Draft Information Memorandum

of

Provestment Services Limited

PROVESTMENT SERVICES LIMITED

PROVESTMENT SERVICES LIMITED was incorporated on 11th May, 1994 as a Private Limited with name **Provestment Capital Services Private Limited** at the Registrars of Companies, Delhi. Pursuant to a special resolution of our shareholders, our Company became a public limited company and a fresh Certificate of Incorporation with the name **Provestment Capital Services Limited** was issued on 17th February, 1995 by the Registrar of Companies, Delhi. The name of the company was changed to Provestment Services Limited w.e.f. 6th November, 1998.

Registered Office : Building No.5, First Floor, Pusa Road, W.E. A. Karol Bagh, New Delhi-110 005

Contact Nos. : 011-47177000-30 **Fax No.** : 91-11-47177077

E-mail : pbhatia@provestment.net vinod.ralhan@provestment.net deepika@provestment.net

Website : www.provestment.net

The Company is promoted by Mr. Arvind Kumar Narang, Mr. Praveen Bhatia, Mr. Vinod Ralhan, Mr. Harish Bhatia, Ms. Satish Bhatia, Mr. Raj Bhatia, Mr. Ved Prakash Bhatia and other group companies.

GENERAL RISK

Investment in equity and equity-related securities involve a degree of risk and investors should not invest in the equity shares of PROVESTMENT SERVICES LIMITED unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of PROVESTMENT SERVICES LIMITED. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

ABSOLUTE RESPONSIBILITY OF PROVESTMENT SERVICES LIMITED

PROVESTMENT SERVICES LIMITED having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to PROVESTMENT SERVICES LIMITED, which is material, that the information contained in the Information Memorandum 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 Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares of PROVESTMENT SERVICES LIMITED which are listed on Delhi, Jaipur and Ahmedabad Stock Exchange are proposed to be traded on Bombay Stock Exchange Limited at *IndoNext Segment.*

SHARE TRANSFER AGENT:

Beetal Financial & Computer Services (P) Ltd
3rd Floor, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi-110 062,
Ph.No: 011-29961281-83,
Fax: 011-29961284
Email: beetal@beetalfinancial.com

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GLOSSARY OF TERMS/ ABBREVIATIONS

Articles/ Articles of Association	Articles of Association of PROVESTMENT SERVICES LIMITED
Auditors	The Statutory Auditors of PROVESTMENT SERVICES LIMITED
Banker(s) to the Company	The Bankers of PROVESTMENT SERVICES LIMITED
Board of Directors/ Board/ Directors	The Board of Directors of PROVESTMENT SERVICES LIMITED
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Ltd.
Companies Act	The Companies Act, 1956, as amended from time to time
DSE	Delhi Stock Exchange
EPS	Earnings per Equity Share
Equity Shares	Equity Shares of the Company of Rs.10/- per Share
Financial year/ fiscal/ FY	The twelve months ended March 31 of a particular year
Information Memorandum	This document as filed with the Stock Exchanges is known as and referred to as the Information Memorandum
I. T. Act	The Income-tax Act, 1961, as amended from time to time, except as stated otherwise
Memorandum/ Memorandum of Association	The Memorandum of Association of PROVESTMENT SERVICES LIMITED
NSDL	National Securities Depository Limited
RBI	Reserve Bank of India
ROC	Registrar of Companies, NCT DELHI & HARYANA
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Guidelines	SEBI (Guidelines for Disclosure and Investor Protection) 2000 issued by SEBI effective from January 27, 2000, as amended, including instructions and clarifications issued by SEBI from time to time
Stock Exchanges	BSE

RISK FACTORS

Risk envisaged by the Management:

A. Risks Internal to the Company

1. Risks relating to business operations
The operations of the company are subject to the risk of demand.

B. Risks External to the Company

1. The Company is engaged in following lines of business-:

- Tour and travel agent approved by IATA
- Full Fledge Money Changers approved by RBI
- Management Consulting and Project Financing

Management Perception
The company acts as an exclusive service provider to many large corporate houses in the country. It has a long standing rewarding relationship with the companies and therefore foresees the continuation of business growth from these companies

2. Increased competition from other service providers

Management Perception
Travel and tourism offers a very lucrative business opportunity and has therefore attracted lots of players in the business. This can have an effect on the company profitability as the competition might try to undercut to win over business. The company has, however been a preferred vendor for the corporates for a long time and therefore we feel that our relationship and service level should help us withstand competition without affecting our profitability.

3. Foreign Exchange Rate Fluctuations

Management Perception
The company has a dedicated segment for foreign exchange trading. It maintains a level of inventory of foreign currency to service our existing clients and also potential clients. The fluctuation in the foreign exchange rates can lead to holding losses. However, given the nature of the business, this risk has to be taken considering we are also beneficiary of a favorable foreign exchange movement.

I. GENERAL INFORMATION

PROVESTMENT SERVICES LIMITED was incorporated on 11th May, 1994 as a Private Limited Company with name **Provestment Capital Services Private Limited**.

The Company is promoted by Mr. Arvind Kumar Narang, Ms. Sonika Bhatia, Mr. Praveen Bhatia, Mr. Vinod Ralhan, Mr. Harish Bhatia, Ms. Satish Bhatia, Mr. Raj Bhatia, Mr. Ved Prakash Bhatia and other group companies

The Company was converted into a Public Limited Company on 17th February, 1995 and changed its name to Provestment Capital Services Limited and later to Provestment Services Limited which was approved on 6th November, 1998. The Company entered in to Capital Market by way of a maiden Public Issue in 1996. At present, the paid up capital stands at Rs. 5,10,30,000/- divided into 51,03,000 equity shares of Rs.10 each.

Now the Equity Shares of the Company i.e. PROVESTMENT SERVICES LIMITED shall be admitted to trading on BSE Indonext. Such admission for trading will be subject to fulfillment by the Company of listing criteria of BSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE at the time of the application by the Company seeking listing.

Eligibility Criterion

The Company is submitting its Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable, to BSE for making the said Information Memorandum available to public through their website viz. www.bseindia.com.

Prohibition by SEBI

The Company, its directors, its promoters, other companies promoted by the promoters and companies with which the Company's directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Caution

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company 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.

Disclaimer Clause of BSE

As required, a copy of this Information Memorandum is being submitted to BSE.

The BSE does not in any manner:
• warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
• warrant that this Company's securities will be traded or will continue to be traded on the BSE; or
• 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 to mean that this Information Memorandum has been cleared or approved by the BSE. Every person who desires to acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Filing

Copies of this Information Memorandum have been filed with BSE in due compliance.

Listing

Application has been made to BSE for permission to deal in and for an official quotation of the Equity Shares of the Company under *IndoNext*. The Company has already taken steps for the completion of necessary formalities for commencement of trading at the Stock Exchanges mentioned above.

Demat Credit

The Company has executed Agreements with NSDL and CDSL for its securities in demat form as per the following details:-:

Date of Demat with:

National Securities Depository Limited.
24th November, 2000
ISIN INE438C01010
DNR 1 to 5103000
Vide Agreement dated 20th November, 2000

Central Depository Services (India) Limited
27th December, 2000
ISIN INE438C01010
DNR 1 to 5103000
Vide Agreement dated 21st November, 2000

Share Transfer Agent **Beetal Financial & Computer Services (P) Ltd** 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110 062, Ph.No: 011-29961281-83, Fax: 011-29961284 Email: beetal@beetalfinancial.com	**Auditors** **M/s AHUJA ARUN & Co.** Chartered Accountants 412, Deepshikha Building, Rajendra Place, New Delhi- 110 008
Banker to the Company **PUNJAB & SIND BANK** Industrial Finance Branch, P-18/90, 1st Floor, Connaught Circus, New Delhi-110 001	**Compliance Officer / Company Secretary** **Mrs. Deepika Rajput** Building No.5, First Floor, Pusa Road, W.E. A. Karol Bagh, New Delhi-110 005 Phone:011-47177000-30 Fax-011-47177077 Email: deepika@provestment.net

Investors can contact the Compliance Officer in case of any share transfer related problem.

II. CAPITAL STRUCTURE

Amount (Rs.)

A. Authorised Capital 52,50,000 Equity Shares of Rs. 10/- per Share	5,25,00,000
TOTAL	**5,25,00,000**
B. Issued, Subscribed & Paid-up Capital 51,03,000 Equity Shares of Rs. 10/- per Share, fully paid up	5,10,30,000
TOTAL	**5,10,30,000**

LIST OF TOP 10 SHAREHOLDERS AS ON 31.08.2010

S. No.	Name	No. of Shares held
1	Praveen Bhatia	4,60,580
2	New Line Fincap (P) Ltd.	4,10,700
3	Shivavar Services (P) Ltd.	3,25,000
4	Elite Cap & Management Ser Ltd.	3,21,000
5	Amber Trading Co. Ltd.	2,70,000
6	Praveen Bhatia (HUF)	2,15,250
7	A. K. Narang	1,56,210
8	Profile Packaging Pvt. Ltd.	1,20,000
9	Chaitali Exports Pvt. Ltd.	1,07,000
10	Gold Star Realtors Limited	1,00,000

DETAILS OF INCREASE IN AUTHORISED SHARE CAPITAL SINCE INCORPORATION:

S. No	**Date of Meeting**	**Nature of Increase/Change**	**No of Equity Shares Increased**	**Cumulative No of Equity Shares**	**Face Value**	**Cumulative Authorised Share Capital(Rs.)**	**AGM/ EGM**
1	11.05.94	Incorporation	50,000	50,000	10	5,00,000	-
2	23.01.95	Increase	2,50,000	3,00,000	10	30,00,000	EGM
3	21.04.95	Increase	7,50,000	10,50,000	10	1,05,00,000	EGM
4	01.02.96	Increase	42,00,000	52,50,000	10	5,25,00,000	EGM

III SHAREHOLDING PATTERN AS ON 31.08.2010 as per clause 35 of Listing Agreement

Category code	Category of Shareholders	Number of Shareholders	Total number of shares	Number of shares held in dematerialised form	Total Shareholding as a percentage of total number of Shares	
					As a percentage of (A+B)	As a percentage of (A+B+C)
1	2	3	4	5	6	7
(A)	**Shareholding of promoter and promoter group**					
(1)	**Indian**					
(a)	Individuals/ Hindu undivided Family	9	9,37,550	6,07,390	18.37	18.37
(b)	Central Government/ State Government(s)	Nil	Nil	Nil	Nil	Nil
(c)	Bodies corporate	4	3,38,500	2,93,000	6.63	6.63
(d)	Financial institutions/ Banks	Nil	Nil	Nil	NIL	Nil
(e)	Any other (specify)	Nil	Nil	Nil	Nil	Nil
	Sub Total (A) (1)	**13**	**12,76,050**	**9,00,390**	**25.01**	**25.01**
(2)	**Foreign**					
(a)	Individuals (non-resident Individuals/ foreign individuals)/ NRI / OCBs	0	0	0	0	0
(b)	Bodies corporate	0	0	0	0	0
(c)	Institutions	Nil	Nil	Nil	Nil	Nil
(d)	Any other (specify)	Nil	Nil	Nil	Nil	Nil
	Sub Total (A) (2)	0	0	0	0	0

