time to time. The following is the Equity share capital build-up of our Promoter:

Date of Allotment / Transfer	Allotment / Transfer	Consideration	No. of Shares	Face Value (₹)	Issue/ Acquisition Price (₹)	% of Pre-Issue Paid Up Capital	% of Post-Issue Paid Up Capital
(i) Mr. Umesh Modi							
April 4, 2005	Subscription to MOA	Cash	5,000	10	10	0.34%	0.14%
April 1, 2006	Preferential Allotment	Cash	10,000	10	50	0.69%	0.29%
March 20, 2012	Allotment of Bonus Shares	-	1,80,000	10	0	12.41%	5.16%
March 31, 2012	Preferential Allotment	Cash	1,33,000	10	15	9.17%	3.81%
Sub-Total (i)			3,28,000			22.62%	9.40%
(ii) Mrs. Manisha Modi							
April 1, 2006	Preferential Allotment	Cash	10,000	10	50	0.69%	0.29%
March 20, 2012	Allotment of Bonus Shares	-	1,20,000	10	0	8.28%	3.43%
March 31, 2012	Preferential Allotment	Cash	9,26,960	10	15	63.93%	26.56%
Sub-Total (ii)			10,56,960			72.89%	30.29%
Grand Total (i + ii)			13,84,960			95.51%	39.68%

Notes:

- None of the shares belonging to our promoters have been pledged till date.
- All the promoters' shares shall be subject to lock-in from the date of listing of the equity shares issued through this Prospectus for periods as applicable under Regulation 36 of the SEBI (ICDR) Regulations. For details please refer to Note No. 2(a) of "Capital Structure" on page 46 of this Prospectus.

- d) Except for the Equity Shares Issued to our Promoters and Promoters Group Members as mentioned below, no other shares have been acquired by the Promoters and Promoters Group members during the last one year for a price which is below the issue price. Details of the Equity Shares allotted to our Promoters and Promoters Group Members are as below:

Date of Allotment / Transfer	Allotment / Transfer	Consideration	No. of Shares	Face Value (₹)	Issue/ Acquisition Price (₹)
i) Mr. Umesh Modi					
March 20, 2012	Allotment of Bonus Shares	-	1,80,000	10	0
March 31, 2012	Preferential Allotment	Cash	1,33,000	10	15
Sub-Total (i)			3,13,000		
(ii) Mrs. Manisha Modi					
March 20, 2012	Allotment of Bonus Shares	-	1,20,000	10	0
March 31, 2012	Preferential Allotment	Cash	9,26,960	10	15
Sub-Total (ii)			10,46,960		
(iii) Mrs. Kusumben Modi					
March 20, 2012	Allotment of Bonus Shares	-	60,000	10	0
Sub-Total (iii)			60,000		
Grand Total (i + ii + iii)			14,19,960		

- e) Except for the allotments mentioned in point 1(d) above, none of the members of the Promoters Group/Directors and their immediate relatives have entered into any Transactions in the Equity shares of our Company within the last six months from the date of this Prospectus.
- f) None of the members of the Promoters Group/Directors and their immediate relatives have financed the purchase of any other person of Equity shares of our Company within the period of six months immediately preceding the date of this Prospectus with SEBI.

2. Promoters Contribution and Other Lock-In details:

a) Details of Promoters Contribution locked-in for 3 years

Pursuant to the Regulation 32(1) and 36(a) of the SEBI Regulations, an aggregate 20% of the Post-Issue Equity Share capital of our Company shall be locked up by our Promoters for a period of three years from the date of allotment of Equity Shares in this Issue.

The details of the Promoters' Equity Shares locked-in for a period of three years are as follows:

Name of Promoter	No. of Shares	As a % of Post Issue Share Capital
Mrs. Kusumben Modi	1,10,000*	3.15%
Mr. Umesh Modi	4,30,000*	12.32%
Mr. Umesh Modi	1,58,000	4.53%
Total	6,98,000	20.00%

*Indicates the promoters contribution in the Issue which will be satisfied one day prior to the date of opening of the issue and the amount shall be kept in the escrow account opened with the Banker to the Issue and shall be released to the company along with the release of the issue proceeds.

As required under Regulation 33 of SEBI (ICDR) Regulations, we confirm that the minimum Promoter contribution of 20% as shown above which is subject to lock-in for three years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired, except the bonus shares issued, by the Promoters during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters' contribution are not subject to any pledge
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum promoters' contribution subject to lock-in.
- Equity shares issued to our promoters on conversion of partnership firms into limited companies.

The lock in period shall commence from the date of allotment of Equity Shares in the proposed public issue as per the applicable SEBI Regulations.

Our Promoter has given their written undertaking for inclusion of the aforesaid Equity Shares as a part of Promoter's contribution which is subject to lock-in for a period of 3 years from the date of Allotment of Equity Shares in the proposed Issue.

b) Details of Shares locked-in for one year:

- Pursuant to Regulation 37 of the SEBI Regulations, in addition to the Promoters' contribution to be locked-in for a period of 3 years, as specified above, the entire Pre-Issue issue Equity Share capital will be locked in for a period of one (1) year from the date of allotment in this Issue.
- Pursuant to Regulation 39 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Prospectus, none of the Equity Shares held by our Promoter have been pledged to any person, including banks and financial institutions.
- Pursuant to Regulation 40 of the SEBI Regulations, Equity Shares held by the Promoters, which are locked in as per Regulation 36 of the SEBI Regulations, may be transferred to and amongst the Promoters/ Promoter Group or to a new promoter or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- Pursuant to Regulation 40 of the SEBI Regulations, Equity Shares held by shareholders other than the Promoters, which are locked-in as per Regulation 37 of the SEBI Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

3. Pre-Issue and Post Issue Shareholding of our Promoters and Promoter's Group

Set forth is the shareholding of our Promoters and Promoter's Group before and after the proposed issue:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued Equity
A	Promoter				
1	Mr. Umesh Modi	3,28,000	22.62%	7,58,000	21.72%
2	Mrs. Manisha Modi	10,56,960	72.89%	10,56,960	30.29%
	Total (A)	13,84,960	95.51%	18,14,960	52.01%
B	Promoter Group, Relatives and Other Associates acting in Concert				
1	Mrs. Kusumben Modi	65,000	4.48%	1,75,000	5.01%
	Total (B)	65,000	4.48%	1,75,000	5.01%
	Grand Total (A+B)	14,49,960	99.99%	19,89,960	57.02%

4. Neither the Company, nor its promoters, directors, nor the LMs have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
5. None of our Directors or Key managerial personnel holds Equity Shares in the Company, except as stated in the section titled "Our Management" beginning on page 100 of this Prospectus.
6. **The top ten shareholders of our Company and their Shareholding is as set forth below:**
 - a. The top ten Shareholders of our Company as on the date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mrs. Manisha Modi	10,56,960	72.89%
2	Mr. Umesh Modi	3,28,000	22.62%
3	Mrs. Kusumben Modi	65,000	4.48%
4	Ms. Anisha Zoheb Cuttleriwala	10	Negligible
5	Mr. Suresh Ramulu Bharathala	10	Negligible
6	Ms. Nilanjana Surajit Saha	10	Negligible
7	Ms. Suchismita Arupkumar Ghosh	10	Negligible
	Total	14,50,000	100.00%

b. The top ten Shareholders of our Company ten (10) days prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares to Pre – Issue Share Capital
1	Mrs. Manisha Modi	10,56,960	72.89%
2	Mr. Umesh Modi	3,28,000	22.62%
3	Mrs. Kusumben Modi	65,000	4.48%
4	Ms. Anisha Zoheb Cuttleriwala	10	Negligible
5	Mr. Suresh Ramulu Bharathala	10	Negligible
6	Ms. Nilanjana Surajit Saha	10	Negligible
7	Ms. Suchismita Arupkumar Ghosh	10	Negligible
Total		14,50,000	100.00%

c. The top ten Shareholders of our Company two (2) years prior to date of this Prospectus are:

Sr. No.	Particulars	No. of Shares	% of Shares Issue Share Capital
1	Mr. Umesh Modi	15,000	50.00%
2	Mrs. Manisha Modi	10,000	33.33%
3	Mr. Vasantlal Modi	5,000	16.67%
Total		30,000	100.00%

7. In the case of over-subscription in all categories the allocation in the issue shall be as per the requirements of Regulation 43(4) of SEBI (ICDR) Regulations, 2009 and its amendments from time to time.
8. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines.
9. There shall be only one denomination of Equity Shares of our Company unless otherwise permitted by law. Our Company shall comply with disclosure and accounting norms as may be specified by SEBI from time to time.
10. Since the entire application money is being called on application, all successful applications, shall be issued fully paid up shares only. Also, as on the date of filing of this Prospectus the entire pre-issue share capital of the Company has been made fully paid up.
11. The Company presently does not have any intention or proposal to alter its capital structure for a period of six months commencing from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares or securities convertible into Equity Shares, whether on a preferential basis or otherwise.
12. We have not issued any Equity Shares out of revaluation reserves. We have not issued any Equity Shares for consideration other than cash except as stated in this Prospectus.

13. As on date of this Prospectus, there are no outstanding ESOP's, warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares, nor has the company ever allotted any equity shares pursuant to conversion of ESOP's till date.
14. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
15. The Lead Manager and its associates do not directly or indirectly hold any shares of the Company.
16. As of the date of this Prospectus the total number of holders of the Equity Shares is 7 (seven).
17. Our Company has not made any public issue or rights issue since its incorporation.
18. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application 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 allotment so made. In such an event, the Equity Shares held by the Promoter 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.

19. Shareholding Pattern of the Company

The following is the shareholding pattern of the Company as on the date of filing of this Prospectus:

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares Held in Demat 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 % of Total no. of shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Individuals/ Hindu Undivided Family	3	14,49,960	14,49,960	99.99%	99.99%	-	-
Bodies Corporate	-	-	-	-	-	-	-
Sub Total	3	14,49,960	14,49,960	99.99%	99.99%	-	-
(2) Foreign	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)	3	14,49,960	14,49,960	99.99%	99.99%	-	-
(B) Public Shareholding							
(1) Institutions	-	-	-	-	-	-	-
(2) Non-Institutions							
Bodies Corporate	-	-	-	-	-	-	-
Individuals							
Individual shareholders holding nominal share capital upto ₹ 1 lac	4	40	40	Negligible	Negligible	-	-
Individual shareholders holding nominal share capital in excess of ₹ 1 lac	-	-	-	-	-	-	-
NRI's / OCB's	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total Public Shareholding (B)	4	40	40	Negligible	Negligible	-	-
Total (A+B)						-	-
(C) Shares held by Custodians and against which Depository receipts have been issued							
	-	-	-	-	-	-	-
Total (A+B+C)	7	14,50,000	14,50,000	100.00%	100.00%	-	-

SECTION IV: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

The Objects of the Issue are as follows:

- 1) Purchase and set-up of offices in Mumbai and Kolkata
- 2) Renting offices in Ahmedabad, Chennai and Delhi
- 3) Initial Operating Expenses for the Marketing/Branch Office (first three months)
- 4) Issue Related Expenses

In addition, our company expects to receive the benefits from listing of equity shares on the SME Platform of BSE.

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

Fund Requirements

The funds raised from this Issue shall be utilized for the following purposes:

Sr. No.	Particulars	Amount (₹ in Lacs)
1	Purchase and set-up of additional office space in Mumbai and Kolkata	260.00
2	Renting offices in Ahmedabad, Chennai and Delhi	35.00
3	Initial Operating Expenses for the Marketing/Branch Office (first three months)	64.50
4	Issue Related Expenses	55.00
	Total	414.50

Means of Finance

Sr. No.	Particulars	Amount (₹ in Lacs)
1	Public Issue Proceeds	408.00
2	Internal Accruals	6.50
	Total	414.50

As per our Audited Financial Statements, internal accruals as on March 31, 2012, is ₹ 19.03 lacs, as certified by our Statutory Auditor M/s. Mahadev Desai Associates, Chartered Accountants.

Thus we confirm that firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the proposed Issue, have been made.

In view of the competitive and dynamic nature of the industry in which we operate, we may have to revise our business plan from time to time and consequently our fund requirement and deployment of funds may also change. This may, subject to compliance with applicable laws and regulations, also include rescheduling the proposed utilization of Net Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds at the discretion of our management.

If the actual utilization towards any of the aforesaid objectives is higher than what is stated above, such increased fund requirements will be financed by surplus funds, if any, available in respect of the other purposes. In the event of a shortfall, the fund requirements will be met from internal accruals. Our management expects that such alternate arrangements would be available to fund any such shortfall. In the

event any surplus is left out of the Issue Proceeds after meeting all the aforesaid objectives, such surplus proceedings be used for general corporate purposes including for meeting future growth opportunities.

The amount, if any, deployed by our Company out of internal accruals, towards the aforementioned objects, subsequent to the date of filing of the Prospectus and prior to the receipt of Net Proceeds, shall be reimbursed to our Company from the Net Proceeds of the Issue.

No part of the issue proceeds will be paid as consideration to Promoter, Promoter Group, Directors, Key Managerial Personnel and associates.

Details of Utilization of Issue Proceeds:

1) Purchase and set-up of offices in Mumbai and Kolkata

Our company wants to start marketing our well-established brand JimTrade.com in order to capitalize the growth and development opportunities in this sector.

We have identified the cities where we would like to buy out additional office spaces and based on the estimates available from www.99acres.com, www.magicbricks.com & www.makaan.com our management estimates the costs of purchasing these offices as below:

Sr. No.	City	Area (in sq ft)	Rate per sq ft.*	Amount (₹ in Lacs)
1	Mumbai	1000	20000	200.00
2	Kolkata	1000	6000	60.00
				260.00

* These cost estimates are inclusive of interiors etc.

2) Renting of offices in Ahmedabad, Chennai and Delhi

For the same reason of capitalizing growth and development opportunities, we would want to rent / lease 3 offices in 3 different cities which would be our marketing offices and spread awareness in those cities.

Cost of Deposit for renting the offices as estimated by our management based on data available from www.99acres.com, www.magicbricks.com & www.makaan.com:

Sr. No.	City	Area (in sq ft)	Deposit (For a period of 1 year)
1	Delhi	1000	15.00
2	Ahmedabad	1000	10.00
3	Chennai	1000	10.00
	Total		35.00

3) Initial Operating Expenses for the Marketing/Branch Office (first three months)

The operating cost of initially setting up Marketing/Branch offices has been broken down in 2 parts:

(a) Average cost of Human Resource for the five New Offices for first three months as estimated by our management are as below:

Sr. No.	Particulars	No. of people per office	Cost per person per month (In ₹)	Amount for a period of 3 months(₹ in Lacs)
1	Team Leader ME	2	30,000	9.00
2	Marketing Executives	6	25,000	22.50
3	Marketing Associates	4	15,000	9.00
	Total	12	70000	40.50

(b) Average general / other costs for first three months as estimated by our management are as below:

Sr. No.	Particulars	Cost Per Month per office (₹ in Lacs)	Amount for a period of 3 months (₹ in Lacs)
1	Furniture for rented offices (one time cost, may be shown along with deposit)	-	15.00
2	Administrative expenses (Incl. Rent for 3 months)	0.50	7.50
3	Telephone & Internet	0.10	1.50
	Total	0.60	24.00

3) Issue Related Expenses

The expenses for this Issue include issue management fees, printing and distribution expenses, legal fees, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated to be ₹ 55.00 Lacs.

A detailed breakup of the same is as under:

Sr. No.	Particulars	Amount (₹ in Lacs)
1	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses.	30.00
2	Printing & Stationery and Postage Expenses	5.00
3	Marketing and Advertisement Expenses	5.00
4	Regulatory fees and other expenses	15.00
	Total	55.00

Schedule of Implementation

Sr. No.	Particulars	Scheduled Implementation Commences	Scheduled Implementation Completes
1	Purchase and set-up of offices in Mumbai and Kolkata	Sep-2012	March-2013
2	Renting and setting-up of Marketing / Branch offices in Ahmedabad, Chennai and Delhi	Sep-2012	June-2013

DEPLOYMENT OF FUNDS AND SOURCES OF FINANCING FOR THE FUNDS DEPLOYED

M/s. Mahadev Desai Associates, Chartered Accountants have vide certificate dated July 10, 2012, confirmed that as on June 30, 2012, following funds were deployed for the proposed Objects of the Issue. He has also further confirmed that the same were funded from the Internal Accruals of the Company:

Sr. No.	Particulars	Amount (₹ in Lacs)
1	Issue Expenses	11.34
	Total	11.34

INTERIM USE OF FUNDS

Pending utilisation for the purposes described in the Objects mentioned above, we may temporarily invest the funds from the issue in interest bearing liquid instruments including Deposits with Banks, investments in mutual funds and other investment grade financial products and listed debt instruments.

APPRAISAL

The Fund requirements and Means of finance presented above are not appraised by Bank or Financial Institution and are based purely on Company management estimates.

MONITORING OF UTILIZATION OF FUNDS

The management of the Company will monitor the utilization of funds raised through this public issue. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the Applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

BASIC TERMS OF ISSUE

The Equity Shares, now being offered, are subject to the terms and conditions of this Prospectus, the Application form, the Memorandum and Articles of Association of our Company, the guidelines for listing of securities issued by the Government of India and SEBI (ICDR) Regulations, 2009, the Depositories Act, BSE, RBI, RoC and/or other authorities as in force on the date of the Issue and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009 notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

The present issue has been authorized pursuant to a resolution of our Board dated May 8, 2012 and by Special Resolution passed under Section 81(1A) of the Companies Act, 1956 at the Annual General Meeting of the shareholders held on May 14, 2012.

Face Value	Each Equity Share shall have the face value of ₹ 10 each.
Issue Price	Each Equity Share is being offered at a price of ₹ 20 each.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is 6000 (Six Thousand) and the multiple of 6000 (as per terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012); subject to a minimum allotment of 6000 Equity Shares to the successful applicants.
Terms of Payment	100% of the issue price of ₹ 20/- shall be payable on Application. For more details please refer to page 173 of this Prospectus.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company.

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 73 of the Companies Act, 1956.

BASIS OF ISSUE PRICE

Investors should read the following basis with the “Risk Factors” beginning on page 09 and the details about the business of our Company and its financial statements included in this Prospectus on pages 81 & 115 respectively to get a more informed view before making any investment decisions.

Qualitative Factors

Various qualitative factors including but not limited to those mentioned below, have been considered for pricing this issue. For further details please refer to the section titled “Business Overview” beginning on page 81 of this Prospectus.

- Dynamic Management Team backed by Experienced Promoters
- Technological expertise for the development of product portfolios on a cost effective basis in JimTrade.com
- Experience and Expertise in Local Indian Markets
- Strong Brand Recognition and a well established traffic and visitor base
- Strong database with appropriate content

Quantitative factors

1. Earnings Per Share

Financial years	Adjusted EPS** (₹)	Weights
2009/2010	2.64	1
2010/2011	1.40	2
2011/2012	0.51	3
Weighted Average EPS	1.16	

*Source: Auditors Report

**The Adjusted EPS Calculations include the retrospective effect from bonus issue made by the company on 20/03/2012. For further details, please refer to “Annexure XVI – Statement of Accounting Ratios” of the “Auditors Report” on page 130 of this Prospectus.

2. Price/Earnings Ratio (P/E) in relation to Issue Price of ₹ 20/- per share

Particulars	P/E ratios
P/E based on Adjusted EPS for the year ended March 31, 2012	39.22
P/E based on Weighted Average Adjusted EPS	17.24

*Source: Auditor's Report

3. Return on Net Worth in the last three years

Particulars	RONW (%)	Weights
Year ended March 31, 2010	28.69%	1
Year ended March 31, 2011	13.38%	2
Year ended March 31, 2012	1.01%	3
Weighted Average RONW	9.75%	

*Source: Auditor's Report

Minimum Return on Post-Issue Net Worth to maintain pre-issue Adjusted EPS at March 31, 2012 is 2.93%.

4. Net asset value (₹)

Financial year	Net worth (₹)	No. of shares	NAV (₹)
2009/2010	35.90	30,000	119.67
2010/2011	40.88	30,000	136.27
2011/2012	199.17	14,50,000	13.74

* Source: Auditors Report

5. Net Asset Value (NAV) per share and comparison thereof with after issue NAV along with Issue Price

Sr. No.	Particulars	Amount (₹)
1.	As on March 31, 2012	13.74
2.	After Issue	17.39
3.	Issue Price	20.00

*Source: Auditors report

6. Comparison of Accounting Ratios with Peer Group Companies

There are no listed companies in India which are strictly comparable to us w.r.t the Industry Segment in which we operate and Size of our company.

The Company in consultation with the Lead Manager believes that the issue price of ₹ 20/- per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Auditors' Report in this Prospectus to have more informed view about the investment proposition.

The Face Value of the Equity Shares is ₹ 10/- per share and the Issue Price is 2 times of the face value i.e. ₹ 20/- per share.

STATEMENT OF TAX BENEFIT

To,
The Board of Directors,
Jupiter Infomedia Ltd,
Mumbai.

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Offer of Equity Shares

We refer to the proposed initial public offer of Jupiter Infomedia Limited (the 'Company') and give the current position of tax benefit available to the Company and to its shareholders as per the provisions of the Income tax Act, 1961, Wealth Tax Act, 1957 for inclusion in the offer document for the proposed initial public issue in the enclosed **Annexure**.

The current position of tax benefits available to the Company and to its shareholders is provided for general information purposes only. In view of the individual nature of tax benefits, each investor is advised to consult its own tax consultant with respect to the specific tax implications arising out of its participation in the issue. The current position is given based on the income tax provisions applicable for the financial year 2012-13.

Unless otherwise specified, sections referred to below are sections of the Income-tax Act, 1961 (the "Act"). All the provisions set out below are subject to conditions specified in the respective sections for the applicable period.

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

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

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

No assurance is given that the revenue authorities/ Courts will concur with the views expressed herein. Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We are not liable to any other person in respect of this statement.

This certificate is provided solely for the purpose of assisting the addressee Company in discharging its responsibilities under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009

We hereby give our consent to include our above referred opinion regarding the tax benefits available to the Company and to its share holders in the offer document which the company intends to submit to the Securities and Exchange Board of India, Mumbai.

For and on behalf of
Mahadev Desai Associates
Chartered Accountants
Firm Regn. No. 105737W

Mahadev Desai (M. No. 41280)
Proprietor

Place: Mumbai
Date: July 10, 2012

ANNEXURE

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

TAX BENEFIT FOR THE COMPANY

I. SPECIAL TAX BENEFITS TO THE COMPANY

Nil

II. GENERAL TAX BENEFITS TO THE COMPANY (under Income tax Act)

1. In accordance with section 10(34), dividend income (referred to in section 115-O) will be exempt from tax.
2. In case of loss under the head "Profit and Gains from Business or Profession", it can be set-off with other income and the excess loss after set-off can be carried forward for set-off with the business income of the next eight Assessment Years.
3. In accordance with section 32(1)(ii), the company can claim depreciation on specified tangible (being Buildings, Plant & Machinery, Computer and Vehicles) and intangible assets (being Knowhow, Copyrights, Patents, Trademarks, Licenses, Franchises or any other business or commercial rights of similar nature acquired on or after 1st April, 1998) owned by it and used for the purpose of its business. In case of any new plant and machinery (other than ships and aircraft) that will be acquired and installed by the company engaged in the business of manufacture or production of any article or thing, the company will be entitled to a further sum equal to twenty per cent of the actual cost of such machinery or plant subject to conditions specified in section 32 of the Act.
4. If the company invests in the equity shares of another company, as per the provisions of Section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income if the transaction is chargeable to securities transaction tax.
5. Income received in respect of the units of mutual fund specified under clause 10(23D) or income received in respect of units from administrator of the specified undertakings or income received in respect of units from the specified company is exempt from tax in the hand of the company, under section 10(35) of the I.T. Act
6. In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of:
 - 20 percent (plus applicable surcharge and "Education Cess") of the capital gains as computed after indexation of the cost. Or
 - 10 percent (plus applicable surcharge and "Education Cess") of the capital gains as computed without indexation.
7. In accordance with Section 111A capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be the aggregate of (i) the amount of income-tax calculated on such short term capital gains at the rate of 15 percent (plus applicable surcharge and "Education Cess") and (ii) the amount of income-tax payable on the balance amount of the

total income as if such balance amount were the total income.

8. In accordance with section 35D, the company is eligible for deduction in respect of specified preliminary expenditure incurred by the company in connection with extension of its undertaking or in connection with setting up a new unit for an amount equal to 1/5th of such expenses for each of the five successive previous years beginning with the previous year in which the extension of the undertaking is completed or the new unit commences production or operation, subject to conditions and limits specified in that section.
9. In accordance with section 35DDA, the company is eligible for deduction in respect of payments made to its employees in connection with their voluntary retirement for an amount equal to 1/5th of the amount so paid for that previous year, and the balance in four equal installments for each of the succeeding previous years subject to conditions specified in that section.
10. In accordance with section 35, the company is eligible for –
 - Deduction in respect of any expenditure (not being in the nature of capital expenditure) on scientific research related to the business subject to conditions specified in that section.
 - As per section 35(2AA) a deduction of 175% shall be allowed as a deduction of the sum paid by the company, to a National Laboratory or a University or an Indian Institute of Technology or a specified person as specified in this section with a specific direction that the sum shall be used for scientific research undertaken under a programme approved in this behalf by the specified authority subject to conditions specified in that section.
11. In accordance with section 80-IA, the company can claim, subject to fulfillment of certain conditions, deduction of an amount equal to hundred percent of the profits and gains derived from the business of, development of Infrastructure facilities including construction of roads, bridges, rail systems, highways, irrigation projects, ports etc, for Ten consecutive assessment years out of Twenty years beginning from the year in which the company develops such facility.
12. The amount of tax paid under section 115JB by the company for any assessment year beginning on or after April 1, 2006 will be available as credit for ten years succeeding the assessment year in which MAT credit becomes allowable in accordance with the provisions of section 115JAA of the Act.

III. TAX ON DISTRIBUTION OF PROFIT (Sec 115-O)

- Tax on distributed profits of domestic companies.
- Any amount declared, distributed or paid by company by way of dividend shall be charged to additional income tax at the rate of 15% plus applicable surcharge and education cess.

IV. TAX RATES

- The tax rate is 30%
- The surcharge on Income Tax is 5% if the taxable income exceeds ₹1,00,00,000/-, Education Cess is 3%

TAX BENEFIT FOR SHAREHOLDERS

V. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS OF THE COMPANY

Nil

VI. GENERAL TAX BENEFITS TO THE SHAREHOLDERS OF THE COMPANY

A. Under the Income-Tax Act

- **Resident**

1. In accordance with section 10(34), dividend income declared, distributed or paid by the company (referred to in section 115-O) on or after April 1, 2003 will be exempt from tax.
2. Shares of the Company held as capital asset for a period of more than twelve months preceding the date of transfer will be treated as a long term capital asset.
3. In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income if the transaction is chargeable to securities transaction tax.
4. As per section 36(1)(xv) of the Act, the securities transaction tax paid by the shareholder in respect of taxable securities transactions entered in the course of the business will be eligible for deduction from the income chargeable under the head —Profits and Gains of Business or Profession if income arising from taxable securities transaction is included in such income.
5. 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, it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by a cost inflation index as prescribed from time to time.
6. As per the provision of section 71, if there is a loss under the head "Capital Gain", it cannot be set-off with the income under any other head. Section 74 provides that the short term capital loss can be set-off against any long term capital gain. But Long Term Capital Loss cannot be set-off against short term capital gain.
7. In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be the lower of :
 - 20 percent (plus applicable surcharge and "Education Cess") of the capital gains as computed after indexation of the cost. Or
 - 10 percent (plus applicable surcharge and "Education Cess") of the capital gains as computed without indexation.
8. In accordance with Section 111A capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be the aggregate of (i) the amount of income-tax calculated on such short term capital gains at the rate of 15 percent (plus applicable surcharge and "Education Cess") and (ii) the amount of income-tax payable on the balance amount of the total income as if such balance amount were the total income.
9. In accordance with section 54EC, long-term capital gains arising on transfer of the shares of the company on which securities transaction tax is not payable, shall be exempt from tax if the gains are invested within six months from the date of transfer in the purchase of a long-term specified asset. The long-term specified asset notified for the purpose of investment is Rural Electrification

Corporation Ltd. (REC) and National Highways Authority of India (NHAI). Notification issued by Government of India specifies that no such bonds will be issued to a person exceeding ₹50 lacs.

If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

If the specified asset is transferred or converted into money at any time within a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the specified asset is transferred.

10. In accordance with section 54ED, capital gain arising on the transfer of a long-term capital asset being listed securities on which securities transaction tax is not payable, shall be exempt from tax provided the whole of the capital gain is invested within a period of six months in equity shares forming part of an eligible issue of capital.

If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

If the specified equity shares are sold or otherwise transferred within a period of one year from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the specified equity shares are transferred.

The cost of the specified equity shares will not be eligible for deduction under section 80C.

11. In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the company held by an individual or Hindu Undivided Family on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual or Hindu Undivided Family.

- Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
- purchases another residential house within a period of one year after the date of transfer of the shares; or
- constructs another residential house within a period of three years after the date of transfer of the shares; and
- the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

- **Non-Residents**

1. In accordance with section 10(34), dividend income declared, distributed or paid by the company (referred to in section 115-O) will be exempt from tax.
2. In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to securities transaction tax.
3. In accordance with section 48, capital gains arising out of transfer of capital asset being shares in the company, and such transaction is not chargeable to securities transaction tax, shall be computed by converting the cost of acquisition, expenditure in connection with such transfer and the full value of the consideration received or accruing as a result of the transfer into the same foreign currency as was initially utilized in the purchase of the shares and the capital gains computed in such foreign currency shall be reconverted into Indian currency, such that the aforesaid manner of computation of capital gains shall be applicable in respect of capital gains accruing / arising from every reinvestment thereafter and sale of shares or debentures of an Indian company including the Company.
4. In accordance with section 112, the tax on capital gains on transfer of listed shares, where the transaction is not chargeable to securities transaction tax, held as long term capital assets will be at the rate of 20% (plus applicable surcharge and additional surcharge called as "Education Cess").
5. In accordance with Section 111A capital gains arising from the transfer of a short term asset being an equity share in a company and such transaction is chargeable to securities transaction tax, the tax payable on the total income shall be the aggregate of (i) the amount of income-tax calculated on such short term capital gains at the rate of 15 percent (plus applicable surcharge and "Education Cess") and (ii) the amount of income-tax payable on the balance amount of the total income as if such balance amount were the total income.
6. In accordance with section 54EC, long-term capital gains arising on transfer of the shares of the company on which securities transaction tax is not payable, shall be exempt from tax if the gains are invested within six months from the date of transfer in the purchase of a long-term specified asset. The long-term specified asset notified for the purpose of investment is Rural Electrification Corporation Ltd. (REC) and National Highways Authority of India (NHAI). Notification issued by Government of India specifies that no such bonds will be issued to a person exceeding 150 lacs.

If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

If the specified asset is transferred or converted into money at any time within a period of three years from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the specified asset is transferred.

7. In accordance with section 54ED, capital gain arising on the transfer of a long-term capital asset being listed securities on which securities transaction tax is not payable, shall be exempt from tax provided the whole of the capital gain is invested within a period of six months in equity shares forming part of an eligible issue of capital.

If only a part of the capital gain is so invested, the exemption would be limited to the amount of the capital gain so invested.

If the specified equity shares are sold or otherwise transferred within a period of one year from the date of acquisition, the amount of capital gains on which tax was not charged earlier shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the specified equity

shares are transferred.

The cost of the specified equity shares will not be eligible for deduction under section 80C.

8. In accordance with section 54F, long-term capital gains arising on the transfer of the shares of the company held by an individual or Hindu Undivided Family on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is utilized, within a period of one year before, or two years after the date of transfer, in the purchase of a new residential house, or for construction of a residential house within three years. Such benefit will not be available if the individual or Hindu Undivided Family.
 - Owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
 - purchases another residential house within a period of one year after the date of transfer of the shares; or
 - constructs another residential house within a period of three years after the date of transfer of the shares; and
 - the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

If only a part of the net consideration is so invested, so much of the capital gains as bears to the whole of the capital gain the same proportion as the cost of the new residential house bears to the net consideration shall be exempt.

If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, shall be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

- **Non-Resident Indians**

Further, a Non-Resident Indian has the option to be governed by the provisions of Chapter XII-A of the Income-tax Act, according to which:

1. In accordance with section 115E, income from investment or income from long-term capital gains on transfer of assets other than specified asset of the company shall be taxable at the rate of 20% (plus applicable surcharge and "Education Cess"). In case of income by way of long term capital gains in respect of a specified asset, shall be chargeable at 10% plus applicable surcharge and "Education Cess")
2. In accordance with section 115F, subject to the conditions and to the extent specified therein, long - term capital gains arising from transfer of shares of the company acquired out of convertible foreign exchange, and on which securities transaction tax is not payable, shall be exempt from capital gains tax if the net consideration is invested within six months of the date of transfer in any specified asset.
3. In accordance with section 115G, it is not necessary for a Non-Resident Indian to file a return of income under section 139(1), if his total income consists only of investment income earned on shares of the company acquired out of convertible foreign exchange or income by way of long-term capital gains earned on transfer of shares of the company acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the Income Tax Act.

4. In accordance with section 115-I, where a Non-Resident India opts not to be governed by the provisions of Chapter XII-A for any assessment year, his total income for that assessment year (including income arising from investment in the Company) will be computed and tax will be charged according to the other provisions of the Income-tax Act.
5. As per the provisions of section 90, the NRI shareholder has an option to be governed by the provisions of the tax treaty, if they were beneficial than the domestic law wherever India has entered into Double Taxation Avoidance\ Agreement (DTAA) with the relevant country.

- **Foreign institutional investors (FIIs)**

1. In accordance with section 10(34), dividend income declared, distributed or paid by the company (referred to in section 115-O) on or after April 1, 2003 will be exempt from tax in the hands of Foreign Institutional Investors (FIIs).
2. As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the section 10(38) of the Act at the following rates:
 - Long-Term Capital Gain 10%
 - Short-Term Capital Gain (Referred to Section 111A) 15 %
 - Short-Term Capital Gain (other than under section 111A) 30%
 - The above tax rates have to be increased by the applicable surcharge, education cess, and secondary and higher education cess.
3. In accordance with section 10(38), any income arising from the transfer of a long term capital asset being an equity share in a company is not includible in the total income, if the transaction is chargeable to securities transaction tax.
4. As per section 54EC of the Act and subject to the conditions and to the extent specified therein, long term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from tax if the capital gains are invested in a "long term specified asset" within a period of six months after the date of such transfer, subject to the limit of Rs. Fifty lakhs in a financial year.

- **Venture Capital Companies/Funds**

1. Under Section 10(23FB) of the Income Tax Act, 1961, any income of Venture Capital company / funds (setup to raise funds for investment in venture capital undertaking notified in this behalf) registered with the Securities and Exchange Board of India would be exempt from income tax, subject to conditions specified therein. However, under Section 115U of the Income Tax Act, 1961, any income derived by a person from his investment in venture capital companies / funds would be taxable in the hands of the person making an investment in the same manner as if it were the income received by such person had the investments been made directly in the venture capital undertaking.

- **Mutual Funds**

2. In accordance with section 10(23D), any income of:
 - a Mutual fund registered under the Securities and Exchange Board of India Act 1992 or regulations made there under;
 - such other Mutual Fund set up by a public sector bank or a public financial institution or authorized

by the Reserve Bank of India subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf, will be exempt from income-tax

B. Under the Wealth Tax Act

"Asset" as defined under-section 2(ea) of the Wealth-tax Act, 1957 does not include shares in companies and hence, these are not liable to wealth-tax.