	Total Shareholding of promoter and promoter group (A) = (A) (1) + (A) (2)	**13**	**12,76,050**	**9,00,390**	**25.01**	**25.01**
(B)	**Public Shareholding**					
(1)	**Institutions**					
(a)	Mutual Funds / UTI	0	0	0	0	0
(b)	Financial institutions / banks	0	0	0	0	0
(c)	Central Government / State Government(s)	0	0	0	0	0
(d)	Venture capital funds	0	0	0	0	0
(e)	Insurance companies	0	0	0	0	0
(f)	Foreign institutional investors	0	0	0	0	0
(g)	Foreign venture capital investors	0	0	0	0	0
(h)	Any other (specify)	0	0	0	0	0
	Sub Total (B) (1)	0	0	0	0	0
(2)	**Non- institutions**					
(a)	Bodies Corporate	33	22,43,100	2,55,000	43.96	43.96
(b)	Individuals-					
	(i) Individual Shareholders holding nominal share capital up to Rs. 1 Lakh	820	8,19,290	6,517	16.06	16.06
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	34	7,64,560	0	14.98	14.98

(c)	Any other (specify)	Nil	Nil	Nil	Nil	Nil
	Sub Total (B) (2)	**887**	**38,26,950**	**2,61,517**	**74.99**	**74.99**
	Total Public shareholding (B) = (B)(1)+ (B)(2)	**887**	**38,26,950**	**2,61,517**	**74.99**	**74.99**
	Total (A) + (B)	**900**	**51,03,000**	**11,61,907**	**100**	**100**
(C)	**Shares held by custodians and against which depository receipts have been issued**	Nil	Nil	Nil	Nil	Nil
	GRAND TOTAL (A) +(B)+ (C)	**900**	**51,03,000**	**11,61,907**	**100**	**100.00**

(I)(b) Statement showing shareholding of persons belonging to the category "promoter and promoter group"

Sr. No.	Name of Shareholder	Number of Shares	Shares as percentage of total number of shares { i. e. Grand Total (A) + (B) +(C) indicated in Statement at para (1) (a) above}
A.	**Promoters' Shareholding**		
1.	Sonika Bhatia	1,000	0.02
2.	Harish Bhatia	1,500	0.03
3.	Satish Bhatia	2,000	0.04
4.	Raj Bhatia	2,000	0.04
5.	Vinod Ralhan	90,010	1.76
6.	A. K. Narang	1,56,210	3.06
7.	Praveen Bhatia	4,60,580	9.03
8.	Praveen Bhatia (HUF)	2,15,250	4.22
9.	Ved Prakash Bhatia	9,000	0.18
10.	Provestment Leasing & Finance Pvt. Ltd.	86,500	1.70
11.	Profile Packaging Pvt. Ltd.	1,20,000	2.35
12.	Chaitali Exports Pvt. Ltd.	1,07,000	2.10
13.	Double Aey consultants Pvt. Ltd.	25,000	0.49
	Total	**12,76,050**	**25.01**

(I)(c) Statement showing shareholding of persons belonging to the category "public" and holding more than 1 percent of total number of shares:

Sr. No.	Name of Shareholder	Number of Shares	Shares as percentage of total number of shares
1	New Line Fincap (P) Ltd.	4,10,700	8.05
2	Shivavar Services (P) Ltd.	3,25,000	6.37
3	Elite Cap & Management Ser Ltd.	3,21,000	6.29
4	Amber Trading Co. Ltd.	2,70,000	5.29
5	Shree Jagannath Sec. (P) Ltd	1,00,000	1.96
6	Gold Star Realtors Limited	1,00,000	1.96
7	Kana Packaging Pvt. Ltd.	1,00,000	1.96
8	Narang Real Estate Pvt. Ltd.	1,00,000	1.96
9	Sharda Capsec. Ltd.	85,000	1.67
10	Master Trust Ltd.	63,000	1.23
	TOTAL	**18,74,700**	**36.74**

(I) (d) Statement showing details of locked –in -shares

Sr. No.	Name of Shareholder	Number of Shares	Shares as percentage of total number of shares { i. e. Grand Total (A) + (B) +(C) indicated in Statement at para (1) (a) above}
1.	N.A.	N.A.	N.A.
	Total		

(II) (a) Statement showing details of depository receipts (DRs)

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares { i.e. Grand Total (A) +(B)+(C) indicated in Statement at para (1) (a) above}
1.	N.A.	N.A.	N.A.	N.A.
	Total			

(II)(b) Statement showing holding of depository receipts (DRs), where underlying shares are in excess of 1 percent of the total number of shares

Sr. No.	Name of DR holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e. Grand Total (A)+ (B)+(C) indicated in Statement at para (1) (a) above}
1.	N.A.	N.A.	N.A.	N.A.
	Total			

Bodies Corporate

Sr. No.	Name of Shareholder	Number of Shares	Shares as percentage of total number of shares
1	New Line Fincap (P) Ltd.	4,10,700	8.05
2	Shivavar Services (P) Ltd.	3,25,000	6.37
3	Elite Cap & Management Ser Ltd.	3,21,000	6.29
4	Amber Trading Co. Ltd.	2,70,000	5.29
5	Shree Jagannath Sec. (P) Ltd	1,00,000	1.96
6	Gold Star Realtors Limited	1,00,000	1.96
7	Kana Packaging Pvt. Ltd.	1,00,000	1.96
8	Narang Real Estate Pvt. Ltd.	1,00,000	1.96
9	Sharda Capsec. Ltd.	85,000	1.67
10	Master Trust Ltd.	63,000	1.23
11	Techno Agents (P) Ltd.	50,000	0.98
12	Surakshit Finlease (P)ltd.	35,000	0.69
13	Satin Leasing & Finance Ltd.	31,600	0.62
14	Ultimate Services Private Limited	20,000	0.39
15	Pearl Buildcon & Resorts Pvt. Ltd.	20,000	0.39
16	APJ Packaging Pvt. Ltd.	20,000	0.39
17	Lal Constuct (P) Ltd.	20,000	0.39
18	Ambika Marketing (P) Ltd	20,000	0.39
19	M R Engineering (P) Ltd.	20,000	0.39
20	ACME Locks Ltd.	17,500	0.34
21	ACME Products P Ltd.	17,500	0.34
22	Prestar Marketing P Ltd.	17,500	0.34
23	Anshika Investments Pvt. Ltd.	17,500	0.34
24	Aditi International P Ltd.	10,000	0.20
25	Goyal Dairy Land P Ltd.	10,000	0.20
26	Simplex Packaging Ltd.	8,800	0.17
27	M/s A.H. Holdings P Ltd.	8,800	0.17
28	Shine Star Buildcap P Ltd.	8,800	0.17
29	Chabra Securities Pvt. L td.	5,500	0.11
30	M/s VCT Lease Invest P Ltd.	4,400	0.09
31	Veekay Fotokad India Pvt. Ltd.	4,400	0.09
32	Lyca Finance Ltd.	900	0.02
33	Routine Securities (P) Ltd.	200	0.01
	TOTAL	**22,43,100**	**43.96**

Share Capital History of the Company

Date	Particulars	No. of Shares	Cumulative No. of Shares	Face Value (per share)	Issue Price (per share)	Capital raised (in Rs.)	Total Capital (in Rs.)
11.05.1994	1st Allotment	20	20	10	10	200	200
19.12.1994	Board Meeting Allotment	5,100	5,120	10	10	51,000	51,200
31.01.1995	Board Meeting Allotment	2,46,080	2,51,200	10	10	24,60,800	25,12,000
30.03.1995	Board Meeting Allotment	48,800	3,00,000	10	10	4,88,000	30,00,000
27.05.1995	Board Meeting Allotment	7,50,000	10,50,000	10	10	75,00,000	1,05,00,000
02.02.1996	Board Meeting Allotment	3,50,000	14,00,000	10	10	35,00,000	1,40,00,000
27.02.1996	Board Meeting Allotment	1,31,650	15,31,650	10	10	13,16,500	1,53,16,500
23.08.1996	Public Issue	35,71,350	51,03,000	10	10	3,57,13,500	5,10,30,000

IV - HISTORY

PROVESTMENT SERVICES LIMITED was incorporated on 11th May, 1994 as a Private Limited with name **Provestment Capital Services Private Limited**.

Pursuant to a special resolution of our shareholders, our Company became a public limited company and a fresh Certificate of Incorporation with the name **Provestment Capital Services Limited** was issued on 17th February, 1995 by the Registrar of Companies, Delhi. The name of the company was changed to Provestment Services Limited w.e.f 6th November, 1998. The Company entered in to Capital Market by way of a maiden Public Issue in 1996. At present, the paid up capital stands at Rs. 5,10,30,000/- divided into 51,03,000 equity shares of Rs.10 each.

The Company is promoted by Mr. Arvind Kumar Narang, Ms. Sonika Bhatia, Mr. Praveen Bhatia, Mr. Vinod Ralhan, Mr. Harish Bhatia, Ms. Satish Bhatia, Mr. Raj Bhatia, Mr. Ved Prakash Bhatia and other group companies. It started its business as Category II Merchant bankers by consulting companies in their project financing endeavors and assisting companies in their capital raising plans through capital markets.

The company ventured into full fledged money changing business and also has started its domestic and international ticketing business. The company is IATA certified travel agent with the IATA Numeric Code being **14-3 6295 0** and has been approved as full fledged money changer by the RBI with Licence No. **FE.DEL.FFMC (Unified)/0032/2001.**

Main object of the Company

1. To carry on the business of merchant banking in all its aspects, to act managers to issues and offers, whether by way of public offer or otherwise of shares, stocks, debentures, bonds, units, participation certificates, deposits, certificates, notes, bills, warrants or any other instruments whether or not transferable or negotiable or otherwise commercial or other paper or scripts (hereinafter collectively referred to as the "securities"). To act as agents of and or dealers, brokers, in the securities and or foreign exchange securities/currency in the course of merchant banking business, to act as discount house for any of the securities. To act as, joint managers, lead managers, co-managers, advisors and counselors in investment and stand by or procurement arrangements, to issue guarantees or to give any other commitments for subscribing or agreeing to subscribe or procure or agree to procure subscription to the securities to manage portfolio investments, and provide services in portfolio management and analysis, top provide investment assistance for the purpose herein, to act as issue house, registrar to issue, transfer agents, for the securities, to manage and administer computer centers and clearing houses, for the securities to form syndicates or consortia of managers , agents and purchasers for or/of any of the securities, to acquire and hold one

or more memberships in the stock/security exchanges, OTC, trade associations, commodity exchanges, clearing houses or associations or otherwise in India or any part of the world to act as brokers, dealers and agents in connection with the securities, bullions and precious metals or others to syndicate any financial arrangements whether in domestic market or in international markets and to acquire and hold membership in any national or international association to act a off shore bankers, merchant bankers, brokers, security dealers or any other association, membership of which will or is likely in any way to facilitate the conduct of the Company's business, to undertake the work of factoring of debts bills and other commercial papers , and to arrange and/or co-ordinate documentation and negotiation in this regard..

2. To carry on the business of designing, developing, procuring, reproducing, installing, marketing, distributing, buying, selling, licensing, providing, importing, exporting, operating, supporting, maintaining and otherwise, dealing in all varieties of computer software and to offer services in data processing in all fields of application, e-commerce, internet education, training, and related services, and any other information technology and telecommunication related services.

3. To carry on the business as consultants and advisors for systems design and software development; and to carry on the business of providing technical know how and training in the use and service of computers, computer software, internet education and training and related services, e-commerce, information technology, telecommunication, electro-mechanical systems and related assembly line components, goods, appliances and apparatus of every description.