NOTES:

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

SECTION V: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section has been extracted from the websites of and publicly available documents from various sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the Issue has independently verified the information provided in this chapter. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.

Global Economy Snapshot 2012 – 2013

What may be expected?

- The global economy is expected to expand 2.5 and 3.1% in 2012 and 2013 using purchasing power parity weights
- High-income country growth is to be 1.4% in 2012 and 2.0% in 2013,
- Developing country growth has been revised down to 5.4 and 6%
- World trade, which expanded by an estimated to grow only 4.7% in 2012, before strengthening to 6.8% in 2013.

Expectations on GDP growth as estimated by the UN are placed close at heels of forecasts by the World Bank as illustrated in table 1 below. A noteworthy difference in the two estimates pertains to the outlook towards the Euro area. While the World Bank presents a rather bleak outlook with negative growth of 0.3%, the UN maintains a near zero but positive growth rate for region in 2012.

	2011(e)	2012(f)	2013(f)
World	2.8	2.6	3.2
High Income	1.6	1.4	2.0
<i>Euro Area</i>	<i>1.5</i>	<i>0.4</i>	<i>1.3</i>
<i>US</i>	<i>1.7</i>	<i>1.5</i>	<i>2.0</i>
<i>Japan</i>	<i>-0.5</i>	<i>2.0</i>	<i>2.0</i>
Developing	6.0	5.6	5.9
<i>Brazil</i>	<i>3.7</i>	<i>2.7</i>	<i>3.8</i>
<i>Russia</i>	<i>4.0</i>	<i>3.9</i>	<i>4.0</i>
<i>India</i>	<i>7.6</i>	<i>7.7</i>	<i>7.9</i>
<i>China</i>	<i>9.3</i>	<i>8.7</i>	<i>8.5</i>

Source: UN, World Economic Situation and Prospects, 2012 (e-estimate, f-forecast)

(Source: <http://indiamicrofinance.com/global-economy-2012-trends.html>)

Global Economy Impact on Indian Economy

The Indian economy is largely a domestic oriented economy. However, as was seen in FY12, the global crisis has impacted us quite significantly through:

- Flow of capital through both FII and commercial borrowings
- Forex inflows through remittances and software receipts
- Volatility in the exchange rate
- Growth in exports as well as projects undertaken overseas
- Price inflation (in particular oil)

- Sentiment in stock market which in turn has a bearing on corporate earnings

Based on the projections made by the World Bank and UN, conditions may be expected on the whole to be better than that in 2011, with the caveat being that conditions do not deteriorate further in the euro region. (Source: <http://indiamicrofinance.com/global-economy-2012-trends.html>)

Overview of the Indian Economy

India is developing into an open-market economy, yet traces of its past autarkic policies remain. Economic liberalization, including industrial deregulation, privatization of state-owned enterprises, and reduced controls on foreign trade and investment, began in the early 1990s and has served to accelerate the country's growth, which has averaged more than 7% per year since 1997. India's diverse economy encompasses traditional village farming, modern agriculture, handicrafts, a wide range of modern industries, and a multitude of services. Slightly more than half of the work force is in agriculture, but services are the major source of economic growth, accounting for more than half of India's output, with only one-third of its labour force. India has capitalized on its large educated English-speaking population to become a major exporter of information technology services and software workers. In 2010, the Indian economy rebounded robustly from the global financial crisis - in large part because of strong domestic demand - and growth exceeded 8% year-on-year in real terms. However, India's economic growth in 2011 slowed because of persistently high inflation and interest rates and little progress on economic reforms. High international crude prices have exacerbated the government's fuel subsidy expenditures contributing to a higher fiscal deficit, and a worsening current account deficit. Little economic reform took place in 2011 largely due to corruption scandals that have slowed legislative work. India's medium-term growth outlook is positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. India has many long-term challenges that it has not yet fully addressed, including widespread poverty, inadequate physical and social infrastructure, limited non-agricultural employment opportunities, scarce access to quality basic and higher education, and accommodating rural-to-urban migration.

(Source: <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>)

Growth in Indian Economy

While transmission of monetary easing to interest rates would take place with a lag, declining cost of domestic funds would boost consumption sentiments and the growth of rate-sensitive sectors such as construction. Growth of private consumption, which accounts for around 60% of GDP at market prices, is expected to improve to an extent from around 5.1% in April-December 2011 in year-on-year (y-o-y) terms to around 6.5-7.0% in 2012-13, following the easing in headline inflation and the anticipated decline in interest rates. In addition to the impact of monetary easing, the growth performance of the manufacturing and mining sectors is likely to display some improvement given the base effect. Service sector growth, which has remained healthy despite the slowdown in industrial growth in H1, 2011-12, is expected to support overall economic growth in 2012-13.

At present, the Indian rupee is around 12% cheaper relative to the US dollar as compared to the levels in August 2011, providing exporters with a competitive advantage. Despite the diversification of exports to newer geographies, the growth of Indian exports is likely to be subdued in the coming fiscal year. This is related to the bleak outlook for the Advanced Economies, several of which are likely to display low growth in 2012-13 following the fiscal tightening to be undertaken to reduce the mounting sovereign debt levels. Furthermore, developments in the Advanced Economies would determine global liquidity conditions, risk aversion and business confidence, all of which may critically impact the level of financial flows into India as well as the level of the Indian rupee relative to other major currencies, both of which have undergone considerable volatility over the course of 2011-12.

While several uncertainties persist, in the baseline scenario factoring in a normal monsoon, average inflation of around 6.0-6.5% in 2012-13, monetary easing of around 100 bps over the course of 2012-13 and some resolution to the European sovereign debt crisis without a major credit event, ICRA presently expects GDP

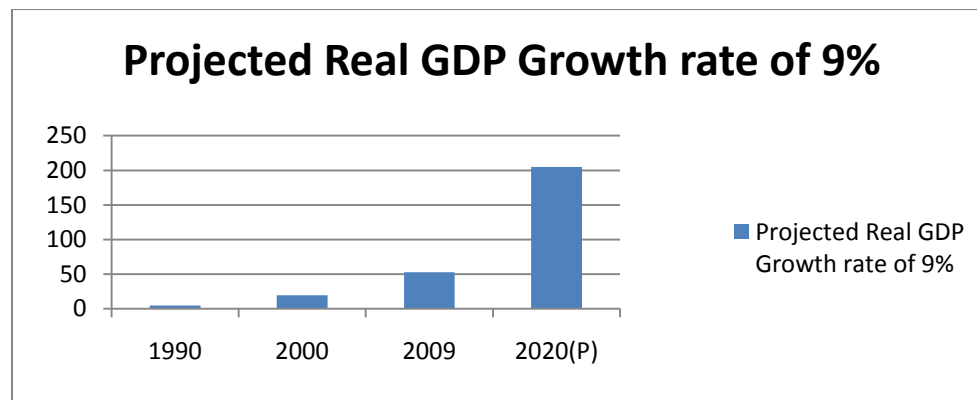
growth to remain around 6.9-7.0% in 2012-13. However, this forecast may be revised over the course of the year, factoring in the evolving domestic and global scenario.

(Source: <http://www.icra.in/Files/ticker/ICRA%20Macro%20and%20Policy.pdf>)

Driven by a nominal annual growth rate of 13 per cent, GDP is set to quadruple over the next ten years to reach Rs.205 trillion (US\$ 4.5 trillion) by 2020.

The gross domestic savings are expected to grow by 3.8 times from Rs.19 trillion in 2009 to Rs.72 trillion by the end of the next decade. The increased savings are expected to lead to a huge surge in domestic consumption expenditure which is set to triple from ₹ 30 trillion in 2009 to ₹ 113 trillion in 2020.

The change in the economic pattern of the country by 2020 is expected to reduce inequality among the various population classes of India. The population in the deprived category is likely to be reduced from 133 million households to 100 million households during this period. This reduction would tantamount to growth in consumption. Consumption by middle and higher-middle class population is likely to increase from 47 per cent in 2010 to 60 per cent in 2020. A substantial growth in consuming class population could serve as a self-igniting phenomenon for the Indian economy.



(Source: <http://www.wcgt.in/html/assets/MSMEVision2020.pdf>)

Online Advertising & Marketing in India

The online advertising market comprises of search, display, and rich media. video and is currently valued around ₹1850 cr (USD 410 million) which is 7% of the overall advertising pie and less than the global average of 15.5%. Advertisers in India are now spending 5-10 % of their advertising budgets on the internet, according to the report. Globally, the trend of online advertising is growing at the cost of a decline in print advertising which is different in India where print and internet both are in the growth mode. The online advertising is expected to reach ₹ 7000 cr (USD 1.6 billion) by 2025, according to the report. Due to the increasing Internet penetration and improved user engagement, the time spent on the web is expected to increase significantly, resulting in online advertising to account for 10-15 per cent of the overall advertising market by 2015. Also, the report estimates the overall Internet commerce market to be worth about Rs 46,520 crore at the end of 2011. While 76 per cent of this market was captured by the online travel industry, about eight per cent was contributed by financial services transactions and e-retailing each.

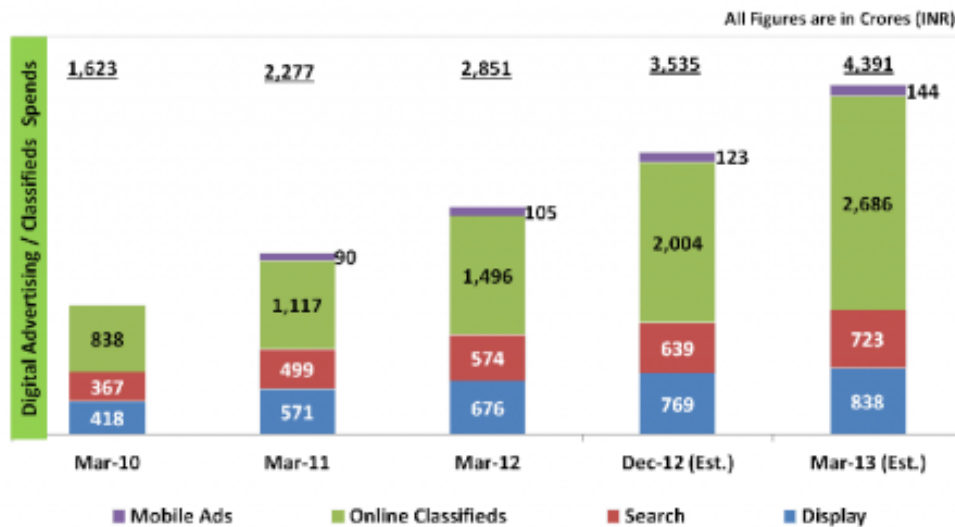
(Source: http://articles.economictimes.indiatimes.com/2012-02-20/news/31079720_1_online-advertising-advertising-market-e-retailing)

As per the by the Internet and Mobile Association of India (IAMAI) and IMRB, the Indian online advertising market, including classifieds, will grow by a whopping 54% in the next 12 months. As of March 2012, the industry was worth Rs 2,851 crores in annual revenue and will further grow to Rs 4,391 crores by March 2013, the IAMA, which represents the online and VAS players in India, said. However, online classifieds are sometimes not included in the definition of online ad market. India has a large online matrimonial ad segment.

Excluding online classifieds, online advertising in India was worth about Rs 1,250 crore last month and will grow about 25% to Rs 1,561 in the next 12 months. Mobile advertising will grow from 105 crore to Rs 144 crore during the same period. Interestingly, the display market continues to be slightly ahead of the search market in India, contributing about 55-60% of the total 'pure' online ad market. The ratio will remain very similar even after a year, it predicted. Worldwide, analysts have been pointing to a sharper rise in search advertising compared to that of display.

In terms of size, IMAI mentioned in the report that the online advertising market in India is about 11% the size of the conventional or traditional media ad market, the annual survey said. Online advertising has been growing in India, even in the recent economic downturn. "On an average, the digital ad spends have been growing at 25% year-on-year basis.

(Source: http://rtn.asia/1174_indian-online-ad-spend-jump-54-year-iamai)

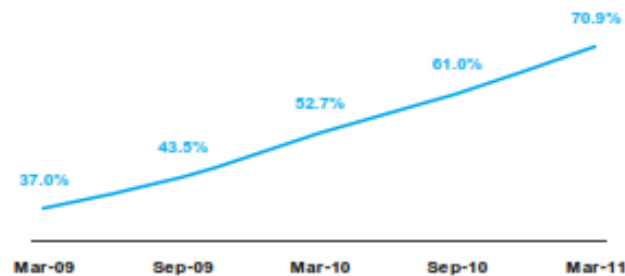


(Source: http://rtn.asia/1174_indian-online-ad-spend-jump-54-year-iamai)

Mobile Ubiquity and Internet Penetration Changing Source of Information/Media

The growth of the advertising sector and search services in India is also due in part to the growing use of mobile internet in India. According to TRAI, the number of wireless subscribers in India was 811.6 million as of 31 March 2011, with an overall teledensity rate of 68.0%. The number has grown at a CAGR of 43.9% from 391.8 million in March 2009. The number of mobile subscribers in India is expected to exceed 1 billion by 2014.

Overall (Wireless and Wireline) Teledensity in India



Source: TRAI

Growing Online Population

As of September 2011, there were 112 Mn claimed Internet users in India. 88 Mn users are from urban cities and 18 Mn are from rural villages. In March 2011, India has witnessed an 18% rise in Active Internet Users among urban cities, amounting to 65 million across in country. Numbers of people who have Ever Used internet and are PC literates have also grown to 82 Mn and 114 Mn respectively. This growth is expected to continue and there will be 119 Mn PC literates and 88 Mn claimed Internet users – of which there will be 70 Mn active Internet users who access Internet at least once a month. Among rural villages as of March 2011, there are 18 Mn claimed Internet users and 14.3 active Internet users. It is expected that the growth in the rural villages will be higher compared to urban cities. It is expected that, there will be 29 Mn claimed and 24 Mn active Internet users. While the 18% hike in the total Active Internet Users appears to be satisfactory, a look at past six years trend unveils the gradually approaching saturation. While the growth levels approach stagnancy, the dynamics with Internet continue to take shape to accommodate India as a universally acceptable Media vehicle.

(Source: IAMAI I Cube report 2011)

The growth of the online advertising sector and search services in India is due in part to the growing internet base in India. The Indian internet market is still in its nascent stage and has a high potential to expand rapidly. Growing number of Internet and broadband connections can give the Indian economy the much-needed fillip by adding \$ 17 billion to the gross domestic product (GDP) annually. According to a report, India - The Impact of Internet - 10 per cent increase in internet penetration can increase the GDP by 1.08 per cent. This will help the country add \$17 billion annually. The report, jointly prepared by the Indian Council for Research on International Economic Relations (ICRIER), The Internet and Mobile Association of India (IAMAI) and the Department of IT said as the number of internet users goes up, the growth impact of the internet will improve significantly. Broadband, it said, has a bigger impact on growth. It added that an additional \$87 billion in GDP during 2012-2014 can be generated if the targets are achieved according to TRAI's National Broadband Plan. The Department of Information Technology expects to add 175 million broadband users by 2014, which will result in 700 million Internet users. India has over 100 million internet users and the number of broadband users according to the latest data is just over 13 million.

(Source: <http://www.business-standard.com/india/news/internet-penetration-to-boost-indias-gdp/462368/>)

Internet landscape and impact statistics

	Internet users Million	Internet penetration % of population	Fixed broadband subscribers % of population	Mobile broadband subscriptions % of population	Median monthly cost of 1 Mbps \$ PPP	Online retail share of retail %	Internet contribution to GDP ¹ % of GDP	Internet contribution to GDP growth ¹ % of GDP growth
Argentina*	26	64	10	13	16	1.1	2.2	2.7
Brazil	79	41	7	11	17	3.1	1.4	2.4
Canada	28	81	30	15	5	0.9	2.7	10.2
China	486	36	9	2	11	1.1	2.6	3.4
France	50	78	33	36	8	3.8	3.2	17.6
Germany	67	82	32	36	4	3.8	3.2	24.3
Hungary*	7	68	20	30	3	1.1	3.9	11.4
India	98	8	1	1	59	0.3	3.2	5.2
Italy	33	54	22	59	7	0.9	1.7	12.2
Japan	101	79	27	88	–	3.2	4.0	–
Malaysia*	16	55	7	27	50	4.4	4.1	2.3
Mexico*	39	34	10	8	22	0.5	1.0	2.2
Morocco*	16	49	2	10	–	0.5	0.9	1.2
Nigeria*	52	33	<1	3	–	0.1	0.5	0.9
Russia	61	43	11	17	5	2.1	0.8	0.9
South Korea	40	83	36	91	–	12.3	4.6	16.0
Sweden	8	90	32	84	3	3.8	6.3	32.9
Taiwan*	16	72	23	–	–	3.0	5.4	12.7
Turkey*	36	49	10	18	9	0.8	0.9	1.5
United Kingdom	53	85	31	56	4	7.7	5.4	22.7
United States	250	81	27	54	5	4.0	3.8	14.9
Vietnam*	27	31	4	13	41	–	0.9	1.6

(Source: Internet World Stats)

Factors Influencing Online Advertising in India

The Internet has come a long way in terms of advancements in technologies since it was first introduced. It opened countries to global communication which had hardly been heard of or experienced before, practically making the world a whole lot smaller and more accessible. It is for this reason that the Internet offers a perfect vehicle for businesses across the globe, including India, to launch and distribute products and services to a more massive potential clientele.

According to the Indian Revenue Service, the Internet has outperformed all other diverse media channels in terms of compound annual growth rate (CAGR), with figures reaching up to 37.3 percent. This is much higher than the registered growth rate for terrestrial television, at 7.1 percent CAGR, prints media at 3.7%, CAGR and cinema at only 3.1% growth rate.

The growth in popularity of Internet advertising in India can be attributed to several factors, some of which are discussed below:

The number of online users in the country is steadily growing. As of 2010, there are 81 million Internet users in India out of the 1.17 billion total populations, for a 6.9% penetration rate according to statistics from the International Telecommunication Union (ITU). These figures will continue to grow rapidly in the coming years as more operational Internet providers will open up shop and gain more subscribers.

Aside from the existing local Internet users, there is a very large number of Indian expatriates at various locations across the globe who are all consuming content targeted for Indian audiences. These Indian expatriates have better access to online media; have higher rates of consumption, and the paying capacity to make online purchases.

India has a high literacy rate, and yet the use of the English language is low and there is a lack of available online content in the local vernacular, which is preferred by a majority of Indian online users. This gives Internet advertisers more focus in marketing to targeted audiences with ads and Internet campaigns specially designed for Indian consumers.

60% of online users in India regularly access the Internet, mostly through dial-up connections or through the various cyber cafes in the country. As of 2009, the ITU reported that there are more than 5,280,000 broadband subscribers in the country with access to more diverse Internet content and services.

In India, the same as everywhere else, the cost for marketing in traditional forms of mass communication like television, radio and print are very cost-prohibitive in terms of the ratio of cost against market reach. Internet marketing is much more cost-efficient as it does not cost businesses that much to create websites, maintain opt-in lists, and other online advertising techniques.

Traditional advertising media uses a shotgun hit-and-miss approach, while Internet marketing tools are aimed towards more targeted audiences. Internet marketing methods such as pay-per-click, pay-per-action and pay-per-play advertising can solicit response only from targeted audiences giving advertisers more cost effective advertising displays to market their products.

Internet marketing uses more inter active tools that engage consumers in a more in-depth manner than traditional passive media. Potential customers can readily provide their comments and feedback, giving companies' real-time analysis as to what customers need in order to better align their marketing strategies. On top of that, Internet marketing tools have better and faster ways of measuring marketing statistics, giving them insights as to what would be more appealing to their targeted customers.

Internet marketing is made more effective due to word-of-mouth or viral marketing, with much Internet marketing content easily shareable through various popular social networking sites in India such as Orkut, Facebook and Bharatstudent. Such online content can also be shared through blogs and video sharing sites, giving the potential of reaching a wider audience even more.

(Source: <http://www.onlinemarketing-trends.com/2012/03/with-indias-12-billion-population-web.html>)

Trends in Online Advertising Market in India

Interest in the Internet is continually growing in India despite limitations in the ISP market, where only 10% of operational ISPs carry 90% of subscribers in the country, particularly the state-owned Bharat Sanchar Nigam Ltd (BSNL) and Mahanagar Telephone Nigam Ltd (MTNL) telecommunication companies. Aside from broadband subscription, the growing number of cyber cafes in the country has also contributed greatly to the popularity of the Internet.

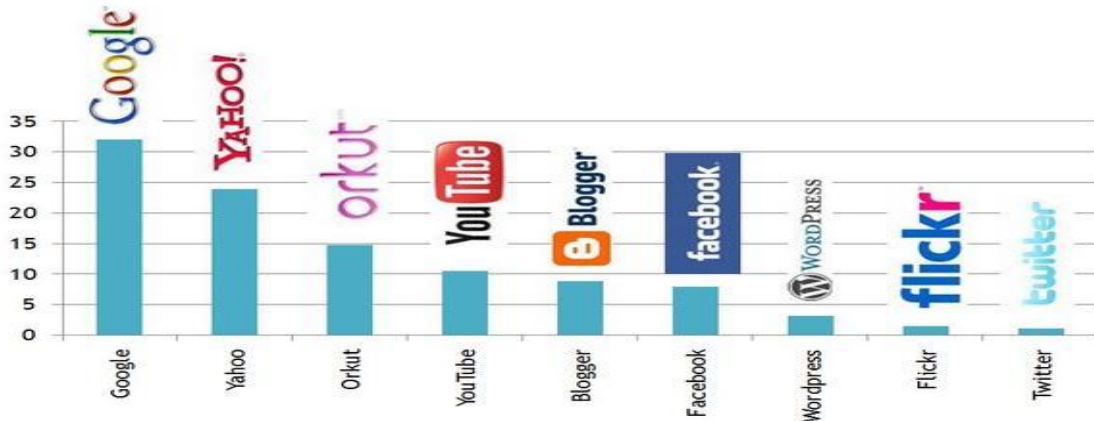
In a report published by the Internet and Mobile Association of India, the average Indian user spends approximately 3.5 hours a week, or 26 minutes a day, on the Internet and would spend 12% less time during the weekends. The study also reported that Indian women spend less time on the Internet than men and less so during the weekends. The report also indicates that activities on social networking sites peak by 12% on Fridays.

Information like this and other data that indicate the behavior patterns of Indian online users has contributed much to the growth of Internet advertising in the country. In the fiscal year 2008 to 2009, the growth rate for online advertising displays reached figures of up to 38 percent, or the equivalent of INR 3250 million. This figure jumped to INR 4300 million during the fiscal year 2009 to 2010.

The biggest spenders for Internet advertising in India include the biggest industries in the country; namely, Banking, Financial Services and Insurance (BFSI); Fast Moving Consumer Goods (FMCG); and the retail industry. Other industries include education, telecommunication, travel and the auto industries.

(Source: <http://www.onlinemarketing-trends.com/2012/03/with-indias-12-billion-population-web.html>)

Top Activities on the Net



Source: Monthly unique users in millions from <http://www.vizisense.com>

(Source: <http://www.onlinemarketing-trends.com/2012/03/with-indias-12-billion-population-web.html>)

Even so, the online advertising market in India is only worth \$200 million of the \$80 billion global market, with Google's share of \$100 million being an almost negligible percentage of its worldwide revenue of \$29.3 billion dollars last year. Most Indian advertisers continue to pour billions of dollars in traditional newspaper and television advertising, online ads in India seems to be slow becoming Mainstream, and with Mobile coming of Age across Countries and India, It is one of the Fastest growing sweet spot for Digital Advertisers as Web-enabled phone less than about \$80.and a good smart phones cost at least \$140. Google has been working closely with manufacturers to bring out low-cost phones in India that use its Android operating system.

According to research by ViziSense, Google Search is used by 65 million Internet users in India and YouTube by 23 million. India is among the top nations by number of users on Google+, with 3 million Indians already having signed up for the new social network. Orkut, the company's other social network, continues to be used by 11.1 million Indian users, though the service is in decline. Facebook, by comparison, boasts of 42.7 million users in India

(Source: <http://www.onlinemarketing-trends.com/2012/03/with-indias-12-billion-population-web.html>)

Opportunities in Online Advertising

We are living in the era of world-class technology. Be it communication, sales, education, business, bill payment or ticket booking, internet has managed well to position itself in almost every aspect of our life. Now all businesses are moving toward e-business. Consequently it becomes evident to find a better way to reach the target audience. And Internet has immerged as an effective and interactive medium to expose products and introduce services via online campaigns. Many of the contemporary advertising methods are a result of the influx of the Internet, while some of the trends are just novel ideas that have transformed mundane advertising media into brilliant and humorous advertising methods! Internet advertising is a vast concept and it involves several sub-types, many of which are only recently introduced. Email advertising is one of the earlier trends, while the new ones include banner advertising, pixel advertising, blog advertising, keyword advertising and contextual advertising.

(Source:<http://www.techno-preneur.net/information-desk/sciencetech-magazine/2009/august09/opprtunities.pdf>)

Outlook for Internet Advertising in India 2011 and projection for 2012

Online Advertising in India in 2011

A recent survey conducted by research companies in the advertising industry led to estimates that will place internet advertising revenues close to \$428 billion in 2011, a big jump from last year's \$220 billion revenues. 21 percent of global Internet users now consider online advertising to be more relevant than traditional media such as radio, television, newspapers and magazines. According to a report from eMarketer, spending for online advertising in the United States rose by 13.9 percent last year.

This global trend is now sweeping across India and has become one of the more accepted and preferred advertising mediums by businesses and corporations. In an online performance study conducted by Ozone Media, internet advertising jumped 70 percent in performance in 2010. Many companies are also considering using online digital media for display advertising, as they are now seeing the potential of tapping into India's Internet community as a viable market for products and services.

According to Technology for Marketing and Advertising India, the advertising industry in the country will continue to grow by 12% and will reach figures of up to INR 246.9 billion. Internet advertising will take a major part in this, with the fastest CAGR of 29.6% within the next five years, and is expected to reach \$220 million, as indicated in the report published by the Internet and Mobile Association of India.

In 2011, the biggest contributor and investor to internet advertising is still expected to be the Banking, Financial Services and Insurance industry, which is projected to take up to 39 percent of the total market share. Print Media as well as the Education industries is expected to experience the highest growth rate of 76 percent, followed by the automobile industry at 46 percent. It is expected that the public will experience more product launches online.

The popularity of social media will also play a significant role in the growth of Internet advertising in India, getting 17% of the share over other online marketing tools such as email marketing and other online marketing mediums, including search engine optimization, search engine marketing, and website banner ads. Advertisers will also be focusing more on online display ads than text advertisements.

Indian companies are now putting more confidence in internet advertising and many are ready to commit advertising dollars in this marketing channel for this year and in years to come. The rapid growth of the Internet in the nation as well as the growing popularity of social media networks are prompting commercial and business advertisers to expand their marketing initiatives to include Internet advertising – and take Indian businesses to a whole new level.

(Source: <http://www.biztechreport.com/story/1173-internet-advertising-india>)

Projection for 2012:

- The growth projections for the ad industry for 2012 remained a cautious 8-9 per cent, with a total ad pie of Rs 28,013 crore.
- Print: 6% growth (Rs 11,438 crore)
- TV: 10% growth (Rs 12,626 crore)
- Radio advertising: 5% growth (Rs 948 crore)
- Outdoor advertising: 5% growth (Rs 1,362 crore)
- Internet: 50% growth (Rs 1,478 crore). The report projected that Internet would become a 5 per cent media.
- Search queries for Google continue to grow at 60 per cent YoY. Local search is growing faster.

(Source: <http://www.mahesh.com/online-advertising/online-advertising-in-india-2011-report-card-2012-projections>)

Local Indian Search Market

The local search market generally comprises offline and online search services. Offline local search services primarily includes print directory and phone based searches, where the chief source of revenue is advertisement fees paid by the business entities. Online local search involves the use of localized portals that allow users to search for geographically constrained results from a database of local listings. Major players have multi-channel access including phone, web and mobile portals, and advertising is the main source of revenue.

The local search market has evolved from word of mouth and print directories as a mode of getting local information to professional phone, web-based and voiced-based and mobile phone search services. For online search services, listing may be free or sponsored. Sponsored results get greater visibility as they are highlighted and are given preference over the other listings. Other revenue sources include database sharing or syndication by sourcing for listing or powering search results, partnering with global search engines or selling contact details of users to businesses for marketing activities. For offline search services, players come out with printed copies of local directories or operate phone-based services to respond to queries over the phone. The major source of revenue is the advertisement fee paid by the advertisers.

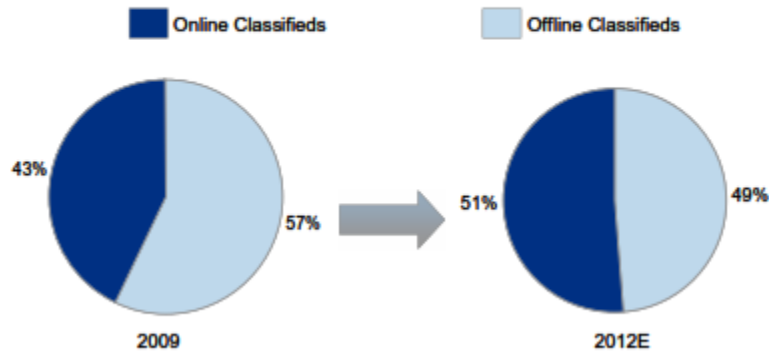
Due to consumers becoming more receptive towards phone based searches, the offline search services market has expanded. With the proliferation of technology and advancement in the current market scenario, consumers are driven more towards saving time and effort. Most leading players have call centres which provide instant response to consumer queries. The key driver for online search services is the proliferation of internet, including mobile internet, and the growing number of users in India. Consumers find it convenient to conduct search on the internet for any services or product required, especially with the reduction in price of access devices, launch of 3G network and innovative data plans that facilitate the use of internet on mobile internet. Local online search services help provide better visibility to small and local business owners by providing a scope to market and publicize their products and services and to reach a larger audience in a cost effective manner compared to traditional advertising media like TV and newspapers.

However, local offline search services face challenges such as lower acceptance in corporate culture and global drive towards a paperless environment. Local online search services are limited by generic search engines, the lack of awareness, low English literacy rate and language barriers and insufficient information and the lack of comprehensive databases.

Local offline and online classifieds

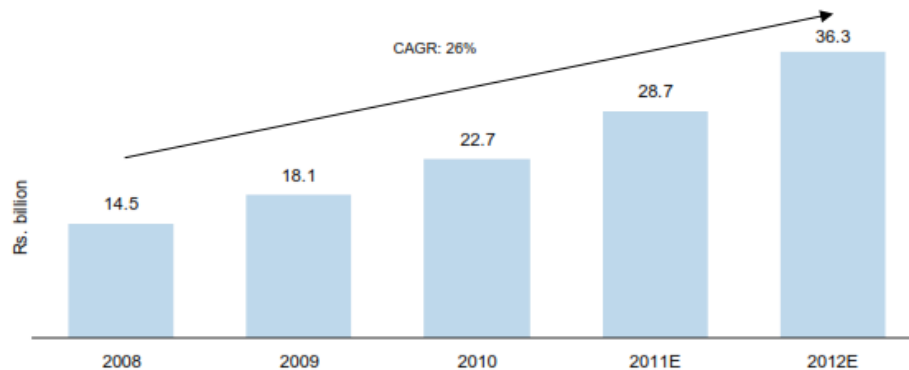
According to Netscribes, classifieds is a distinct type of advertising medium with both offline and online modes that usually comprises text with no graphics and short statements about the requirements of the buyer or the seller. It is increasingly become a popular mode of advertising. In 2009, the market segment for offline and online classifieds was 57% and 43%, respectively. With growing internet usage, the online classifieds segment is growing rapidly. It is estimated that the market segment will become 49% and 51%, respectively, by 2012.

Classifieds Market Segmentation



It is expected that the classifieds market in India will be driven by the growth in services sector, favourable demographics and growth in the advertising industry. The size of the classifieds market has grown from ₹ 14.5 billion in 2008 is expected to reach ₹ 36.3 billion in 2012.

Classifieds Market Size and Growth



Offline classifieds comprises of print media, while online classifieds comprises of horizontal or general / multipurpose classifieds website or vertical sites in jobs, real estate and matrimonial websites. Both the offline and online markets are growing on account of increasing penetration of print media and the internet. For offline classifieds, generally various types of classified advertisers and newspaper publishing houses come together to offer classified advertisements through the print media, with a revenue structure that is primarily determined by various factors associated directly with the costs of the classified advertisements. For online classifieds, advertisers are generally required to register with the respective portal and pay membership fees upfront to become a registered subscriber, with major sources of revenue generated from paid subscriptions, paid memberships, paid listings, leads generated, brokerage charges and access.

Offline classifieds market has grown consistently over the last few years and will grow further due to increasing print penetration, especially in tier two and tier three cities. The growth of the offline classifieds

market is also driven by the presence of newspapers in various vernacular languages as it provides a huge scope to cater to a large section of the population. In addition, growing readership base of newspapers in India, due to growing literacy and new technologies, will contribute to the growth of offline classifieds. The online classifieds market has grown due to increasing market penetration as consumers are increasingly using online classifieds as it is more convenient. In addition, online classifieds are more cost effective as they can obtain more exposure than through traditional print media. The online classifieds market is also driven by the strong growth in online advertising, which has grown from ₹ 1.6 billion in 2006 to ₹ 7.8 billion in 2010. Generally, the classifieds market is expected to grow due to the favourable demographics of India; it is the second most populous country worldwide with one of the largest young populations, which equates to a large demand for classifieds services. In addition, growth in the services sector acts as a driver, as it has opened up a large number of job opportunities and increased the disposable income in India, and consequently, increased the advertisements by, among others, job recruiters, automobile and real estate sectors.

Offline classifieds face challenges such as the lesser space for advertisements, especially display advertisements, becoming a major bottleneck as it restricts the scope of advertisement exposure, unlike online classifieds which offers various advertising forms, such as listings, banners, featured advertisements, home page panels and micro sites. The low visibility and coverage of offline classifieds also restricts the growth of its market, as they are contained only in a segment of the print media and are limited to the distribution area.

The low presence of vernacular languages in online classifieds medium poses a barrier for the online classifieds market and restricts the market, as non-familiarity with English may alienate people from using online media and choose print media instead. The absence of strong online payment mechanism also hinders the growth of the online classifieds market, with low credit card penetration rates and phishing scams and fraudulent methods discouraging the use of online payment modes.

(Source: Netscribes)

BUSINESS OVERVIEW

Overview

We are a growth oriented web Infomedia Company with online publications on Business, Encyclopedia and Yellowpages. We develop various informative online publications / verticals in house. The company aims to develop an online information library that would provide in-depth information to its visitors on various topics.

At present, we have three online publications where a substantial progress has been done. These include an online business directory (B2B Portal operating through the website - www.JimTrade.com), an Encyclopedia on India (operating through the website - www.IndiaNetzone.com) and an online yellowpages directory (operating through the website - www.jimyellowpages.com).

We intend to be the market leader in each segment we are operating in. At present, JimTrade.com, has already achieved the status of being one of the leading online business directory with nearly 3,00,000 products profiles. IndiaNetzone.com has been consistently developing well researched articles for “everything” related to India and Jimyellowpages.com has been launched with a focus to become the complete Online Yellowpages of India.

JimTrade.com – B2B Portal - Online business directory of India

JimTrade.com, a B2B Portal, is one of India’s largest online business directory with more than 3,00,000 product profiles of Indian Manufacturers. JimTrade.com provides the information on product profiles, supplier’s directory & trade shows in India. JimTrade facilitates global trade, with a particular focus on the Indian market, by providing information to global buyers and integrated marketing services to suppliers. Its integrated sourcing, marketing and cataloging tools aim to provide the right information at the right time, and in the right format to its patrons and hence create a network where sellers can promote their businesses online and buyers can carry out fast, free, reliable and comprehensive sourcing online. It allows users to browse suppliers and products information by and across 21 industry categories and thousands of product sub-categories ranging from agriculture to Industrial Supplies.

We believe JimTrade.com bridges the gap between our users and businesses by helping users find relevant manufacturers of products and services quickly while helping businesses listed in our database to market their products & services. We also believe that JimTrade.com is particularly relevant to SMEs, who have limited other cost effective options to access and advertise to such a large number of potential buyers. Listing on JimTrade.com provides manufacturers with exposure to buyers at a time when the users are making a purchase decision. Businesses may choose to pay for a listing to be featured on a priority basis in our search results / listings and also increased listings would result in increased online traffic.

IndiaNetzone.com – free Encyclopedia on India

IndiaNetzone.com, an encyclopedia of India, is an informative and descriptive website that provides in-depth information on arts, entertainment, health, reference, sports, society, travel and various other interesting subjects related to India. To achieve this mission, the editorial team of the company does extensive research from numerous sources and makes a complete compilation of facts on various subjects related to India. Our editorial team has already developed nearly 30,000 informative & researched articles.

The Forum at IndiaNetzone.com provides a platform to share knowledge, ask questions and interact with people hailing from different walks of life. The newsletter provided by the editorial team presents information on different informative, popular and recent topics from India. We believe that an online forum such as IndiaNetzone.com would attract a good amount of online traffic and hence increase the saleability of the portal to potential advertisers.

JimYellowpages.com – online Yellow-pages of India

JimYellowpages is online Yellow-page directory of India which contains 100+ cities and lakhs of business listings. The mission of JimYellowpages is to give listing to each business located in every nook & corner of India. We believe that an online database such as jimyellowpages.com would attract a good amount of online traffic and hence increase the saleability of the portal to potential advertisers. We may also explore the possibility of paid listings for priority clients in the future.

Our Market Opportunities

Our Advertising Market Opportunity

Advertisers' objectives range from building long-term brand awareness to stimulating an immediate purchase. We offer advertising solutions that are designed to be more engaging and relevant for users in order to help advertisers better achieve their goals. The revenue will be generated from advertising. The advertising opportunity / structure will depend from portal to portal & target visitor base. Generally advertising opportunity will consist of banner advertisement, featured listing, priority listings etc.

Our long term growth opportunity

The potential for our business to grow is based on both internal and external factors. A significant portion of our marketing effort is going to focus on contacting SMEs and other businesses to become paid users by converting free listings into campaigns.

According to the Ministry of Micro, Small and Medium Enterprises, or Gol, there were an estimated 26.0 million SMEs operating in India.

According to TRAI, the number of mobile subscribers in India is expected to exceed 1,000 million by 2014. We believe that India's large and growing Internet and mobile subscriber base provides a large potential for us to further grow our user base and search volumes.

According to Internet World Stats, as of March 31, 2011, Internet penetration was at 8.4% (or approximately 100 million users) in India, making India the world's third largest population of internet users after China and the United States, as compared to over 78.2% in the United States, which we believe represents a significant scope for further penetration and growth of Internet in India.

In addition to our strategy of geographic expansion in India as also reflected in our objects of the issue to open marketing offices across India, we also believe that we can selectively license our brand name to expand internationally.

Our Competitive Strengths

Dynamic Management Team backed by Experienced Promoters

We have developed a young and dynamic team for editorial, data management, designing and programming. This dynamic management team is backed by the promoters who have over 5 years of experience in the field. Having an efficient team in place helps us execute work faster. We believe that their strong technical experience will help us in achieving our key business strategies. For further details regarding the experience and qualifications of our management and Promoters please refer to sections titled "*Our Management*" and "*Our Promoters & Promoter Group*" beginning on pages 100 and 111 of this Prospectus respectively.

Technological expertise for the development of product portfolios on a cost effective basis in JimTrade.com

It is a challenge for most SMEs to attract the attention of the right target consumer and to expand into new markets because of their limited marketing budgets and resources. The company has currently developed various programs for data management & automated many of its operations which help us provide cost effective solutions to SME Manufacturers and other patrons. For example, details of an SME which does not have a website can be available to potential consumers online when the SME is listed in our database along with product description and image within a limited time span at a limited cost.

The company has a competent team which possesses the expertise to develop user friendly programs. These skills of web promotion have helped to establish good visitor base and we believe that this technological expertise will help us manage the growth of additional listings once we begin our aggressive marketing strategy.

Experience and Expertise in Local Indian Markets

We have been in operation in the Indian market for over seven years and the senior management team has wide ranging experience in the online media, advertising and IT industry. We believe that we possess strong knowledge of the Indian markets and the experience and expertise of our management and first-hand experience with various market participants (including SMEs and users) differentiate the company from other generic and local service providers. We believe our local expertise would help us to grow in an industry that has historically been difficult to monetize.

Strong Brand Recognition

We believe that JimTrade.com and IndiaNetzone.com are well-established in their respective arenas. We believe we have a very strong brand recall in India. Historically our brand development has been fuelled primarily through word of mouth by users based on their experience with our service and such users sharing their experiences with others. We believe that the following key factors, among other things, have contributed to the strength of our brand in India:

- Long standing presence in the respective field
- Strength and quality of our database
- Fast response to search queries and
- Consistent delivery of quality user experience.

Strong database with appropriate content

Content is the “king” is the phrase for internet. In online business directory segment, we have already achieved top position in terms of product profiles which is almost 3,00,000 product profiles and the same are growing regularly at a rapid pace. In the encyclopedia segment, we have already developed researched articles of around 30,000 in number.

First Mover Advantage in the Indian Online Media

Indian online media is still in nascent stage and provides enormous opportunities. We are focusing on areas which have very few players and provide tremendous growth opportunities.

As we are one of the first companies to offer comprehensive information about manufacturers in India, we believe that we have a first mover advantage among consumers seeking information on manufacturers & Indian products. We started JimTrade.com in 2005 and we provide fast and free access to our large database of product profiles and manufacturers directory, which attracts more trade visitors, which in turn will attract more paid business listings. We believe this creates a self-perpetuating growth cycle that enables us to maintain a leading position in the local B2B publication market. We believe that a large database of product

profiles and suppliers such as the one we have developed over several years requires considerable time and effort to develop, which creates a significant barrier to entry.

In case of Encyclopedia, IndiaNetzone.com is a unique website which has already developed thousands of researched informative articles. Due to this, it has already established a regular visitor base.

Our Business Strategies

Our broad strategy is as follows:

- To identify high growth potential segment
- Develop rich & huge content
- Establish visitor base
- Explore the advertisement opportunity

Every vertical has been started after research on many aspects to see that it provides huge growth opportunity & has very few information providers. Due to this, we get the early starter advantage and it ensures consistent growth opportunity. Further, the high quality of content leads to development of visitor base and ensures enduring value. All these factors give us the adequate leverage during the proposed commercial launch or establishing of our marketing networks.

Extend Into New Products and Services

We believe that with ever-expanding growth of the internet in India and elsewhere, the online market is poised to grow as extensively as one is currently covered by the print media, and that there is an opportunity to enter other online segments, such as news, finance, travels etc. We intend to develop new websites on different concepts/ segments. The concept of new website / portal would be selected based on growth opportunities and market size. Apart from this, we may enter into development of website and related programming for third part.

Increase our brand and marketing efforts across India

We believe that we are a popular brand in our respective field. Increasing the awareness about our portals would help us increase our online traffic as well as our customer base and hence provide a larger array of services to clients. We plan to open up marketing offices in various metros and other cities from the funds raised in this issue. For further details, please refer the section title “*Objects of the Issue*” on page 52 of this Prospectus.

Details of Our Business

Our Business:

JimTrade.com – online business directory:

JimTrade.com has crossed a milestone of 3,00,000+ Indian product profiles and has emerged as the leading online business directory of India. So now our online B2B portal provides an efficient, trusted platform to facilitate e-commerce between manufacturers or suppliers, and wholesale buyers. Suppliers and buyers visit the portal to identify potential trading partners and interact with each other to conduct online business. JimTrade also consists of the marketing websites of various suppliers, and in certain cases buyers, that include their company profiles and catalogues in standardized formats. These are referred to as “JimSite”

Users can browse the JimSite and listings in over 21 industry categories and exhaustive product sub-categories by searching with keywords or simply browsing through our online industry directory. The industry category ranges from industrial to agricultural; from automotive to electronics, etc. For suppliers wishing to market products and services through online channels, JimTrade provides the apt platform. Thus, the buyers

get the scope to access their respective manufacturers directly with absolutely no inter-mediators and without any cost.

Key Factors:

- Free access to 3,00,000+ product profiles with complete manufacturers details.
- Extremely simple free online registration process that helps users to register with JimTrade.com enabling them to open a direct contact with their respective manufacturers.
- User friendly simple search process by keywords or by product categories.
- Provides free e-news letter.

JimTrade.com has a three-month global Alexa traffic rank of 90,970 (As on May 29, 2012). This site has attained a traffic rank of 16,587 among users in India, where approximately 57% of its audience is located. The site has established its presence significantly in 3 countries viz-a-viz India where it has 56.6% of visitors, China with 24.8% of total visitors and the United States which contributed to its 2.8% investors.

Its integrated sourcing, marketing and cataloging tools aim to provide the right information at the right time and in the right format to its patrons. JimTrade allow users to browse Suppliers and products information by and across 21 industry categories and thousands of product sub-categories, ranging from Agriculture to Industrial Supplies. It offered the following benefits to its customers / users of the portals:

For Buyers

- Latest supplier catalogues, full company information and product profiles
- Product Alert e-mails when new products go online
- Inquiry basket: send inquiries quickly to multiple suppliers

For Suppliers

- 24/7 specific industry marketing reach to the global community of merchandise trade buyers
- Marketing Website comprised of home page, company profile, electronic showroom, factory tour, code of conduct, research and development, quality control, management, trade shows, OEM capabilities and more.

Product Profiles

Every product profile at JimTrade.com contains product description and contact details of the manufacturer. Product profiles on JimTrade are updated on regular basis. These product profiles can be searched either with the help of keywords or industry wise. The online registration process is extremely simple and free and helps buyers with a host of benefits, such as, personalized control panel, free newsletter subscription, tracking of inquiries etc.

Apart from product reviews, JimTrade has a supplier's directory section containing complete listing of Indian manufacturers categorized under thousands of product categories. The manufacturer's details can also be searched with simple keywords. JimTrade.com also features comprehensive information on the leading Indian trade shows, expositions, seminars, conferences and exhibitions compiled with detail trade show previews, reviews and reports. Up-to-date calendar listings of events help buyers find trade shows by month, city and industry. Through active listings and inquiry exchanges, suppliers and buyers have formed large, interactive online communities on JimTrade.com.

Further to enhance the breadth and depth of our marketplaces, we offer basic features and services to all registered users without any charges. We earn our revenue from suppliers who purchase services from us and primarily from membership packages that provide priority placement of supplier products and listings in the industry directory and search results. We refer to suppliers who subscribe for our membership packages as our "Premium Suppliers" & "Priority Suppliers". Premium placements on the webpages are also put up to increase exposure to potential buyers.

The website strives to balance the free and fee-based service offerings to ensure that we continue to grow our community of users and sustain our revenue growth.

Our Value Proposition

We believe our marketplaces offer the following value propositions to suppliers and buyers:



Our Users

We cater to the large mass which consists of buyers and sellers. Our online portals are open to all visitors, and anyone may browse and search the listings on our marketplaces. After becoming registered users, suppliers and buyers can participate in the online JimTrade community and search for various products and suppliers of products and also place and inquiry for the same. The paid users have an advantage of priority listing on the website.

Marketplace

Users of our marketplace are typically SMEs selling and buying industrial products, consumer products, raw materials and business services. These SMEs are typically owned and operated by a few individuals, and the decision-making processes of these SMEs are less complex than those of larger corporations. On our marketplace, suppliers in many cases are also buyers.

IndiaNetzone.com:

We believe that IndiaNetzone.com is one of India's most informative, descriptive and exhaustive online library that provides thousands of articles written by talented writers on entertainment, spirituality, health, science, sports, technology, travel, business and various other interesting subjects pertaining to India.

The site, www.IndiaNetzone.com, has 7 sections under it namely; art and culture, entertainment, reference, health, sports, society and travel, each providing thorough, well-researched information written in lucid language. Each of these sections is further divided into various sub sections.

Art and Culture, which forms our first section, has, under it, 7 sub-sections that deal with Indian crafts, Indian paintings, Indian dances, Indian photography, Indian festivals, Indian sculpture and Indian monuments respectively.

The second section that deals with Indian Movies and Entertainment, discusses the rich history of Indian cinema, radio and television. This section, has under it 4 sub-section that provide foolproof information on Indian Drama and Theatre, Indian Music, Indian Movies and Indian Television respectively.

The third section covers Health and fitness. It has 5 sub-sections under it that deals with all the necessary process of improving human health. The sub-sections under Health and Fitness are Ayurveda, Homeopathy, Meditation, Yoga and Naturopathy, each providing tips to stay healthy.

The Reference on India is the fourth important section in IndiaNetzone. This section is an amazing storehouse of Indian literature, its colossal temples, the lofty philosophy and definitely the diverse landscape of India. The sub-section for this section includes; Education, Flora and Fauna, Indian Literature, Indian Museums, Geography of India, Indian Philosophy, History of India, Indian Administration, Indian Puranas, Indian Languages and Indian Temples.

Alongside history, geography and art, Sports also forms an essential part of IndiaNetzone site. Abundant data about sports like Cricket, hockey, tennis, shooting, archery and a host of other contemporary sports are played in the country, has its presence in section named Sports in India – the fifth section of IndiaNetzone. This section has 7 sub-sections namely; Athletics, Chess, Indian Cricket, Indian Football, Indian Hockey, Indian Tennis and Traditional Sports.

The rich tradition of Indian culture, its rituals and heritage, is carefully captured in the Indian Society section, which forms the sixth crucial section of the site. Indian Society has 10 sub-sections like Astrology, Indian Tribals, Indian Villages, Indian Costumes, Indian Weddings, Indian Food, Indian Jewellery, Indian Women, Indian Personalities and Indian Religion.

The seventh section in IndiaNetzone deals with India Travel. This section unravels the captivating beauty of India, its sonorous forts, palaces, dazzling deserts, sun kissed beaches, deep penetrating forests and their rare species and of course sumptuous Indian delicacies. It is further divided into sub sections describing various popular and not so popular tourists destination in India.

IndiaNetzone Forum

Apart from these section and sub-sections, IndiaNetzone, with a well conceived desire to reach out all and sundry, with extensive information on India, has a forum (<http://forum.IndiaNetzone.com/>) that provides the platform for independent debate and discussions. The forum not only helps for holding discussions but, at the same time, to post reader or user generated contents, comments, questions and answers.

The main objective of the forum of IndiaNetzone is to enable the reader to pen down their remark, question, and answer in regard to know more about the rich history, heritage, culture and tradition of India. In IndiaNetzone forum, topics vary greatly and deal with India. Indian art and culture, Health, Indian Society, Indian entertainment scenario, Indian sports and Indian Travels all comes under one umbrella. The Forum of IndiaNetzone ideally bridges the site with the reader. A novel idea of bridging the reader with the ideafication of the site, the forum therefore acts as a platform to debate and answer everything that is India.

The structure of the forum is systematically divided into seven distinct categories. Indian Art and culture, Indian health, Indian Entertainment, Indian reference, Indian Society, Indian Sports and Indian Travels are the seven categories.

IndiaNetzone's global Alexa traffic rank is 1,986 in India and 26,552 globally (As on May 29, 2012). Visitors to IndiaNetzone.com view 2.0 unique pages each day on average. This site has managed to gain recognition and mark its presence in 4 other countries namely, Bangladesh where it ranks 9,258, Pakistan where it ranks 31516, United States where is ranks 107809 and Malaysia where it ranks 17209.

Jimyellowpages.com

Jim Yellow Pages is online yellow pages of India with 10,00,000+ business listings covering 100+ Indian Cities. The site provides phone numbers, addresses and business information of all Indian Cities.

Behind everything consumers are searching for, is something they're actually looking for. Something that is bigger and more human than just the words that are typed into a search bar. It is the quick and easy way to find these things that allow the consumer to do more, experience more, be more and live more. We aim to compile authentic business information, categorize it and disseminate it in the form of, Online Search portal. Jimyellowpages believes in providing complete and comprehensive information in the most easy-to-refer formats and this has been the endeavour all along. This is manifested through its product line.

The users can browse for data they are looking for either by the city, Business Name, Address Line, Pin Code or even by telephone number.

The business listings are categorized products/ services wise and city wise. These listings are categorized under thousands of categories.

Presently, we are into content development stage for JimYellowpages.com and intend to introduce many unique and user friendly features.

Jimyellowpages.com's three-month global Alexa traffic rank is 90,180. In India the site stand as rank 8119 (As on May 29, 2012) It is relatively popular among users in the city of Ahmedabad (where it is ranked #4433). Roughly 27% of visits to the site are referred by search engines, and this site has been online for at least six years. The site has a rank of 524826 in the United States.

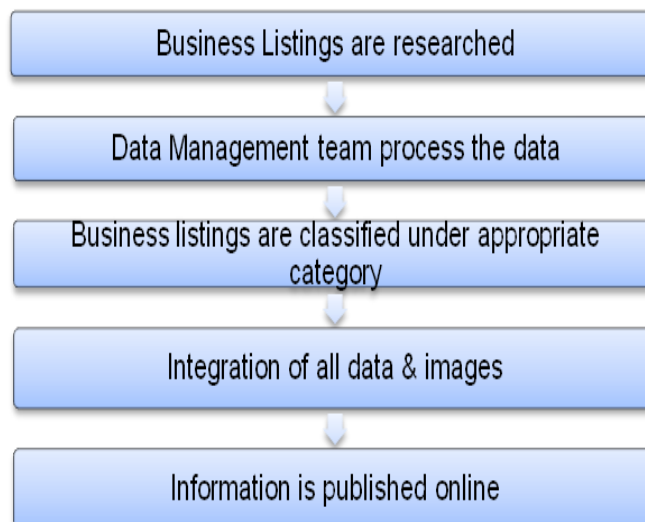
Location:

Our company operates from our registered office located at 336, Link Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053. We also have two branch offices. For further details on our branches, please refer to sub-section titled “*Land and Property*” on page 90 of this Prospectus.

Process:

The process for all our three online portals have a slight difference, they are as below:

For jimyellowpages.com



For JimTrade.com



For IndiaNetzone.com



Collaboration:

We have not entered into any agreement for collaboration with any party.

Intellectual Property Rights:

We have made an application to register our logo  under class 35 which is pending for approval.

Existing Capacity and Capacity Utilisation:

Capacity and Capacity Utilization is not applicable to our company

Manpower:

As on 31st March, 2012, the company has twenty seven employees on payroll of the company. We do not have any contract labourers.

Land and Property:

Location	Area	Type	Nature of Interest	Date and/or term of lease	Seller
336, Link Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053	750 sq ft (carpet)	Registered Office	Owned by Mrs. Manisha Modi and rented to Jupiter Infomedia Ltd for office use	Upto March 31, 2015	N.A.
236, Link Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053	500 sq ft (carpet)	Branch Office	Rented for a period of 2 years	Upto November 06, 2012	N.A.
21A/1, Hindustan Road, Kolkata – 700 029	600 Sq ft (carpet)	Branch Office	Originally Rented for a period of 33 months and further renewed for a period of 22 months	Upto May 31, 2013	N.A.

Insurance:

The Company has obtained insurance coverage to sufficiently cover all normal risks associated with its operations and is in accordance with the industry standard. Following are the details regarding the insurance coverage obtained by our company:

Sr No	Validity Period of Policy	Type of Policy	Description of Assets Covered under the policy	Policy No.	Sum Insured (Rs. In lacs)	Premium	Name of the Insurance Company
1	03/05/2012 – 02/05/2013	Standard Fire & Special Perils Policy	Building, FFF, Content (Printer and Computer) earthquake	PFA/I0885 601/23/M1 231Q	45.00	1,139	Bharati AXA General Life Insurance Company

LEGAL PROCEEDINGS

Other than as described in the section titled "*Outstanding Litigation and Material Developments*" on page 144 of this Prospectus, the Company is not currently a party to any proceedings and no proceedings are known by it to be contemplated by government authorities or third parties, which, it believes, if adversely determined, would have a material adverse effect on its business, prospects, financial condition or results of operations

KEY INDUSTRY REGULATIONS AND POLICIES

A brief summary of the relevant regulations and policies as prescribed by the Government of India and the relevant state governments that are applicable to us are as follows. Please note that the same are based on the legal provisions and the judicial interpretations as on the date hereof, which are subject to change. The regulations and policies set out below are only for general information to the investors and is neither exhaustive nor is a substitute for professional legal advice.

Information Technology

a. Information Technology Act, 2000

The Information Technology Act, 2000 (“the IT Act”) was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The IT Act regulates Information Technology i.e. it governs information storage, processing and communication. The Act provides legal recognition of electronic records and electronic signatures, their use, retention, attribution and security. Penalties are provided for cyber crimes which include tampering with computer source document and electronic publishing of obscene information, in addition to provision of compensation in certain cases.

b. Information Technology Amendment Act, 2008

The Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and *inter alia* gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third party information liability.

c. The Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011

Recently, the Department of Information Technology under the Ministry of Communications & Information Technology, GoI notified the Information Technology (Reasonable security practices and procedures and sensitive personal data or information) Rules, 2011 in respect of section 43A of the IT Act (the “Personal Data Protection Rules”) and the Information Technology (Intermediaries guidelines) Rules, 2011 in respect of section 79(2) of the IT Act (the “Intermediaries Rules”).

d. Information Technology (Personal Data Protection) Rules

The Personal Data Protection Rules prescribe directions for the collection, handling, disclosure and protection of sensitive personal data.

e. Information Technology (Intermediaries Guidelines) Rules 2011

Government has notified Information Technology (Intermediaries guidelines) Rules, 2011 under Section 79 of the Information Technology Act, 2000. These rules provide for the intermediaries which includes social networking sites to observe due diligence and safeguards for prevention of hosting of obscene, blasphemous, pornographic, paedophilic, defamatory etc. material on their website. Further, sections 67, 67A and 67B of the Information Technology Act, 2000 provides stringent punishment and fine for publishing or transmitting obscene material in electronic form as well as for publishing or transmitting material containing sexually explicit act, or depicting children engaged in sexually explicit act.

f. Information Technology (Intermediate) Rules

The Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not host, publish, transmit or share any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it. Further, the Department of Personnel and Training under the Ministry of Personnel, Public Grievances and Pensions, GoI has proposed to introduce a new legal framework that would balance national interest with concerns of privacy, data protection and security.

INTELLECTUAL PROPERTY LAWS

DOMESTIC

a. Patent Act, 1970

The Patents Act, 1970 ('**Patents Act**') is the primary legislation governing patent protection in India. In addition to broadly requiring that an invention satisfy the requirements of novelty, utility and non obviousness in order for it to avail patent protection, the Patents Act further provides that patent protection may not be granted to certain specified types of inventions and materials even if they satisfy the above criteria. The term of a patent granted under the Patents Act is for a period of twenty years from the date of filing of application for the patent. The Patents Act deems that computer programs per se are not 'inventions' and are therefore, not entitled to patent protection. This position was diluted by The Patents Amendment Ordinance, 2004, which included as patentable subject matter:

1. Technical applications of computer programs to industry; and
2. Combinations of computer programs with the hardware.

However, the Patents Amendment Act, 2005, does not include this specific amendment and consequently, the Patents Act, as it currently stands, disentitles computer programs *per se* from patent protection. The public use or publication of an invention prior to the making of an application for a patent, may disentitle the said invention to patent protection on grounds of lack of novelty. Under the Patents Act, an invention will be regarded as having ceased to be novel (and hence not patentable), *inter alia*, by the existence of:

1. Any earlier patent on such invention in any country;
2. Prior publication of information relating to such invention;
3. An earlier product showing the same invention; or
4. A prior disclosure or use of the invention that is sought to be patented.

Following its amendment by the Patents Amendment Act, 2005, the Patents Act permits opposition to grant of a patent to be made, both pre-grant and post-grant. The grounds for such patent opposition proceedings, *inter alia*, include lack of novelty, inventiveness and industrial applicability, non-disclosure or incorrect mention of source and geographical origin of biological material used in the invention and anticipation of invention by knowledge (oral or otherwise) available within any local or indigenous community in India or elsewhere. The Patents Act also prohibits any person resident in India from applying for patent for an invention outside India without making an application for the invention in India. Following a patent application in India, a resident must wait for six weeks prior to making a foreign application or may obtain the written permission of the Controller of Patents to make foreign applications prior to this six week period. The Controller of Patents is required to obtain the prior consent of the Central Government before granting any such permission in respect of inventions relevant for defence purpose or atomic energy.

This prohibition on foreign applications does not apply, however, to an invention for which a patent application has first been filed in a country outside India by a person resident outside India.

b. Copyright Act, 1957

The Copyright Act, 1957 ("Copyright Act") protects original literary, dramatic, musical and artistic works, Cinematographic films and sound recordings from unauthorized use of such works. Unlike the case with patents, copyright protects the expressions and not the ideas. There is no copyright in an idea. The object of copyright law is to encourage authors, artists and composers to create original works by rewarding them with exclusive right for a fixed period to reproduce the works for commercial exploitation. Copyrights subsist in following class of works:

- a) Original literary, musical, dramatic and artistic works
- b) Cinematograph films
- c) Sound recordings

Under the copyright law the creator of the original expression in a work is its author who is vested with a set of exclusive rights with respect to the use and exploitation of the work. The author is also the owner of the copyright, unless there is a written agreement by which the author assigns the copyright to another person or entity, such as a publisher. Where work is done under a 'work for hire' agreement, the copyright vests with the hirer i.e., the person providing the work. The owner of copyright in a work can assign or license his copyright to any person, such as publisher, under a written agreement. Copyright subsists in a work since the time it come into being. Therefore, registration of copyright neither creates any rights nor precludes enforcement of the existing ones. However, owing to its evidentiary value, a registered copyright is easier to establish in the court of law. The term of copyright varies across different types of works. In the case of broadcasts, the Act grants "broadcast reproduction rights" to broadcasting organizations which subsist for 25 years.

c. Trade Marks Act, 1999

The Indian law of trademarks is enshrined in the Trade Marks Act; The Trade Marks Act seeks to provide for the registration of trademarks relating to goods and services in India. A trade mark means a mark used in relation to goods for the purpose of indicating a connection in the course of trade between the goods and the proprietor. While registration of a trademark is not compulsory it offers better legal protection. Any person can apply for registration of a trademark to the Trademark Registry under whose jurisdiction the principal place of the business of the applicant in India falls. The term of a trademark registration is for a period of ten years. The renewal is possible for further period of 10 years each.

There is no system as yet wherein a single trademark application is sufficient to protect the trademark right internationally. However, Paris convention to which India is a party provides certain privileges to member countries in trademark registration. A party that files their first trademark application in a member state of the Convention, such as India, can within six months of that filing date file applications in other member countries claiming the priority of the first application. If such a trademark is accepted for registration it will be deemed to have registered from the same date on which the application is made in the home country.

INTERNATIONAL

a. Patent Co-operation Treaty 1970

The Treaty makes it possible to seek patent protection for an invention simultaneously in each of a large number of countries by filing an "international" patent application. Such an application may be filed by anyone who is a national or resident of a Contracting State. It may generally be filed with the national patent office of the Contracting State of which the applicant is a national or resident or, at the applicant's option, with the International Bureau of WIPO in Geneva.

b. Paris convention for the Protection of Industrial Property, 1883

The Paris Convention for the Protection of Industrial Property, signed in Paris, France, on March 20, 1883, was one of the first intellectual property treaties. It established a Union for the protection of industrial property. The Convention is still in force as of 2012. According to Articles 2 and 3 of this treaty, juristic and natural

persons who are either national of or domiciled in a state party to the Convention shall, as regards the protection of industrial property, enjoy in all the other countries of the Union, the advantages that their respective laws grant to nationals.

c. *International Convention for the Protection of literary and Artistic Works adopted at Berne in 1886*

The Berne Convention for the Protection of Literary and Artistic Works, usually known as the Berne Convention, is an international agreement governing copyright, which was first accepted in Bern, Switzerland in 1886. The Berne Convention requires its signatories to recognize the copyright of works of authors from other signatory countries (known as members of the *Berne Union*) in the same way as it recognizes the copyright of its own nationals.

d. *Universal copyright convention adopted at Geneva in 1952*

The UCC was developed by United Nations Educational, Scientific and Cultural Organization as an alternative to the Berne Convention for those states which disagreed with aspects of the Berne Convention, but still wished to participate in some form of multilateral copyright protection. These states included developing countries and the Soviet Union, which thought that the strong copyright protections granted by the Berne Convention overly benefited Western developed copyright-exporting nations, and the United States and most of Latin America. The United States and Latin America were already members of a Pan-American copyright convention, which was weaker than the Berne Convention. The Berne Convention states also became party to the UCC, so that their copyrights would exist in non-Berne convention states.

e. *Rome convention for the protection of Performance. Producers of Phonograms and Broadcasting organization, 1961*

The Rome Convention for the Protection of Performers, Producers of Phonograms and Broadcasting Organisations was accepted by members of BIRPI, the predecessor to the modern World Intellectual Property Organization, on October 26, 1961. The agreement extended copyright protection for the first time from the author of a work to the creators and owners of particular, physical manifestations of intellectual property, such as audiocassettes or DVDs.

Employment / Labour Laws

a. *The Employees Provident Funds and Miscellaneous Provisions Act, 1952*

The EPF Act provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above.

b. *The Industrial Disputes Act, 1947*

The objective of the Industrial Disputes Act is to secure industrial peace and harmony by providing machinery and procedure for the investigation and settlement of industrial disputes by negotiations.

c. *The Minimum Wages Act, 1948*

State governments may stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance, or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities, or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

d. *The Payment of Bonus Act, 1965*

Pursuant to the Bonus Act an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year, is eligible to be paid a bonus.

e. *The Payment of Gratuity Act, 1972*

Under the Gratuity Act, an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease.

Miscellaneous Laws

a. *The shops and Establishment Laws as applicable Mumbai and Kolkata*

Under the provisions of local Shops and Establishments laws applicable in Mumbai and Kolkata, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our Company's offices have to be registered under the Shops and Establishments laws of the state where they are located.

b. *The Companies Act, 1956*

The Companies Act 1956 is an Act of the Parliament of India, enacted in 1956, which enabled companies to be formed by registration, and set out the responsibilities of companies, their directors and secretaries.

c. *Foreign Exchange Management Act*

Foreign investment in India is governed primarily by the provisions of FEMA which relates to regulation primarily by RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, GoI, ("FDI Policy") and the FDI Policy issued by the DIPP (Circular 2 of 2010, with effect from October 1, 2010). The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, as amended ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue of security to a person resident outside India. As specified by the FEMA Regulations, no prior consent and approval is required from the FIPB or the RBI, for FDI under the "automatic route" within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI.

d. *Competition Act, 2002*

The Competition Act, 2002 was enacted by the Parliament of India and governs Indian competition law. It replaced the archaic Monopoly and Restrictive Trade Practices Act. Under this act, the Competition Commission of India was established to prevent activities that have an adverse effect on competition in India.

HISTORY AND OTHER CORPORATE MATTERS

Brief history of the Company

Our company was originally incorporated with the Registrar of Companies, Maharashtra on April 04, 2005 as a Private Limited Company. Pursuant to shareholders Resolution dated April 7, 2012 our company was converted into a Public Limited Company and the name was changed to Jupiter Infomedia Ltd. A fresh certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Mumbai vide certificate dated May 08, 2012. Our Company is one of India's leading web infomedia company with online publication on Business, Encyclopedia, Yellowpages, News & Events related to India.

We are a leading provider of online information in India. At present, we have three verticals, which comprise online business directory (operating through www.JimTrade.com), Encyclopedia on India (operating through www.IndiaNetzone.com) and online yellowpages directory division (operating through www.jimyellowpages.com). For details of the business please refer to the section titled "*Business Overview*" on page 81 of this Prospectus.

Changes in the Registered Office of the Company

There has not been any change in our Registered Office since inception till date of this Prospectus. Our registered office is located at 336, Link Plaza, Laxmi Industrial Estate, Andheri (W), Mumbai – 400 053. For further details on our offices please refer to the section titled "*Business Overview*" on page 81 of this Prospectus.

Capital raising (Debt / Equity)

For details of the equity capital raising of our Company, please refer to the section titled "*Capital Structure*" on page 43 of this Prospectus.

We have not done any debt issuances or raised any long term debt since incorporation till date.

As of the date of this Prospectus, the Company has 7 shareholders of Equity Shares.

Main objects of the Company

The main objects of our company as set out in its Memorandum of Association are:

- 1. To carry on business as owners, printers, publishers, developers, designer and distributors of online information, web-based publications, portal, websites including business of formulating, developing, improving, designing, marketing selling, franchising, exporting and licensing web based solutions and programs and products of any and all description and to acquire the goodwill and copyright of and continue, the publication of any such existing publication work.*
- 2. To carry on business as owners, printers, publishers and distributors of newspapers, journals, magazines, leaflets, pamphlets, diaries, books, periodicals and other literary or journalistic works of any descriptions and to acquire the goodwill and copyright of and continue, the publication of any such existing publication work.*

Changes in the Memorandum of Association of the Company

The following changes have been made to the Memorandum of Association of the Company since its incorporation:

Date of Shareholders Approval	Nature of Change
March 19, 2012	For increase in authorized capital to ₹ 300 Lacs
April 07, 2012	For Increase in authorized capital to ₹ 350 Lacs For conversion of company into public limited and adoption of new articles

Key events and milestones of Our Company

Year	Milestone
2005	Incorporation as “Jupiter Infomedia Pvt. Ltd.”
2005	Launch of www.JimTrade.com, www.jimyellowpages.com and www.IndiaNetzone.com
2006	Increased Paid up Share Capital from 1,00,000 to 3,00,000 by allotment of shares to Promoters
2007	Opened up first branch office in Kolkata
2010	Opened up another office in Mumbai
2012	Bonus Issue in the ratio of 12:1 to all eligible equity shareholders
2012	Conversion of the our Company into a Public Limited Company

Shareholders agreement

There are no shareholders' agreements currently subsisting where the Company is a party.

Technology arrangements

For details of our technology arrangements, please refer to the section titled "*Business Overview*" on page 81 of this Prospectus.

Acquisition of business/undertakings

We have not acquired any business/undertakings till date.

Managerial competence

For details on managerial competence, please refer to the section titled "*Our Management*" on page 100 of this Prospectus.

Defaults or rescheduling of borrowing

The Company has not defaulted or rescheduled its borrowing. Furthermore, none of the Company's loans have been converted into equity in the past.

Injunctions or restraining orders

There are no injunctions / restraining orders that have been passed against the Company.

Strategic and financial partners

We have no strategic or financial partners.

Standing of the Company vis-a-vis its prominent competitors

For details of the standing of the Company with reference to its prominent competitors, please refer to the section titled "*Business Overview*" on page 81 of this Prospectus.

Company's subsidiaries

Our company does not have any subsidiary.

OUR MANAGEMENT

Board of Directors:

The company has Five (5) Directors out of which two (2) are Executive Directors & three (3) are Non Executive Directors.