4. To set-up, own as under franchise agreement centers/colleges for carrying on the above mentioned business by having tie-up, agreement collaboration, affiliation with Indian or Foreign Company, Organisation, Institutions, Colleges, University for above mentioned business which may help in promoting employment opportunities for on-site and off-shore project development.

V – BUSINESS

The Company is engaged in following lines of business-:

- Travel and Tour agent approved by IATA
- RBI approved Full fledged money changer
- Management Consulting and Project Financing

The company as mentioned earlier had started out in management consulting space. It later ventured into travel and tour operation and getting itself IATA certified with the IATA Numeric Code being **14-3 6295 0** on 01.02.2006 and also as full fledged money changer by the RBI with Licence No. **FE.DEL.FFMC (Unified)/0032/2001**

The company has a number of corporate bodies as its clients and many companies have for that matter, outsourced their travel needs to Provestment services Limited. Top 15 Clients of the Company are:

1) UFLEX Limited
2) Flex(P) Films Egypt
3) Saamag Constructions Ltd
4) Energy Development Company Limited
5) Printotech Global Ltd
6) Jaipuria Group (Pepsi Bottler)
7) Arts of India Expo
8) Sunway Constructions (Malaysia)
9) Tflex Americans Inc
10) Hitech Graphic Egypt
11) Montage Global Pvt. Ltd
12) Observer research Foundation (NGO)
13) Rollatainers Ltd
14) FSL Software and Technologies Ltd
15) Economic Research Foundation

It is also recognized by TAFI, the body which regulates the travel industry in India.

The company has been able to grow its primary activity through its 16 years existence. The company employs people with professional expertise and having wide ranging experience in corporate finance and project finance.

LIST OF CHANGES IN MEMORANDUM & ARTICLES OF ASSOCIATION

S.No.	Date	Particulars of Change
1	23.01.1995	Change in Capital Clause – Increase in Authorized Capital From Rs.5 Lacs to Rs.30 Lacs
2	17.02.1995	Conversion in to Public Limited Company
3	21.04.1995	Change in Capital Clause – Increase in Authorized Capital From Rs.30 Lacs to Rs.105 Lacs &Alteration in Memorandum and Articles of the Company
4	01.02.1996	Change in Capital Clause – Increase in Authorized Capital From Rs.105 Lacs to Rs.525 Lacs
5	03.11.1998	Change of Name by deleting the word "Capital"
6	05.05.2000	Alteration of object clause in Memorandum and alteration of Articles so as to be in compliance with The Depository Act, 1996

VI – PROMOTERS & MANAGEMENT

PROMOTERS

Initially the company was promoted by Sh. Arvind Kumar Narang and Ms. Sonika Bhatia. Subsequently other persons also assisted in the expansion and diversification of the affairs of company.

At present Mr. Arvind Kumar Narang is the Whole Time Director of the company. Other Directors are:

1. Mr. Praveen Bhatia
2. Mr. Vinod Ralhan
3. Mr. Anil Lakhani
4. Mr. Gaurav Bhatia

PROFILE OF DIRECTORS

S. No.	Name & Address	PAN NO.	DIN NO.	Date of Birth	Associated with the Company	Qualification
1	**MR. ARVIND KUMAR NARANG** A-375, Sector-31, Noida (U.P.) 201301	ABNPN1007E	00457156	28.04.1966	11.07.2002	B.E(Mech), MBA(Finance)
2	**MR. PRAVEEN BHATIA** 4113, B-5&6, Vasant Kunj, New Delhi-110070	AAGPB2843J	00147498	26.06.1960	26.08.1994	FCA
3	**MR. VINOD RALHAN** J-93, Ground Floor, Kirti Nagar, New Delhi-110015	AAEPR9217Q	00146449	31.07.1961	26.01.1995	FCA
4	**MR. ANIL LAKHANI** A 16/1, Saket, Meerut (U.P.)	AADPL9930H	00450542	25.06.1963	01.01.2005	Graduate
5	**MR. GAURAV BHATIA** I-732, Palam Vihar, Gurgaon (Haryana) 122017	AFPPB3014H	00585900	30.09.1977	30.09.2002	MBA

Qualification & Experience of Directors:

Mr. Arvind Narang – Executive Whole Time Director

Mr. Narang is B.E (Mech) from Thapar Institute of Engineering and technology, MBA (Finance) from Symbiosis Institute of Business Management and has expert knowledge in planning e.g. Production and Stock planning. Besides he is instrumental in formulating marketing strategies for different companies in packaging industry. He has Six years experience of working at senior level with manufacturing companies like Thermax Ltd., Bajaj Tempo Ltd. and Acme Locks Ltd.

Mr. Praveen Bhatia B.Com; FCA – Non- Executive Professional Director

Mr. Praveen Bhatia is a graduate from Shri Ram College of Commerce. He is a Fellow Member of the Institute of Chartered Accountants of India. Mr. Bhatia had also participated in the Program on Computer Aided Financial Decision Making" organized by The Indian Institute of Management (IIM), Ahmedabad. He is having more than 24 years of experience in issue management, Merger, Amalgamation, Foreign Collaboration, Project Consultation, Loan Syndication, Audit & Taxation, and Investment Advisory Services. He has worked with Deloitte Consulting as consultant in the audit department and with Uflex Industries Ltd. as a Finance Manager.

Mr. Vinod Ralhan B.Com; FCA - Non- Executive Professional Director

Mr. Vinod Ralhan is a Fellow member of the Institute of Chartered Accountants of India; he joined M/s. Bhatia Praveen & Co. He is having experience of around 16 years in the field of management consultancy, Management audit, Operational audit, Efficiency audit, Direct and Indirect taxation, Capital/Revenue Budget. He has wide experience in Issue management, Merchant banking, project Consultancy, Loan Syndication and Investment Advisory Services. He has expertise knowledge in Financial Management Planning and financial policy determination, Capital structure planning and raising finance, working capital Management, Preparation of project reports and feasibility studies, Pre and Post Issue Management.

Mr. Anil Lakhani - Non –Executive Independent Director

Mr. Anil Lakhani is a Graduate having his own trading unit of lights and electronic items. Mr. Lakhani being a dynamic entrepreneur, his trading interest in the mentioned business spans whole of North India. He also has interests in manufacturing of transformers in the State of Gujarat.

Mr. Gaurav Bhatia – Non –Executive Independent Director

Mr. Gaurav Bhatia has an experience of around 4 years of working with multinational companies like Deloitte Haskins & Sells and American express India Pvt Ltd Financial Centre East.

During this tenure he was indulged in performing statutory audits and other related assignments, Assisted in evaluating the tax liability of clients, Gained hands on experience of accounting procedures in corporate environments, Achieved opportunity to apply academic knowledge in real life accounting, Provident fund and Superannuation fund audit, Propriety and efficiency audit. He performed audits of the following reputed companies like Telco limited, Indian Hotels Company Limited, ICICI Bank Ltd, Dabur India limited and UNICEF.

In American express India Pvt. Ltd he had worked in a Financial BPO unit and have an experience regarding Service level agreement deliverables, process Migrations/transitions and a sound exposure of working in a BPO.

During his association with Provestment he is being engaged in the activities like Compilation and analysis of business records and financial statements, Ascertained Key operational areas of the company, Verified compliance of various departments with company procedures, Suggested improvements and prepared final reports needed for effective management, Devised accounting systems and procedures, Developed effective communication skills to interact with top-level management, Cultivated acquaintance with the workings and operational areas of a variety of companies, Active Involvement at the time of SAP (R / 3) implementation.

VII – STATUS ON CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNACE

1. COMPANY PHILOSPHY ON CODE OF GOVERNANCE

Corporate Governance, it is basically relates to the principles of integrity, fairness, equity, transparency, accountability & commitment to values. Good governance practices stem from the culture and mindset of the organization .The company believes that good Corporate Governance practices should be enshrined in all activities of the company. This would ensure efficient conduct of the affairs of the company and help the company achieve its goal of maximizing value for all its stakeholders.

The company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all the stakeholders.

2. BOARD OF DIRECTORS

Composition as on March 31, 2010

The company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 5 Directors, out of which 3 are Independent Directors. The Chairman of the Company is a Whole-time Director. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Name	**Category**	**No. of Directorships held in other Public Limited Companies**	**No. of Board Committee position held in other Public Limited Companies**	
			Chairman	Member
Mr. Arvind Kumar Narang	Executive, Whole Time Director	-	-	-
Mr. Praveen Bhatia	Non-Executive Professional Director	-	-	-
Mr. Vinod Ralhan	Non-Executive Professional Director	-	-	-
Mr. Anil Lakhani	Non-Executive Independent Director	-	-	-
Mr. Gaurav Bhatia	Non-Executive Independent Director	-	-	-

3. BOARD MEETINGS AND ATTENDANCE

The Board held 12 (Twelve) Meetings during the year 2009-2010 on 15.04.2009, 15.05.2009, 30.06.2009, 01.07.2009, 31.07.2009, 31.10.2009, 12.11.2009, 04.12.2009, 01.01.2010, 04.01.2010, 30.01.2010 and 31.03.2010.

Attendance of Directors at Board Meetings and at the Annual General Meeting

Name of the Director	No. of Board Meetings Attended	Whether Attended the Last AGM
Mr. Arvind Kumar Narang	**12**	**Yes**
Mr. Praveen Bhatia	**7**	**Yes**
Mr. Vinod Ralhan	**12**	**Yes**
Mr. Anil Lakhani	**9**	**Yes**
Mr. Gaurav Bhatia	**8**	**Yes**

The Board ensures compliance of all laws applicable to the Company and takes steps to rectify non-compliances, if any**.**

BOARD PROCEDURE

It has always been the Company's policy and practice that apart from matters requiring the Board's approval by law, all major decisions including quarterly / yearly results of the Company and its divisions, financial restructuring, capital expenditure proposals, sale and acquisition of material nature of assets, mortgage, guarantee etc. are regularly placed before the Board. This is in addition to information with regard to detailed analysis of operations, major litigations, feed back reports and minutes of all committee meetings.

3. BOARD COMMITTEES

The Board of Directors has constituted following committees namely:

(i)Audit Committee

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreements with the Stock Exchanges. The terms of the reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with Stock Exchanges that inter-alia include the overview of the Company's financial reporting processes, review of quarterly, half-yearly and annual financial statements, review of adequacy of internal control systems, review of financial and risk management policies and review of significant finding and adequacy of internal control system etc.

Composition and Attendance
During the year 2009-2010, 5 (Five) Meetings of the Audit Committee were held on 15.04.2009, 30.06.2009, 31.07.2009, 31.10.2009 and 30.01.2010.

Name of the Member	Category	No. of Meeting Attended
Mr. Praveen Bhatia (Chairman)	Non-Executive Professional	5
Mr. Vinod Ralhan	Non-Executive Professional	5
Mr. Anil Lakhani	Non-Executive Independent	5

The Members of the audit Committee have requisite knowledge in the field of finance, Accounts and Management. Minutes of each Meeting of Audit Committee are placed and discussed before the Board of Directors. The representative of Statutory Auditors attends the meetings of audit Committee.

Mrs. Deepika Rajput acted as Secretarial Officer of the Committee during the year.