The following table sets forth the details of the Board of Directors as on the date of this Prospectus:

Sr. No.	Name, Father's Name & Address	Age	Designation & Term	Occupation, Qualification, & DIN	Other Directorships
1.	Mr. Umesh Modi S/o Mr. Vasantlal Modi 407, Gulshan Building No. 2, Juhu Lane, Andheri (W), Mumbai – 400 058	44 years	Chairman & Managing Director Term: 3 years w.e.f May 14, 2012	Business B.Com, C.A DIN: 01570180	Nil
2.	Mrs. Manisha Modi W/o Mr. Umesh Modi 407, Gulshan Building No. 2, Juhu Lane, Andheri (W), Mumbai – 400 058	43 years	Wholetime Director Term: 3 years w.e.f May 14, 2012	Business B.A, M.A. DIN: 02057625	Nil
3.	Mr. Sivaramakrishnan Iyer S/o Chandrasekhar Iyer G - 9, 2nd Floor, Shivdarshan, Nahur Road, Mulund - West, Mumbai - 400080.	62 years	Independent Director Term: Liable to retire by rotation	B.Sc (Special Maths) DIN: 05288389	Nil
4.	Mr. Jay Ishwarlal Desai S/o Ishwarlal Desai 32, Saket Bungalows, Nr.Takshashila, Satellite, Vastrapur Road, Vastrapur, Ahmedabad - 380015.	51 years	Independent Director Term: Liable to retire by rotation	B.Com, F.C.A. DIN: 05265036	Nil

Sr. No.	Name, Father's Name & Address	Age	Designation & Term	Occupation, Qualification, & DIN	Other Directorships
5.	Mr. Digesh Manilal Rambhia S/o Mr. Manilal Rambhia 7/8 60E, 3rd Floor, Shiv Shakti Building, Naigaon Road No.2, Opp.Chitra Cinema, Dadar - East, Mumbai - 400014.	31 years	Independent Director Term: Liable to retire by rotation	B.Com, F.C.A. DIN: 01332484	<ul style="list-style-type: none"> Mani Realty Private Limited Getsetgo Travelution Private Limited

Brief Profile of Our Directors

Mr. Umesh Modi, aged 44 years is the Chairman and Managing Director of our Company. He is also the founder and core Promoter of the Company and also manages the financial operations of our Company. Having completed his Bachelors in Commerce, he further studied and successfully completed his course in Chartered Accountancy from The Institute of Chartered Accountants of India in the year 1989 and became a Fellow Chartered Accountant in the year 1994. He started his career as employee in a Chartered Accountancy firm Ostwal Desai & Kothari. Subsequently, was made partner in the firm and was involved in the audit section. In 1992, the firm started the merchant banking advisory services division and was heading merchant banking division from 1992-97. In 1997, started with print publication business and launched the first magazine with the name of "Gifts & Accessories". Subsequently, ventured into the software business. Since 2005 he has found the company and has been on the board since inception.

Mrs. Manisha Modi, aged 43 years in a Whole Time Director in the company. She also forms a part of the core promoter. She has done her Bachelors of Arts and further pursued her Master of Arts in History. She has been actively involved in the company since inception and has been on the Board since November 2010.

Mr. Sivaramakrishnan Iyer, aged 62 years is a Non Executive Independent Director of our company. He has studied Bachelors of Science (Special) from University of Kerala. He has varied experience of over 40 years in various fields. He has been a member of leading firms like Keen Pesticides Pvt. Ltd., Automobiles Products Ltd., Eskay Dyeing & Printing Works. He has worked as an accountant with Business Press Pvt. Ltd. for a period of 20 years after which he was posted as the Regional Manager with IPF Online Ltd for a period of over 2 years. Currently he is giving advisory / consultancy services.

He has been on our board since 31st March, 2012.

Mr. Jay Ishwarlal Desai, aged 51 years is a Non Executive Independent Director of our company. He has completed Bachelors in Commerce, he further studied and successfully completed his course in Chartered Accountancy from The Institute of Chartered Accountants of India in the year 1984 He is the founding partner of M/s T. P. Ostwal & Associated. Prior to founding the firm in 1984, he was a partner in another leading audit, tax and regulatory consulting firm. He is a chartered accountant by professional qualification. He has considerable experience in advising multinational clients – Indian as well as foreign, on various issues related to audit & assurance, management consulting and company law. He has an experience of more than 30 years in leading management consultancy, audit and investigation services of the firm.

He was appointed on our board on April 9, 2012 as an Additional Director.

Mr. Digesh Manilal Rambhia, aged 31 years is a Non Executive Independent Director of our company. He has completed Bachelors in Commerce; he further studied and successfully completed his course in Chartered Accountancy from The Institute of Chartered Accountants of India in the year 2004. He has an

experience of 9 years in Corporate and Business Tax Practise. He is currently a partner in Gawande & Associate. He has specialized in the field of Corporate and Business Tax Advisory, Corporate and Business Tax Compliance and Litigations, International Taxation including international executive advisory, Cross border advisory having specialization in inbound and outbound structuring and Transfer pricing.

He was appointed on our board on April 9, 2012.

Relationship between Directors

Except for Mr. Umesh Modi and Mrs. Manisha Modi being husband wife, none of the other directors are related to each other in any manner.

Borrowing Powers of the Board of Directors

Our Company at its Annual General Meeting held on May 14, 2012 passed a resolution authorizing Board of Directors pursuant to the provisions of section 293(1) (d) for borrowing from time to time any sum or sums of money from any person(s) or bodies corporate (including holding Company) or any other entity, whether incorporated or not, on such terms and conditions as the Board of Directors may deems fit for the purpose of the Company's business. The monies so borrowed together with the monies already borrowed by our Company (apart from temporary loans obtained from the banks in the ordinary course of business) may exceed the aggregate of the paid up share capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of such borrowings together with the amount already borrowed and outstanding shall not, at any time, exceed ₹ 50 Crores (Rupees Fifty Crores only).

Important Notes regarding the Board of Directors

- There is no arrangement or understanding with any shareholders, customers, suppliers or others, pursuant to which of the directors of our Company are selected as a director or member of Senior Management
- There is no service contracts entered into by the Directors with our Company.
- None of our Directors have been or are presently directors on the boards of listed companies whose shares have been / were suspended from being traded on the Stock Exchanges during the last five years preceding the date of filing of this Prospectus.
- Except as mentioned below, none of our Directors have been or are presently directors on the boards of listed companies whose shares have been delisted from the Stock Exchange(s).
- There is no contingent or deferred compensation which has accrued to any of the Directors for this year.

Compensation of Executive Directors

Sr. No.	Name of Executive Director	Current Compensation Term Period	Basic Salary	Perquisites and Other Benefits
1.	Mr. Umesh Modi	3 years w.e.f. 14th May, 2012	Rs. 1 Lac Per month	<ul style="list-style-type: none"> (i) Medical reimbursement as per actual expense incurred (ii) Hospitality as per actual expenses incurred (iii) Leave Travel Concession For him and his family in accordance with any rules specified by the Company, (iv) Club Fees subject to two clubs which will not include admission and life membership fee. (v) Personal accident Insurance: As per actual premium paid, (vi) Reimbursement of Expenses: Actual Incurred on Credit Card, Cell Phone.
2	Mrs. Manisha Modi	3 years w.e.f. 14th May, 2012	Rs. 1 Lac Per month	<ul style="list-style-type: none"> (i) Medical reimbursement as per actual expense incurred (ii) Hospitality as per actual expenses incurred (iii) Leave Travel Concession For him and his family in accordance with any rules specified by the Company, (iv) Club Fees subject to two clubs which will not include admission and life membership fee. (v) Personal accident Insurance: As per actual premium paid, (vi) Reimbursement of Expenses: Actual Incurred on Credit Card, Cell Phone.

Compensation of Non-Executive Directors

Pursuant to a resolution passed at the meeting of the Board of the Company on May 8, 2012 a sitting fees of not exceeding Rs.2,500 is payable to Non Executive Directors for attending each meeting of the Board. Save as provided in this section, except for the sitting fees and any remuneration payable for advising the Company as an expert or for performing certain services, our non-executive directors are not entitled to any other remuneration from the Company.

Compensation paid to Directors for the last completed financial years (i.e. Year ended March 31, 2012)

No Remuneration, Perquisites, Bonuses, Sitting Fees or any other monetary benefits were paid to any of the directors in the last financial year 2011-12.

Interest of the Directors

Our Company has been promoted by Mr. Umesh Modi and Mrs. Manisha Modi. The Promoters may be deemed to be interested in the promotion of our Company to the extent of shares held by them and their relatives. The Promoters may also benefit from holding directorship in our Company.

All our Directors may be deemed to be interested to the extent of remuneration and/or fees, if any, payable to them for attending meetings of the Board and of committees thereof, reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under the Articles of Association and the applicable laws. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loan or advances provided to any body corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distributions in respect of the Equity Shares, if any, held by them or by the companies / firms / ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and Promoters, pursuant to this Issue.

Except as stated otherwise in this Prospectus, the Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of this Prospectus in which the Directors are interested directly or indirectly and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be entered into with them.

Shareholding of the Directors

The following table sets forth the shareholding of the Directors in their personal capacity and either as sole or first holder, as on the date of this Prospectus:

Name of Director	No. of Shares held	Current Holding in Percentage
Mr. Umesh Modi	3,28,000	22.62%
Mrs. Manisha Modi	10,56,960	72.89%
Mr. Sivaramakrishnan Iyer	-	-
Mr. Jay Ishwarlal Desai	-	-
Mr. Digesh Manilal Rambhia	-	-
TOTAL	13,84,960	95.51%

Changes in the Board of Directors in the last 3 years

Following are the changes in our Board of directors in the last three years:

Sr. No.	Name of Director	Date of Change	Reason for change
1	Mr. Umesh Modi	May 14, 2012	Appointment as Chairman & Managing Director
2	Mrs. Manisha Modi	May 14, 2012	Appointment as Whole Time Director
3	Mr. Sivaramakrishnan Iyer	May 14, 2012	Appointment
4	Mr. Jay Ishwarlal Desai	April 09, 2012	Appointment
5	Mr. Digesh Manilal Rambhia	April 09, 2012	Appointment

Corporate Governance

The provisions of the Listing Agreement to be entered into with the Stock Exchange with respect to corporate governance and SEBI (ICDR) Regulations in respect of corporate governance will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchange. Our Company has complied with the corporate governance code in accordance with Clause 52 of the Listing Agreement to be entered into with the Stock Exchange, particularly, in relation to appointment of independent directors to our Board and constitution of an audit committee, a remuneration committee and a shareholders' grievance committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the corporate governance code in accordance with Clause 49 of the Listing Agreement to be entered into with the Stock Exchange.

Board Composition

The Board of Directors provides strategic direction and thrust to the operations of the Company. As on date, the Board comprises of total 5 directors, which includes 1 Chairman & Managing Director, 1 Whole Time Director and 3 Non Executive Independent Directors. The Company complies with the revised norms for Independent Directors.

Sr. No	Name of Director	Nature of Directorship
1	Mr. Umesh Modi	Chairman & Managing Director
2	Mrs. Manisha Modi	Whole Time Director
3	Mr. Sivaramakrishnan Iyer	Non Executive Independent Director
4	Mr. Jay Ishwarlal Desai	Non Executive Independent Director
5	Mr. Digesh Manilal Rambhia	Non Executive Independent Director

Various Committees of Directors

1. Audit Committee

The Audit Committee of our Board was constituted by our Directors by a board resolution dated May 14, 2012 pursuant to section 292A of the Companies Act. The Audit Committee comprises of:

Name of the Member	Nature of Directorship	Designation in committee
Mr. Jay Ishwarlal Desai	Independent Director	Chairman
Mr. Sivaramakrishnan Iyer	Independent Director	Member
Mr. Umesh Modi	Managing Director	Member

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly 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. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

8. 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.
9. Discussion with internal auditors any significant findings and follow up there on.
10. 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.
11. 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.
12. 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.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Explanation (ii): If the Issuer has set up an audit committee pursuant to provision of the Companies Act, the said audit committee shall have such additional functions / features as is contained in this clause.

The Audit Committee enjoys following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.
- e. The audit committee may invite such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit and a representative of the statutory auditor may be present as invitees for the meetings of the audit committee.

The Audit Committee shall mandatory review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

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

Meeting of Audit Committee

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, but there shall be a minimum of two independent members present.

2. Shareholder and Investor Grievance Committee

The Shareholder and Investor Grievance Committee of our Board was constituted by our Directors by a board resolution dated May 14, 2012. The Shareholder and Investor Grievance Committee comprises of:

Name of the Member	Nature of Directorship	Designation in committee
Mr. Sivaramakrishnan Iyer	Independent Director	Chairman
Mr. Digesh Manilal Rambhia	Independent Director	Member
Mr. Umesh Modi	Managing Director	Member

This committee will address all grievances of Shareholders/Investors and its terms of reference include the following:

- i. Allotment and listing of our shares in future
- ii. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
- iii. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- iv. Reference to statutory and regulatory authorities regarding investor grievances;
- v. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- vi. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

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

Policy on Disclosures & Internal procedure for prevention of Insider Trading

The provisions of Regulation 12 (1) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 will be applicable to our Company immediately upon the listing of its Equity Shares on the Stock Exchanges. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 1992 on listing of our Equity Shares on stock exchanges. Further, Board of Directors have approved and adopted the policy on insider trading in view of the proposed public issue.

Mr. Umesh Modi, is responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the code of conduct under the overall supervision of the board.

3. Remuneration Committee

The Remuneration Committee of our Board was constituted by our Directors by a board resolution dated May 14, 2012 The Remuneration Committee comprises of:

Name of the Member	Nature of Directorship	Designation in committee
Mr. Sivaramakrishnan Iyer	Independent Director	Chairman
Mr. Jay Ishwarlal Desai	Independent Director	Member
Mr. Digesh Manilal Rambhia	Independent Director	Member

The remuneration committee has been constituted to recommend/review remuneration of Directors and key managerial personnel based on their performance and defined assessment criteria. The remuneration policy of our Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

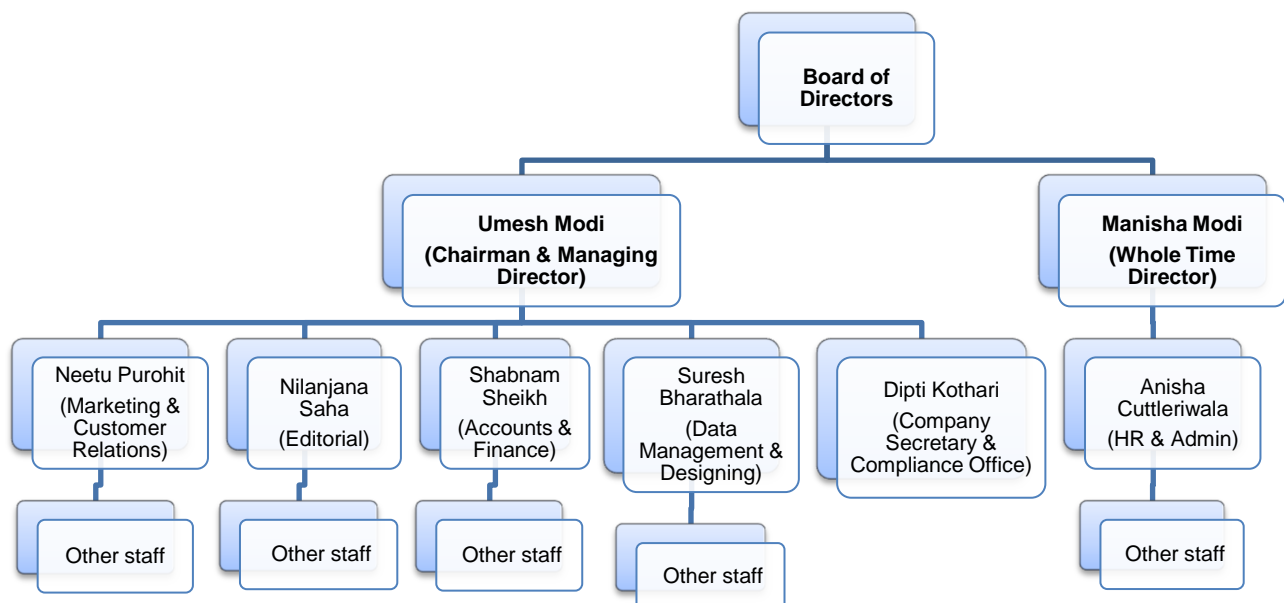
The board has set up a remuneration committee to determine on their behalf and on behalf of the shareholders with agreed terms of reference our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment. To avoid conflicts of interest, the remuneration committee, this would determine the remuneration packages of the executive directors. It comprises of at least three directors, all of whom are non-executive directors the chairman of committee being an independent Director.

The scope of Remuneration/Compensation Committee shall include but shall not be restricted to the following:

- i. To recommend to the Board, the remuneration packages of the Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- ii. To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole-time/ Executive Directors, including pension rights and any compensation payment;
- iii. To implement, supervise and administer any share or stock option scheme of the Company;
- iv. To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

The Committee is required to meet at least once a year.

Organization Chart of the Company



Key Management Personnel

The following table provides brief details regarding our Key Managerial Personnel:

Name & Designation	Role In The Company	Qualification	Experience (In Years)	C.T.C p.a. (Rs. in lacs)	Appointment Date	Details Of Previous Employment
Anisha Cutleriwala	HR & Admin Manager	BA (Philosophy), MA (Philosophy)	4 Years & 11 Months	1.86	March 02, 2009	Orion Calltech
Neetu Purohit	Marketing and Client Relations Manager	BA (Economics), MA (Economics)	5 Years & 7 Months	1.86	September 04, 2006	Not Applicable
Nilanjana Saha	Head of Operations (Editorial)	BA (English), MA (English)	4 Years & 10 Months	1.86	February 04, 2008	Compare Infobase Ltd.
Shabnam Sheikh	Accounts & Finance Manager	B.Com, Diploma in Montessori & KG Teachers Training	4 Years & 3 Months	1.20	November 03, 2009	Suburban Diagonostic
Suresh Bharathala	Head of Operations (Data Mgt & Designing)	B.com, MSc IT, (CCNA, MCSA, RHCE Certifications)	2 Years & 4 Months	1.82	November 01, 2011	Omnitech Info Solutions Ltd.
Dipti Kothari	Company Secretary & Compliance Office	B.Com, ACS	N.A.	1.82	May 01, 2012	Not Applicable

Important Notes regarding our KMP

All our KMP as disclosed above are permanent employees of the Company. None of the employees are related to any of the Directors/Promoters of the Company.

There is no arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the KMP of our Company are selected as a director or member of Senior Management

Advisor to the Board

The board is being advised from time to time by Mr. T. P. Ostwal, an eminent International Tax consultant.

Mr. T. P. Ostwal is an active chartered accountant with more than 32 years experience & the first vice President of the Executive committee of International Fiscal Association-Netherlands. He is a member of the taxation committees of The Bombay Chartered Accountant Society, Bombay Chamber of Commerce and Industries, Indian Merchants Chamber. He is also a visiting professor at Vienna University, Austria where he teaches International Tax for the Master's Degree in Law. He has also been appointed as a member of a group constituted by the United Nations for developing transfer pricing manual and documentation for developing countries. He is the member of Emerging Issues Task Force on Non Resident Taxation formed By Ministry of Finance, Govt. of India.

Shareholding of the Key Management Personnel

The shareholding of our Key Managerial Personnel is as below:

Sr. No.	Name of KMP	No. of shares Held	Shareholding (in %)
1	Anisha Zoheb Cuttleriwala	10	Negligible
2	Suresh Ramulu Bharathala	10	Negligible
3	Nilanjana Surajit Saha	10	Negligible
4	Suchismita Arupkumar Ghosh	10	Negligible
	Total	40	Negligible

Bonus or Profit Sharing Plan of the Key Management Personnel

Our Company does not have any bonus/profit sharing plan for any of the employees, directors, key managerial personnel.

Interest of Key Management Personnel

The KMP of our Company does not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of their shareholding, if any in the Company.

None of our KMPs have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in the Key Management Personnel during the last three years:

Sr. No.	Name of Employee	Nature of Change	Date of Change	Designation
1	Suresh Bharathala	Appointment	November 01, 2011	Head of Operations (Data Mgt & Designing)
2	Shabnam Sheikh	Appointment	November 03, 2009	Accounts & Finance Manager
3	Dipti Kothari	Appointment	May 01, 2012	Company Secretary & Compliance Officer

Employee Stock Option Scheme

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

Payment or Benefit to Officers of the Company

Except for the statutory benefits upon termination of their employment, payment of salaries and yearly bonus, we do not provide any other benefits to our employees.


OUR PROMOTERS AND PROMOTERS GROUP

OUR PROMOTERS


Mr. Umesh Modi & Mrs. Manisha Modi are the Promoters of the Company.

Following are the certain key details regarding our promoters:

Mr. Umesh Modi

	Identification	Details
		Age
Residential Address		407, Gulshan Building No. 2, Juhu Lane, Andheri (W), Mumbai – 400 058
Educational Qualifications		B.Com, C.A
Experience		20 years
Occupation		Business
PAN		AADPM6631L
Passport No.		J5726056
Driving License Number		MH02 20070032157
Voter's ID		MT/08/039/259135
Bank Account Number		01141000005612
Name of Bank & Branch		HDFC Bank, Andheri (W) Shoppers' Stop Branch
% of pre-issue share holding in the Issuer Company		22.62%
DIN		01570180

Mrs. Manisha Modi

	Identification	Details
		Age
Residential Address		407, Gulshan Building No. 2, Juhu Lane, Andheri (W), Mumbai – 400 058
Educational Qualifications		B.A, M.A.
Experience		5 years
Occupation		Business
PAN		AAHPM1263E
Passport No.		H4196403
Driving License Number		MH 02 2000 17135
Voter's ID		MT/08/039/259136
Bank Account Number		01141000005622
Name of Bank & Branch		HDFC Bank Andheri (W) Shoppers' Stop Branch
% of pre-issue share holding in the Issuer Company		72.89%
DIN		02057625

For a detailed profile and information regarding the other directorships held, special achievements and work experience in our line of business of our promoters please refer to “*Our Management*” beginning on page 100 of this Prospectus.

Declaration

We confirm that the personal details of our Promoter viz., Permanent Account Number, Bank Account Details and Passport Number have been submitted to the Stock Exchange, at the time of filing of this Prospectus.

Our Promoters, the Group Companies and the relatives of the Promoters have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority. Neither (i) the Promoters, the members of the Promoter Group and the Group Companies; nor (ii) the companies with which the Promoters are or were associated as a Promoter, Director or person in control, are debarred or prohibited from accessing the capital market for any reason by the SEBI or any other authority. There are no violations of securities laws committed by our Promoters and the Group Companies in the past or currently pending against them.

Our Promoters are the original promoters of the company and there has not been any change in control of the company since incorporation.

Interest of Promoters in our Company

Our Company is promoted by Mr. Umesh Modi and Mrs. Manisha Modi (together referred to as “*Core Promoters*”). At present our Core Promoters hold 13,84,960 Equity shares of our Company. Our promoters may be deemed to be interested in the promotion of our Company to the extent of shares held by them and also to the extent of shares held by their relatives and group companies. Our Promoters may also benefit from holding directorship in our Company.

Further, save and except as stated otherwise in the chapters titled ‘*Business Overview*’, ‘*Our Management*’ and the section titled ‘*Financial Information*’ beginning on page nos. 81, 100 and 111 respectively, of this Prospectus, and to the extent of Equity Shares held by them, our Promoters does not have any other interests in our Company as on the date of filing of this Prospectus.

Payment or benefits to our Promoter during the last two years

Except as stated in the “*Annexure XIV*” of the “*Auditors Report*” on page 128 of this Prospectus, there has been no payment or benefits to our Promoter during the last two years from the date of this Prospectus.

Interest in the property of Company

Except as stated in the “*Annexure XIV*” of the “*Auditors Report*” and “*Business Overview – Land & Property*” on pages 128 and 90 of this Prospectus respectively, the promoters do not have any interest in any property acquired by our Company within two years preceding the date of this Prospectus or proposed to be acquired by our Company.

PROMOTER GROUP

We hereby declare that apart from the Promoters: Mr. Umesh Modi and Mrs. Manisha Modi; our promoter group consists of – Mrs. Kusumben Modi and Ms. Aishwarya Modi.

No other person / entities hold shares of the Company, exercise management control or are in concert with our promoters and hence no other persons / entities except as mentioned above form part of our Promoter Group.

Shareholding of Promoter & Promoter Group:

The Pre-Issue & post-Issue shareholding of our Promoters and our Promoter Group is as follows:

Sr. No.	Name of Shareholder	Pre-Issue		Post-Issue	
		No. of Equity Shares	As a % of Issued Equity	No. of Equity Shares	As a % of Issued Equity
A	Promoter				
1	Mr. Umesh Modi	3,28,000	22.62%	7,58,000	21.72%
2	Mrs. Manisha Modi	10,56,960	72.89%	10,56,960	30.29%
	Total (A)	13,84,960	95.51%	18,14,960	52.01%
B	Promoter Group, Relatives and Other Associates acting in Concert				
1	Mrs. Kusumben Modi	65,000	4.48%	1,75,000	5.01%
	Total (B)	65,000	4.48%	1,75,000	5.01%
	Grand Total (A+B)	14,49,960	99.99%	19,89,960	57.02%

GROUP COMPANIES

NIL

Litigation

For details relating to Litigations involving the Promoters and Our Group Companies Entities please refer to “*Outstanding Litigations and Material Developments*” on page 144 of this Prospectus.

Common Pursuits

We do not have any group companies and thus do not have common pursuits.

Disassociation by the Promoters in the last three years

Except as disclosed below, our Promoters have not disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Prospectus.

Mr. Umesh Modi

Mr. Umesh Modi has not disassociated from any company during the preceding three years.

Mrs. Manisha Modi

Mrs. Manisha Modi has not disassociated from any company during the preceding three years.

Related Party Transactions

Save and except as disclosed in “*Annexure XIV*” of the “*Auditors Report*” on page 128 of this Prospectus, there has been no payment or benefits to our Promoters during the last five years preceding the date of this Prospectus.

DIVIDEND POLICY

The declaration and payment of dividend, if any, will be recommended by the Board of Directors and approved by the shareholders of our Company at their discretion, subject to the provision of the Articles and the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to, the earnings, general financial conditions, capital requirements and surplus, contractual restrictions, applicable Indian legal restrictions and overall financial position of our Company and other factors considered relevant by the Board. The Board may, from time to time, pay interim dividend. Our Company has no stated dividend policy.

The dividends declared by our Company during the last five Fiscals are detailed in the following table:

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Face Value per Equity Share (₹)	10.00	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (₹ in lacs)	0.45	0.00	0.00	0.00	0.00
Final Dividend on Equity Shares (₹ in lacs)	0.00	0.45	0.36	0.36	0.33
Total Dividend on Equity Shares (₹ in lacs)	0.45	0.45	0.36	0.36	0.33
Dividend Rate (%)	15%	15%	12%	12%	11%
Dividend Tax (₹ in lacs)	0.07	0.07	0.06	0.06	0.05

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future.

SECTION VI: FINANCIAL INFORMATION

AUDITOR'S REPORT

To,
The Board of Directors,
Jupiter Infomedia Ltd,
Mumbai.

Dear Sirs,

We have examined the Restated Summary Financial Statements and Other Financial Information of Jupiter Infomedia Limited (the 'Company') for each of the five financial years ended March 31, 2008, 2009, 2010, 2011 & 2012 annexed to this report and initialled by us for identification. The said Restated Summary Financial Statements and Other Financial Information have been prepared for the purposes of inclusion in the Draft Prospectus / Prospectus (collectively hereinafter referred to as "Offer Document") in connection with the proposed Initial Public Offer ("IPO") of the Company in accordance with the requirements of:

- i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 (the 'Act');
- ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the 'SEBI Regulations') issued by the Securities and Exchange Board of India ('SEBI'); and the related clarifications issued by the Securities and Exchange Board of India as amended to date;
- iii) The terms of our letter of engagement dated May 15, 2012 with the Company requesting us to carry out assignment in connection with the Offer Document being issued by the Company for its proposed IPO.

The Restated Summary financial Statements and Other Financial Information have been prepared by the Company and approved by the Board of Directors of the Company.

A. Restated Summary Financial Statements:

1. We have examined the attached 'Summary financial Statement of Assets and Liabilities, As Restated' (Annexure I) as at March 31, 2008, 2009, 2010, 2011 & 2012 and the attached 'Summary Statement of Profits and Losses, As Restated' (Annexure II) and the attached 'Summary Statement of Cash Flows, As Restated' (Annexure III) for the years ended March 31, 2008, 2009, 2010, 2011 & 2012 which have been extracted by the management and approved by the board of directors. Audit of all the financial year from F.Y. 2007-08 to F.Y. 2011-12 was conducted by our firm only. Representations have been taken from the management for the additional information for all the financial years. (Annexure I, II and III are collectively referred to in this report as the "Restated Summary Financial Statements").
2. The Restated Summary Financial Statements are after making adjustments and regroupings as in our opinion were appropriate and more fully described in the 'Statement of Significant Accounting Policies' and 'Notes to the Re-stated Financial Statements' (Annexure IV) and (Annexure V) respectively.
3. In accordance with the requirements of paragraph B (1) of Part II of Schedule II of the Companies Act, 1956, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 and terms of our engagement agreed with the company, and based on our examination of the Restated Summary Statements, we confirm that:
 - a) The Restated summary Financial Statement - the restated summary statement of assets and liabilities, the restated summary statement of profit and loss, and the restated summary statement of

cash flow (“summary statements”) of the company, for the year ended March 31, 2008, 2009, 2010, 2011 and 2012 examined by us, as set out in annexure-I, II and III to this report read with Notes to the restated Financial statements and other observations as given herein after, are after making material adjustments and regrouping as in our opinion were appropriate and more fully described in Significant Accounting Policies, Notes to the financial statements (refer annexure- IV & V).

- b) Based on and subject to our comments as above, we are of the opinion that restated financial information have been made after incorporating:
- i) Adjustments if any, made for the changes in Accounting Policies and Estimates adopted by the Company with retrospective effect to reflect the significant accounting policies being adopted by company as on 31st March 2012 are explained in Annexure V to this report.
 - ii) The “Restated Summary Financial Statements” have to be read in conjunction with the Significant Accounting Policies and Notes given in Annexure IV of this report.
 - iii) Amounts if any, relating to adjustments for previous years have been identified and adjusted in the statements in the year to which they relate;
 - iv) There are no extra-ordinary items that need to be disclosed separately in the Restated Summary financial Statements;
 - v) There are no qualifications in auditor’s reports for incorrect accounting policies that require Adjustment in the Restated Summary Statements.

Summary of significant accounting policies adopted by the Company and material adjustments carried out in the preparation of the Restated Summary Statements & the significant notes to thereto be enclosed as Annexure IV and Annexure V to this report.

B. Other Financial Information:

4. At the request of the company, we have also examined the following financial information (“Other Financial Information”) proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Annexure VI	: Statement of Reserves and Surplus, as restated
Annexure VII	: Statement of Fixed Assets, as restated
Annexure VIII	: Statement of Investments, as restated
Annexure IX	: Statement of details of Trade Receivables, as restated
Annexure X	: Statement of Loans and Advances, as restated
Annexure XI	: Statement of Current Liabilities & Provisions, as restated
Annexure XII	: Statement of Capitalization
Annexure XIII	: Statement of Contingent Liabilities
Annexure XIV	: Statement of Related Parties and Transactions
Annexure XV	: Statement of Tax Shelter
Annexure XVI	: Statement of Accounting Ratios
Annexure XVII	: Statement of Dividends
Annexure XVIII	: Statement of Segment Reporting
Annexure XIX	: Statement of Other Income

5. In our opinion, the Restated Summary Financial Statements and the other Financial Information set forth in Annexure I to XIX read with the significant accounting policies and notes to the restated financial statements have been prepared in accordance with Part II of Schedule II of the Act and the SEBI Regulations.