(**ii**) **Remuneration Committee**
The terms of reference of Remuneration Committee are as per the Guidelines set out in the Listing Agreement with the stock exchange(s), falling under the category of non-mandatory requirements of Corporate Governance that inter alia includes formulation and recommendation to the Board from time to time, a remuneration structure for the Whole-time Members of the Board.

Composition of Remuneration Committee

Name	Category
Mr. Praveen Bhatia	Non-Executive Professional
Mr. Vinod Ralhan	Non-Executive Professional
Mr. Anil Lakhani	Non-Executive Independent

Meetings and Attendance during the year
One meeting of the above constituted Remuneration Committee was held during the year.

Remuneration Policy
The Remuneration Committee determines and recommends to the Board, the remuneration of the Directors and the same is subject to the approval of Members.

The key components of the Company's Remuneration policy are:-
- Remuneration will be a major driver of performance.
- Remuneration will be transparent, fair and simple to administer.

- Remuneration is determined in accordance with experience and nature of responsibilities.
- Remuneration will be fully legal and tax compliant.

At present, the Company is paying remuneration to its Whole Time Director and sitting fees to its Non-Executive Directors and other Directors.

The detail of service contract of Whole Time Director of the Company is as under:

Name	Date of Appointment	Tenure	From	To
Mr. Arvind Kumar Narang	11th July, 2007	5 years	11th July, 2007	10th July, 2012

- Notice period as per Company's Rules.
- No severance Fee and stock is payable.

(iii) Shareholders/Investors' Grievance Committee:
The Company is having share transfer committee. It deals with matters related to share transfer/transmission, issue of duplicate share certificate, approving of split and consolidation requests and address of shareholders and investors grievance in relation to transfer of shares, non-receipt of annual report etc.

The terms of reference of shareholders/Investors' Share Transfer Committee are as under:

(a) Approval of requests received for transfer/transmission of shares including dematerialization/ rematerialization of securities.
(b) Approval of requests received for issue of duplicate certificates.
(c) Rejection of requests for share transfers, wherever applicable.
(d) Redressal of serious complaints received from shareholders/investors on non-receipt of shares after transfer in the physical form, complaints on Non-receipt of Balance Sheet, dividend etc

Composition of Shareholders/Investors' Share Transfer Committee

Name	**Category**
Mr. Praveen Bhatia	**Non-Executive Professional**
Mr. Vinod Ralhan	**Non-Executive Professional**
Mr. Anil Lakhani	**Non-Executive Independent**

Mrs. Deepika Rajput, Company Secretary, was the Compliance Officer during the year.

Details of Complaints received during the year:

Nature of Complaint	**2009-2010**		
	Received	Cleared	Pending
Non receipt of Share Certificate duly transferred	-	-	-
Non-receipt of Annual Report	-	-	-

4. REMUNERATION TO DIRECTORS

The Company paid remuneration to its Executive Director, Mr. A. K. Narang.

5. DETAILS OF LAST THREE ANNUAL GENERAL MEETING

The Last three Annual General Meetings were held as per the details given below:

Year	Date	Day/Time	Venue
2006-2007	29.09.2007	Saturday 11:00 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029
2007-2008	30.09.2008	Tuesday 11:00 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029
2008-2009	30.09.2009	Wednesday 11:00 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029

No resolution was put through postal ballot last year.

6. DISCLOSURE

(a) Disclosure on materially significant related party transactions, pecuniary or business relationship with the Company

There have been no materially significant related party transactions that may have potential conflict with the interests of the Company or its associates, with any of the directors or their relatives during the year 2009-10. However, a detailed disclosure on Related Party Transactions has been made at in the Notes to Accounts appearing under (Significant Accounting Policies and Notes to Accounts) forming part of Balance Sheet.

(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority on any matters related to Capital Market:

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets during the last 3 years.

(c) Risk Management

The Executive Management controls risk through means of a properly defined framework.

7. MEANS OF COMMUNICATION

1.Quarterly Results	Quarterly Results are announced within a month of the end of the respective quarter, which are normally published in The Pioneer (English) and Hariboomi (Hindi)
2.Any website, where displayed	No. However, results are being sent to all the Stock Exchanges, where the shares of the Company are listed for putting in their own website.
3.Whether it also displays official news releases and the presentations made to Institutional Investors or to the Analysts	Not Applicable
4.Whether Management Discussion & Analysis is a part of Annual Report	Yes
5.Whether Shareholder Information section forms part of Annual Report	Yes

VIII - MANAGEMENT DISCUSSIONS AND ANALYSIS

Financial Review

Provestment Services Limited has to its credit Full Fledged Money Changer License and ticketing business and has shown satisfactory financial and operating performance during the period under review i.e.2009-10.

Resources and Liquidity

During the year, the Company relied upon internal and retained resources. The liquidity position of the Company was comfortable during the period.

Industry Scenario

It is boom time for India's Tourism and Hospitality sector. A 5,000 year history, culture, religion and alternative medicine fascinate both budget and luxury travelers alike. Driven by a surge in business traveler arrivals and a soaring interest in India as a tourist destination, the last couple of years to come have been the best year till date, with foreign visitor arrivals reaching a record 3.92 million, resulting in international tourism receipts of USD 5.7 billion.

The Department of Tourism's resolve in promoting Indian tourism has strengthened as it recognises its potential. Tourism in India is the third largest foreign exchange earner, accounting for 2.5 per cent of GDP. It also makes a direct contribution to economy with significant linkages with agriculture, horticulture, handicrafts and construction and continued to focus on the "***Atithi Devo Bhavah***" campaign, targeted at the inbound foreign tourists in the country. Translated literally this means "***Guest is God***".

Current Status

Commencing with a slow growth at the start of the millennium, the Indian tourism industry has performed quite well in the last couple of years. The Indian tourism industry has out performed the global tourism industry in terms of growth in the volume of international tourists as well as in terms of revenue. The World Travel and Tourism Council (WTTC) has named India along with China as one of the most fastest growing tourism industries for the next 10 to 15 years.

According to World Travel and Tourism Council (WTTC) the Travel & Tourism Industry contributes 2.1per cent to India's GDP. The industry employed an estimated 24,349,000 people in 2006 (5.4per cent of total employment, or 1 in every 18.4 jobs).

The key driver for this growth in the Indian tourism industry has been a fast growing economy for the last 3-4 years. Despite lagging in the basic infrastructure that supports the tourism industry, Indian tourism industry has been showing an impressive double-digit growth. In order to sustain this growth and meet the expectations, it is essential for the Government of India to invest in infrastructure such as transport and accommodations.

Future Outlook

The Indian travel and Hospitality sector is expected to show a healthy growth in the medium term. Strong economic growth, increased FDI, greater emphasis on tourism development, favorable Government policies, impending 2010 Commonwealth games, 2011 Cricket World Cup and other international events, will be the major drivers for the growth. There exists a lot of scope for growth in tourism sector. According to the Ministry of Tourism, the contribution of tourism to India's GDP is only 5.9 per cent as compared to the worldwide average of 11 per cent.

By 2020, the Government of India expects travel and tourism to contribute Rs 8,500 billion to GDP, almost four times the value in 2005. With successive Governments committed to reform, a strong manufacturing sector and a private sector that already has a critical mass that is needed to drive growth, it is unlikely that the strong growth in GDP is likely to be reversed. The rising middle class is also becoming increasingly affluent, mobile, Internet savvy and more sophisticated in terms of what is demanded in terms of tourism products and services, and more importantly the price they are willing to pay for it.

Major impediments to the growth are sensitivity to business cycles and adverse political and social events (including terrorist attacks), high rate of tax, high land price, bureaucracy, and poor infrastructure. For instance, the effective rate of taxation on tourism in India is 21 per cent as compared to 7 per cent in Thailand, 4 per cent in Malaysia and 1 per cent in Hong Kong. Furthermore, owing to high land prices, there are more five star hotels than budget hotels, making India a high cost deluxe destination. Additionally, India still does not have facility of modernised e-visa. The existing visa process is cumbersome and comparatively more expensive than other destinations. Yields are expected to be low in coming years on account of continuing price-cutting and discounts.

OUTLOOK

Provestment Services Limited plans to foray into other consultancy services and also expand its tourism and travel business so as to broad base its clientele. A brief overview is provided below-:

Inbound and Outbound Travel Business: With a view to broaden the area of operations and provide a single window service to clients , the Company has started its inbound and outbound packages divisions in the name and style of Pro Holidays within the umbrella of Provestment. The response has been encouraging. The Company has revamped its website www.provestment.net and added new features and attractions.

Travel Portal: The easy availability of computers and internet has motivated companies to provide online access to clients to book tickets at their convenience. We have also initiated the process of developing our own travel portal, the proposed name of which

could be www.proyatra.com or www.travelbindas.com, The final name would be selected based on the market survey.

Other Verticals : The Company has also signed MOU with a UK based Company in imparting education to people ,more specifically trading in Forex , Shares and Commodities in overseas market. We would like to highlight that Reserve Bank of India permit investment in shares, stock and Forex in overseas market to the tune of US $ 2, 00,000 under Liberalized Remittance Scheme.

RISKS AND CONCERNS

Risk is an inherent aspect of any business. They may be classified as external and internal.
The external factors are competition, foreign exchange fluctuation and government policies and on going political and economic changes in the destination countries. Internal factors include cost structure, technical up-gradation and quality requirements.

Management being aware of the above factors is competent to address and manage these risks by adopting a systematic approach and developing a monitoring mechanism.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

Provestment services Limited has proper and adequate internal controls to assure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that all the transactions are authorized, recorded, reported and monitored correctly. The Company works in a fully computerized environment and all its operations including accounts and MIS are electronic. Provestment services Limited ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

HUMAN RESOURCE / INDUSTRIAL RELATIONS

The company' human resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective system for improving the productivity, quality and accountability at all levels.

ANALYSIS OF FINANCIAL PERFORMANCE

(In Rs. Lakhs)

	Year ended 31st March, 2010 (Audited)	Year ended 31st March 2009 (Audited)
Gross Turnover	3168.76	3130.22
Gross Profit before Dep.	82.91	95.60
Less: Depreciation	14.31	9.97
Net Profit(loss) before tax	57.30	50.19
Less Provision for taxation	19.29	16.88
Net Profit after tax	38.01	33.31
Carried to Balance Sheet	38.01	33.31

8. SHARE HOLDERS INFORMATION

Annual General Meeting

Date and Time	30.09.2010 at 11 AM
Venue	B-4/148C, Safdarjung Enclave, New Delhi-110029
Book Closure	16th September, 2010 to 30th September, 2010(both days inclusive)

Financial results declaration

Period	Date of Board Meetings in which results approved
Results for quarter ended June 30, 2009	31.07.2009
Results for quarter ended September 30, 2009	31.10.2009
Results for quarter ended December 31, 2009	30.01.2010
Results for quarter ended March 31, 2010	15.05.2010

Listing of Equity Shares on Stock Exchange

S.No.	**Stock Exchange**
1.	The Delhi Stock Exchange
2.	Jaipur Stock Exchange
3.	Ahmedabad Stock Exchange

Depositories

1	National Securities Depository Limited (NSDL)
	Trade World, 4th Floor, Kamala Mills Compound,
	Senapati Bapat Marg, Lower Parel, Mumbai 400013.
2.	Central Depository Services (India) Limited (CDSL)
	Phiroz Jeejee Bhoy Towers, Dalal Street, Mumbai.

Registrar and Share Transfer Agent

Beetal Financial & Computer Services (P) Ltd
3rd Floor, 99, Madangir, Behind Local Shopping Centre,
Near Dada Harsukhdas Mandir,
New Delhi-110 062,
Ph.No: 011-29961281-83,
Fax: 011-29961284
Email: beetal@beetalfinancial.com

Stock Market Data

There was no trading in the shares of the Company on any recognized stock exchange during the year 2009-10.

Share Transfer System

Share transfer and related operations for PROVESTMENT SERVICES LIMITED are conducted by M/S **Beetal Financial & Computer Services (P) Ltd.,** which is registered with the SEBI as Category I Registrar. Share transfer is normally affected within a maximum period of 15 days from the date of receipt if all the required documentation is submitted.

Dematerialisation status as on August 31, 2010

Equity Shares equivalent to 22.77 % of the Share Capital have been dematerialised upto August 31, 2010. The Trading of the Company's equity share fall under the category of compulsory delivery in dematerialised made by all categories of investors.

Investors Correspondence

Investors correspondence can be made on Regd. Office of the Company as given under:

5, 1st Floor, Pusa Road,
W.E.A. Karol Bagh,
New Delhi-110005

Non-Mandatory Requirements

Non-Mandatory requirements have presently not been adopted by the company. However, steps have been taken by the company to implement the same in systematic manner.

Nomination Facility

Pursuant to Section 109 A of the Companies Act, 1956, a shareholder may nominate a person to whom his shares of the Company shall vest in the event of his/her death.

IX – FINANCIAL INFORMATION OF PROVESTMENT SERVICES LIMITED

(In Rs. Lacs)

PARTICULARS	31/03/2010	31/03/2009	31/03/2008	31/03/2007	31/03/2006
	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)
Sources of Funds:					
Shareholders Funds					
Share Capital	510.30	489.22	489.22	489.22	489.22
Reserve & Surplus	134.07	96.06	62.75	45.50	33.08
Loans Funds					
Secured Loans	253.10	328.39	319.26	279.11	34.27
Deferred Tax Liability	16.10	11.90	7.04	6.28	5.63
Total	**913.57**	**925.57**	**878.27**	**820.11**	**562.20**
Application of Funds :					
Fixed Assets					
Gross Block	485.91	470.20	136.13	135.48	76.19
Less: Depreciation	47.46	34.68	24.70	19.4	14.23
Net Block	438.45	435.52	111.43	116.08	61.96
Current Assets, Loans & Advances	579.36	671.31	857.35	790.31	551.06
Less: Current Liabilities and Provisions	104.24	181.26	90.51	86.28	50.93
Net Current Assets	475.12	490.05	766.84	704.03	500.14
Miscellaneous Expenditure	**0**	**0**	**0**	**0**	**0.10**
Total	**913.57**	**925.57**	**878.27**	**820.11**	**562.20**

PROFIT & LOSS ACCOUNT

(In Rs. Lacs)

Particulars	31/03/2010	31/03/2009	31/03/2008	31/03/2007	31/03/2006
	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)	(AUDITED)
INCOME :					
Sales	3168.77	3130.22	2610.97	2508.46	2070.58
Professional Income	102.76	61.02	41.18	33.54	19.14
Accretion/ (Decretion) in Inventory	11.63	-18.27	-23.26	9.96	-37.43
Total Income	**3283.16**	**3172.97**	**2628.89**	**2551.96**	**2052.29**
EXPENSES :					
Purchases	3053.24	2958.55	2486.93	2448.44	2052.02
Provisions for employees	35.84	43.99	30.50	26.88	25.28
SGA Expenses	72.15	74.82	51.69	42.85	34.07
EBITDA	**121.93**	**95.61**	**59.77**	**33.79**	**-59.08**
Depreciation	14.31	9.97	7.1	6.64	4.73
EBIT	**107.62**	**85.64**	**52.67**	**27.15**	**-63.81**
Interest & Other Income		18.88	14.90	10.38	76.14
Financial Charges	50.32	54.31	39.80	16.17	0
EBT	**57.30**	**50.21**	**27.77**	**21.36**	**12.33**
Tax & Other Charges	19.29	16.88	10.52	8.94	5.71
PAT	**38.01**	**33.33**	**17.25**	**12.42**	**6.62**

IX(A)-FINANCIAL RESULTS FOR THE LAST QUARTER

(In Rs. Lacs)

S.No.	Particulars	3 Months ended 30.06.2010	Corresponding 3. Months ended in previous year 30.06.2009	Year ended 31.03.2010
		(Unaudited)	(Unaudited)	(Audited)
1	(a) Net Sales/Income from	1,015.90	768.70	3,168.77
	Operations			
	(b) Other Operating Income	29.79	20.43	102.76
	TOTAL INCOME 1(a+b)	1,045.69	789.13	3,271.53
2	Expenditure			
	(a) (Increase)/Decrease in Stock in	14.23	0.41	(11.63)
	Trade and Work in Progress	-		
	(b) Consumption of raw material		-	
	(c) Purchase of Traded Goods	969.83	735.42	3,053.24
	(d) Employees Cost	9.28	8.96	35.84
	(e) Depreciation	3.59	3.30	14.31
	(f) Other Expenditure	16.90	13.41	72.15
	TOTAL 2(a+b+c+d+e+f)	1,013.83	761.50	3,163.91
3	**Profit from Operations before**	31.86	27.63	107.62
	Other Income , Interest			
	& Exceptional Items (1-2)			
4	Other Income	-	-	-
5	**Profit before Interest**	31.86	27.63	107.62
	& Exceptional items(3+4)			
6	Interest & Financial Charges	10.66	12.86	50.32
7	**Profit after Interest but Before**	21.20	14.77	57.30
	Exceptional Items (5-6)			
8	Exceptional Items	-	-	
9	**Profit/(Loss) from Ordinary Activities**	21.20	14.77	57.30
	Before Tax(7+8)			
10	Tax Expenses			
	- Current Tax	5.78	4.00	14.10
	- Less: Minimum Alternate Tax Credit	-	-	
	- Fringe Benefit Tax	-	-	1.00
	- Deferred tax Charges/(Credit)	-	-	4.19

11	**Net Profit From Operating Activities**		15.42	10.77	38.01
	After tax(9-10)				
12	Extraordinary Items		-	-	
	(Net of Tax Expenses)				-
13	**Net Profit/Loss for the Period (11-12)**		15.42	10.77	38.01
14	Paid Up Equity Share Capital		510.30	489.22	510.30
	(Face value of Shares Rs 10/- each)				
15	Reserves		149.49	-	134.07
	(Excluding Revaluation Reserve)				
16	Earning Per Share (EPS) Rs.				
	(a) Basic and Diluted EPS before		0.30	0.22	0.74
	Extraordinary items				
	(b) Basic and Diluted EPS after				
	Extraordinary items		-	-	-
17	Public shareholding				
	- Number of Shares		3,826,950	4,322,680	4,078,950
	- % of Share holding		74.99	84.71	79.93
18	Promoters and Promoter Group Shareholding				
	(a) Pledged/Encumbered				
	- Number of Shares			-	-
	- Percentage of shares(as a % of total shareholding of promoter and promoter group)			-	-
	- Percentage of shares(as a % of total share capital of the company)			-	-
	(b) Non-encumbered				
	- Number of Shares		1,276,050	780,320	1,024,050
	- Percentage of shares(as a % of total shareholding of promoter and promoter group)		100.00	100.00	100.00
	- Percentage of shares(as a % of total share capital of the company)		25.01	15.29	20.07

Note:

1. The above results were reviewed by the Audit Committee and approved by Board of Directors in their meeting held on 13th August, 2010

2 .Previous periods figures have been regrouped/rearranged where ever necessary.

X - OUTSTANDING LITIGATIONS

There is no outstanding litigation pending against the company.

XI – GOVERNMENT APPROVALS

The Company has all the necessary permissions and approvals from the Government and various Government agencies for the existing activities.

XII - DIVIDEND POLICY

The declaration and payment of Dividends will be recommended by our Board of Directors, at their discretion and with the approval of our shareholders. The recommendation of dividend will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial condition. For the Financial year 2009-10, the Board has not recommended any Dividend.

XIII. MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF THE COMPANY

CERTIFICATE

10. The certificate of title to share shall be issued under the Seal of the Company.

11. Every member shall be entitled free of charge to certificate in marketable lot for all the shares of each class registered in his name or, if any member so wishes, to several certificate each for one or more of such shares. unless the Conditions of issue of any shares otherwise provide, the Company shall either within two months after the date of allotment and on surrender to the Company of its letter making the allotment or of its fractional coupons of requisite value (save in the case of issue against letters of acceptance or of renunciation or in case of issue of bonus shares) or within one month of receipt of the application for registration of the transfer, sub-division, consolidation renewal or exchange of any of its shares, as the case may be, complete, and have ready for delivery the certificates of such shares. Every certificate of shares shall specify the name of the person in whose favour the certificate is issued, the shares to which it relates and the amount paid up thereon. Particulars of every certificate issued shall be entered in the Register maintained in the form set out in the Companies (Issue of Share Certificates) Rules, 1960.

12. (1) If any certificate of any share or shares be surrendered to the Company for sub-division or consolidation if any certificate be defaced, torn or old, decrepit, worn-out or where the pages on the reverse for recording transfer have been duly utilized, then upon surrender thereof to the Company, the Board, may order the same to be cancelled and may issue new certificate in lieu thereof, and if any certificate be lost or destroyed, then upon proof thereof to the satisfaction of he Board, and on such indemnity as the Board thinks fit being given a new certificate in lieu thereof, shall be given .To party entitled to the shares to which such lost or destroyed certificate relate. Where a new certificate has been issued as aforesaid, it shall state on the face of it and against the stub or counterfoil that it is issued in lieu of a thereof. For every certificate issued under this Article, there shall be paid to the Company such out of pocked expenses incurred by the Company in investigating evidence as the Board may be determine.

(2) No fee shall be charged for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denomination, corresponding to the market units trading, for sub-division of renounceable letters of rights; for issue of new certificate in replacement of those which are old, decrepit or worn out, or where the pages on the reverse for recording transfers have been fully utilized. Provided that the Company may charge such fees as may be agreed by it with the Stock Exchange with which its share may be enlisted for the time being for issue of new certificates in replacement of

those that are torn, defaced, lost or destroyed, and for sub-division and consolidation of share and debenture certificates and for sub-division of letter of allotment and split, consolidation, renewal and pucca transfer receipts into denominations other than those fixed for the market units of trading.

JOINT-HOLDERS OF SHARES

13. Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefit of survivorship subject to the following provisions and to the other provisions of these Articles relating to joint holders:-

(a) The Company shall not be bound to register more than three persons as the joint-holder for any share.

(b) The joint holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such shares.

(c) On the death of any one of such joint-holders, the survivor or survivors shall be the only person recognized by the Company as having any title to or interest in such share but the Board may require such evidence of death as it may deem fit. Only the person whose name stands first in the Register as one of the joint-holders of any share shall be entitled to delivery of the certificate relating to such share.

CALLS

14. The Directors may, from time to time, subject to the terms on which any shares may have been issued, make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereto made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Directors. A call may be made payable by installments.