6. This report should not in any way construed as a reissuance or redrafting of any of the previous audit report issued by us nor should this report be construed as new opinion on any of the financial statement referred to therein.
7. This report is intended solely for your information and for inclusion in the Offer document in connection with the Company's proposed IPO of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

As per our report attached

For and on behalf of
Mahadev Desai Associates
Chartered Accountants
Firm Regn. No. 105737W

Mahadev Desai
(M. No. 41280)
Proprietor

Place: Mumbai
Date: July 10, 2012

ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
A. Non-Current Assets					
1. Fixed assets					
(i) Tangible assets	5.37	6.57	7.53	8.10	11.17
(ii) Intangible assets	0.34	0.57	0.00	0.00	0.00
(iii) Capital work-in-progress	0.00	0.00	0.00	0.00	0.00
(iv) Intangible assets under development	0.00	0.00	0.00	0.00	0.00
2. Non-current investments	16.76	15.98	12.81	6.28	4.86
3. Deferred tax assets	0.28	0.22	0.23	0.30	0.00
4. Long term loans and advances	158.96	4.51	1.51	1.51	0.05
5. Other non-current assets	0.00	0.00	0.00	0.00	0.00
Total A	181.71	27.85	22.08	16.19	16.08
B. Current Assets					
1. Current investments	0.00	0.00	0.00	0.00	0.00
2. Inventories	0.00	0.00	0.00	0.00	0.00
3. Trade receivables	13.44	16.02	15.27	13.57	10.80
4. Cash and cash equivalents	11.11	2.61	5.42	1.36	2.82
5. Short-term loans and advances	14.45	13.04	9.35	7.80	4.71
6. Other current assets	0.00	0.00	0.00	0.00	0.00
Total B	39.00	31.67	30.04	22.73	18.33
Total Assets C (A + B)	220.71	59.52	52.12	38.92	34.41
D. Non-Current Liabilities					
1. Long-term borrowings	0.00	0.00	0.00	0.00	0.00
2. Deferred tax liabilities (Net)	0.00	0.00	0.00	0.00	0.14
3. Other Long term liabilities	0.00	0.00	0.00	0.00	0.00
4. Long term provisions	0.00	0.00	0.00	0.00	0.00
Total D	0.00	0.00	0.00	0.00	0.14
E. Current Liabilities					
1. Short-term borrowings	0.00	0.00	0.00	0.00	0.00
2. Trade payables	0.00	0.08	0.00	0.00	0.08
3. Other current liabilities	9.30	6.88	6.58	4.71	8.65
4. Short-term provisions	12.24	11.68	9.64	8.21	4.89
Total E	21.54	18.64	16.22	12.92	13.62
F. Total Liabilities & Provisions (D+E)	21.54	18.64	16.22	12.92	13.76

G. Net Worth [C - F]	199.17	40.88	35.90	26.00	20.65
Represented by Shareholders' Fund:					
Share Capital	145.00	3.00	3.00	3.00	3.00
Reserves & surplus	56.48	37.99	33.04	23.16	17.84
Miscellaneous Expenditure (to the extent not written off)	-2.31	-0.11	-0.14	-0.16	-0.19
Net Worth	199.17	40.88	35.90	26.00	20.65

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE II: STATEMENT OF PROFITS AND LOSSES, AS RESTATED

(₹ in lacs)

Particulars	for the year ended on March 31				
	2012	2011	2010	2009	2008
REVENUE					
Revenue from operations	63.94	78.55	70.64	70.69	56.36
Other Income	0.55	1.42	6.90	(1.44)	0.30
Total Income	64.49	79.97	77.54	69.25	56.66
EXPENSES					
Cost of Services	4.93	5.01	5.70	6.60	4.91
Employee benefit expense	38.02	43.52	42.28	36.71	22.71
Financial costs	0.00	0.00	0.00	0.00	0.00
Depreciation and amortization expense	2.35	2.44	2.62	3.34	3.03
Other expenses	15.54	12.15	9.07	7.53	11.02
Directors Remuneration	0.00	9.30	6.00	5.85	1.50
Preliminary Expenses written off	0.69	0.03	0.03	0.03	0.03
Total Expenditure	61.53	72.45	65.70	60.06	43.20
Net Profit/(Loss) before tax	2.96	7.52	11.84	9.19	13.46
Less : Provision for Taxation					
Current Years Income Tax	1.01	2.04	1.61	3.57	3.97
Deferred Tax	(0.06)	0.01	(0.07)	(0.30)	0.12
Fringe Benefit Tax	0.00	0.00	0.00	0.18	0.20
Net Profit after tax but before extraordinary Items	2.01	5.47	10.30	5.74	9.17
Extra-ordinary items	0.00	0.00	0.00	0.00	0.00
Net Profit after extraordinary Items available for appropriation	2.01	5.47	10.30	5.74	9.17
Proposed Dividend	0.45	0.45	0.36	0.36	0.33
Dividend distribution Tax	0.07	0.07	0.06	0.06	0.05
Net Profit carried to Balance sheet	1.49	4.95	9.88	5.32	8.79

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE III: STATEMENT OF CASH FLOWS, AS RESTATED

(₹ in lacs)

Particulars	for the year ended on March 31				
	2012	2011	2010	2009	2008
A. Cash Flows from operating activities					
Net Profit before tax	2.96	7.52	11.84	9.19	13.46
Adjustments for:					
Depreciation	2.35	2.44	2.62	3.34	3.03
Loss / (profit) on sale of fixed assets/investment	(0.25)	(1.11)	(6.55)	1.76	(0.22)
Preliminary Expenses W/off	0.69	0.03	0.03	0.03	0.03
Interest expense	0.00	0.00	0.00	0.00	0.00
Dividend Received	(0.30)	(0.30)	(0.35)	(0.32)	(0.08)
Provision on Standard Assets	0.00	0.00	0.00	0.00	0.00
Operating cash generated before working capital changes and taxes	5.45	8.58	7.59	14.00	16.22
(Increase) / Decrease in Receivables	2.59	(0.76)	(1.70)	(2.77)	(7.02)
(Increase) / Decrease in Inventory	0.00	0.00	0.00	0.00	0.00
(Increase) / Decrease in short term Current Assets	(1.34)	(1.66)	0.00	0.00	0.00
Increase / (Decrease) in short Term Current Liabilities	2.35	0.38	2.01	(4.16)	6.13
Operating cash generated before taxes	9.04	6.54	7.90	7.07	15.33
Less: Direct Tax paid	0.09	2.13	1.73	3.56	4.99
Net cash generated from operating activities (A)	8.96	4.41	6.17	3.51	10.35
B. Cash Flows from investing activities					
Sale / (Purchase) of Fixed Assets (Net)	(0.92)	(2.04)	(2.05)	(0.27)	(10.80)
Sale / (Purchase) of Investments (Net)	(0.54)	(2.06)	0.01	(3.17)	(3.06)
Decrease / (Increase) in Long Term Current Assets	(154.45)	(3.00)	0.00	(1.46)	0.00
Increase / (Decrease) in Long Term Current Liabilities	0.00	0.00	0.00	0.00	0.00
Dividend Received	0.30	0.30	0.35	0.32	0.08
Net Cash generated from investing activities (B)	(155.61)	(6.80)	(1.69)	(4.58)	(13.78)
C. Cash flow from financing activities					
Proceeds from issue of share capital (including Share Premium)	159.00	0.00	0.00	0.00	0.00
Increase / (decrease) in Secured Loans	0.00	0.00	0.00	0.00	0.00
Increase / (decrease) in Unsecured Loans	0.00	0.00	0.00	0.00	0.00
Public Issue Expenses	(2.88)	0.00	0.00	0.00	0.00
Dividend Paid (including Div Tax)	(0.97)	(0.42)	(0.42)	(0.39)	(0.35)
Net cash from financing activities [C]	155.15	(0.42)	(0.42)	(0.39)	(0.35)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	8.50	(2.81)	4.06	(1.46)	(3.78)
Opening balance of cash and cash equivalents	2.61	5.42	1.36	2.82	6.60
Closing balance of cash and cash equivalents	11.11	2.61	5.42	1.36	2.82

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE IV: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES, AS RESTATED

1. Basis of Preparation of Financial Statements :

The Restated Financial Statements have been prepared under Historical Cost conventions and on accrual basis in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 1956, as adopted consistently by the Company.

2. Use of Estimates :

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/materialize.

3. Fixed Assets :

Fixed Assets are stated at cost of acquisition less accumulated depreciation thereon. Fixed Assets are accounted at cost of acquisition inclusive of inward freight, duties taxes and other incidental expenses related to acquisition and installation of Fixed Assets incurred to bring the assets to their working condition for their intended use.

4. Depreciation :

Depreciation is provided for in the books on written down value method as per the rates prescribed under Schedule XIV of the Companies Act 1956.

5. Investments :

Investments made by the Company with a long term prospective in Quoted and Unquoted securities are held as investments and are valued at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary in nature.

6. Revenue Recognition :

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Dividend income is recognized when right to receipts is established. Profit or loss on sale of securities is accounted on trade date basis. Other Income has been recognized on the basis of Accounting Standard – 9 (Revenue Recognition) notified by the Companies (Accounting Standards) Rules, 2006.

7. Foreign currency transaction:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized as income or expense in the profit and loss account of the same period. Foreign currency assets and liabilities are translated at the yearend rates and the resultant exchange differences, are recognized in the profit and loss account.

The Company uses foreign exchange forward and options contracts to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange forward and options contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes. Forward and options contracts are fair valued at each reporting date. The resultant gain or losses from these transactions are recognized in the statement of profit and loss. The Company records the gain or loss on effective hedges, if any, in the foreign currency fluctuation reserve until the transactions are complete. On completion, the gain or loss is transferred to the statement of profit and loss of that period.

8. Borrowing Cost :

Borrowing Costs that are directly attributable to the acquisition or production of qualifying assets are capitalized as the cost of the respective assets. Other Borrowing Costs are charged to revenue.

9. Employee Benefits :

Employee benefit plans comprise both defined benefit and defined contribution plans.

•Provident fund is a defined contribution plan. Each eligible employee and the Company make equal contributions at a percentage of the basic salary specified under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

The Company has no further obligations under the plan beyond its periodic contributions.

10. Accounting of taxes on Income :

Tax expenses for the year comprise of current tax and deferred tax.

Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI. At each Balance Sheet date the Company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

11. Leased Assets :

The Company's significant Leasing arrangements are in respect of Operating leases for premises which are cancellable in nature. The Lease rentals paid under such Agreements are charged to Profit and Loss Account.

12. Provisions and Contingent Liabilities :

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

13. Impairment of Assets :

The Company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the

assets belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

14. Miscellaneous Expenditure:

Cost incurred on legal & other fees paid towards proposed IPO are amortized to be written off over a period of 5 Years.

ANNEXURE V: NOTES TO THE RESTATED FINANCIAL STATEMENTS

1. CHANGES IN ACCOUNTING POLICIES IN THE YEARS/PERIODS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies during the reporting period except, as and when Accounting Standards issued by the Institute of Chartered Accountants of India / companies (Accounting Standard) Rules, 2006 were made applicable on the relevant dates.

2. Non-adjustment Items :

No Audit qualifications for the respective periods, which require any corrective adjustment in these Restated Financial Statements of the Company, have been pointed out during the last five years.

3. Material Regroupings :

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the requirements of the SEBI Regulations.

4. Contingent Liabilities not provided for are given as Annexure XIII.
5. Related Party Disclosures as required in terms of 'Accounting Standard -18 are given in Annexure XIV.
6. Earnings Per Share (EPS) as required in terms of 'Accounting Standard -20 are given in Annexure XVI.
7. In the opinion of the management, current assets, loans and advances have realizable value of at least the amounts at which they are stated in the accounts.
8. Provision for tax has been made on the book profits as per provision under the Income Tax Act, 1961.
9. As per Accounting Standard (AS) 17 on "Segment Reporting", Segment information has not been provided as the Company has only one reportable segment.
10. The management has asked for confirmation from its suppliers regarding their registration with competent authorities under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED). However, none has confirmed their registration under the act. Accordingly no further information is submitted in this regards.

11. Operating Leases

Operating Leases are entered into for Storage and room premises. The Company has taken these premises under operating lease/leave and license basis. The same is renewable by mutual consent on

mutually agreeable terms. The Company has given refundable interest free security deposit under certain agreements.

(₹ in lacs)

Particulars	31-03-2012	31-03-2011	31-03-2010	31-03-2009	31-03-2008
Rent	10.38	5.86	2.53	0.64	0.00

12. Details required as per Companies Act to the extent applicable is given below:

(₹ in lacs)

Particulars	31-03-12	31-03-11	31-03-10	31-03-09	31-03-08
Remuneration to Auditors					
- For Audit Fees	0.15	0.15	0.16	0.16	0.06
- For Taxation Matters	0.05	0.02	0.05	0.00	0.00
- For Company Law Matters	0.07	0.00	0.00	0.00	0.00
- For Other Services	0.06	0.02	0.00	0.00	0.00
Total	0.33	0.19	0.21	0.16	0.06
Remuneration to Directors					
Salaries & Allowances	0.00	9.30	6.00	5.85	1.50
Expenditure in foreign Currency	1.60	2.28	3.63	2.61	7.33
Income in foreign Currency	49.73	64.88	59.74	63.22	51.68

ANNEXURE VI: STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Capital Reserve :Share Premium Account (A)					
Opening Balance	8.00	8.00	8.00	8.00	8.00
Add: Recd during the year	53.00	0.00	0.00	0.00	0.00
Less: Utilized for issue of Bonus shares	8.00	0.00	0.00	0.00	0.00
Total	53.00	8.00	8.00	8.00	8.00
SURPLUS : Profit and Loss Account (B)					
Opening Balance	29.99	25.04	15.16	9.84	1.05
Add : Net Profit after Tax Transferred from Statement of Profit and Loss	2.01	5.47	10.30	5.74	9.17
Amount available for Appropriation	32.00	30.51	25.46	15.58	10.22
Less: Utilized for issue of Bonus shares	28.00	0.00	0.00	0.00	0.00
Less : Interim Dividend	0.45	0.00	0.00	0.00	0.00
Less : Final Dividend	0.00	0.45	0.36	0.36	0.33
Less: Dividend Distribution Tax	0.07	0.07	0.06	0.06	0.05
Total (B)	3.48	29.99	25.04	15.16	9.84
Total (A+B)	56.48	37.99	33.04	23.16	17.84

ANNEXURE VII: STATEMENT OF FIXED ASSETS, AS RESTATED

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
TANGIBLE ASSETS					
Computer					
Gross Block	7.81	7.56	6.13	4.57	4.30
Less: Accumulated Depreciation	6.01	4.92	3.82	2.88	1.78
Net Block	1.80	2.64	2.31	1.69	2.52
Motor Car					
Gross Block	11.68	11.68	11.68	11.68	11.68
Less: Accumulated Depreciation	9.07	8.16	6.93	5.27	3.03
Net Block	2.61	3.52	4.75	6.41	8.65
Office Equipments					
Gross Block	1.16	0.49	0.49	0.00	0.00
Less: Accumulated Depreciation	0.20	0.08	0.02	0.00	0.00
Net Block	0.96	0.40	0.47	0.00	0.00
INTANGIBLE ASSETS					
Computer Software					
Gross Block	0.61	0.61	0.00	0.00	0.00
Less: Accumulated Depreciation	0.27	0.04	0.00	0.00	0.00
Net Block	0.34	0.57	0.00	0.00	0.00

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE VIII: STATEMENT OF INVESTMENTS, AS RESTATED

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
NON CURRENT INVESTMENTS					
A) Long Term Investments					
Debt Instruments					
-Quoted	0.00	0.00	0.00	0.00	0.00
- Unquoted	0.00	0.00	0.00	0.00	0.00
Fully paid Equity Shares					
-Quoted	16.76	15.97	12.81	6.28	4.86
- Unquoted					
Total (A)	16.76	15.97	12.81	6.28	4.86
B) Short Term Investments	0.00	0.00	0.00	0.00	0.00
C) Provision for diminution in value of Investments	0.00	0.00	0.00	0.00	0.00
Total (A+B+C)	16.76	15.97	12.81	6.28	4.86
Quoted Investments					

- Book Value	16.76	15.97	12.81	6.28	4.86
- Market Value	14.64	16.95	13.02	6.02	5.08
Unquoted Investments					
- Book Value	0.00	0.00	0.00	0.00	0.00

Note: The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.

ANNEXURE IX: STATEMENT OF DETAILS OF TRADE RECEIVABLES, AS RESTATED:

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
(A) Unsecured, Considered good outstanding for a period less than six months					
Amount due from Promoter/Group Co./Directors	0.00	0.00	0.00	0.00	0.00
Others	13.44	15.98	15.26	13.57	10.80
(B) Unsecured, Considered good outstanding for a period more than six months					
Amount due from Promoter/Group Co./Directors	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.04	0.01	0.00	0.00
Total	13.44	16.03	15.27	13.57	10.80

ANNEXURE X: STATEMENT OF LOANS AND ADVANCES, AS RESTATED:

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
LONG TERM LOANS AND ADVANCES					
Refundable Deposit for Offices	158.96	4.51	1.51	1.51	0.05
TOTAL	158.96	4.51	1.51	1.51	0.05
SHORT TERM LOANS AND ADVANCES					
Advances Taxes	11.45	11.38	9.35	7.80	4.71
Other Loans & Advances	3.00	1.66	0.00	0.00	0.00
Total	14.45	13.04	9.35	7.80	4.71

For details regarding Loans and Advances given to our Promoters and Directors, please see "Annexure XIV" of this Report.

ANNEXURE XI: STATEMENT OF CURRENT LIABILITIES & PROVISIONS, AS RESTATED

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Current Liabilities					
Trade Payables	0.00	0.08	0.00	0.00	0.08
Other Liabilities	9.30	6.88	6.58	4.71	8.65
Total (A)	9.30	6.96	6.58	4.71	8.73
Short Term Provisions					
For Income Tax	12.17	11.16	9.22	7.60	4.30

For Fringe Benefit Tax	0.00	0.00	0.00	0.18	0.20
For Proposed Dividend	0.00	0.45	0.36	0.36	0.33
For Tax on Dividend	0.07	0.07	0.06	0.06	0.06
Total (B)	12.24	11.68	9.64	8.20	4.89

Note: For details regarding Liabilities due to our Promoters and Directors, please see "Annexure XIV" of this Report.

ANNEXURE XII: STATEMENT OF CAPITALIZATION

(₹ in lacs)

Particulars	Pre Issue as on 31-3-2012	Post Issue
Debt		
Long Term Debt	0.00	0.00
Short Term Debt	0.00	0.00
Total Debts (A)	0.00	0.00
Equity (shareholders' funds)		
Equity share capital	145.00	349.00
Share Premium Account	53.00	257.00
Profit & Loss Accounts	3.48	3.48
Total Equity (B)	201.48	609.48
Long Term Debt / Equity Shareholders' funds	---	---
Total Debt / Equity Shareholders' funds	---	---

ANNEXURE XIII: STATEMENT OF CONTINGENT LIABILITIES

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Contingent Liabilities at the end of the year	0.00	0.00	0.00	0.00	0.00

ANNEXURE XIV: STATEMENT OF RELATED PARTIES AND TRANSACTIONS

Names of related parties:

i. Enterprises having significant influence the reporting enterprise

Nil

ii. Individuals (directly/indirectly) having control over the reporting enterprise / Key Managerial Persons

- Mr. Umesh V. Modi, Director
- Mrs. Manisha U. Modi, Director
- Mr. Sivaramakrishnan Iyer, Director
- Mr. Jay I. Desai, Director
- Mr. Digesh Rambhia, Director

iii. Subsidiary Companies

Nil

iv. Joint Venture Companies

Nil

v. Relatives of the individuals mentioned at (i) with whom transactions have taken place during the period/ year

Late Vasantlal Modi (Father)

Details of Related Party Transactions:

(₹ in lacs)

Nature of Transaction / Name of Related Party	As on March 31				
	2012	2011	2010	2009	2008
Remuneration Paid:					
Umesh Modi	0.00	4.65	3.00	3.58	1.50
Vasantlal Modi	0.00	2.25	3.00	2.27	0.00
Manisha Modi	0.00	4.65	3.00	5.20	1.50
Refundable Deposit for Office premises					
Manisha Modi	155.00	0.50	0.50	0.50	0.00
Advances Received and outstanding as on year end					
Manisha Modi	6.46	0.00	0.00	0.00	0.00
Umesh Modi	0.05	0.00	0.00	0.00	6.00

ANNEXURE XV: STATEMENT OF TAX SHELTER

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Normal Corporate tax rates	30.90%	30.90%	30.90%	30.90%	30.90%
Special Tax Rates	15.45%	15.45%	15.45%	11.33%	11.33%
Minimum alternative tax rates	20.01%	19.93%	17.00%	11.33%	11.33%
Profit before tax as per Restated P/L	2.96	7.52	11.84	9.19	13.46
Applicable Corporate Tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%
Tax at Notional Rate	0.91	2.32	3.66	2.84	4.16
Adjustments					
Difference between Tax Depreciation and Book Depreciation	0.19	(0.03)	0.23	0.92	(0.34)
Exempt Income	(0.30)	(0.30)	(6.91)	(0.32)	(0.08)
Items Chargeable at special rates	(0.94)	(1.12)	0.00	0.00	(0.22)
Other Items Long Term Loss	0.69	0.00	0.00	1.76	0.00
Set off of Business Losses / Unabsorbed Depreciation	0.00	0.00	0.00	0.00	0.00
Net Adjustments	(0.36)	(1.45)	(6.68)	2.36	(0.64)
Tax Saving thereon	0.11	0.45	2.06	(0.73)	0.20
Tax Saving to the extent of Tax at Notional Rate	0.11	0.45	2.06	(0.73)	0.20
Tax Payable [A]	0.80	1.88	1.59	3.57	3.96

Tax Payable on items chargeable at special rates [B]	0.15	0.16	0.00	0.00	0.02
Total Tax Payable [C=A+B]	0.95	2.04	1.59	3.57	3.98
Tax Rebates [D]	0.00	0.00	0.00	0.00	0.00
Net Tax Payable [E=C-D]	0.95	2.04	1.59	3.57	3.98
Tax as per Minimum alternate tax (MAT)	0.53	1.44	0.84	1.00	1.52
Total tax payable or MAT whichever is higher	0.95	2.04	1.59	3.57	3.98

ANNEXURE XVI: STATEMENT OF ACCOUNTING RATIOS

(₹ in lacs except Share Data)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Net Worth as per Balance Sheet	199.17	40.88	35.90	26.00	20.65
Profit/(Loss) after Tax	2.01	5.47	10.30	5.74	9.17
Basic/Diluted Earnings Per Share (i)	0.51	18.23	34.33	19.13	30.57
Basic/Diluted Earnings Per Share after considering the effect of Bonus Shares in Previous years	0.51	1.40	2.64	1.47	2.35
Weighted Average Number of Equity Shares (No.'s)	392896	30000	30000	30000	30000
Weighted Average Number of Equity Shares after considering the effect of Bonus (No.'s)	392896	390000	390000	390000	390000
No of Shares at the end of the year (Nos.)	1450000	30000	30000	30000	30000
Net Asset Value Per share (₹)	13.74	136.27	119.67	86.67	68.83
Return on Net Worth (%)	1.01%	13.38%	28.69%	22.08%	44.41%

Notes:

- a) The above statement should be read with the Significant accounting policies and notes to accounts appearing in Annexure IV & V respectively.
- b) Formulas used for calculating above ratios are as under:
 - i) Basic EPS is being calculated by using the formula: Net Profit after excluding Extra-ordinary items/Weighted Average No. of outstanding shares.
 - ii) Net Asset Value is being calculated by using the formula: (Equity Share Capital + Reserves and Surplus + Preference Share Capital)/Number of Equity Shares at year end.
 - iii) Return on Net worth is being calculated by using the formula: Profit After Tax/(Equity Share Capital + Reserves and Surplus + Preference Share Capital).
 - iv) Net Tangible Assets comprises Net Fixed Assets and Net Working Capital.

There is no revaluation reserve in last five years of the Company.

ANNEXURE XVII: STATEMENT OF DIVIDENDS

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Interim Dividend on Equity Shares	0.45	0.00	0.00	0.00	0.00
Final Dividend on Equity Shares	0.00	0.45	0.36	0.36	0.33
Total Dividend on Equity Shares	0.45	0.45	0.36	0.36	0.33
Dividend Rate (%)	15%	15%	12%	12%	11%
Dividend Tax	0.07	0.07	0.06	0.06	0.05

ANNEXURE XVIII: STATEMENT OF SEGMENT REPORTING:

The Company is primarily engaged in the business of web based B2B Portal which, in the context of AS17 on 'Segment Reporting', constitutes a single reporting segment. Further the Company does not have any separate geographic segments other than India.

ANNEXURE XIX: STATEMENT OF OTHER INCOME

(₹ in lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Profit /(Loss) on sale of Investments	0.25	1.12	6.55	(1.76)	0.22
Dividend Income	0.30	0.30	0.35	0.32	0.08
Total	0.55	1.42	6.90	(1.44)	0.30

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS OF THE COMPANY

You should read the following discussion and analysis of our Company's financial condition and results of operations together with our Company's financial statements included in this Prospectus. You should also read the Chapter titled "Risk Factors" beginning on page 09 of this Prospectus, which enumerates number of factors and contingencies that could impact our Company's financial condition and results of operations.

These financial statements have been prepared in accordance with the Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our Statutory Auditor dated July 10, 2012 in the Chapter titled "Financial Information" beginning on page 115 of this Prospectus.

Our financial year ends on March 31 of each year, so all references to a particular fiscal year to 12-month period ended March 31 of that year. Our Company's historical financial performance may not be considered as indicative of future financial performance.

BUSINESS OVERVIEW

Our company was originally incorporated with the Registrar of Companies, Maharashtra on April 04, 2005 as a Private Limited Company. Pursuant to shareholders Resolution dated April 7, 2012 our company was converted into a Public Limited Company and the name was changed to Jupiter Infomedia Ltd. A fresh certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Mumbai vide certificate dated May 08, 2012. Our Company is one of India's leading web infomedia company with online publication on Business, Encyclopedia, Yellowpages, News & Events related to India.

We are a leading provider of online information in India. At present, we have three verticals, which comprise online business directory (operating through www.JimTrade.com), Encyclopedia on India (operating through www.IndiaNetzone.com) and online yellowpages directory division (operating through www.jimyellowpages.com). For details of the business please refer to the section titled "*Business Overview*" on page 81 of this Prospectus.

Significant developments after year ended March 31, 2012 that affect our future results of operations

In the opinion of the Board of Directors, no events or circumstances save and except as disclosed in this Prospectus have arisen since the date of the last Audited Financial Statements contained in this Prospectus which materially or adversely affect or is likely to affect the trading and profitability of the Company, or the value of its assets, or its ability to pay liabilities within next twelve months.

Key factors affecting the results of operation

Our Company's business is subject to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" beginning on page 09 of this Prospectus. Some of the important factors that may affect the results of operations, financial condition and cash flows are discussed in this section.

- Changes in Indian economic or financial conditions
- Client Relationships / Fluctuations in customer base
- Growth in overall volumes due to favourable capital market conditions
- Interest Rates and Inflation
- Increasing competition in this industry
- Change in Laws and Regulations governing NBFC Industry
- Operating Expenses
- Recruitment and Retention of employees

Key Accounting Policies

1. Basis of Preparation of Financial Statements :

The Restated Financial Statements have been prepared under Historical Cost conventions and on accrual basis in accordance with the Generally Accepted Accounting Principles ('GAAP') applicable in India, Companies (Accounting Standard) Rules, 2006 notified by Ministry of Company Affairs and Accounting Standards issued by the Institute of Chartered Accountants of India as applicable and relevant provisions of the Companies Act, 1956, as adopted consistently by the Company.

2. Use of Estimates :

The presentation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenue and expenses during the reported period. Differences between the actual result and estimates are recognized in the period in which the results are known/materialize.

3. Fixed Assets :

Fixed Assets are stated at cost of acquisition less accumulated depreciation thereon. Fixed Assets are accounted at cost of acquisition inclusive of inward freight, duties taxes and other incidental expenses related to acquisition and installation of Fixed Assets incurred to bring the assets to their working condition for their intended use.

4. Depreciation :

Depreciation is provided for in the books on written down value method as per the rates prescribed under Schedule XIV of the Companies Act 1956.

5. Investments :

Investments made by the Company with a long term prospective in Quoted and Unquoted securities are held as investments and are valued at cost. Provision for diminution in the value of long-term investment is made only if such decline is other than temporary in nature.

6. Revenue Recognition :

Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses. Dividend income is recognized when right to receipts is established. Profit or loss on sale of securities is accounted on trade date basis. Other Income has been recognized on the basis of Accounting Standard – 9 (Revenue Recognition) notified by the Companies (Accounting Standards) Rules, 2006.

7. Foreign currency transaction:

Foreign currency transactions are recorded in the books at exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized as income or expense in the profit and loss account of the same period. Foreign currency assets and liabilities are translated at the yearend rates and the resultant exchange differences, are recognized in the profit and loss account.

8. Borrowing Cost :

Borrowing Costs that are directly attributable to the acquisition or production of qualifying assets are capitalized as the cost of the respective assets. Other Borrowing Costs are charged to revenue.

9. Employee Benefits :

Employee benefit plans comprise both defined benefit and defined contribution plans.

•Provident fund is a defined contribution plan. Each eligible employee and the Company make equal contributions at a percentage of the basic salary specified under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

The Company has no further obligations under the plan beyond its periodic contributions.

10. Accounting of taxes on Income :

Tax expenses for the year comprise of current tax and deferred tax.

Current tax is measured after taking into consideration the deductions and exemptions admissible under the provision of Income Tax Act, 1961.

Deferred Tax assets or liabilities are recognized for further tax consequence attributable to timing difference between taxable income and accounting income that are measured at relevant enacted tax rates and in accordance with Accounting Standard 22 on "Accounting for Taxes on Income", issued by ICAI. At each Balance Sheet date the Company reassesses unrecognized deferred tax assets, to the extent they become reasonably certain or virtually certain of realization, as the case may be.

11. Leased Assets :

The Company's significant Leasing arrangements are in respect of Operating leases for premises which are cancellable in nature. The Lease rentals paid under such Agreements are charged to Profit And Loss Account.

12. Provisions and Contingent Liabilities :

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

13. Impairment of Assets :

The Company assesses at each balance sheet date whether there is any indication that an assets may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the assets belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as impairment loss and is recognized in the profit and loss account. If at the balance date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the assets is reflected at the recoverable amount.

14. Miscellaneous Expenditure:

Cost incurred on legal & other fees paid towards proposed IPO are amortized to be written off over a period of 5 Years.

Results of Operations

The following table sets forth selected financial data from our consolidated restated profit and loss accounts for fiscal 2012, 2011, 2010, 2009 and 2008, the components of which are also expressed as a percentage of total income for such periods:

(₹ in Lacs)

Particulars	As at March 31									
	2012	(in %)	2011	(in %)	2010	(in %)	2009	(in %)	2008	(in %)
REVENUE										
Revenue from operations	63.94	99.15	78.55	98.22	70.64	91.10	70.69	102.08	56.36	99.47
Other Income	0.55	0.85	1.42	1.78	6.90	8.90	(1.44)	(2.08)	0.30	0.53
Total Income	64.49		79.97		77.54		69.25		56.66	
EXPENSES										
Cost of Services	4.93	7.64	5.01	6.26	5.70	7.35	6.60	9.53	4.91	8.67
Employee benefit expense	38.02	58.95	43.52	54.42	42.28	54.53	36.71	53.01	22.71	40.08
Depreciation and amortization expense	2.35	3.64	2.44	3.05	2.62	3.38	3.34	4.82	3.03	5.35
Other expenses	15.54	24.10	12.15	15.19	9.07	11.70	7.53	10.87	11.02	19.45
Directors Remuneration	0.00	0.00	9.30	11.63	6.00	7.74	5.85	8.45	1.50	2.65
Preliminary Expenses written off	0.69	1.07	0.03	0.04	0.03	0.04	0.03	0.04	0.03	0.05
Total Expenditure	61.53	95.41	72.45	90.60	65.70	84.73	60.06	86.73	43.20	76.24
Net Profit/(Loss) before tax	2.96	4.59	7.52	9.40	11.84	15.27	9.19	13.27	13.46	23.76
Less : Provision for Taxation										
Current Years Income Tax	1.01	1.57	2.04	2.55	1.61	2.08	3.57	5.16	3.97	7.01
Deferred Tax	(0.06)	(0.09)	0.01	0.01	(0.07)	(0.09)	(0.30)	(0.43)	0.12	0.21
Fringe Benefit Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.18	0.26	0.20	0.35
Net Profit after tax but before extraordinary items	2.01	3.12	5.47	6.84	10.3	13.28	5.74	8.29	9.17	16.18

PRINCIPAL COMPONENTS OF OUR PROFIT AND LOSS ACCOUNT

Revenue

Our total income comprises Revenue from Operations and Revenue earned from other sources.

- Revenue earned from Operations consists of income generated from Software Development, Web Portals, etc.
- Revenue earned from other sources consists primarily of profit / loss earned on sale of Investments and dividend income on securities.

Expenditure

Our Expenditure comprises of Cost of Services, Employee benefit expense, Depreciation and amortization expense, Other expenses, Director's Remuneration and Preliminary Expenses written off.

- Cost of services principally include Server name & Domain name Charges, Internet Charges, Electricity expenses, Content Development Charges, Database services, etc.
- Employee benefit expenses principally include Salaries, Staff Welfare expenses and Contribution to Provident Fund.
- Other expenses include Advertisement expenses, Conveyance charges, Insurance charges, Membership & Subscription fees, Printing & Stationery expense, Payment to Auditors, Professional fees, Rent charges, Repairs & Maintenance to other assets, Telephone and travelling expenses, etc.

Fiscal 2012 compared to Fiscal 2011

Total Income

Our Total Income decreased by ₹ 15.48 lacs or 19.36% from ₹ 79.97 lacs in fiscal 2011 to ₹ 64.49 lacs in fiscal 2012, primarily due to a decrease in Income earned from sale of Long Term Investment (Other Income).

Revenue from Operations

Our revenue generated from operations decreased by ₹ 14.61 lacs or 18.60% from ₹ 78.55 lacs in fiscal 2011 to ₹ 63.94 lacs in fiscal 2012 due to a lower sale of services.

Other Income

Income earned from Other Sources decreased by ₹ 0.87 lacs or 61.27% from ₹ 1.42 lacs in fiscal 2011 to ₹ 0.55 lacs in fiscal 2012 due to a decrease in Income earned from sale of Long Term Investment.

Total Expenditure

Our Total Expenditure decreased by ₹ 10.92 lacs or 15.07% from ₹ 72.45 lacs in fiscal 2011 to ₹ 61.53 lacs in fiscal 2012, primarily due to a substantial decrease in Director's Remuneration/Administrative expenses in that year.

Cost of Services

Our cost of services decreased by ₹ 0.08 lacs or 1.60% from ₹ 5.01 lacs in fiscal 2011 to ₹ 4.93 lacs in fiscal 2012, primary reason being a decrease in Service space and Domain name charges.

Employee Benefit expense

Our Employee Benefit expenses decreased by ₹ 5.50 lacs or 12.64% from ₹ 43.52 lacs in fiscal 2011 to ₹ 38.02 lacs in fiscal 2012, mainly due to a decrease in Staff Welfare expenses.

Depreciation

Our Depreciation Charges decreased by ₹ 0.09 lacs or 3.69% from ₹ 2.44 lacs in fiscal 2011 to ₹ 2.35 lacs in fiscal 2012.

Other expenses

Other Expenses increased by ₹ 3.39 lacs or 27.90% from ₹ 12.15 lacs in fiscal 2011 to ₹ 15.54 lacs in fiscal 2012, primarily due to a substantial increase in Rent charges.

Taxation

Provision for Taxation decreased by ₹ 1.03 lacs or 50.24% from ₹ 2.05 lacs in fiscal 2011 to ₹ 0.95 lacs in fiscal 2012, due to lower operating income.

Net Profit after Tax

Principally due to reasons described above, Net Profit after Tax decreased by ₹ 3.46 lacs or 0.63% from a Net Profit after Tax of ₹ 5.47 lacs in fiscal 2011 to a Net Profit after Tax of ₹ 2.01 lacs in fiscal 2012.

Fiscal 2011 compared to Fiscal 2010

Total Income

Our Total Income increased by ₹ 2.43 lacs or 3.13% from ₹ 77.54 lacs in fiscal 2010 to ₹ 79.97 lacs in fiscal 2011, primarily due to an increase in Revenue earned from Operations.

Revenue from Operations

Revenue earned from Operations increased by ₹ 7.91 lacs or 11.20% from ₹ 70.64 lacs in fiscal 2010 to ₹ 78.55 lacs in fiscal 2011.

Other Income

Income earned from Other Sources decreased by ₹ 5.48 lacs or 79.42% from ₹ 6.90 lacs in fiscal 2010 to ₹ 1.42 lacs in fiscal 2011, primarily due to a decrease in profit/(loss) earned from sale of investments.

Total Expenditure

Our Total Expenditure increased by ₹ 6.75 lacs or 10.27% from ₹ 65.70 lacs in fiscal 2010 to ₹ 72.45 lacs in fiscal 2011, primarily due to a substantial increase in Director's Remuneration and other expenses in that year.

Cost of Services

Cost of services decreased by ₹ 0.69 lacs or 12.11% from ₹ 5.70 lacs in fiscal 2010 to ₹ 5.01 lacs in fiscal 2011, due to a decrease in Server space and Domain name charges.

Employee Benefit expense

Employee Benefit expenses increased by ₹ 1.24 lacs or 2.93% from ₹ 42.28 lacs in fiscal 2010 to ₹ 43.52 lacs in fiscal 2011.

Depreciation

Depreciation Charges decreased by ₹ 0.18 lacs or 6.87% from ₹ 2.62 lacs in fiscal 2010 to ₹ 2.44 lacs in fiscal 2011.

Other expenses

Other Expenses increased by ₹ 3.08 lacs or 33.96% from ₹ 9.07 lacs in fiscal 2010 to ₹ 12.15 lacs in fiscal 2011, primarily due to a substantial increase in Rent charges.

Taxation

Provision for Taxation increased by ₹ 0.43 lacs or 27.92% from ₹ 1.54 lacs in fiscal 2010 to ₹ 2.05 lacs in fiscal 2011, in sync with higher operating income.

Net Profit after Tax

Principally due to reasons described above, Net Profit after Tax decreased by ₹ 4.83 lacs or 0.47% from a Net Profit after Tax of ₹ 10.30 lacs in fiscal 2010 to a Net Profit after Tax of ₹ 5.47 lacs in fiscal 2011.

Fiscal 2010 compared to Fiscal 2009

Total Income

Our Total Income increased by ₹ 8.29 lacs or 11.97% from ₹ 69.25 lacs in fiscal 2009 to ₹ 77.54 lacs in fiscal 2010, primarily due to a substantial increase in Income earned from Other Sources.

Revenue from Operations

Our revenue earned from operations decreased by ₹ 0.05 lacs or 0.07% from ₹ 70.69 lacs in fiscal 2009 to ₹ 70.64 lacs in fiscal 2010.

Other Income

Income earned from other sources increased by ₹ 8.34 lacs or 579.17% from a negative figure of ₹ 1.44 lacs in fiscal 2009 to ₹ 6.90 lacs in fiscal 2010, due to a substantial increase in profits made from sale of investment.

Total Expenditure

Our Total Expenditure increased by ₹ 5.64 lacs or 9.39% from ₹ 60.06 lacs in fiscal 2009 to ₹ 65.70 lacs in fiscal 2010, primarily due to a substantial increase in Employee Benefit expenses in fiscal 2010.

Cost of Services

Cost of services decreased by ₹ 0.90 lacs or 13.64% from ₹ 6.60 lacs in fiscal 2009 to ₹ 5.70 lacs in fiscal 2010.

Employee Benefit expense

Employee Benefit Expenses increased by ₹ 5.57 lacs or 15.17% from ₹ 36.71 lacs in fiscal 2009 to ₹ 42.28 lacs in fiscal 2010, primarily due to increase Staff Welfare expenses.

Depreciation

Depreciation Charges decreased by ₹ 0.72 lacs or 21.56% from ₹ 3.34 lacs in fiscal 2009 to ₹ 2.62 lacs in fiscal 2010.

Other expenses

Other Expenses increased by ₹ 1.54 lacs or 20.45% from ₹ 7.53 lacs in fiscal 2009 to ₹ 9.07 lacs in fiscal 2010, primarily due to a substantial increase in Rent charges and Telephone expenses.

Taxation

Provision for Taxation decreased by ₹ 1.96 lacs or 56.81% from ₹ 3.45 lacs in fiscal 2009 to ₹ 1.54 lacs in fiscal 2010.

Net Profit after Tax

Principally due to reasons stated above, Net Profit after Tax increased by ₹ 4.56 lacs or 0.79% from a Net Profit after Tax of ₹ 5.74 lacs in fiscal 2009 to a Net Profit after Tax of ₹ 10.30 lacs in fiscal 2010.

Fiscal 2009 compared to Fiscal 2008

Total Income

Our Total Income increased by ₹ 12.59 lacs or 22.22% from ₹ 56.66 lacs in fiscal 2008 to ₹ 69.25 lacs in fiscal 2010, primarily due to a substantial increase in Revenue earned from Operations.

Revenue from Operations

Revenue earned from Operations increased by ₹ 14.33 lacs or 25.43% from ₹ 56.36 lacs in fiscal 2008 to ₹ 70.69 lacs in fiscal 2009, primarily due to a substantial increase in Software Development Income and Income generated from our Web Portal Vertical.

Other Income

Income earned from other sources decreased by ₹ 1.74 lacs or 580% from ₹ 0.30 lacs in fiscal 2008 to a negative figure of ₹ 1.44 lacs in fiscal 2009, due to global financial crisis which affected the overall trading volumes across the stock exchanges resulting into a fall in income made from sale of investments.

Total Expenditure

Total Expenditure increased by ₹ 16.86 lacs or 39.03% from ₹ 43.20 lacs in fiscal 2008 to ₹ 60.06 lacs in fiscal 2009, primarily due to a substantial increase in Director's Remuneration and Employee Benefit expenses in fiscal 2009.

Cost of Services

Cost of services increased by ₹ 1.69 lacs or 34.42% from ₹ 4.91 lacs in fiscal 2008 to ₹ 6.60 lacs in fiscal 2009, primarily due to an increase in Database Services and Internet and Electricity charges.

Employee Benefit expense

Employee Benefit expenses increased by ₹ 14.00 lacs or 61.65% from ₹ 22.71 lacs in fiscal 2008 to ₹ 36.71 lacs in fiscal 2009, primarily due to increase in Audit fees, Professional fees and Staff Welfare expenses.

Depreciation

Depreciation Charges increased by ₹ 0.31 lacs or 10.23% from ₹ 3.03 lacs in fiscal 2008 to ₹ 3.34 lacs in fiscal 2009.

Other expenses

Other Expenses decreased by ₹ 3.49 lacs or 31.67% from ₹ 11.02 lacs in fiscal 2008 to ₹ 7.53 lacs in fiscal 2009, primarily due to a substantial decrease in Advertisement expenses, Directory charges and Recruitment charges.

Taxation

Provision for Taxation decreased by ₹ 0.40 lacs or 9.32%, from ₹ 4.29 lacs in fiscal 2008 to ₹ 3.45 lacs in fiscal 2008, due to an unproportionate increase in total expenditure to total income, resulting in decrease in Net Profit before Tax.

Net Profit after Tax

Principally due to reasons described above, Net Profit after Tax decreased by ₹ 3.43 lacs or 0.37% from a Net Profit after Tax of ₹ 9.17 lacs in fiscal 2008 to a Net Profit after Tax of ₹ 5.74 lacs in fiscal 2009.

Financial Conditions, Liquidity and Capital Resources

Cash Flow Statement

The table below sets forth cash flow statement of our Company for fiscals 2012, 2011, 2010, 2009 and 2008:
(₹ in Lacs)

Particulars	As on March 31				
	2012	2011	2010	2009	2008
Net Cash generated from/(used in) Operating Activities	8.96	4.41	6.17	3.51	10.35
Net Cash flow from/(used in) Investing Activities	(155.61)	(6.80)	(1.69)	(4.58)	(13.78)
Net Cash flow from/(used in) Financing Activities	155.15	(0.42)	(0.42)	(0.39)	(0.35)
<i>Net increase/(decrease) in Cash and Cash Equivalents</i>	<i>8.50</i>	<i>(2.81)</i>	<i>4.06</i>	<i>(1.46)</i>	<i>(3.78)</i>

Net Cash from Operating Activities

In fiscal 2012, our company had positive cash flow from operating activities amounting to ₹ 8.96 Lacs as compared to PBT of ₹ 2.96 Lacs. This difference is primarily on account of a substantial decrease in Receivables and an increase in short term Current Assets and short term Current Liabilities.

In fiscal 2011, our company had a positive cash flow from operating activities amounting to ₹ 4.41 Lacs as compared to PBT of ₹ 7.52 Lacs. This difference is mainly due to an increase in Receivables, Short Term Current Assets and Short Term Current Liabilities.

In fiscal 2010, our company had a positive cash flow from operating activities amounting to ₹ 6.17 Lacs as compared to PBT of ₹ 11.84 Lacs. This difference is primarily on account of a substantial increase in Receivables and Short Term Current Liabilities.

In fiscal 2009, our company had a positive cash flow from operating activities amounting to ₹ 3.51 Lacs compared to a PBT of ₹ 9.19 Lacs. This difference is primarily on account of an increase in Receivables and a substantial decrease in Short Term Current Liabilities.

In fiscal 2008, our company had a positive cash flow from operating activities amounting to ₹ 10.35 Lacs compared to PBT of ₹ 13.46 Lacs. This difference is mainly due to a substantial increase in Receivables and Short Term Current Liabilities.

Net Cash from Investing Activities

In fiscal 2012, our company had a negative cash flow from Investing Activities amounting to ₹ 155.61 Lacs. This reflected expenditure incurred towards purchase of fixed assets and investments and a substantial increase in Long Term Current Assets.

In fiscal 2011, our company had a negative cash flow from Investing Activities amounting to ₹ 6.80 Lacs. This was primarily on account of purchase of fixed assets and investments and an increase in Long Term Current Assets.

In fiscal 2010, our company had a negative cash flow from Investing Activities amounting to ₹ 1.69 Lacs. This reflected expenditure incurred towards purchase of fixed assets and sale of investments.

In fiscal 2009, our company had a negative cash flow from Investing Activities amounting to ₹ 4.58 Lacs. This reflected expenditure incurred towards purchase of fixed assets, investments, and an increase in Long Term Current Assets.

In fiscal 2008, our company had a negative cash flow from Investing Activities amounting to ₹ 13.78 Lacs. This reflected high expenditure incurred towards purchase of fixed assets and investments.

Net Cash from Financing Activities

In fiscal 2012, our company had a positive cash flow from Financing Activities amounting to ₹ 155.15 Lacs, primarily on account of proceeds from issue of share capital (including share premium).

In fiscal 2011, our company had a negative cash flow from Financing Activities amounting to ₹ 0.42 Lacs, primarily on account of dividend paid (including dividend tax).

In fiscal 2010, our company had a negative cash flow from Financing Activities amounting to ₹ 0.42 Lacs, primarily on account of dividend paid (including dividend tax).

In fiscal 2009, our company had a negative cash flow from Financing Activities amounting to ₹ 0.39 Lacs, primarily on account of dividend paid (including dividend tax).

In fiscal 2008, our company had a negative cash flow from Financing Activities amounting to ₹ 0.35 Lacs, primarily on account of dividend paid (including dividend tax).

Related Party Transactions

We have engaged in the past, and may engage in the future transactions with related parties on an arm's lengths basis. For details, please refer to "Annexure XIV" of "Auditor's Report" on page 128 of this Prospectus.

Recent Accounting Pronouncements

There are no recent accounting pronouncements that are expected to impact our accounting policies or the manner of our financial reporting. However, the ICAI has announced a road map for the adoption of, and convergence of Indian GAAP with, IFRS announced by the Ministry of Corporate Affairs, GoI in January, 2010, pursuant to which we will be required to prepare our annual and interim financial statements under IFRS beginning with financial year commencing April 1, 2013. The convergence of certain Indian Accounting 182 Standards with IFRS was notified by the Ministry of Corporate Affairs on February 25, 2011. Because there is significant lack of clarity on the adoption of and convergence with IFRS and there is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application, we have not determined with any degree of certainty the impact that such adoption will have on our financial reporting.

Known trends or uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified in this section and the uncertainties described in the section titled "Risk Factors" on page 09 of this Prospectus. To our knowledge, except as we have described in this Prospectus, there are no other known factors, which we expect to have a material adverse impact on our revenues or income from continuing operations.

Effect of Inflation

We are affected by inflation as it has an impact on Salaries, Cost, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN BELOW

1. Unusual or infrequent events or transactions

There have been no such events.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

There have been no significant economic changes in the industry in the recent past, which are likely to affect income from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue, or income from continuing operations

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 09 of this Prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

4. Status of any publicly announced new products or business segment.

Our Company has not publicly announced any new products or business segments.

5. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new services or increased charter rates.

Increases in revenues are by and large linked to increases in volume of business.

6. The extent to which the business is seasonal.

Our Company’s business is not seasonal.

7. Any significant dependence on a single or few suppliers or customers.

Except as disclosed elsewhere in this prospectus, our business is not dependent on a single or few customers.

8. Competitive Conditions

For details of competitive conditions, please refer to the Section titled ‘*Business Overview*’ on page 81 of this Prospectus.

SECTION VII: LEGAL AND OTHER REGULATORY INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against the Company, Directors, Promoters and Group Companies and there are no defaults, non-payment of statutory dues, over-dues to banks/ financial institutions/ small scale undertaking(s), defaults against banks/ financial institutions/ small scale undertaking(s), defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issued by the Company, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of the Company and no disciplinary action has been taken by SEBI or any stock exchanges against the Company, the Promoters or the Directors. Further, as stated below, there are no show-cause notices / claims served on the Company, its Promoters, Directors and Group Companies from any statutory authority / revenue authority that would have a material adverse effect on the business of the Company.

This section has been divided into five parts:

- Part 1 Contingent Liabilities of our Company
- Part 2 Litigation relating to our Company
- Part 3 Litigation against our Directors
- Part 4 Litigation relating to our Promoter and Group Companies
- Part 5 Material Developments

Part 1 Contingent Liabilities of our Company

As on March 31, 2012, there are no Contingent Liabilities

Part 2 Litigation relating to Our Company

A. FILED AGAINST OUR COMPANY

1. Litigation Involving Civil Laws: NIL
2. Litigation Involving Criminal Laws: NIL
3. Litigation Involving Securities and Economic Laws NIL
4. Litigation Involving Statutory Laws NIL
5. Litigation Involving Labour Laws NIL

B. FILED BY THE ISSUER COMPANY

1. Litigation Involving Civil Laws NIL
2. Litigation Involving Criminal Laws NIL
3. Litigation Involving Securities and Economic Laws NIL
4. Litigation Involving Statutory Laws - NIL
5. Litigation Involving Labour Laws NIL

PART 3 - LITIGATION AGAINST OUR DIRECTORS

A. Litigations against Directors of the Company: NIL

B. Cases Filed by Directors of the Company: NIL

PART 4 - LITIGATION RELATING TO OUR PROMOTER AND GROUP COMPANIES

A. OUR PROMOTER

1. Litigation against Promoter of the Company – NIL
2. Cases Filed by Promoter of the Company: NIL

B. OUR PROMOTER GROUP

1. Litigation against Promoter Group of the Issuer Company: NIL
2. Cases Filed by Promoter Group of the Issuer Company: NIL

PART 5 – MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE, THAT IS, MARCH 31, 2012

In the opinion of the Board, there has not arisen, since the date of the last audited financial statements disclosed in this Prospectus (save except as disclosed in the section titled “*Risk Factors*” beginning on page 09 of this Prospectus), any circumstances that materially or adversely affect or are likely to affect the profitability of the Company or the value of our assets or our ability to pay our material liabilities within the next twelve months.

GOVERNMENT & OTHER KEY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business (as applicable on date of this Prospectus) and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current/proposed business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to be undertaken in respect of the Issue or continue our business activities. It must be distinctly understood that, in granting these approvals, the Government of India does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.

The following statement sets out the details of licenses, permissions and approvals taken by us under various central and state laws for carrying out business

I. CORPORATE APPROVALS PERTAINING TO THIS ISSUE

1. The Board of Directors have, pursuant to a resolution passed at its meeting held on May 8, 2012 authorized the Issue, subject to the approval of the shareholders of our Company under Section 81 (1A) of the Companies Act and approvals by such other authorities as may be necessary
2. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, 1956 at the Annual General Meeting of the shareholders held on May 14, 2012.
3. The Company has obtained in-principle listing approvals from the SME Platform of BSE dated July 09, 2012.
4. Tripartite agreement between the NSDL, our Company and the Registrar dated June 15, 2012.
5. Tripartite agreement between the CDSL, our Company and the Registrar dated June 06, 2012.

II. INCORPORATION

1. The company was originally incorporated with the Registrar of Companies, Maharashtra on April 04, 2005 as Jupiter Infomedia Private Limited Company and was allotted Company Identification Number (CIN) U22200MH2005PTC152387.
2. Pursuant to shareholders Resolution dated April 7, 2012 our company was converted into a Public Limited Company and the name was changed to Jupiter Infomedia Ltd. A fresh certificate of Incorporation was issued consequent to this change of name by the Registrar of Companies, Mumbai vide certificate dated May 08, 2012.
3. Company Identification Number (CIN) U22200MH2005PLC152387

III. APPROVALS FOR BUSINESS / GENERAL APPROVALS:

The Company requires various approvals for it to carry on its business in India. Certain approvals have elapsed in their normal course and the Company has either made an application to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications.

MUNICIPAL APPROVAL

1. Certificate of Registration under Bombay Shop And Establishment Act bearing number 760200793 / commercial II Ward KW
2. Certificate of Enlistment under Kolkata Municipal Corporation bearing number 000614008955.

TAXATION RELATED APPROVALS AND LICENSES

1. Allotment of Tax Deduction Account No. MUMJ12919E issued by the Income Tax Department.
2. Permanent Account Number of our company is AABCJ5340C.
3. Professional Tax Registration Number of our company is 99341605251P.
4. Tax Identification Number of our company is T2011004GANE
5. Service Tax Registration Number of our company is AABCJ5340CSD001

IV. PENDING APPROVALS

1. Trademark Registration for our logo  bearing application number 2335728 under class 35.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board of Directors have vide resolution dated May 8, 2012, authorised the Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act.

Our shareholders have, pursuant to a resolution dated May 14, 2012, under Section 81(1A) of the Companies Act, authorised the Issue.

The Company has obtained approval from BSE vide letter dated July 09, 2012 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE. BSE is the Designated Stock Exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

We confirm that there is no prohibition on our Company, its Directors, Promoters, Promoter Group and Group Companies, from accessing the capital market or operating in the capital markets under any order or direction passed by SEBI.

We further confirm that none of our company, its Promoters, its group companies or the relatives of our promoters and group companies was ever identified as willful defaulters by RBI or other authorities.

Association with Securities Market

We confirm that none of our Executive Directors are associated with the securities market in any manner. Further, we confirm that, none of our Non-Executive Independent Directors are associated with the securities market in any manner. No action has been initiated against these entities by SEBI at any time.

Eligibility for the Issue

Our company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

Our company is eligible for the Issue in accordance with Regulation 106(M)(1) of Chapter XB of the SEBI (ICDR) Regulations 2009, as amended from time to time, as we are an issuer whose post issue paid up capital is less than 10 Crores and we may hence issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of BSE”).

We confirm that:

- a) In accordance with Regulation 106(P) of the SEBI (ICDR) Regulations, this issue has been hundred percent underwritten and that the Lead Manager to the Issue has underwritten more than 15% of the Total Issue Size. *For further details pertaining to said underwriting please refer to “General Information – Underwriting” on page 40 of this Prospectus.*
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under Section 73 of the Companies Act.
- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall

ensure that our Lead Manager submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the Lead Manager and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this issue. *For further details of the arrangement of market making please refer to “General Information – Details of the Market Making Arrangements for this Issue” on page 41 of this Prospectus.*

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub-regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

Further, since we propose to list our equity shares on the SME platform of BSE, we confirm that:

- We have Net Tangible Assets of at least one crore as per the latest audited financial statement.
- We have Net worth (excluding revaluation reserves) of at least ₹ 1 crore as per the latest audited financial results.
- We have a Track record of distributable profits in terms of sec. 205 of Companies Act, 1956 for at least two years out of immediately preceding three financial years and each financial year which is a period of at least 12 months.
- Our post-issue paid up capital of the company is more than ₹ 1 crores.
- We have made an application with CDSL & NSDL and we shall ensure that we facilitate trading in demat securities and enter into an agreement with both the depositories prior to opening the issue.
- We have a operating website.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT 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 AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY

ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, ARYAMAN FINANCIAL SERVICES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 10, 2012 WHICH READS AS FOLLOWS:

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - (A) THE PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (C) THE DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.
- 5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.
- 6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
- 7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE

OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOTED FOR COMPLIANCE

- 8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- 9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.
- 10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.
- 11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- 12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- 13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
- 14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
- 15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE 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 US (PLEASE SEE "ANNEXURE A" FOR FURTHER DETAILS).

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MERCHANT BANKER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

Disclaimer Clause of BSE

BSE Limited ("BSE") has given vide its letter dated July 09, 2012, permission to this company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter for granting the aforesaid permission to this company. BSE does not in any manner:-

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. Warrant that this company's securities will be listed or will continue to be listed on BSE; or
- iii. Take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities in this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer from our Company and the Lead Manager

Our Company, its Directors and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at his or her own risk.

Caution

The Lead Manager accept no responsibility, save to the limited extent as provided in the MOU for Issue Management entered into among the Lead Manager and our Company dated May 10, 2012, the Underwriting Agreement dated May 28, 2012 entered into among the Underwriters and our Company and the Market Making Agreement dated May 28, 2012 entered into among the Market Maker, Lead Manager and our Company.

All information shall be made available by us and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres or elsewhere.

Note:

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any

person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the 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 of our Company.

Disclaimer in respect of jurisdiction

This Issue is being made in India to persons resident in India including Indian nationals resident in India (who are not minors), Hindu Undivided Families (HUFs), companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), Trusts registered under the Societies Registration Act, 1860, as amended from time to time, or any other trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to non-residents including NRIs and FIIs. The Prospectus does not, however, constitute an offer to sell or an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession the Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai 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. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been any change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

The Draft Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in term of Reg. 106(M)(3). However, a copy of this Prospectus shall be filed with SEBI at the Corporate Finance Department, Plot No. C-4A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051.

A copy of this Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, will be delivered to the RoC situated at Everest Building, 100, Marine Drive, Mumbai 400 002, Maharashtra.

Listing

The Company has obtained approval from BSE vide letter dated July 09, 2012 to use the name of BSE in this Offer document for listing of equity shares on SME Platform of BSE.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, there is no requirement of obtaining In-Principle approval of the SME Platform of BSE. However, application shall be made to SME Platform of BSE for obtaining permission for listing of the Equity Shares being offered and sold in the Issue on its SME Platform after the allotment in the Issue. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue.

If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by BSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest at the rate of 15% *per annum* on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE mentioned above are taken within 12 Working Days of the Issue Closing Date.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Statutory Auditors, Bankers to the Company; and (b) the Lead Manager, Escrow Collection Bankers, Registrar to the Issue, the Legal Advisors to the Issue, to act in their respective capacities, have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI (ICDR) Regulations, M/s. Mahadev Desai Associates, Chartered Accountants, the Auditors of the Company have agreed to provide their written consent to the inclusion of their report dated July 10, 2012 on restated financial statements, Statement of Funds Deployed dated July 10, 2012 and Statement dated July 10, 2012 relating to the possible tax benefits, as applicable, which may be available to the Company and its shareholders, included in this Prospectus in the form and context in which they appear therein and such consent and reports have not been withdrawn up to the time of delivery of this Prospectus.

Expert Opinion

The Company has not obtained any opinions from an expert as per the Companies Act.

Issue related expenses

The expenses of this Issue include, among others, underwriting and management fees, Market Making Fees, selling commissions, SCSBs' commission/ fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees is given below:

Sr. No.	Particulars	Amount (₹ in Lacs)	As a % of Total Issue Expenses	As a % of Total Issue Size
1	Payment to Merchant Banker including fees and reimbursements of Market Making Fees, selling commissions, brokerages, payment to other intermediaries such as Legal Advisors, Registrars, Bankers etc and other out of pocket expenses, if any.	30.00	54.55%	7.35%
2	Printing & Stationery and Postage Expenses	5.00	9.09%	1.23%
3	Marketing and Advertisement Expenses	5.00	9.09%	1.23%
4	Regulatory fees and expenses	15.00	27.27%	3.68%
Total		55.00	100.00%	13.48%

All expenses with respect to the Issue will be borne by the Company.

Fees, brokerage and selling commission payable to the Lead Manager

The total fees payable to the Lead Manager (including underwriting commission and selling commission) is as stated in the MOU dated May 10, 2012, the Underwriting Agreement dated May 28, 2012 and the Market Making Agreement dated May 28, 2012 among the Company and the Lead Manager and other parties, a copy of which will be made available for inspection at our Registered Office.

Fees payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, for processing of application, data entry, printing of refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the MOU between the Company and the Registrar to the Issue dated May 10, 2012.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post.

Previous rights and public issues

We have not made any previous rights and public issues, and we are an “Unlisted Company” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the Section titled “*Capital Structure*” beginning on page 43 of this Prospectus, we have not issued any Equity Shares for consideration other than for cash.

Underwriting Commission and Brokerage on Previous Issues

We have not made any previous public issues. Therefore, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring for, or agreeing to procure subscription for any of the Equity Shares of the Company since its inception.

Companies under the same Management

There are no companies under the same management within the meaning of former section 370 (1B) of the Companies Act. No company under the same management as the Company within the meaning of Section

370(1B) of the Companies Act has made any public issue (including any rights issues to the public) during the last three years.

Promise v/s performance

The Company is an “Unlisted Company” in terms of the SEBI ICDR Regulations, and this Issue is an “Initial Public Offering”. Further none of our Group Companies are listed on any Stock Exchange in India or abroad.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by the Company

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Stock market data for our Equity Shares

This being an initial public issue of the Company, the Equity Shares of the Company are not listed on any stock exchange.

Mechanism for redressal of investor grievances

The memorandum of understanding to be entered into by the Registrar to the Issue and us will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant.

We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Board by a resolution on May 8, 2012 constituted a Shareholders/Investors Grievance Committee. The composition of the Shareholders/Investors Grievance Committee is as follows:

Name of the Member	Nature of Directorship	Designation in committee
Mr. Sivaramakrishnan Iyer	Independent Director	Chairman
Mr. Digesh Manilal Rambhia	Independent Director	Member
Mr. Umesh Modi	Managing Director	Member

For further details, please refer to the section titled “*Our Management*” beginning on page 100 of this Prospectus.

We have also appointed Ms. Dipti Kothari as the Compliance Officer for this Issue and she may be contacted at the registered office of our Company. Her contact details are as follows:

Name: Ms. Dipti Kothari

Address: 336, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400053.

Tel No. : 91-22-61979000

Fax No.: 91-22-26341693

Email: csco@jupiterinfomedia.com

Investors can contact the Compliance Officer or the Registrar to the Issue or the Lead Manager in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary accounts and refund orders.

Status of Investor Complaints

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

Disposal of investor grievances by listed companies under the same management as the Company

No company under the same management as the Company within the meaning of Section 370(1B) of the Companies Act has made any public issue (including any rights issues to the public) during the last three years.

Change in Auditors

There have been no changes in the Company's auditors in the last 3 years.

Capitalisation of reserves or profits

The details regarding capitalisation of reserves are enumerated in the Section titled "*Capital Structure*" beginning on page 43 of this Prospectus. Other than as mentioned therein, we have not capitalised any of our reserves or profits.

Revaluation of assets

We have not revalued our assets in the last five years.

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, SEBI (ICDR) Regulations, 2009 our Memorandum and Articles of Association, the terms of the Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

The Board of Directors have, pursuant to a resolution passed at its meeting held on May 8, 2012 authorized the Issue, subject to the approval of the shareholders of our Company under Section 81 (1A) of the Companies Act.

The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 81(1A) of the Companies Act, 1956 at the Annual General Meeting of the shareholders held on May 14, 2012.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Main Provisions of the Articles of Association of the Company*” on page 184 of this Prospectus.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 1956. For further details, please refer to “*Dividend Policy*” on page 114 of this Prospectus.

Face Value and Issue Price

The Equity Shares having a Face Value of ₹ 10/- each are being offered in terms of this Prospectus at the price of ₹ 20/- per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis of Issue Price*” on page 57 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;

- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the listing agreements with the Stock Exchange and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, etc., please refer to the section titled “*Main Provisions of Articles of Association of the company*” beginning on page 184 of this Prospectus.

Minimum Application Value; Market Lot and Trading Lot

As per the provisions of the Depositories Act, 1996, the shares of a Body Corporate can be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode.

The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI’s circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialized form only.

The trading of the equity shares will happen in the minimum contract size of 6000 equity shares and the same may be modified by BSE from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 6000 Equity Shares subject to a minimum allotment of 6000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 15 days of closure of issue.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

If the issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 73 of the Companies Act, 1956.

Arrangements for disposal of odd lots

The trading of the equity shares will happen in the minimum contract size of 6000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

Restrictions, if any, on transfer and transmission of shares or debentures and on their consolidation or splitting

For a detailed description in respect of restrictions, if any, on transfer and transmission of shares and on their consolidation / splitting, please refer sub-heading "*Main Provisions of the Articles of Association of the company*" on page 184 of this Prospectus.

Option to receive Equity Shares in Dematerialized Form

The investors have an option either to receive the security certificate or to hold the securities with depository. However, as per SEBI's circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in Dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE.

Migration to Main Board

Our company may migrate to the main board of BSE from the SME Platform on a later date subject to the following:

- a) If the Paid up Capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to BSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of the company is more than ₹ 10 crores but below ₹ 25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Also, as prescribed by the Circular dated April 19, 2012 issued by BSE, following eligibility criteria's shall be applicable for migrating to the Main Board from the SME Platform:

"The companies seeking migration to Main Board of BSE should satisfy the eligibility criteria as specified in 26(1) of SEBI (ICDR) Regulations, 2009 either at the time of initial listing on SME platform or at the time of seeking migration to Main Board. However, same will not be applicable where the company had sought listing on SME platform by following the process and requirements prescribed in 26(2) (a) of SEBI (ICDR) Regulations, 2009."

Market Making

The equity shares offered through this issue are proposed to be listed on the SME Platform of BSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Platform. For further details of the agreement entered into between the Company, the Lead Manager and the Market Maker please refer to "General Information – Details of the Market Making Arrangements for this Issue" on page 41 of this Prospectus.

New Financial Instruments

The Issuer Company is not issuing any new financial instruments through this Issue.

Withdrawal of the issue

Our Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before Allotment. If our Company withdraws the Issue, our Company will issue a public notice within two days, providing reasons for not proceeding with the Issue. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh draft offer document the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the RoC approval of the Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Programme

ISSUE OPENING DATE	July 30, 2012
ISSUE CLOSING DATE	August 01, 2012

Applications and revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post issue paid up capital is less than 10 crores may issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of BSE).

For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 158 and 166 of this Prospectus.

Following is the issue structure:

Public Issue of 20,40,000 Equity Shares of ₹ 10/- each for cash by Jupiter Infomedia Limited (hereinafter referred to as the “company” or “issuer”) issued at a price of ₹ 20/- per Equity Share, aggregating to ₹ 408.00 Lacs (hereinafter referred to as the “Issue”). Of which, 5,40,000 Equity Shares are reserved for subscription by Promoters (hereinafter referred to as the “Promoter’s Contribution”) and 1,80,000 Equity Shares have been reserved for subscription by Market Makers to the Issue (as defined in the Prospectus)(hereinafter referred to as the “Market Maker’s Reservation Portion”). The Issue less the Promoter’s Contribution and the Market Maker’s Reservation Portion i.e. the Issue of 13,20,000 Equity Shares of ₹ 10/- each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute 58.45% and 37.82% of the post issue equity share capital of the Company.

The Issue is being made through the Fixed Price Process and hence, as per sub Regulation 43 (4) of SEBI (ICDR) Regulations, 2009 at least 50% of the Net Issue to Public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price. For details, please refer to the section titled “Issue Procedure” on page 166 of this Prospectus.

Particulars of the Issue	Net Issue to Public*	Promoters’ Contribution Portion	Market Maker Reservation Portion
Number of Equity Shares available for allocation	13,20,000 Equity Shares	5,40,000 Equity Shares	1,80,000 Equity Shares
Percentage of Issue Size available for allocation	64.71% of the Issue Size	26.47% of the Issue Size	8.82% of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of 6000 equity shares and further allotment in multiples of 6000 equity shares each. For further details please refer to “ <i>Issue Procedure – Basis of Allotment</i> ” on page 171 of this Prospectus.	Firm Allotment	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only	Through ASBA Process Only
Minimum Application Size	<i>For QIB and NII:</i> Such number of equity shares	5,40,000 Equity Shares	1,80,000 Equity Shares

	in multiples of 6,000 equity shares such that the Application Value exceeds ₹ 2,00,000/- <i>For Retail Individuals:</i> 6,000 equity shares		
Maximum Application Size	<i>For QIB and NII:</i> Such number of equity shares in multiples of 6,000 equity shares such that the Application Size does not exceed 13,20,000 equity shares. <i>For Retail Individuals:</i> Such number of equity shares in multiples of 6,000 equity shares such that the Application Value does not exceed ₹ 2,00,000/-.	5,40,000 Equity Shares	1,80,000 Equity Shares
Mode of Allotment	Dematerialized Form	Dematerialized Form	Dematerialized Form
Trading Lot	6,000 Equity Shares	6,000 Equity Shares	6,000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form.		

Withdrawal of the Issue

Our Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before Allotment. If our Company withdraws the Issue, our Company will issue a public notice within two days, providing reasons for not proceeding with the Issue. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh draft offer document the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the RoC approval of the Prospectus.

Issue Programme

ISSUE OPENING DATE	July 30, 2012
ISSUE CLOSING DATE	August 01, 2012

Applications and revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

Fixed Price Issue Procedure

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit them to the Registrar of the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form, unless specifically mentioned otherwise by the investor in the Application Form.

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchange.

Application Form

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Prospectus. Upon completing and submitting the Application Form to the Bankers, the Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Applicant.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants. Upon completing and submitting the Application Form for ASBA Applicants to the SCSB, the ASBA Applicant is deemed to have authorized our Company to make the necessary changes in the Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Applicant.

The prescribed color of the Application Form for various categories is as follows:

Category	Color
Indian Public / NRI's applying on a non-repatriation basis (ASBA and Non-ASBA)	White
Non-Residents including eligible NRI's, FIIs, FVCIs, etc. applying on a repatriation basis (ASBA and Non-ASBA)	Blue

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Who can apply?

1. Indian nationals resident in India who are not minors in single or joint names (not more than three);
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;

3. Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than eligible NRIs are not eligible to participate in this issue;
6. Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co operative banks (subject to RBI regulations and the SEBI Regulations, as applicable);
7. FIIs registered with SEBI;
8. Venture Capital Funds registered with SEBI;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or industrial research organizations authorized to invest in equity shares;
12. Insurance Companies registered with Insurance Regulatory and Development Authority;
13. Provident Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares:
14. Pension Funds with minimum corpus of ₹ 250 million and who are authorized under their constitution to hold and invest in equity shares;
15. Foreign Venture Capital Investors registered with SEBI;
16. Multilateral and bilateral development financial institutions;
17. National Investment Fund; and

Applications not to be made by:

- a. Minors
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. Overseas Corporate Bodies

Participation by Associates of LM

Except for the Underwriting Obligations, the Lead Manager shall not be allowed to subscribe to this Issue in any manner. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Availability of Prospectus and Application Forms

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the Collection Centres of the Bankers to the Issue, as

mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com.

Option to Subscribe in the Issue

- a. Investors will have the option of getting the allotment of specified securities either in physical form or in dematerialization form.
- b. The equity shares, on allotment, shall be traded on stock exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines.

Application by Indian Public including eligible NRIs applying on Non Repatriation

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public.

Application by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

Applications by Eligible NRIs/FII's on Repatriation Basis

Application Forms shall be made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in Equity Shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

The Company does not require approvals from FIPB or RBI for the Transfer of Equity Shares in the issue to eligible NRI's, FII's, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post Issue issued capital (i.e.10% of 34,90,000 Equity Shares). In respect of an FII investing in our equity shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual.

In accordance with the foreign investment limits, the aggregate FII holding in our Company cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

Applications by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

MAXIMUM AND MINIMUM APPLICATION SIZE

(a) For Retail Individual Applicants

The Application must be for a minimum of 6000 Equity Shares and in multiples of 6000 Equity Shares thereafter (as per terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012), so as to ensure that the Application Price payable by the Applicant does not exceed ₹ 2,00,000. In case of revision of

Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

(b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds ₹ 200,000 and in multiples of 6000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of ₹ 25 crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that the Company and the LM may deem fit.

Information for the Applicants:

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our registered office or from the corporate office of the LM.
- d) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- e) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- f) Applicants are requested to mention the Application Form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the application form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LM or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form. These Demographic Details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

1. The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category x number of Shares applied for).
2. The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
3. For applications where the proportionate allotment works out to less than 6000 equity shares the allotment will be made as follows:
 - a) Each successful applicant shall be allotted 6000 equity shares; and
 - b) The successful applicants out of the total applicants for that category shall be determined by the drawal of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
4. If the proportionate allotment to an applicant works out to a number that is not a multiple of 6000 equity shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 6000 equity shares subject to a minimum allotment of 6000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 6000 equity shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below
 - a) A minimum of 50% of the net offer of shares to the Public shall initially be made available for allotment to retail individual investors as the case may be.
 - b) The balance net offer of shares to the public shall be made available for allotment to a) individual applicants other than retails individual investors and b) other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to any one of the categories specified in (a) or (b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than ₹ 2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.

The Executive Director / Managing Director of BSE (the Designated Stock Exchange) in addition to the Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2009.

REFUNDS:

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please

note that any such delay shall be at the Applicants sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the LM shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use Demographic Details as given in the Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

TERMS OF PAYMENT / PAYMENT INSTRUCTIONS

The entire issue price of ₹ 20 per share is payable on application. In case of allotment of lesser number of Equity shares than the number applied, the Company shall refund the excess amount paid on Application to the Applicants.