15. That the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

16. Not less than 30 (Thirty) days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

17. If by the terms of issue of any share or otherwise, the whole or part of the amount of issue price thereof is made payable at any fixed time or by installments at fixed times, every such amount of issue price of installment thereof shall be payable as if it ware a call duly made by the Directors and of which due notice had been given and all the provisions herein contained in respect of calls shall apply to such amount or issue price or installments accordingly.

18. If the sum payable in respect of any call or installment be not paid on or before the day appointed for the payment thereof, the holder for the time being of the share in respect of which the call shall have been made or the installment shall be due, shall pay interest for the same at the rate of 12 (Twelve) percent per annum, from the day appointed for the payment thereof to the actual payment or at such other are as the Directors may determine but they shall have power to waive the payment thereof wholly or in part.

19. On the trail or hearing of any action or suit brought by the Company against any member or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is, or was, when the claim arose, on the Register of the Company as a holder, or one of the holders of the number of shares in respect of which such claim is made, that the resolution making the call is duly recorded in the minute book and that the amount claimed is not entered as paid in the books of the Company, and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the meeting at which any call was made nor that such meeting was duly convened or constituted, nor any other matter but the proof of the mattes aforesaid shall be conclusive evidence of the debt.

20. The Board may, if it thinks fit, receive from any member willing to advance the same, all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so much there-of as from time to time exceeds the amount of call then made upon the share in respect of which such advance has been made, the company may pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, 6 (Six) percent per annum on the member paying such sum as advance and the Board agree upon. Money so pad in excess of the amount of call shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving such member not less than three months notice in writing.

FORFEITURE AND LIEN

21. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, that may have been incurred by the Company by reasons of such non-payment.

22. The notice shall name a day (not being less than 30 (Thirty) days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed, the shares in

respect of which such call was made or installment is payable will be liable to be forfeited.

23. If the requirement of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited share not actually paid before the forfeiture. Neither the receipt by the Company of a portion of any money which shall, from time to time, be due from any member of the Company in respect of his shares, either by way of principal or interest, nor any indulgency granted by the Company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such share as herein provided.

24. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture with the date thereof, shall forthwith be made in the Register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

25. Any share so forfeited shall be deemed to be the property of the Company, and the Director may sell, re-allot or otherwise dispose off the same in such manner as they think fit.

26. The Directors may, at any time before any share so forfeited shall be solid; re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as they think fit.

27. Any member whose shares have been forfeited shall notwithstanding such forfeiture, be liable to pay and shall forthwith pay to the Company all call, installments, interest and the expenses, owning upon or in respect of such shares, at the time of all installments interest on the forfeited together with interest there- upon, from the time of the forfeiture until payment at 12 (Twelve) per cent per annum or such other rate as the Directors may determine any the Directors may enforce the payment thereof without any deduction of allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.

28. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share except only such of those rights as by these Articles are expressly saved.

29. A duly verified declaration in writing that the declarant is Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any, given for the shares on the sale or disposition thereof, shall constitute a written title to such shares.

30. That fully paid shares shall be free from all liens, and that in the case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed time in respect of such shares.

30a.That common form of transfer shall be used.

31. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his committee, curator bonis or other person recognized by the Company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residual (if any) be paid to such member, his executors, administrators or other representatives or persons so recognized as aforesaid.

32. Upon any sale after forfeiture or enforcing a lien in purported exercise of the powers by these presents given, the Directors may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to the entered in the register in respect of the shares sold and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

33. Where any shares under the powers in that behalf herein contained are sold by the Directors and the certificate thereof has not been delivered to the Company by the former holders of the said shares the Directors may issue new certificate not so delivered.

TRANSFER AND TRANSMISSION OF SHARES

34. Subject to the provisions of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the Company together with the certificate

or certificates of the shares, or if no such certificate is in existence along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by on or behalf of transferees and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.

35. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manners prescribed by the Act, and, subject to the provisions of Articles hereof, the company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner, and subject to the same conditions as if the application for Registration was made by the transferee.

36. Before registering any transfer tendered for registration, the Company may, if it so thinks fit, give notice by letter posted in the ordinary course to he registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and it such registered holder fails to lodge an objection in writing at the office of the Company within two weeks from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer.

37. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particular of every transfer of any share.

38. Subject to the provisions of section 111 of the Act, the Board, of director without assigning any reason for such refusal, may within one month from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share upon which the Company has a lien and, in the case of a share not fully paid up, may refuse to register a transfer to a transferee of whom the Board does not approve.

Provided that the registration of a transfer of share shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

39. (1) No transfer shall be made to a minor or a person of unsound mind.

(2) No fee shall be charged for registration of transfer, probate, letter of administration, certificate of death or marriage, Power of Attorney or similar other instruments.

40. All instruments of transfer duly approved shall be retained by the Company and in case of refusal, instruments of transfer shall be returned to the person who lodges the transfer deeds.

41. If the Directors refuse to register the transfer of any shares, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company or intimation given, send to the transferor and the transferee or the person giving intimation of such transfer notice of such refusal.

42. On giving seven days' notice by advertisement in a newspaper circulating in the District in which the Office of the Company is situated the Register of Members may be closed during such time as the Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.

43. The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the' Company shall recognize as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered shares the survivors shall be only persons recognized by the Company as having any title to or interest in such share but nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability on shares held by him jointly with any other person. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the Company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent Court, provided nevertheless that in any case where the Board in its absolute discretion think fit it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable.

44. Any person becoming entitled to or to transfer shares in consequence of the death or insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under this article, or of his title as the Directors think sufficient, may with the consent of the Directors (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained transfer such shares. This Article is hereinafter referred to as "the transmission Article". Subject to any other provisions of these Articles if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects. If he shall elect to transfer to some other person he shall execute an instrument of transfer in accordance with the provisions of these articles relating to transfer of shares. All the limitations, restrictions and provisions of these articles relating

to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.

45. Subject to any other provisions of these Articles if the Directors in their sole discretion are satisfied in regard thereof, a person becoming entitled to a share in consequences of the death or insolvency of a member may receive and give a discharge for any dividends or other money payable in respect of the share.

46. The instrument of transfer shall be in wiring and all the provision of Section 108 of the Companies Act, 1956 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

SHARE WARRANTS

47. Subject to the provisions of Section 114 and 115 of the Act and subject to any direction which may be given by the Company in General Meeting, the Board may issue share-warrants in such manner and on such terms and conditions as the Board may deem fit. In case of such issue Regulations 40 to 43 of table "A" in Schedule I to the Act, shall apply.

STOCKS

48. The company may exercise the power of conversion of its shares into stock and in that case regulations 37 to 39 to table "A" in schedule I to the Act shall apply.

ALTERATION OF CAPITAL

49. The Company may, by ordinary resolution, from time to time, alter the condition of Memorandum of Association as follows :-
(a) Increase the Share Capital by such amount to be divided into shares of such amount as may be specified in the resolution.
(b) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
(c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association so however, that in the sub-division the proportion between the amount paid and the amount, if any unpaid on each reduced share shall be the same as it was in the share from which the reduced share is derived, and
(d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the share so cancelled.

50. Subject to the provisions of Section 100 to 104 of the Act, the Board may accept from any member the surrender of all or any of his shares on such terms and conditions as shall be agreed.

MODIFICATION OF RIGHTS

51. If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue f the shares of that class) may, whether or not the Company is being wound up, be carried with consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a separate Meeting of the holders of the shares of that class. To every such Separate Meeting the provisions of these Articles, relating to general meeting shall apply, but so that the necessary quorum shall be two persons atleast holding or representing by proxy one-tenth of the issued shares of the class but so that if at any adjourned meeting of such holders a quorum as above defined is not present, those members who are present shall be a quorum and that any holder of shares of the class present in person or by proxy may demand a poll and, on a poll, shall have one vote for each shares of the class of which he is the holder, the Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar of Companies.

BORROWING POWERS

52. The Board may, from time to time and at its discretion, subject to the provisions of Section 58A, 292 and 293 of the Act, and Regulations made there under and Directors issued by the RBI raise or borrow, either from the Directors or from elsewhere and secure the payment of any sums or sum of money for the purpose of the Company.

53. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it think fit, and in particular, by the issue of bonds, perpetual or redeemable debenture or debenture-stock or any mortgage, or other security on the undertaking of the whole or part of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversion into shares shall not be issued except with the sanction of the Company in general meeting and subject to the provisions of the Act.

54. Any debentures, debenture-stock, bonds or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings allotment of shares, and appointment of Directors and otherwise debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

55. Save as provided in Section 108 of the Act, no transfer of debenture shall be registered unless a proper instrument of transfer- duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of debentures.

56. If the Board refuses to register the transfer of any debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the Company, sent to the transferee and to the transferor notice of the refusal.

RESERVES

57. Subject to the provisions of the Act, the Board shall in accordance with Section 205 (2A) of the Act, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks proper as reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied and pending such application may at its discretion, either be employed in the business of the company or be invested in such investments (other than shares of the Company as the Board may, from time to time, think fit). The Board may also carry forward any profit which it may think prudent not to divide without setting them aside as a reserve.

58. Any General Meeting any resolve that the whole or any part of the undivided profits of the Company (which expression shall include any premiums received on the issue of shares and any profits or other sums which have been set aside as a reserve or reserves or have been carried forward without being divided) be capitalized and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part if such capitalized amount be applied on behalf of such members in paying up in full any un issued shares of the Company which shall be distributed accordingly in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such manner in full satisfaction of their interest in the said capitalized amount. Provided that any sum standing to the credit of a shares premium account or a capital redemption reserve account may, for the purposes of this Article only be applied in the paying up of unissued shares to be issued to members of the company as fully-paid bonus shares.

59. For the purpose of giving effect to any resolution under two last preceding Articles the Directors may settle any difficulty which may arise in regard to the distribution as they think expedient and in particular may issue fractional certificate.

GENERAL MEETINGS

60. The Directors may, whenever they think fit, call an extra ordinary general meeting provided however if at any time these are not in India Directors capable of action who are sufficient in number to form a quorum any Director present in India may call an extra ordinary general meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Board.

61. The Board of Directors of the Company shall on the requisition of such member or members of the company as is specified in subsection (4) of Section 169 of the Act forthwith proceed to call an extra ordinary general meeting of the Company and in respect of any such requisition and of any meeting to be called pursuant thereto, all the provisions of section 169 of the Act and of any statutory modification thereof for the time being shall apply.

62. The quorum for a general meeting shall be five members present in person.

63. At every General Meeting, the Chair shall be taken by the Chair- man of the Board of Directors. If at any meeting, the Chairman of the Board of Directors is not present within fifteen minutes after the time appointed for holding the meeting or, though present be unwilling to act as chairman, the members present shall choose one of the Directors present to be Chairman or if no Director shall be present or though present shall choose one of their members, being a member entitled to vote, to be the Chairman.

64. Any act or resolution which, under the provision of this Article or of the Act, is permitted shall be sufficiently so done or passed if effected by an ordinary resolution unless either the Act or the Articles specifically require such act to be done or resolution passed by a special resolution.

65. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon a requisition of share holders shall be dissolved but in any other case it shall stand adjourned to the same day in he next week at same time and place, unless the same shall be public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

66. In the case of an equality of votes the Chairman shall both on a show of hands and a poll, have a casting vote in addition to the vote or votes to which he may be entitled as a member.

67. The Chairman of a General Meeting may adjourn the same, from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place, it shall not be necessary to give notice to the members of such adjournment or of the time, date and place appointed for the holding of the adjourned meeting.