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. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stockinvest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each application form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and applications accompanied by such cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:

- Indian Public including eligible NRIs applying on non repatriation basis: “Jupiter Infomedia Limited – Public Issue - R”.
 - In case of Non Resident Retail Applicants applying on repatriation basis: “Jupiter Infomedia Limited – Public Issue – NR”.
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non Resident Ordinary (NRO) Account of Non Resident Applicant applying on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
 3. Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
 4. On the Designated Date and no later than 15 days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

Payment by Stock invest

In terms of the Reserve Bank of India Circular No.DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 5, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Bankers of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.

- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- i. All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications
- ii. Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.
- iii. Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "Know Your Client" norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number ("**PAN**") to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered**

incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

Grounds for Rejections

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of The Issue;
- Applications for number of Equity Shares which are not in multiples of 6000;
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of ₹ 2,00,000, received after 5.00 pm on the Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 68A of the Companies Act, which is reproduced below:

“Any person who:

(a) Makes in a fictitious name, an application to a Company for acquiring or subscribing for, any shares therein, or

(b) Otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years.”

Signing of Underwriting Agreement

Vide an Underwriting agreement dated May 28, 2012 this issue is 100% Underwritten.

Filing of the Prospectus with the RoC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56 and Section 60 of the Companies Act.

Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, the Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one Marathi newspaper with wide circulation.

Designated Date and Allotment of Equity Shares

The Company will issue and dispatch letters of allotment/ securities certificates and/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 12 days of the Issue Closing Date.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within three months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 113 of the Companies Act, 1956 or other applicable provisions, if any. Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates.

After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the allottees shall be within two working days of the date of Allotment.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 days of closure of Issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as Refund Banker and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

PAYMENT OF REFUND

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the LM shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

- 1) **ECS (Electronic Clearing System)** – Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of such centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS.
- 2) **Direct Credit**– Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
- 3) **RTGS (Real Time Gross Settlement)** – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds ₹ 10.00 lacs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant
- 4) **NEFT (National Electronic Fund Transfer)** – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
- 5) For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at

places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 days of Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- 1) Allotment of Equity Shares shall be made within 12 (twelve) days of the Issue Closing Date;
- 2) Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (fifteen) days of the Issue Closing Date would be ensured; and
- 3) The Company shall pay interest at 15% p.a. for any delay beyond the 12 (twelve) days time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (fifteen) days time.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- 1) That the complaints received in respect of this Issue shall be attended to by us expeditiously;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within seven working days of finalization of the basis of Allotment;
- 3) That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the 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;
- 5) The promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription.

- 6) That the certificates of the securities/ refund orders to the non resident Indians shall be dispatched within specified time; and
- 7) That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non listing, under subscription etc.
- 8) The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 9) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 73 of the Companies Act;
- 2) Details of all monies utilized out of the Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

Our Company, in consultation with the LM, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before Allotment. If our Company withdraws the Issue, our Company will issue a public notice within two days, providing reasons for not proceeding with the Issue. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh draft offer document the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the listing and trading approvals of the Stock Exchange with respect to the Equity Shares offered through the Prospectus, which our Company will apply for only after Allotment; and (ii) the RoC approval of the Prospectus.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated June 15, 2012 between NSDL, the Company and the Registrar to the Issue;

(b) Agreement dated June 06, 2012 between CDSL, the Company and the Registrar to the Issue;

The Company's shares bear an ISIN No. INE524N01014

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
- The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

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

ADDITIONAL DISCLOSURE PERTAINING TO THE ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of the Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Application Form, please refer the above mentioned SEBI link.

ASBA Process

An applicant shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ("**ASBA Account**") is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA.

Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account.

In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 1, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the ASBA Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

SECTION IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF OUR COMPANY

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL	
Capital	<p>3.</p> <p>a) The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force and consolidate, subdivide the shares and issue shares of higher or lower denomination</p> <p>b) Further, the Company may from time to time by Ordinary Resolution increase its authorised share capital by such sum and to be divided into Shares of such amount as may be specified in the resolution.</p>
Increase of capital by the Company and how carried into effect.	<p>4.</p> <p>The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amount as the resolution shall prescribe. Subject to the provisions of the Act, any share of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction is given, as the Directors shall determine; and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of these Articles, the Directors shall comply with the provisions of Section 97 of the Act.</p>
New Capital same as existing capital	<p>5.</p> <p>Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. Provided however that all the equity shares issued by the Company to the Members shall be of the same class and shall be alike ranking <i>parri passu</i> in all respect and the holders thereof shall be entitled to identical rights and privileges including, without limitation, to identical rights and privileges with respect to dividend, voting rights, payment of calls, liens, transfers, transmission, forfeiture, and the distribution of assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company on a pro rata basis. Provided that the above provision does not prohibit the Company from issuing redeemable preference shares. Subject to Article 6 herein below, the Company in general meeting may also, from time to time, by special resolution capitalise the undistributed profits standing to the credit of the Company's Free Reserves and to apply the same in paying up new equity shares in the share capital of the Company and to appropriate the same as capital and not as income and allot and distribute as fully paid-up bonus shares to and amongst the persons registered in the Register of Members as the holders of equity shares of the Company on such</p>

	date and in such proportion as may be decided by the Board of Directors.
Redeemable Preference Shares	6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.
Provisions to apply on issue of Redeemable Preference Shares	7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect: - a) no such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption; b) no such shares shall be redeemed unless they are fully paid; c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed; d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account", a sum equal to the nominal amount of the shares redeemed and the provisions of the Act, relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.
Reduction of Capital	8. The Company may (subject to the provisions of Section 78, 80 and 100 to 105 inclusive, of the Act) from time to time by Special Resolution, reduce its share capital and any capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law and in particular capital may be paid off on the footing that it may called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.
Sub-division and consolidation of shares	9. Subject to the provisions of Section 94 of the Act, the Company, in General Meeting, may, from time to time, sub-divide or consolidate its shares, or any of them or any part of them, and the resolution whereby any share is sub-divided, may determine that as between the holder of the shares resulting from such subdivision, 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 others or other. Subject to aforesaid, the Company, in General Meeting, may also cancel shares, which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.
Modification of rights	10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act be varied, modified, commuted, affected or abrogated, or dealt with by Agreement between the Company and any person purporting to contract on behalf

	of that class provided such agreement is ratified in writing by holders of at least three fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class. This Article is not to derogate from any power the Company would have if this Article were limited.
Shares at a discount	11. Subject to the provisions, the Company may issue Shares at a discount of a class already issued, if the conditions contained in Section 79 of the Act are Fulfilled.
Shares without voting rights	12. Subject to the provisions of the Act, the Company may issue shares without voting right attached to them, upon such terms and conditions and with such rights and privileges attached thereto, as the Board may deem fit.
Issue of Sweat Equity shares	13. Company shall subject to and in accordance with the provisions of section 79A of the Act, shall have the power, by a Special Resolution passed at a General Meeting to issue Sweat Equity Shares to the Directors, Employees of either of the Company or of any of its subsidiary or holding Company.

Shares and Certificates

Register and Index of Members	14. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a Branch Register of Members resident in that State or Country. a) Notwithstanding anything herein contained, a person, whose name is at any time entered in the Register of Members of the Company as the holders of a share in the Company, but who does not hold the beneficial interest in such share, shall, within such time and in such form as may be prescribed, make a declaration to the Company specifying the name and other particulars of the person or persons, who hold the beneficial interest in such share in the manner provided in Section 187-C of the Act; b) A person who holds a beneficial interest in a share or a class of shares of the Company shall, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187-C of the Act; c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, within the time prescribed from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187-C of the Act; d) Notwithstanding anything herein contained in Section 153 of the Act and Sub-Article (a), (b), (c) above, where any declaration referred to above is made to the Company, the Company shall make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.
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Shares to be numbered share to be sub-divided	<p>15. Save and except for dematerialization of Share or Shares held in fungible form with a Depository, the shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.</p>
Further Issue of capital	<p>16.</p> <p>a) Subject to the provisions of the Act, where at any time after the expiry of two years from the formation of the Company or the expiry of one year from the allotment of shares made for the first time after its formation whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, whether out of unissued share capital or out of increased share capital, then such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the Company, in proportion, as nearly as circumstances admit, to the capital paid up on these shares at the date. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined. Such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to above hereof shall contain this statement of this right, provided that the directors 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. 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 as they think most beneficial to the Company.</p> <p>b) Notwithstanding anything contained in the preceding sub-clause, the Company may:-</p> <p>i) by a special resolution; or</p> <p>ii) where no such special resolution is passed, if the votes cast (whether on a show of hands, or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by Members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy exceed the votes, if any, cast against the proposal by Members so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company, offer further shares to any person or may not include the persons who at the date of the offer, are the holders of the equity shares of the Company.</p> <p>c) Notwithstanding anything contained in sub-clause (a) above, but subject, however, to Section 81 (3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to the debentures issued or loans raised by the Company to convert such debenture or loans into shares, or to subscribe for shares in the Company, provided however that the terms of the debentures or loans include a term providing for such option is in conformity with the rules, if any made by the Central Government in this behalf and has also been approved by a special resolution in the General Meeting.</p>
Employee Stock Option Scheme	<p>17.</p> <p>a) Subject to the provisions of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, and subject to the Articles of Association, the</p>

	<p>Board may, from time to time, create, offer and issue to or for the benefit of the Company's employees including the Executive Chairman, Vice-Chairman, the Managing Directors and the Whole time Directors such number of equity shares of the Company, in one or more trenches on such terms as may be determined by the Board prior to the issue and offer, in consultation with the authorities concerned and in accordance with such guidelines or other provisions of law as may be prevalent at that time but ranking <i>pari passu</i> with the existing equity shares of the Company.</p> <p>b) The issue price of such shares shall be determined by the Board in accordance with the laws prevalent at the time of the issue.</p> <p>c) In the alternative to equity shares, mentioned hereinabove, the Board may also issue bonds, equity warrants or other securities as may be permitted in law, from time to time. All such issues as above are to be made in pursuance of Employees' Stock Option Scheme (ESOP) to be drawn up and approved by the Board.</p>
Shares under control of Directors	<p>18. Subject to the provisions of these Articles and of the Act, the shares (including any shares forming part of any increased capital of the Company) shall be under the control of the Directors; who may allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and at such times as the Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections 78 and 79 of the Act) at premium or at par or a discount and such option being exercisable for such time and for such consideration as the Directors think fit. The Board shall cause to be filed the returns as to allotment provided for in Section 75 of the Act.</p> <p>19. The Board shall observe the restrictions as to allotment of shares to the public contained in Sections 69 and 70 of the Act, and shall cause to be made the returns as to allotment provided for in Section 75 of the Act.</p>
Power also to Company to issue shares in General Meeting	<p>20. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 13 and 14 the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any shares.</p>
Acceptance of Shares	<p>21. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is entered on the Register of Members shall, for the purposes of these Articles, be a Member.</p>

<p>Deposit and call etc. to be a debt payable immediately</p>	<p>22. The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottees in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottees thereof, and shall be paid by him accordingly.</p>
<p>Liability of Members</p>	<p>23. Every Member, or his heirs, executors, or administrator shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.</p>
<p>Share Certificates</p>	<p>24. a) Every Member or allottees of shares shall be entitled, with or without payment, to receive one share certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in case of issues against letters of acceptance or of renunciation or in case of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their Attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole time Director. Particulars of every share Certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue, provided however that no share certificate(s) shall be issued for shares held by a Depository. b) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act. c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose. d) The Company shall not be bound to register more than 3 persons as the joint holders of any share except in the case of executors or trustees of a deceased member and in respect of a share held jointly by several persons, the Company shall not issue more than one certificate and the delivery of a certificate for a share to any one of several joint holders shall be sufficient delivery to all such holders. e) Particulars of every share certificate issued shall be entered in the Register of</p>

	<p>Members against the name of the person to whom it has been issued indicating the date of issue.</p> <p>f) The provisions stated above shall not be applicable to dematerialized Shares and shares held in fungible form with a Depository.</p>
Share Certificate	<p>25.</p> <p>The Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be.</p>
Splitting and consolidation of Share Certificates	<p>26.</p> <p>Any person (whether the registered holder of the shares or not) being legally in possession of any share certificate for the time being may surrender the share certificate to the Company and apply to the Company for the issue of two or more fresh certificates comprising the same shares bearing the same distinctive numbers comprised in the said certificate and in such separate lots as he may desire in lieu of and in cancellation of certificate so surrendered into one certificate and the Directors may at their discretion in lieu of and in cancellation of certificate so surrendered issue one or more such share certificates as the case may be in the name of the person or persons in whose name the original certificate stood and the new certificate so issued shall be delivered to the person who surrendered the original certificate or to his order. No fees shall be charged for issue of such new certificate.</p>
Renewal of share Certificate	<p>27.</p> <p>a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilized unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and the stub or counterfoil to the effect that it is "issued in lieu of share certificate No. And sub-divided/ replaced/on consolidation of shares".</p> <p>c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board or its duly constituted Committee and on such terms, if any, as to evidence and indemnity as to the payment of out-of-pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.</p> <p>d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No. ". The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.</p> <p>e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewal and Duplicate Certificates indicating against the name of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary</p>

	<p>changes indicated in the Register of Members by suitable cross reference in the "Remarks" Column.</p> <p>f) All blank forms to be issued for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.</p> <p>g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of shares certificates referred to in Sub-Article (f).</p>
First named holder is deemed to be sole owner	<p>28.</p> <p>If any share stand in the names of two or more persons, the person first named in the Register of Members shall as regards receipt of dividends or bonus or service of notices and all or any other matter connected with Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share and for all incidents thereof according to the Company's regulations.</p>
Company not bound to recognize any interest in share other than that of registered holder	<p>29.</p> <p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, further or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof, but the Board shall be at liberty, at their sole discretion, to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p> <p>30.</p> <p>None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company save as provided by Section 77 of the Act.</p>
Dematerialisation of Securities	<p>31.</p> <p>Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing securities, rematerialise its securities held in the Depositories and / or offer its fresh securities in a dematerialized form pursuant to the Depositories Act, and the rules framed there under, if any.</p>
Option to receive Securities certificates or hold Securities with Depository	<p>32.</p> <p>Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository.</p> <p>33.</p> <p>If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the</p>

	<p>information, the Depository shall enter in its records the name of the allottees as the Beneficial Owner of the security.</p>
Securities in Depositories	<p>34. All securities held by a Depository shall be dematerialized and be in fungible form. Nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372A of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.</p>
Rights of Depositories and Beneficial Owners	<p>35. Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be registered owner for the purpose of effecting transfer of ownership of security on behalf of the Beneficial Owner.</p> <p>36. Save as otherwise provided in (a) above, the Depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the security held by it.</p> <p>37. Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a Depository.</p>
Beneficial Owner deemed as absolute owner	<p>38. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share or where the name appears as the Beneficial Owner of shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has express or implied notice thereof, but the Board shall be entitled at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>
Depository to furnish information	<p>39. Every Depository shall furnish to the Company information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.</p>
Cancellation of certificates Upon surrender by a person	<p>40. Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a Participant, the Company shall cancel such certificate and substitute in its records the name of Depository as the registered owner in respect of the said securities and shall also inform the Depository accordingly.</p>
Option to opt out in respect of any security	<p>41. If a Beneficial Owner seeks to opt out of a Depository in respect of any security, the Beneficial Owner shall inform the Depository accordingly.</p>

	<p>42. The Depository shall, on receipt of information as above, make appropriate entries in its records and subsequently inform the Company.</p> <p>43. The Company shall within thirty (30) days of the receipt of the intimation from the Depository and on fulfillment of such conditions and payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.</p>
Service of Documents	44. Notwithstanding anything in the Act, or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.
Provisions of Articles to apply to shares held in Depository	45. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in Depository so far as they apply to shares in physical form subject to the provisions of the Depository Act.
Allotment of Securities dealt within a Depository	46. Notwithstanding anything in the Act, or these Articles where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.
Distinctive number of securities held in a Depository	47. The shares in the capital shall be numbered progressively according to their several denominations provided, however, that the provision relating to progressive numbering shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form. Every forfeited or surrendered share held in material form shall continue to bear the number by which the same was originally distinguished.
Register and Index of Beneficial Owners	48. The Company shall cause to keep a Register and index of Members and a Register and index of Debenture holders in accordance with Section 151 and 152 of the Act, respectively, and the Depositories Act, with details of shares and debentures held in material/physical and dematerialized form in any media as may be permitted by law including in any form of electronic media. The Register and Index of Beneficial Owners maintained by a Depository under Section 11 of the Depositories Act, 1996 shall be deemed to be Register and Index of Members and Register and Index of Debenture holders, as the case may be, for the purpose of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Members resident in that state or country.
Register of Members	49. The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly particulars of every transfer or transmission of any share held in material form.
Underwriting and Brokerage	
Commission may	50.

be paid	Subject to the provisions of Section 76 of the Act, the Company may, at any time, pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company, but so that the commission shall not exceed, in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, two and a half per cent of the price at which the debentures are issued, or such higher rate or rates as may be permissible under any statutory provision for the time being in force. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.
Brokerage on issue of Shares or Debentures	51. The Company may pay a reasonable sum for brokerage.
Interest out of Capital	
Interest may be paid out of capital	52. Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.
Calls	
Directors may make calls	53. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by resolution by circulation) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at all times and places appointed by the Board. A call may be made payable by installments. 54. Whenever any calls for further share capital are made on shares, such calls shall be made on a uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class. 55. Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.
Call to date from resolution	56. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board and may be made payable by the Members whose names appears on the Register of Members on such date or at the discretion of the Board on such subsequent date as may be fixed by the Board.

Call may be revoked or postponed	57. A call may be revoked or postponed at the discretion of the Board.
Liability of joint holders	58. The joint-holder of a share shall be jointly and severally liable to pay all calls in respect thereof.
Directors may extend time	59. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may, deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favour.
Calls to carry interest	60. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.
Sums deemed to be calls	61. If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member.
Proof on trial of suit for money due to shares	62. On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given to the Member or his representatives issued in pursuance of these Articles, and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Partial payment not to preclude forfeiture	63. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence 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 shares as hereinafter provided.
Payment in anticipation of	64. a) The Board may, if it thinks fit, agree to and receive from any Member willing to

calls may carry interest	advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the Member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time the amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or participate in profits.
Voting rights in respect of calls in advance	b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
Company's lien on shares	<p>65. The Company shall have a first and paramount lien on every share (other than fully paid-up shares) for all moneys (whether presently payable or not) payable at a fixed time in respect of such share. PROVIDED THAT the Board may, at any time, declare any share to be wholly or in part exempt from the provisions of these Articles.</p> <p>66. The Company's lien, if any, on a share shall extend to all dividends payable thereon.</p> <p>67. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares, as against the transferor.</p>
As to enforcing lien by sale	<p>68. For the purpose of enforcing such lien as aforesaid, the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made:</p> <p>a) unless a sum in respect of which the lien exists is presently payable; and</p> <p>b) until the expiration of seven days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists and as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by transmission, and default shall have been made by him in payment of the sum payable as aforesaid for seven days after such notice.</p>
Application of proceed of sale	<p>69. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of sale.</p>
Forfeiture of Shares	
If money payable on shares not paid notice to be given	<p>70. If any Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid,</p>

to Members	the Board may at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Form of notice	71. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.
In default of payment, shares to be forfeited	72. If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter before payment of all calls or instalments, 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 or any other moneys payable in respect of the forfeited share not actually paid before the forfeiture.
Notice of forfeiture to a Member	73. When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be in any manner invalidated by any commission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Share to be property sold etc.	74. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.
Members still liable to pay calls owing at the time of forfeiture and interest	75. Any member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.
Effect of forfeiture	76. The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and 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	77. A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

Validity of sale under Articles 63 and 69	<p>78. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the shares sold and may cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the Purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.</p>
Cancellation of share certificate in respect of forfeited shares	<p>79. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate share certificates in respect of the said shares to the person or persons entitled thereto.</p>
Power to annul forfeiture	<p>80. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof, and upon such conditions as it think fit.</p>
Joint-holders	<p>81. Where two or more persons are registered as the holders of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint holders with benefits of survivorship subject to the following and other provisions contained in these Articles:-</p> <p>a) The Company shall be entitled to decline to register more than three persons as the holders of any share.</p> <p>b) The joint-holders shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of the share.</p> <p>c) On the death of any one or more of such joint- holders, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share but the directors may require such evidence of death as may deem fit and 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.</p>
Receipts	<p>d) Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share.</p>
Delivery of Certificate and giving of notice to first named holder	<p>e) Only the person whose name stands first in the Register of Members as one of the joint-holders shall be entitled to delivery of the certificates relating to the share or to receive notices. In the case of shares held in a dematerialized or fungible form every beneficial owner in the records of the Depository shall be entitled to receive notices.</p>
Votes of Joint-holders	<p>f) Any one of two or more joint-holders may vote at any meeting either personally or by an agent duly authorised under a power of attorney or by proxy in respect of a share as if he were solely entitled thereto and if more than one of such persons be</p>

	<p>present, that person whose name stands first or higher (as the case may be) on the Register in respect of such share shall alone be entitled to vote. Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent, duly authorised under power of attorney or by proxy although the name of such person present by an agent or proxy stands first or higher in the Register. Several executors of a deceased member in whose (deceased member's) name any share stands shall for the purposes of this sub clause be deemed joint-holders.</p>
TRANSFER AND TRANSMISSION OF SHARES	
Register of Transfers	<p>82. The Company shall keep a "Register of Transfer" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share in the material form.</p>
Form of Transfer	<p>83. For making transfer of Shares of the Company, a common form shall be used. The instrument of transfer shall be in writing and all the provisions of Section 108 of the Act, and or any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and their restrictions thereof.</p> <p>84. The Instrument of transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require proving the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of the Company until destroyed by order of the Board. The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of a transfer, the certificate or certificates of the shares must be delivered to the Company.</p>
Closure of Register of members of Debenture holders	<p>85. The Board shall have power on giving not less than seven days' previous notice by advertisement in some newspaper circulating in the district in which the office of the Company is situate to close the Transfer Books, the Register of Members or Register of Debenture-holder at such time or times and for such period or periods, not exceeding in the aggregate forty-five days in each year, and thirty days at one time.</p>
Director's power to refuse to register a transfer	<p>86. Subject to the provisions of Section 111 of the Act, the Board may, at its own absolute and uncontrolled discretion and without assigning any reason, decline to register or acknowledge any transfer of shares (whether fully paid or not and notwithstanding that the proposed Transferee be already a member), but in such case it shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the Transferee and the Transferor notice of the refusal to register such transfer provided that the registration of a transfer shall not be refused on the ground that the Transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except a lien on shares.</p>
Notice of	<p>87.</p>

application when to be given	Where, in the case of partly paid share, an application for registration is made by the transferor, the company shall give notice of the application to the Transferee in accordance with the provisions of Section 110 of the Act.
Death of one or more joint holders of shares	<p>88.</p> <p>In the case of the death of any one or more of the persons named in the Register of Members as the joint holders of any share, the survivor or survivors shall be the only persons recognised 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 an liability on shares held by him jointly with any other person.</p>
Title to shares of deceased holders	<p>89.</p> <p>In absence of a nomination recorded in accordance with Section 109A of the Act, read with Section 109B of the Act, which shall, in any event, have precedent, the executors or administrators of holders of a Succession Certificate or the legal representatives of a deceased member (not being one or two or more joint-holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such Member and the Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be, from a duly constituted court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member, as a Member.</p> <p>90.</p> <p>No share shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.</p>
Transmission Clause	<p>91.</p> <p>Subject to the provisions of the Act and Articles 88 and 89, any person becoming entitled to share in consequence of the death, lunacy, bankruptcy, insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an Instrument of Transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the shares. This clause is hereinafter referred to as the "transmission clause".</p> <p>92.</p> <p>A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive, and may give a discharge for, any dividends or other moneys payable in respect of the share.</p>

	<p>93. There shall be no fee paid to the Company, in respect of the transfer or transmission of any number of shares, registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.</p>
<p>The Company is not liable for disregard of notice prohibiting registration of transfer</p>	<p>94. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to an transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit. 95. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in the case of a transfer of shares presented for registration.</p>
<p>Right of successors</p>	<p>96. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the shares, except that that he shall not, before being registered as a Member in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company PROVIDED THAT the directors shall, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares and if the notice is not complied with within ninety days, the directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares until the requirements of the notice have been complied with.</p>
<p>Nomination</p>	
	<p>97. Every shareholder or debenture holder of the Company, may at anytime, nominate, in the prescribed manner, a person to whom his shares in, or debentures of the Company shall vest in the event of his death.</p> <p>98. Where the shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures of the Company as the case may be, shall vest in the event of death of all the joint holders.</p> <p>99. Notwithstanding anything contained in any other law for the time being a force or in any disposition, whether testamentary or otherwise, in respect of such shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in or debentures of the Company, the nominee shall, on the death of the shareholder or debenture holder</p>

or, as the case may be, on the death of the joint holders, become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied, cancelled in the prescribed manner.

100.

Where the nominee is a minor, it shall be lawful for the holder of the shares or debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to shares in or debentures of the Company, in the event of his death, during the minority.

Transmission of Securities by Nominee

101.

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either -

a) to be registered himself as holder of the share or debenture, as the case may be; or

b) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made;

c) if the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;

d) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share or debenture except that he shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

Buy back of Shares

102.

Subject to the provisions of sections 77A, 77AA, 77B and 217 (2B) of the Act, the Company is hereby authorised to buy-back the Company's shares or other specified securities out of its free reserves or its securities premium account or from the proceeds of any shares or other specified securities; Provided that no buy-back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or the same kind of other specified securities.

103.

The Company may, subject to the Act and these Articles, in general meeting, alter the conditions of its Memorandum as follows :

a) Consolidate and divide all or any of its share capital into shares of larger

amounts than its existing shares.

b) Sub-divide its shares, or any of them, into shares of smaller amounts than those originally fixed by the Memorandum, subject nevertheless to the provisions of the Act and of these Articles. The resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regard dividend, capital or otherwise over or as compared with the others.

c) Cancel any shares, which, at the date of such general meeting, have not been taken or agreed to be taken by any Person, and diminish the amount of its share capital by the amount of the shares so cancelled.

104.

Whenever the share capital of the Company, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to written consent or a Special Resolution under the provisions of Section 106 and the right of dissident Members comprising not less than 10% of the issued capital of that class to apply to the court to have a variation of Shareholders rights cancelled under section 107 of the Act and these Articles be varied, modified or dealt with, with the consent in writing of the holders of not less than 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 issued shares of that class, and all the provisions contained in these Articles as to general meetings, (including the provisions relating to quorum at such meetings), shall mutatis mutandis apply to every such meeting.

105.

The rights conferred upon the holders of the shares of any class, issued with preferred or other rights, shall not, unless otherwise expressly provided by the terms of the issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

106.

The Company shall not issue any shares, (not being preference shares), which carry voting right, or rights in the Company as to dividend, capital or otherwise, which are disproportionate to the rights attached to the holders (not being preference shares).

107.

All equity shares shall be of the same class and shall rank *pari passu* and shall be alike in all respects and the holders thereof shall be entitled to identical rights and privileges including, without limitation, to identical rights and privileges with respect to dividend, voting rights, and the distribution of the assets in the event of voluntary or involuntary liquidation, dissolution or winding up of the Company. If two or more persons are registered as joint holders of any shares, any of such persons may give effectual receipts for any dividends or other moneys payable in respect of such shares.

108.

All further issues of shares or increases in the share capital of the Company shall require the prior approval of the Board.

109.

	<p>The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the general meeting resolving upon the creation thereof shall direct and if no direction is given on the directions as the Board shall determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with special or without any voting rights.</p>
Copies of Memorandum and Articles to be sent to Members	
Copies of Memorandum and Articles to be sent by the Company	<p>110. A copy of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee One for each copy.</p>
Borrowing Powers	
Borrowing Powers	<p>111. Subject to the provisions of Sections 58A, 292 and 293 of the Act, the Board may, from time to time at its discretion by a resolution passed at a meeting of the Board, accept deposit from members either in advance of calls or otherwise and generally raise or borrow or secure the repayment of any sum or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board shall not borrow such moneys without the consent of the Company in General Meeting. Subject to the provisions of the Act and of these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board, receive deposits from its members, directors or their relatives and receive loans from its members, either in advance of call or otherwise, and generally raise or borrow money either in India or abroad by way of loans, overdrafts, cash credit or by issue of bonds denominated in various currencies, debentures or debenture stock with or without any option attached to it (perpetual or otherwise), commercial paper or in any other manner, from any bank, financial institution, company, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed.</p> <p>112. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Ordinary Resolution shall prescribe including by the issue of debentures or debenture-stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture-stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.</p>
Terms of issue of Debentures	<p>113. Any debentures, debentures stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and 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 general meeting accorded by a Special Resolution.</p>

<p>Register of mortgages, etc. to be kept</p>	<p>114. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Section 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with.</p>
<p>Register and Index of Debenture holders</p>	<p>115. The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture-holders in accordance with Section 152 and 157 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of debenture-holders resident in that State or country.</p>
<p>Share Warrants</p>	
	<p>116. The Company may issue share warrants subject to, and in accordance with, the provisions of Section 144 and 115 of the Act and accordingly the Board may in its discretion, with respect to any share which is fully paid, upon application in writing, signed by the person registered as holder of the share, from time to time, require as to identity of the person signing the application, on receiving the certificate (if any) of the share, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.</p> <p>117. The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposits, as if his name was inserted in the Register of Members as the holder of the share including in the deposited warrant.</p> <p>118. Not more than one person shall be recognised as depositor of the share warrant.</p> <p>119. The Company shall, on two days' written notice, return the deposited share warrant to the depositor.</p> <p>120. a) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of the Company, or attend, or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notices from the Company b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the share included in the warrant and he shall be a member of the Company.</p> <p>121. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case</p>

	of defacement, loss or destruction.
Conversion of Shares into Stock and Reconversion	
Shares may be converted into stock	<p>122.</p> <p>The Company, in General Meeting, may convert any paid-up shares into stock, and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interests therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which shares from which the stock arise might have been transferred if no such conversion had taken place or as near thereto as circumstances will admit. The Company may, at any time, convert any stock into paid-up shares of any denomination. Where any shares have been so converted into stock, the holders of stock may then transfer their respective interests in the same or part thereof in the same manner, as and subject to the same restrictions under which the shares from which the stock arose before conversion might have been transferred., or as near thereto as circumstances admit. Provided however that the Board may, from time to time, fix the minimum amount of stock transferable.</p>
Rights of stock holders	<p>123.</p> <p>The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings, of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets of winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.</p>
Meeting of Members	
	<p>124.</p> <p>The Company shall, within a period of not less than one month nor more than six months from which it is entitled to commence business, hold the Statutory Meeting of the members of the Company subject to and in accordance with the provisions of Section 165 of the Act.</p>
Annual General Meeting and Annual Return	<p>125.</p> <p>The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra-ordinary General Meetings. An Annual General Meeting of the Company shall be held within six months after the Expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of the next. Provided that it will be permissible to hold its first Annual General Meeting within a period of not less than eighteen months from the date of its incorporation; and if such meeting is held within that period it shall not be necessary for the Company to hold any Annual General Meeting in the year of its incorporation or in the following calendar year. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166 (i) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for at a time during business hours, on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the office of the Company is situate as the Board may determine and the notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every</p>

	<p>member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with Proxies and the Register of Directors' shareholdings which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, Summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Section 159, 161 and 220 of the Act.</p>
Extraordinary General Meeting	<p>126. The Board may, whenever it thinks fit, call an Extra ordinary General Meeting and it shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one- tenth of such of the paid-up capital as at that date carries the right of voting in regard to the matter in respect of which the requisition has been made.</p>
Requisition of Members to state object of Meeting	<p>127. Any valid requisition so made by Members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionists.</p>
On receipt of requisition, directors to call Meeting and in default requisitionists may do so	<p>128. Upon the receipt of any such requisition, the Board shall forthwith call an Extra-ordinary General Meeting and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office and cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitions, or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one- tenth of such of the paid-up share capital of the Company as is referred to in Section 169 (4) of the Act, whichever is less, may themselves call the Meeting, but in either case any Meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.</p>
Meeting called by requisitionists	<p>129. Any Meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meeting are to be called by the Board.</p>
Notice of Meeting	<p>130. Save and except the Statutory Meeting, twenty-one days' notice at the least of every General Meeting, Annual or Extra-Ordinary, and by whomsoever called specifying the day, place and hour of Meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in case of any other Meeting, with the consent of the Members holding not less than 95 per cent of such part of the paid-up share capital of the Company as gives a right to vote at the Meeting, a Meeting may be convened by a shorter notice.</p> <p>In the case of an Annual General Meeting if any business other than (i) the</p>

	<p>consideration of the Accounts, Balance Sheet and Reports of the Board of Directors and Auditors (ii) the declaration of dividend (iii) the appointment of Directors in place of those retiring , (iv) the appointment of, and fixing of the remuneration of the Auditors, is to be transacted, and in the case of any other Meeting in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director, and the Manager (if any). Where any such item or special business relates to, or affects any other company, the extent of share holding interest in the other company of every Director, and the Manager, if any of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 2 percent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any documents by the meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate a resolution passed	<p>131. The accidental omission to give any such notice as aforesaid to any of the Members, or the non receipt thereof shall not invalidate any resolution passed at any such Meeting.</p>
Meeting not to transact business not mentioned in notice	<p>132. No General Meeting, Annual or Extra-ordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened.</p>
Quorum for the General Meeting	<p>133. Five Members present in person shall be a quorum for a General Meeting. The Quorum for the meeting shall be as provided in Section 174 of the Act.</p>
Body Corporate deemed to be personally present	<p>134. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.</p>
If quorum not present, meeting to be dissolved or adjourned	<p>135. If, at the expiration of half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if convened by or upon the requisition of Members, shall stand dissolved and in any other case the Meeting shall stand adjourned to the same day in the next week or if that day is a public holiday, until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the City or town in which the Office of the company is for the time being situate, as the Board may determine, and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum, and may transact the business for which the meeting was called.</p>
Chairman of General Meeting	<p>136. The chairman (if any) of the Directors shall be entitled to take the Chair at every General Meeting, whether Annual or Extra-ordinary. If there be no such Chairman of the Directors, or if at any Meeting he shall not be present within fifteen minutes of the time appointed for holding such Meeting or if he shall be unable or unwilling to take the chair then the members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the Chair,</p>

	then the Members present shall elect one of their number to be Chairman.
Business confined to election of Chairman whilst chair vacant	137. No business shall be discussed at any General Meeting except the election of a Chairman, whilst the Chair is vacant.
Chairman with consent with adjourn	138. The Chairman with the consent of the Members may adjourn any Meeting from time to time and from place to place where the Office is situated. 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.
Question at General Meeting how decided	139. At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands, unless before or on the declaration of the result of the show of hands, a poll is ordered to be taken by the Chairman of the meeting of his own motion or unless a poll is demanded by any member or members present in person or by proxy and holding shares in the company; a) which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or b) On which an aggregate sum of not less than Rupees 50,000 has been paid up. 140. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. 141. Unless a poll is so demanded, a declaration by the Chairman that a resolution has, on a show of hands, been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minutes Book of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution.
Chairman's casting vote	142. In the case of an equality of votes, the Chairman shall both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Poll to be taken, if demanded	143. If a poll is demanded as aforesaid, the same shall, subject to Article 137, be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the City or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.
Scrutineers at poll	144. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or

	employee of the Company) present at the Meeting provided such a Member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a scrutineer from office and fill vacancies in the office of scrutineer arising from such removal or from any other cause.
In what case poll taken without adjournment	145. Any poll duly demanded on the election of a Chairman of a Meeting or on any question of adjournment shall be taken at the Meeting forthwith.
Demand for poll not to prevent transaction of other business	146. The demand for a poll, except on the questions of the election of the Chairman and on an adjournment, shall not prevent the continuance of a Meeting for the transaction of any business other than the question on which the poll has been demanded.
Postal Ballot	147. Notwithstanding anything contained in the Articles of Association of the Company, the Company does adopt the mode of passing the resolutions by its members by means of a postal ballot (including voting by an electronic mode) pursuant to the provisions of Section 192 A of the Act, read with the Companies (Passing of the Resolution by Postal Ballot Rules), 2001, and any modifications or amendments made thereto from time to time.
Vote of Members	
Member in arrears not to vote	148. No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised, any right of lien.
Number of votes to	149. Subject to the provisions of the Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every Member, not disqualified by the last preceding Article, shall be entitled to be present and to speak and vote at such Meeting and on a show of hands, every Member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference shareholder be present at any Meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his preference shares.
Casting of votes by a Member entitled to more than one vote	150. On a poll taken at a meeting of the Company, a Member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
Vote of Member of unsound mind and minor	151. A Member of unsound mind or and in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on

	<p>a poll, by his committee or other legal guardian in respect of any shares registered in his name and any such committee or guardian may, on poll, vote by proxy. If any Member be a minor, the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the Meeting.</p>
Representation of body corporate	<p>152.</p> <p>a) i) A body corporate (whether a Company within the meaning of the Act or not) may, if it is a member or creditor of the Company (including a holder of debentures) having a right to vote, may in pursuance of Sections 187 or 187A of the Act, authorise such person as it thinks fit by a resolution of its Board of Directors or other governing body to act as its representative at any meeting of the Company or of any class of Members of the Company or at any meeting of the creditors of the Company or debenture holders of the Company.</p> <p>ii) A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member, creditor, or holder of debentures of the Company. The production of a copy of the resolution aforesaid certified by a Director of such body corporate before the commencement of the meeting shall be accepted by the Company as sufficient evidence of the validity of the said representative appointment and his right to vote thereof.</p> <p>b) i) The President of India or the Governor of a State, if he is a member of the Company, may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company.</p> <p>ii) A person appointed to act as aforesaid shall, for the purpose of this Act, be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers (including the right to Vote by proxy) as the President or as case may be, the Governor could exercise as a member of the Company.</p>
Votes of joint member	<p>153.</p> <p>If there be joint registered holders of any shares, any one of such persons may vote at any meeting or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint-holders be present at any Meeting, that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose names shares stand shall, for the purpose of these Articles, be deemed join-holders thereof.</p>
Voting in person or by proxy	<p>154.</p> <p>Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member.</p>
Votes in respect of shares of deceased and	<p>155.</p> <p>Any person entitled under Article 88 to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder</p>

insolvent Member	of such shares, provided that forty-eight hours at least before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Appointment of proxy	156. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the Meeting.
Proxy either for specified meeting or for a period	157. An instrument of proxy may appoint a proxy either for the purpose of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every Meeting of the Company or of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
Votes by members present or by proxy	158. A member present by proxy shall be entitled to vote only on a poll. However where such Member is a body corporate present by a proxy who is not himself a Member in which case such proxy shall also be eligible to vote on show of hands as if he were a Member.
Deposit of instrument of appointment	159. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.
Form of proxy	160. Every instrument of proxy whether for a specified Meeting or otherwise shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act.
Validity of votes given by proxy notwithstanding death of member	161. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any authority or of any power of attorney under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the commencement of the meeting or adjourned meeting at which the proxy is used.
Time for objection to vote	162. No objection shall be made to the validity of any vote, except at any Meeting or poll at which such vote shall be tendered and every vote, whether given personally or by proxy, not disallowed at such Meeting or poll shall be deemed valid for all purposes of such Meeting or poll whatsoever.