68. If a poll be demanded, the demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTES OF MEMBERS

69. (1) On a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy on behalf of a holder of Equity Shares or as a duly authorized representative of a body corporate being a holder of Equity Shares, if he is not entitled to vote in his own rights, shall have one vote.
(2) On a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.
(3) The voting rights of the holders of the Preference Shares including the Redeemable Cumulative Preference Shares shall be in accordance with the provisions of section 87 of the Act.
(4) No company or body corporate shall vote by proxy so long as a resolution its Board of Directors under Sector 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

70. A person becoming entitled to a share shall not, before being registered as member in respect of the share, entitled to exercise in respect thereof any right conferred by membership in relation to meeting of the Company.

70A. If any member be a lunatic or idiot, he may vote whether on a show of hands or at a poll by his committee or other legal curator and such last mentioned persons may give their votes by proxy provided that atleast twenty four hours before the time of holding the meeting or adjourned meeting, as the case may be, at which a any such person proposes to vote he, shall satisfy the Board of his rights under this Article unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

71. Where there are joint holders of any share, any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by proxy then that one of the said persons so present whose name stands prior in order on the register in respect of such share shall alone be entitled to

vote in respect thereof. Several executor or administrators of deceased member in whose name any share stands shall for the purpose of this Article be deemed joint-holders thereof.

72. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorized in writing or it such appointer is a corporation, under its common seal or the hands of its Attorney.

73. The instrument appointing a proxy and the Power-of-Attorney or other authority (if any) under which it is signed or a notarally certified copy of that power of authority shall be deposited at the office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote in default the instrument of proxy shall not be treated as valid.

74. A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal or revocation of the instrument of transfer of the share in respect of which the vote given. Provided no intimation in writing of the death, insanity, revocation or transfer of the share shall have been received at the office or by the Chairman of the Meeting before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

75. Every instrument appointing a proxy shall as nearly as circumstances will admit, be in the form set out in Schedule IX to the Act.

76. No objection shall be taken to the validity to any vote except at the meeting or poll at which such vote shall be tendered and every vote not disallowed at such meeting or poll and whether given personally or by proxy or otherwise shall be deemed valid for all purposes.

76A. "Before or on the declaration of the result of the voting an any resolution on a show of hands; a poll be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on demand made in that behalf by any member or members present in person or by proxy and fulfilling the requirements as laid down in Section 179, of the Act, for the time being in force."

77. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right or lien.

DIRECTORS GENERAL PROVISIONS

78. The number of Directors shall not be less than three and not more than twelve.

79. The following shall be First Directors of the Company:
1. Mr. Arvind Narang and
2. Ms. Sonika Bhatia

80. The Directors shall have power, at any time and from time to time, to appoint any person as an additional Directors as an addition to the board but so that the total number of Directors shall not at any time exceed the maximum number fixed by the Articles. Any director so appointed shall hold office only until the next Annual General meeting of the Company and shall be eligible for re-election.

81. A Director shall not be required to hold any share qualification.

82. Subject to the provisions of the Act, the Director shall be entitled to receive in each year a commission @ 1%(One percent) in the net profits of the Company such commission to be calculated on the net profits of the Company to be computed in accordance with the provisions of the Company Act, 1956 Rules made thereunder and such commission shall be divided among the Directors in such proportion and manner as may be determined by them. The Director may allow and pay to any Director who for the time being is resident out of the place at which any Meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses in connection with his attending at the meeting in addition to his remuneration as above specified. If any Director being willing is appointed to an executive office either whole time or part time or be called upon to perform extra services or to made any special exertions for any of the purposes of the Company then, subject to Section 198, 309, 310 and 314 of the Act and ruled made the under the Board may remunerate such Director either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled to.

82A.The sitting fees payable to a Director for attending a meeting of the Board or a Committee of the Board or a general meeting shall be decided by the Board of Directors, from time to time, within the maximum limits of such fees prescribed under the pro visions of Section 310 of the Act, and schedule XIIth XIIIth thereof.

83. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum number above fixed, the Directors shall not except for the purpose of filling vacancies or of summoning a General Meeting act so long as the number is below the minimum.

84. Subject to the provisions of section 297, 299, 300 and 314 of the Act, the Directors (including Managing Director) shall not be disqualified by reason of his or their office as such, from holding office under the Company or from contracting with the Company either as vendor, purchaser lender, agent, broker, lessor or otherwise nor shall any such contract or any contract or arrangement entered into by or behalf of the Company with a relative of such Directors or the Managing Director or with any firm in which any Director or a relative shall be a partner or with any other partner or with a private company in which such Director is a member or Director interested be avoided, nor shall any Director or otherwise so contracting or being such members or so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established.

APPOINTMENT OF DIRECTORS

85. The Company in General Meeting may, subject to the provision of these Articles and the Act, at any time elect any person to be a Director and may, from time to time, increase or reduce the number of directors.

85A. Any member of the company shall be competent to propose the name of any person who is otherwise not disqualified as being a director of company for the office of director in the company and shall accordingly give a notice of al least 14 days n writing along-with a deposit of Rs. 500/- (Rupees Five Hundred) or such sum as may for the time being be prescribed by the Act, which and rules made thereunder shall be refunded only after the person proposed to be appointed as director is elected.

86. If any Director appointed by the Company in general meeting vacates office as a Director before his terms of office will expire in the normal course the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Section 284 of the Act.

87. The Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm or corporation that he or it shall have the right to appoint his or its nominee on the Board of Directors of the Company upon such terms and conditions as the Company may deem fit. The Corporation, firm or person shall be entitled, from time to time, to remove any such Director or Directors and appoint another or others in his or their places. He shall be entitled to the same right and privileges and be subject to the same obligation as any other Director of the Company.

88A. (a) Notwithstanding anything to the contrary contained in these Articles, so long as any money remain owning by the Company to the Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), The Industrial Credit and Investment Corporation of India Limited (ICICI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC), Unit Trust of India (UTI) and other Financial Institutions of Central or State Governments or to any other Corporation of Institution or to any other financing Company or other Body out of any loans granted by them to the Company or so long as IDBI, IFCI, ICICI, LIC, which IDBI, IFCI, ICICI, and LIC, GIC, UTI or other Finance corporation or Credit Corporation or any other financing Company or body is hereinafter in this Articles referred to as "the Corporation") continue to hold shares in the Company as a result of underwriting or direct subscription, the Corporation shall have a right to appoint from time to time any person or persons as a director or directors, whole time or non-whole time, (which director or directors is/are hereinafter referred to as nominee director/s") on the board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their place/s.

(b) The Board of directors of the company shall have no power to remove from office the nominee director/s. At the option of the Corporation, such nominee director/s shall not be liable to retirement by rotation of directors. 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 director of the Company.

(c) The nominee director/s so appointed shall hold the said office only so long as may money remain owing by the company to the Corporation or as a result of underwriting or direct subscription and the nominee director/s so appointed in exercise of the said power shall ipso-facto vacate such office immediately after the moneys owning by the company to the Corporation is paid off on the Corporation shall also be entitled to receive all such notices and minutes.

(d) The nominee director/s appointed under this Article shall be entitled to receive all notices of and attend all general meetings, 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 received all such notices and minutes

(e) The Company shall pay to the nominee director/s sitting fees and expenses which the other directors of the Company are entitled to, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys and remuneration in relation to such nominee director/s shall accrue to the corporation and the same shall accordingly be paid by the Company directly to the Corporation. 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. 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 Corporation and the same shall accordingly be paid by the company directly to the corporation. Provided also that in the event of the nominee Director/s being appointed as whole time director/s such nominee directors 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 nominee director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

89. Subject to the provisions of section 313 of, the Act, the Board may appoint any person to act as an alternate director for a director during the latter's absence for a period of not less then three months from the State in which meeting of the Board are ordinarily held and such appointment shall have effect and such appointee, while he holds office as an alternate Director; shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly, but he shall ipso facto vacate office if and/when the absent director returns to State in which meetings of the Board are ordinarily held or the absent Director vacates office as a Director.

ROTATION OF DIRECTORS

90. (1) Not less then two-third of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Director by rotation.

(2) At each Annual General Meeting of the Company one-third of or such of the Directors for the time being as are liable to retire by rotation of if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

(3) The Directors to retire by rotation at every Annual General Meeting shall be those who have longest in office since their last appointment, but as between persons who became Directors on the same day, those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

(4) If at any Annual General Meeting all the Directors appointed under Article 87 and 108 hereby are not exempt from retirement by rotation under Section 255 of the Act, then to the extend permitted by the said Section, the exemption shall extend to the Directors or Director appointed under Article 105 subject to the foregoing provisions as between Directors appointed under any of the Articles referred to above, the Director or Directors who shall not be liable to retire by rotation shall be determined by and in accordance with their respective seniorities as may be determined by the Board.

91. A retiring Director shall be eligible for re-election and shall act as a Director throughout the meeting at which he retires.

92. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place, the places of the retiring Directors not filled up, the meeting shall stand adjourned till the next succeeding day which is not a public holiday at the same time and places and if at the adjourned meeting, the places of the retiring Directors are not filled up, the retiring Directors or such of them as have not had their places filled up shall (it will to continue in office) be deemed to have been re-elected at the adjourned meeting.

PROCEEDINGS OF DIRECTORS

93. The Directors may meet together for the dispatch of business, adjourned and otherwise regulate their meetings and proceedings as they think fit. Notice in writing of every meeting to the Director shall ordinarily be given by a Director or such other officers of the company duly authorized in this behalf to every Directors for the time being in India and at his usual address in India to every other Director.

94. The quorum for a meeting of the Directors shall be determined, from time to time, in accordance with the provisions of section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Directors, it shall be adjourned until such date and time as the Directors present shall appoint.

95. The Secretary may at any time and upon request of any two Directors shall summon a meeting of the Directors.

96. Subject to the provisions of Section 316, 372 (5) and 386 of the Act, questions arising at any meeting shall be decided by a majority of votes, each director having one vote and in case of an equality of votes, the Chairman shall have a second or casting vote.

97. The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors. Provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, the Director present shall choose one of their members to be Chairman of such meeting.

98. A meeting of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles of the Company and the fact for the time being vested in or exercisable by the Directors generally.

99. The Directors may, subject to compliance of the provisions of the Act, from time to time, delegate any of their powers to Committee consisting of such member or members of their body as they think fit, and may, from time to time, revoke such delegation any Committee so formed shall in the exercise of the powers so delegated confirm to any

regulations that may, from time to time, be imposed on it by the Directors. The meeting and proceedings of any such Committee, if 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 regulation made by the Directors under Article.

100. All acts done at any meeting of Directors or of a Committee of the Directors or by any person acting as a Directors shall be valid notwithstanding that it be afterwards discovered that there was some defect in the appointment of any such Director, Committee or person acting as aforesaid or that they or any of them were disqualified.

101. Except resolution which the Companies Act, 1956 requires in specifically to be passed in a board meeting, a resolution may be passed by the Directors or Committee thereof by circulation in accordance with the provisions of Section 289 of the Act. and any such minutes of any meeting of Directors or of any Committee or of the Company if purporting to be signed by the Chairman of the such meeting or by the Chairman of next succeeding meeting shall be receivable as prime facie evidence of the matters in such minutes.

POWERS OF DIRECTORS

102. Subject to the provisions of the Act, the control of the Company shall be vested in the Directors who shall be entitled to exercise all such powers and to do all such acts and things as may be exercised or done by the Company and are not hereby or by law expressly required or directed to be exercised or done by the Company in General Meeting but subject nevertheless to the provisions of any law and of these presents, from time to time, made by the Company in General Meeting, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

103. Without prejudice to the general powers conferred by the preceding article, the Director may, from time to time and at any time, subject to the restrictions contained in the Act, delegate to managers, secretaries, officers, assistants and other employees or other persons (including any firm or body corporate) any of the powers authorized and discretions for the time being vested in the Directors.

104. The Directors may authorize any such delegate or attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

105. All deeds, agreements and documents and all cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the Company, shall be signed, drawn, accepted or endorsed or otherwise

executed, as the case may be by such persons (including any firm or body corporate) whether in the employment of the Company or not and in such manner as the Directors shall, from time to time, by resolution determine.

106. The Directors may make such arrangement as may be thought fit for the management of the Company's affairs abroad, and may for this purpose (without prejudice to the generality of their powers) appoint local bodies and agents and fix their remuneration and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed therein shall be signed by such persons as the Directors shall, from time to time, by writing under the common seal appoint. The company may also exercise the powers of keeping Foreign Registers. Such regulations not being in consistent with the provisions of Section 157 and 158 of the Act, the board may, from time to time, make such provisions as it may think fit relating thereto and may comply with the requirements of any local law

107. Subject to Section 197A, 388, 388A and 314 of the Act, a manager or secretary may be appointed by the Directors on such terms, at such remuneration and upon such conditions as they may think fit, and any Manager of Secretary appointed may be removed by the Directors. A director may be appointed as Manager or Secretary, subject to Section 314, 197A, 383A, 387 and 388 of the Act.

108. A provision of the Act or these regulations required or authorising a thing to be done by a director, manager or secretary shall not be satisfied by its being done by the same person acting both as director and as, or in place of the manager or secretary.

MANAGING DIRECTORS

109. Subject to he provisions of Sections 197A, 269, 316 and 317 and XIII of the Act, the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors of the Company and may, from time to time,(subject to the provisions of any contract between him or them and the Company), remove or dismiss him or them from office and appoint another or others in his place or their places.

110. Subject to the provisions of Section 255 of the Act and Article 89(4) hereof, a Managing Director shall not, while he continues to hold that office, be subject to retirement by rotation, but he shall be counted for ascertaining the number of Directors to retire (subject to the provisions of any contract between him and the Company) he shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director for any cause.

111. Subject to the provisions of Sections 198, 309, 310 and 311 and Schedule XIII of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles, receive such additional remunerations as may, from time to time, be sanctioned by the Company.

112. Subject to the provisions of the Act, in particular to the prohibitions and restrictions contained in Section 292 and 293 thereof, the Board may, from time to time, entrust to confer upon a Managing Direction for the time being such of the powers exercisable under these presents by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, upon such terms and conditions and with such restrictions as it thinks fit, and the Board may confer such powers either collaterally with, or to the exclusion of, and in substitution for any of the powers of the Board in that behalf and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

COMMENCEMENT OF BUSINESS

113. The Company shall not at nay time commence any business out of other objects of its Memorandum of Association unless the provisions of sub-section 2 (B) of Section 149 of the Act have been duly complied with by it.

SEAL

114. The Directors hall provide for the safe custody of the Seal and the Seal shall never be used except by the authority of the Directors or a Committee of the Directors previously given and one Director at least shall sign every instrument to which the seal is affixed provided nevertheless that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Directors to issue the same.

DIVIDENDS

115. Subject to Rights of members entitled to shares (if any) with preferential or special rights attached to them, the profits of the Company, from time to time, determined to be distributed as dividend in respect of any year or other period shall be applied for payment of dividend on the shares in proportion to the amount of capital paid up on the Shares provided that unless the Board otherwise determines all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid up on the shares during any portion or portions of the period in respect of which dividend is paid provided always that Subject as aforesaid any capital paid up on a share during he period in respect of which a dividend is declared shall (unless the Board otherwise determines or the terms of issue otherwise provide, as the case may be), only entitle the

holder of such share to an apportioned amount of such dividend as from the date of payment but so that where capital is paid up in advance of calls such capital shall not confer a right to participate in profits.

116. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 205 of the Act, fix the time for payment.

117. No larger dividend shall be declared that is recommended by the Directors, but the Company in General Meeting may declare a smaller dividend.

118. No dividend shall be payable except out of the profits of the Company of the year or any other undistributed profits and no dividend shall carry interest as against the Company.

119. The declaration of the Directors as to the amount of the net profits in the audited annual accounts of the Company for any year shall be conclusive.

120. The Directors may, from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.

121. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists, subject to Section 205 A of the Act.

122. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.

123. Subject to Section 205A of the Act, the Directors may retain the dividends payable upon shares in respect of which any person is under the transmission Article entitled to become a member or which any person under the Article is entitled to transfer until such person shall duly become a member in respect thereof or shall transfer the same.

124. Any one of the several persons who are registered as a joint holder of any share may give effectual receipts of all dividends payments on account of dividends in respect of such shares.

125. Unless otherwise directed, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto, or in the case of joint-holders to the registered address of that one whose name stands first on the Register in respect of the joint holding or to such person and such address and the member or person entitled or such joint holders as the case may be, may direct and every cheque or warrant so sent shall be made payable at par to the person or to the

order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint-holders as the case may be may direct.

126. The payment of every cheque or warrant send under the provisions of the last preceding Article shall, if such cheque or warrant purports to be dully endorsed, be a good discharge to the Company in respect thereof, provided nevertheless that the Company shall not be responsible for the loss of any cheque, dividend, warrant or postal money order which shall be sent by post to any member or by his order to any other person in respect of any dividend.

126A Any dividend remaining unpaid or unclaimed after having been declared shall be dealt in accordance with Section 205A and 205B of the Companies Act1956 and rules made thereunder.

126B. No unclaimed or unpaid dividend shall be forfeited by the Board and the Company shall comply with the provisions of Section 205 of the Companies Act, 1956 and rules made thereunder in respect of such dividend.

BOOKS AND DOCUMENTS

127. Subject to the provisions of the Companies Act, 1956, the Book of Account shall be kept at the registered office or at such other place as the Directors think fit, and shall be open to inspection by the Director or Directors during business hours.

128. The Directors shall, from time to time, determine whether and to what extend and at what times and places and under what conditions or regulations the accounts or books or documents of the Company or any of them shall be open for inspection to members not being Directors, and no member (not being a Director) shall have any right of inspection to any books of account or documents of the Company except as conferred by law or authorized by the Board of Directors or by the Company in General meeting.

129. Balance Sheet and Profit and Loss Account will be audited once in a year by a qualified auditor for correctness as per provisions of the Act.

130. The first auditors of the company shall be appointed by the Board of Directors within one month after its incorporation who shall hold office till the conclusion of first annual general meeting.

131. The directors may fill up any casual vacancy in the office of the auditors.

132. The remuneration of the auditors shall be fixed by the company in the annual general meeting except as otherwise decided or that remuneration of the first or any auditors appointed by the directors may be fixed by the directors.

NOTICES

133. The Company shall comply with the provisions of Section 53, 172 and 190 of the Act as to the serving of notices.

134. Every person who, by operation by law, or by transfer or by other means whatsoever, shall become entitled to any shares shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person whom he derives his title to such share.

135. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company has notice of his demise, be deemed to have been duly served in respect of any registered shares whether held solely or jointly with other persons by such member, until some other person be registered in his stead as the holder or joint-holders thereof and such services shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators, and all persons, if any, jointly interested with him or her in any such share.

136. The signature to any notice to be given by the Company may be written or printed.

RECONSTRUCTION

137. On any sale of the undertaking of the Company, the Directors or the Liquidators on a winding up may, if authorized by a special resolution, accept fully paid or partly paid up shares; debentures or securities of any other Company whether incorporated in India or not either then existing or to be formed for the purchase in whole or in part of the property of the Company, and the Directors (if the profits of the Company permit), or the Liquidators (in a winding-up) may distribute such shares or securities or any other property of Company amongst the members without realization, or vest the same in trustees for them, and any Special resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the members or contributories of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in the

course of being wound up, such statutory rights, if any, under Section 494 of the Act as are incapable of being varied or excluded by these presents.

SECRECY

138. Subject to be provisions of law of the land and the Act, no member or other person (not being a Director) shall be entitled to enter upon the property of the company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors, or subject to article 126 to require discovery or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the Directors, will be inexpedient in the interest of the members of the Company to Communicate.

WINDING UP

139. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay whole of the paid up capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid-up at the commencement of the winding-up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up, paid up or which ought to have been paid up on the shares held by them respectively. But this Article is to without prejudice to the rights of the holders of shares issued upon special terms and conditions.

140. In the event of Company being wound up, whether voluntarily or otherwise, the liquidators, may with the sanction of Special Resolution divide among the contributories, in specie or kind, any part of the assets of the Company and may with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidators, with the sanction shall think fit.

INDEMNITY

141. Subject to the provision of section 201 of the act every Director ,Manager ,Secretary and other officer or employee of the company shall be indemnified against and it shall be duty of the directors to pay out of the funds of the company all bonafide costs losses and expenses (including traveling expenses) which any such directors .Manager or

Secretary or other officer or employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions ,against all liabilities incurred by him or by them as such Directors ,Managers , Secretary , officer or employee in defending any proceeding whether civil or criminal in which judgment is given in his or their favor or he or they is or acquitted ,or in connection with any application under section 633 of the act in which relief is granted by the court and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the company and have priority as between the members over all other claims.

142. Subject to the provision of the act and so far as such provisions permit, no director ,auditor or other officer of the company shall be liable for acts, receipts, neglects or defaults of any other director or officer or for joining in any receipt or act for conformity , or for any loss or expense happening to the company through the insufficiency or deficiency or title to any property acquired by order of the director for or on behalf of the company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested ,or for any loss occurred by any error of judgment ,omission ,default, or oversight on his part ,or for any loss ,damage or misfortune whatever which shall happen in the execution of the duties of the duties of his office or in relation thereto ,unless the same happens through his own through his own dishonesty.

XIV - MATERIAL DOCUMENTS FOR INSPECTION

1. Memorandum and Articles of Association of the Company as amended from time to time.

2. Certificate of Incorporation of the Company.

3. Copies of Annual Report of PROVESTMENT SERVICES LIMITED for the year ended 31st March, 2010.

XV – DECLARATION

NO STATEMENT MADE IN THIS INFORMATION MEMORANDUM SHALL CONTRAVENE ANY OF THE PROVISIONS OF THE COMPANIES ACT, 1956 AND THE RULES MADE THEREUNDER. ALL THE LEGAL REQUIREMENTS AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC., ISSUED BY SEBI, GOVERNMENT OR ANY OTHER COMPETENT AUTHORITY IN RESPECT OF LISTING OF SECURITIES HAVE BEEN DULY COMPLIED WITH.

ALL THE INFORMATION CONTAINED IN THIS DOCUMENT IS TRUE AND CORRECT.

Signed on behalf of the Board of Directors

For **PROVESTMENT SERVICES LIMITED**

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Name: **Praveen Bhatia**

Designation: **Director**

Place: New Delhi

Date: 02.09.2010