Chairman of the meeting to be the Judge of the validity of every vote	<p>163. The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final, binding and conclusive.</p>
Minutes of Meeting	
Minutes of General Meetings and inspection thereof by Members	<p>164. The Company shall cause minutes of all proceedings of every General Meeting to be kept within thirty days of the conclusion of every such Meeting and concerned entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>165. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each Meeting in such book shall be dated and signed by the Chairman of the same Meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorised by the Board for the purpose.</p> <p>166. In no case the minutes of proceedings of a Meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>167. The minutes of each Meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>168. All appointments of Officers made at any Meeting aforesaid shall be included in the minutes of the Meeting.</p> <p>169. Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the Meeting (a) is or could reasonably be regarded as defamatory on any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the interests of the Company. The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.</p> <p>170. Any such minutes shall be evidence of the proceedings recorded therein.</p> <p>171. The book containing the Minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, to the inspection of any Member without charge.</p>
Directors	
Number of	172.

Directors	<p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors shall not be less than three and not be more than twelve.</p> <p>173.</p> <p>a) Notwithstanding anything contained in these Articles so long as one or more persons specified ("Specified Persons") as defined in sub-article (b) of this Article, whether singly or collectively in any combination whatsoever, hold not less than 15% of the subscribed Equity Share Capital of the Company, Shri Umesh V. Modi or any person nominated in this behalf by him, shall be entitled to appoint in the aggregate such number of directors not exceeding one third of the total number of directors (or upto such number or proportion as may be permitted under the provisions of the Act) on the Board of Directors of the company and to remove any such director so appointed and to appoint another in his place or in place of any such Director who resigns or otherwise vacates such office. Such appointment/removal shall be effected by writing to the Board and shall take effect immediately upon such writing being delivered at the Registered Office/Corporate Office/Head Office of the Company. Any director so appointed shall not be liable to retire by rotation under the provisions of Section 255 of the Act at any general meeting of the Company and nor shall such Director be required to hold qualification shares, if any. Provided however, that the number of Directors to be appointed in accordance with this Article shall be reduced by the number of Directors to be appointed under the rights conferred upon the public financial institutions under any statutory provisions or under any arrangement entered into and/or under any agreement with such public financial institutions to nominate a Director(s) on the Board of the Company.</p> <p>b) For the purposes of this Article the following persons shall be the 'Specified Persons' referred to in sub-clause(a) above;</p> <p>i) The promoters;</p> <p>ii) The relatives of any one or more of the Promoters;</p> <p>iii) Any company or corporation or body incorporate in which not less than 15% of the subscribed equity share capital or capital or corpus whichever is less, is held whether singly or collectively, by one or more of the persons specified in clause (i) and (ii) above;</p> <p>iv) Any subsidiary or holding company or company which is under the same management of any company, corporation or body corporate specified in clause (iii) above;</p> <p>(v) Any company , corporation or body corporate in which not less than 15% of the Equity share capital is held by any one or more companies, corporations or bodies Corporate specified in clause (iii) and (iv) whether by singly or together with one or more persons specified in clauses (i), (ii) (iii) and (iv) of this sub-article. Any partnership, Limited Liability Partnership or other firm, trust, association of persons body of individuals or any other entity, whether incorporated or not, of which not less than 15% of the total profit or benefit accrues , arises or becomes due to the persons specified in clauses (i), (ii), (iii), (iv), and (v) of this sub-article whether singly or collectively.</p>
First Directors	<p>174.</p> <p>The following persons shall be the first Directors of the Company.</p> <p>1) Mr. Vasantlal Vadilal Modi</p> <p>2) Mr. Umesh Vasnatlal Modi</p>
Certain persons not to be	<p>175.</p> <p>Nobody corporate, association or firm shall be appointed a Director and only an</p>

Directors.	individual shall be so appointed. As provided by Section 274 of the Act, certain persons mentioned therein shall not be capable of being appointed Directors of the Company, unless the Central Government, by Notification, removes the disqualification for some of the persons mentioned therein.
Provision to appoint ex officio Directors	<p>176.</p> <p>Whenever the Company/ directors enter into a contract with any Government, Central, State or Local, any bank or financial institution or any person or persons (hereinafter referred to as the "appointer") for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Directors shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have the right to appoint or nominate, by a notice in writing addressed to the Company, one or more Directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Directors may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of the Company including payment of remuneration and travelling expenses to such Director or Directors as may be agreed by the Company with the appointer.</p>
Nominee Director	
Nominee Directors	<p>177.</p> <p>Whenever the Company enters into an agreement or contract with the Central or State Government, a local authority, bank or financial institution or any person or persons (hereinafter referred to as "the appointer") for borrowing any money or for providing any guarantee or security or for underwriting shares or debentures or other securities of the Company, the Board shall have, subject to the provisions of Section 255 of the Act, the power to agree that such appointer shall have if and to the extent provided by the terms of such agreement or contract, the right to appoint or nominate, by a notice in writing addressed to the Company, one or more Directors on the Board, for such period and upon such conditions as may be mentioned in the agreement or contract and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. The Board may also agree that any such Director or Directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill any vacancy which may occur as a result of any Director or Directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the other Directors of the Company, including payment of remuneration and travelling expenses to such Directors as may be agreed by the Company with the appointer.</p> <p>178.</p> <p>The Board of Directors of the Company shall have no power to remove the Nominee Director/s from its/their office/s. At the option of the Corporation, such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation, such Nominee Director/s shall not be liable to retirement by rotation of Directors. The Company agrees that if the</p>

Board of Directors of the Company has constituted or proposes to constitute any management committee or other committee(s) it shall, if so required by the Corporation include the Nominee Director as a member of such management committee or other committee(s). Subject as aforesaid, the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Directors of the Company.

179.

The Nominee Director/s so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds or continues to hold Debentures/Shares in the Company as a result of underwriting or by direct subscription or private placement or the liability of the Company arising out of the guarantee is outstanding the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid off or on the Corporation ceasing to hold Debentures/Shares in the Company or on the satisfaction of the liability of the Company arising out of the guarantee furnished by the Corporation.

180.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meeting, Board Meetings and of the Meetings of the Committee of which the Nominee Director/s is/are member/s also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

181.

The Nominee Director/s shall be entitled to the same sitting fees, commission, remuneration and expenses as are applicable to other Directors of the Company. The Company shall pay the sitting fees and other expenses to the Nominee Director/s directly, but the commission, remuneration or other monies and fees to which the Nominee Director/s is entitled shall accrue due to the Corporation and shall accordingly be paid by the Company directly to the Corporation. Provided that if any such Nominee Director/s is an officer of the Corporation the sitting fees, in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation.

182. Any expenses that may be incurred by the Corporation or such Nominee Director/s in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be, to such Nominee Director/s.

183.

Provided also that in the event of Nominee Director/s being appointed as whole time Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

184.

If it is provided by the Trust Deed, securing or otherwise, in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such

	<p>power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as "Debenture Director". A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director may be appointed in his place. A Debenture Director shall not be bound to hold any qualification shares.</p>
Appointment of Alternate Directors	<p>185. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to that State. If the term of office of the original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p>
Directors power to add to the Board	<p>186. a) Subject to the provisions of Section 260 of the Act, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not, at any time, exceed the maximum strength fixed for the Board under the Article 171. Any such additional Director shall hold office only upto the next Annual General Meeting. b) Subject to the provisions of Sections 262, 264 and 284 of the Act, the Board shall have power, at any time and from time to time, to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.</p>
Qualification of Directors	<p>187. A Director shall not be required to hold any share qualification.</p>
Remuneration of Directors	<p>188. a) Subject to the provisions of the Act, a Managing Director or Directors, who is in the whole-time employment of the Company, may be paid remuneration either by way of monthly payment or at specified percentage of the net profits of the Company or partly by one way and partly by the other. b) Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either; i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii) by way of Commission if the Company by a special resolution authorized such payment.</p>
Fees payable to a Director for attending a meeting	<p>189. The fees payable to a Director for attending a meeting of the Board or committee/s thereof shall be such sum as may be decided by the Board from time to time, subject to such limit as may be prescribed in that behalf, from time to time, by the Central Government under or pursuant to the Act.</p>

	<p>190. If any Director is called upon to perform extra services or special exertion or efforts (which expression shall include work done by a Director as a member of any Committee/s formed by the Directors), the Board may arrange with such Director, for such special remuneration, for such extra services or special exertion or efforts either by a fixed sum or otherwise as may be determined by the Board and the said remuneration may be either in addition to or in substitution of his remuneration elsewhere specified in the Articles.</p>
<p>Travelling expenses incurred by Director not a bonafide resident or by Director going out on Company's business</p>	<p>191. The Board may allow and pay to any Director, who travels for the purpose of attending and returning from meetings of the Board of Directors or any Committee/s thereof or General Meetings, or in connection with the business of the Company, his travelling and hotel and other expenses incurred by him in consequence or for the purpose of his attendance, and in connection with the business of the Company in addition to his fees for attending such meetings as above specified and other remuneration payable to him. Provided that if so desired by the Corporation appointing a Corporation Director, the Company may instead reimburse the Corporation appointing such Director any sums that may be paid by it to that Director in respect of his attendance at the meeting of the Board.</p>
<p>Directors may act notwithstanding any vacancy</p>	<p>192. The continuing Directors may act, notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum fixed by Article 172 hereof. The continuing Directors, not being less than two, may act for the purpose of increasing the number of Directors to that number, or of summoning a General Meeting but for no other purpose.</p>
<p>When the office of Director may become vacant</p>	<p>193. Subject to Section 283 (2) of the Act, the Office of a Director shall become vacant if :</p> <ul style="list-style-type: none"> a) he is found to be of unsound mind by a Court of competent jurisdiction; or b) he applies to be adjudicated an insolvent; or c) he is adjudged an insolvent or d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of such call unless the Central Government has by notification in the Official Gazette removed the disqualification incurred by such failure; or e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or f) he becomes disqualified by an order of the Court under Section 203 of the Act; or g) he is removed in pursuance of Section 284; or h) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a director accepts a loan or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or

	<p>i) he acts in contravention of Section 299 of the Act; or</p> <p>j) he is convicted by a court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months; or</p> <p>k) having been appointed a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company; or</p> <p>l) he resigns his office by a notice in writing addressed to the Company.</p>
Director may contract with Company	<p>194.</p> <p>a) A Director or his relative, firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or Director, may enter into any contract with the Company for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company, provided that the sanction of the Board and the previous approval of the Central Government, if and as may be required, shall be obtained in accordance with Section 297 of the Act.</p> <p>b) No sanction shall, however, be necessary for -</p> <p>i) any purchase of goods and materials from the Company, or the sale of goods or materials to the Company by any such Director, relative, firm, partner or private company as aforesaid for such cash at prevailing market prices; or</p> <p>ii) any contract or contracts between the Company on, one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs.5,000/- in the aggregate in any year comprised in the period of the contract or contracts.</p> <p>Provided that in circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may, without obtaining the consent of the Board, enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs.5,000/- in the aggregate in any year comprised in the period of the contract, if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.</p>
Disclosure of interest	<p>195.</p> <p>A Director of the Company who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act;. Provided that it shall not be necessary for Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into between two companies where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid-up share capital in any such other company.</p>
General notice of interest	<p>196.</p> <p>A General notice given to the Board by the Director, to the effect that he is a</p>

	<p>director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired. No such General notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.</p>
<p>Interested Directors not to participate or vote in Board's proceedings</p>	<p>197. No Director shall as a Director, take any part in the discussion of, or vote on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, nor shall his presence be counted for the purpose of forming a quorum at the time of any such discussion or vote, and if he does vote, his vote shall be void, provided however that nothing herein contained shall apply to:</p> <p>a) Any contract of indemnity against any loss which Directors, or any one or more of them, may suffer by reason of becoming or being a surety or sureties for the Company.</p> <p>b) any contract or arrangement entered into or to be entered into with a Public Company or a Private Company which is a subsidiary of Public Company in which the interest of the Director consist solely in his being :</p> <p>i) a director of such company, and</p> <p>ii) the holder of not more than shares of such number or value therein as is requisite to qualify him for appointment as a Director thereof, he having been nominated as such director by the Company.</p> <p>iii) a member holding not more than 2% of its paid-up share capital.</p>
<p>Register of Contracts in which Directors are interested</p>	<p>198. The Company shall keep a Register in accordance with Section 301(1) and shall, within the time specified in Section 301(2), enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be.. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notice has been given by him under Article 195.</p> <p>The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken there from and copies thereof may be required by any member of the Company to the same extent, in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.</p>
<p>Directors may be Directors of Companies promoted by the Company</p>	<p>199. A Director may be or become a Director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 309(6) or Section 314 of the Act may be applicable.</p>

Retirement and rotation of Directors	<p>200. At every Annual General Meeting of the Company, one-third of such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from Office of Directors. The non-retiring Directors, Ex-Officio Directors/Nominee Directors and Debentures Directors, if any, shall not be subject to retirement under this clause and shall not be taken into account in determining the rotation of retirement or the number of Directors to retire.</p> <p>201. Subject to provisions of the Act, the Directors to retire by rotation under Article 200 at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day, those who are to retire, shall in default of and subject to any agreement among themselves, be determined by lot.</p> <p>202. A retiring Director shall be eligible for re-election.</p>
Company may increase or reduce the number of Directors	<p>203. Subject to Section 258 of the Act, the Company, at the General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.</p> <p>204. a) If the place of the retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and that Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been reappointed at the adjourned Meeting unless :</p> <p>i) at the Meeting or at the previous Meeting, resolution for the reappointment of such Director has been put to the Meeting and lost;</p> <p>ii) the retiring Director has, by notice in writing addressed to the Company or its Board, expressed his unwillingness to be so appointed;</p> <p>iii) he is not qualified or is disqualified for appointment;</p> <p>iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act, or</p> <p>v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.</p> <p>205. Subject to Section 258 of the Act, the Company may, by Ordinary Resolution from time to time, increase or reduce the number of Directors within the limits fixed in that behalf by these Articles, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his place. The person so appointed should hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.</p> <p>206.</p>

	<p>a) No person not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him has, not less than fourteen days before the Meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office.</p> <p>b) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the Company the consent in writing to act as a Director, if appointed.</p> <p>c) A person, other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company, unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.</p>
<p>Register of Directors etc.</p>	<p>207.</p> <p>a) The Company shall keep at its office a Register containing the particulars of its Directors, Manager, Secretary and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.</p> <p>b) The Company shall, in respect of each of its Directors, also keep at its office a Register, (as required by sub-section (1) of Section 307 of the Act), and shall otherwise comply with the provisions of the said Section.</p>
<p>Disclosure by Directors of appointment to any other body corporate</p>	<p>208.</p> <p>a) Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company shall, within twenty days of his appointment to any of the above offices to any other body corporate, disclose to the company the particulars relating to his office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.</p> <p>b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (1) of Section 307 of the Act shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section.</p>
<p>Restriction on Management</p>	<p>209.</p> <p>The Managing Director or Managing Directors shall not exercise the power to :</p> <p>a) make calls on shareholders in respect of money unpaid on the shares in the Company,</p> <p>b) issue debentures, and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the power to :</p> <p>c) borrow moneys, other than on debentures,</p>

	<p>d) invest the funds of the company and</p> <p>e) make loans.</p>
Certain persons only to be appointed Managing / Whole Time Directors	<p>210. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or Whole-time Director who -</p> <p>a) is an undischarged insolvent, or has at any time been adjudged an insolvent.</p> <p>b) suspends, or has at any time suspended, payment to his creditors, or makes, or has at any time made, a composition with them, or</p> <p>c) is or has at any time been convicted by a Court of an offence involving moral turpitude.</p> <p>211. A Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation and if he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director.</p>
Proceedings of the Board of Directors	
Meeting of Directors	<p>212. The Directors may meet together as a Board for the dispatch of business from time to time and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings, as they think fit.</p>
Notice of Directors Meeting	<p>213. Notice of every meeting of the Board shall be given in writing to every Director whether in or outside India, and otherwise regulate their meetings, as they think fit.</p>
Quorum of Board Meeting	<p>214. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength (excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one) or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two- third of the total strength, the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such meeting.</p>
Adjournment of meeting for want of quorum	<p>215. If a meeting of the Board could not be held for want of a quorum then, the meeting shall stand adjourned to such other date and time (if any) as may be fixed by the Chairman.</p> <p>216. The Secretary shall, as and when directed by any Director to do so, convene a meeting of the Board by giving a notice in writing to every other Director.</p> <p>217. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their numbers to be Chairman of the meeting.</p>

<p>Questions at Board meetings how to be decided</p>	<p>218. Questions arising at any meeting of the Board of Director or a committee or sub-committee thereof or in resolution to be passed by circular shall be decided by a majority of votes and in the case of a equality of votes, the Chairman shall have a second or casting vote.</p>
<p>Powers of Board in Meetings</p>	<p>219. A meeting of the Board, for the time being at which a quorum is present, shall be competent to exercise all or any of the authorities, powers, and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.</p>
<p>Directors may appoint Committees</p>	<p>220. Subject to the restrictions contained in Section 292 of the Act, the Board may delegate any of their powers to one or more Committees of the Board consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes; but every Committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may, from time to time, be imposed on it by the Board. All acts done by any such Committee of the Board shall be in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.</p>
<p>Meeting of Committee how to be governed</p>	<p>221. The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.</p>
<p>Resolution by circulation</p>	<p>222. No resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, unless the resolution has been circulated in draft, together with the necessary papers, if any, to all the Directors or all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board, or a Committee, as the case may be), and to all other Directors or Members of the Committee at their usual address in India and has been approved by such of the Directors or Members as are then in India, or by a majority of such of them, as are entitled to vote on the resolution. .</p>
<p>Acts of Board or committee valid notwithstanding informal defect in appointment</p>	<p>223. All acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.</p>

Minutes of proceedings of the Board	<p>224.</p> <p>a) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>b) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the next succeeding meeting.</p> <p>c) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>d) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>e) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>f) The minutes shall also contain -</p> <p>i) The name of the Directors present at the meeting and</p> <p>ii) In the case of each resolution passed at the meeting, the name of the Directors, if any, dissenting from or not concurring in the resolution.</p> <p>g) Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting -</p> <p>i) is, or could reasonably be regarded as defamatory of any person,</p> <p>ii) is irrelevant or immaterial to the proceedings; or</p> <p>iii) is detrimental to the interest of the Company.</p> <p>h) The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.</p> <p>i) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.</p>
Powers of the Board	<p>225.</p> <p>The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <p>a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>b) remit, or give time for the repayment of, any debt due by a Director,</p>

	<p>c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p> <p>d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; Provided further that the powers specified in Section 292 of the Act shall subject to these Articles be exercised only at meetings of the Board, unless the same be delegated to the extent therein stated; or</p> <p>e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five percent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding whichever is greater.</p>
<p>Certain powers of the Board</p>	<p>226. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power :</p> <p>a) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company;</p> <p>b) To pay and charge to the capital account of the Company commission or interest lawfully payable there out under the provisions of Section 76 and 208 of the Act;</p> <p>c) Subject to Sections 292, 293 and 297 of the Act, to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition, to accept such title as the Directors may believe or may be advised to be reasonably satisfied;</p> <p>d) At their discretion and subject to the provisions of the Act, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or otherwise securities of the Company, and any such shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>e) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit;</p> <p>f) To accept from any Member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed;</p>

g) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

h) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon;

i) To act on behalf of the Company in all matters relating to bankrupts and insolvents.;

j) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company;

k) Subject to the provisions of Sections 292, 295, 370, 372 and 372A of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company), or without security and in such manner as they may think fit, and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;

l) To execute, in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability, whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon;

m) To determine, from time to time, who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose;

n) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company and to give to any office or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as part of the working expenses of the Company;

o) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee any charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and

general utility or otherwise;

p) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as Reserve Fund or any special fund to meet contingencies or to repay debentures or debentures stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of Reserve Fund or division of a Reserve Fund and with full power to employ assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture stock, and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper;

q) To appoint and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may, from time to time, think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the generally conferred by this sub-clause;

r) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration;

s) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorise the members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation;

t) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the

Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board think fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such Powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them;

u) Subject to Section 294 and 297 of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts deeds and things in the name and on behalf of the Company as they may consider expedient;

v) From time to time to make, vary and repeal by laws for the regulations of the business of the Company, its officers and servants;

w) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient to comply with.

Management

227.

The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel namely Managing Director or Manager.

228.

The Directors shall, from time to time, appoint a Secretary and, at their discretion, remove any such Secretary to perform any functions, which by the Act are to be performed by the Secretary and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also appoint at any time any person or persons (who need not be the Secretary) to keep the Registers required to be kept by the Company.

The Seal

229.

a) The Board shall provide a Common Seal for the purposes of the Company, and shall have the power, from time to time, to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.

b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

230.

Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by

	the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 24(a).
Dividends	
Division of profits and dividends in proportion to amount paid up	231. The profits of the Company, subject to any special rights relating thereof created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up and to the period during the year for which the capital is paid-up on the shares held by them respectively.
The Company in General Meeting may declare a dividend	232. The Company in general Meeting may declare dividends to be paid to Members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend
Dividends only to be paid out of profits	233. No dividend shall be declared or paid otherwise by the Company for any financial year out of profits for the year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act except after the transfer to the reserves of the Company of such percentage of its profits for the year as may be prescribed or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both provided that : a) If the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years; b) If the Company has incurred any loss in any previous financial year or years, the amount of loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the years for which the dividend is provided to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of Subsection (2) of Section 205 of the Act or against both. Provided further that, no dividend shall be declared or paid for any financial year out of the profits of the Company for the year arrived at after providing for depreciation as above, except after the transfer to the reserves of the Company of such percentage of its profits for that year as may be prescribed in accordance with Section 205 of the Act or such higher percentage of its profits as may be allowed in accordance with that Section.
Interim dividend	234. The Board may, from time to time, pay to the Members such interim dividend as in their judgement the position of the Company justifies.
Capital paid up in advance at interest not to earn dividend	235. Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits. 236.

	<p>All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.</p> <p>237. The Board may retain dividends payable upon shares in respect of which any person is, under Article 85, entitled to become a Member, or which any person under that Article is entitled to transfer, until such person shall become a Member, in respect of such shares or share duly transfer the same.</p>
Dividend, etc. to joint holders	<p>238. Any one of several persons who are registered as the joint-holder of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.</p>
No Member to receive Dividend while indebted to the Company and Company's rights of reimbursement thereof	<p>239. No Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to the Company.</p>
Transfer of shares must be registered	<p>240. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.</p> <p>241. Provided, however, that where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered, the company shall :</p> <p>a) transfer the dividend in relation to such shares to the special account referred to in Section 205A unless the company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer, and</p> <p>b) keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section (3) of section 205.</p>
Unclaimed dividend	<p>242. Any dividend which has not been claimed or the warrant in respect whereof has not been encashed within the period prescribed under Section 205A of the Act, shall be deposited in a special account as provided for in the said section 205A of the Act and the whole of the amount envisaged in clause (a) to (e) of sub-section (2) of section 205C of the Companies Act, 1956 remaining unpaid or unclaimed for a period of seven years from the date they become payable by a company have been credited to the Investor Education and Protection Fund as per Section 205C of the Act and subject to any amendments that may be made thereto from time to time. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.</p>

No interest on dividend	243. No unpaid dividend shall bear interest as against the Company.
Dividend and call together	244. Any General Meeting declaring a dividend may, on the recommendation of the Directors, make a call on the Members of such amount as the meeting fixes but so that the call on each Member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the Member, be set off against the calls.
Capitalization	245. a) The Company, in General Meeting, may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend for representing premium received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the shareholders 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 capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares of debentures or debentures stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares. b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or in investments representing the same, or any other undistributed profit of the Company not subject to charge for income tax be distributed among the members on the footing that they receive the same as capital. c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any members upon the footing of the value so fixed or that fraction of less value than Rs.10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite a proper contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Companies Act, 1956, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalized fund, and such appointment shall be effective.
Accounts	
Directors to keep true accounts	246. The Company shall keep at the office or at such other place in India as the Board thinks fit proper Books of Account in accordance with Section 209 of the

	<p>Act with respect to :</p> <p>a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;</p> <p>b) all sales and purchases of goods by the Company.</p> <p>c) the assets and liabilities of the Company.</p> <p>247. Where the Board decides to keep all or any of the Books of Accounts at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p> <p>248. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, made up to date at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid.</p> <p>249. The Books of Account shall given a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions. The books of Account and other books and papers shall be open to inspection by any Director during business hours.</p>
As to inspection of accounts or books by Members	<p>250. The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the Company or any of them shall be open to the inspection of Members not being Directors, and no members (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.</p>
Statement of accounts to be furnished to General Meeting	<p>251. The Directors shall from time to time, in accordance with Section 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting such Balance Sheets, Profits and Loss Accounts and Reports as are required by these sections.</p> <p>252. The Directors shall, if they consider it to be necessary and in the interest of the Company, be entitled to amend the Audited Accounts of the Company of any financial year which have been laid before the Company in General Meeting. The amendments to the Accounts effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval.</p>
Copies shall be sent to members and others	<p>253. Subject to the provisions of Section 219 of the Act, a copy of every such profit and loss account and balance sheet (including the Auditors report and every other document required by law to be annexed or attached to the balance sheet) shall at least 21 days before the meeting at which the same are to be laid before the</p>

	members, be sent to the members of the company, to every trustee for the holders of any debentures issued by the company, whether such member, or trustee is or is not entitled to have notices of general meetings of the Company sent to him, and to all persons other than such members or trustees, being persons so entitled.
Audit	
Accounts to be audited	254. Auditors shall be appointed and their rights and duties regulated in accordance with Section 224 to 233 of the Act.
Documents and Notice	
Manner or service of documents or notice on Members by Company	255. A document or notice may be served or given by the Company on any Member either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.
When notices of documents served on Members	256. Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the document or notice, provided, that where a Member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a Notice of a meeting at the expiration of forty eight hours (48) after the letter containing the document or notice is posted and in any other cases, at the time at which the letter would be delivered in the ordinary course of post.
By Advertisement	257. A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on to every member who has no registered address in India and has not supplied to the Company an address within India for the serving of documents on or the sending of notices to him.
On Joint Holders	258. A document or notice may be served or given by the Company on or to the joint holders of a share by serving or giving the document or notice on or to the joint holder named first in the Register of Members in respect of the share.
On personal representatives, etc.	259. A document or notice may be served or given by the Company on or to the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in prepaid letter addressed to them by name or by the title of representatives of the deceased, or assignee of the deceased, or assignee of the insolvent or by any like description, at the address (if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

To whom documents or notices must be given	260. Documents or notices of every General Meeting shall be served or given in same manner hereinbefore authorised on or to (a) every Member, (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor or Auditors for the time being of the Company.
Members bounds or documents or notices served on or given to previous holders	261. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share shall be bound by every document or notice in respect of such share, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.
Service of document or notice by Members	262. All documents or notices to be served or given by members on or to the Company or any Officer thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office.
Documents or notice by Company and signature thereto	263. Any documents or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signature thereto may be written, printed or lithographed.
Winding-up	
Liquidator may divide assets in specie	264. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit.
Winding-up	
Liquidator may divide assets in specie	264. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution, but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit.
Indemnity and Responsibility	
Indemnity	265. Subject to Section 201 of the Act, every Director, Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.
Secrecy Clause	
Secrecy Clause	266. a) Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee,

	<p>officer, servant, agent, accountant, or other person employed in the business of the Company shall, if so required by the Board, before entering upon his duties sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.</p> <p>b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process of any other matter, which may relate to the conduct of the business of opinion of Directors, it would be inexpedient in the interest of the Company to disclose.</p>
General Approval	<p>267. Wherever in the Companies Act, it has been provided that the Company shall have right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorised by its articles, then and in that case this regulation hereto authorises and empowers the Company to have such rights, privilege or authority and to carry such transactions as have been permitted by the Act, without there being any specific regulation in that behalf herein provided.</p>

SECTION X: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of this Prospectus) which are or may be deemed material have been entered or to be entered into by the Company. These contracts, copies of which have been attached to the copy of this Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered office of the Company from 11.00 a.m. to 5.00 p.m. on working days from the date of this Prospectus until the Issue Closing Date.

Material contracts

1. Memorandum of understanding dated May 10, 2012 among the Company and the Lead Manager.
2. Memorandum of understanding dated May 10, 2012 between the Company and the Registrar to the Issue.
3. Escrow agreement dated July 10, 2012 among the Company, the Lead Manager, the Escrow Collection Banks, and the Registrar to the Issue.
4. Underwriting agreement dated May 28, 2012 between the Company, the Lead Manager and the Market Maker.
5. Market Making Agreement dated May 28, 2012 between the Company, the Lead Manager and the Market Maker.

Material documents

1. The Company's Memorandum and Articles of Association, as amended.
2. Board Resolutions and Shareholders' resolution dated May 08, 2012 and May 14, 2012 in authorising the Issue and other related matters.
3. Auditors' Report dated July 10, 2012 mentioned in this Prospectus.
4. Copies of Annual reports of the Company for the years ended March 31, 2012, 2011, 2010, 2009, and 2008
5. Consents of Auditors, Bankers to the Company, Lead Manager, Registrar to the Issue, Escrow Bankers, Legal Advisor to the Issue, Directors of the Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
6. Approval dated July 09, 2012 from the SME Platform of BSE.
7. Agreement among NSDL, the Company and the Registrar to the Issue dated June 15, 2012.
8. Agreement among CDSL, the Company and the Registrar to the Issue dated June 06, 2012.
9. Due diligence certificate(s) dated July 10, 2012 of the Lead Manager to be submitted to SEBI along with the filing of the Prospectus.
10. Statement of possible tax benefits dated July 10, 2012.
11. Special Resolution dated May 14, 2012 for the detailed terms of appointment of Mr. Umesh Modi as Chairman and Managing director and Mrs. Manisha Modi as Whole Time Director.

DECLARATION

All relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the SEBI (ICDR) Regulations issued by Securities and Exchange Board of India, as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made there under or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY:

Mr. Umesh Modi
(Chairman and Managing Director)

Mrs. Manisha Modi
(Whole Time Director)

Mr. Jay Desai
(Independent Director)

Mr. Digesh Rambhia
(Independent Director)

Mr. Umesh Modi, POA Holder for Mr. Sivaramakrishnan Iyer
(Independent Director)

Ms. Dipti Kothari
(Company Secretary and Compliance Officer)

Date: July 12, 2012
Place: Mumbai

ANNEXURE A

Disclosure of Price Information of Past Issues Handled By Aryaman Financial Services Limited

TABLE 1:

Sr. No	Issue Name	Issue Size (₹ Cr.)	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 days from listing day (Closing)	Closing price as on 20th calendar day from listing day	Benchmark index as on 20th calendar days from listing day (Closing)	Closing price as on 30th calendar day from listing day	Benchmark index as on 30th calendar days from listing day (Closing)
1	Midvalley Entertainment Limited	60	70	Jan 27, 2011	73.00	58.05	(17.07)	18684.43	58	18008.15	60.55	18273.80	86.05	17700.91
2	BCB Finance Limited	8.85	25	March 13, 2012	27.00	25.70	2.80	17813.62	25.27	17361.74	25.35	17478.15	25.00	17332.62

Note: In case the 10th, 20th and 30th calendar day from the date of listing fall on a holiday, the closing share price of the immediately preceding day has been taken into consideration.

TABLE 2: Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ Cr.)	Nos. of IPOs trading at discount on listing date			Nos. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30 th calendar day from listing day			Nos. of IPOs trading at premium as on 30 th 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%
2011-12	1*	8.85	-	-	-	-	-	1	-	-	-	-	-	-
2010-11	1	60.00	-	-	1	-	-	-	-	-	-	-	-	1
2009-10	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* As on the 30th Calendar day from the listing day the price of BCB Finance Limited is exactly equal to its Issue Price and hence it is neither trading at Premium nor Discount.