

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**FOR ELIGIBLE EQUITY SHAREHOLDERS OF THE COMPANY ONLY**

This is an Abridged Letter of Offer containing salient features of the Letter of Offer dated March 30, 2019 (“**Letter of Offer**”/ “**LOF**”). You are encouraged to read greater details available in the Letter of Offer. Terms not defined herein shall have the meaning ascribed to them in the Letter of Offer.

THIS ABRIDGED LETTER OF OFFER CONTAINS 10 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

The Company has dispatched hard copy of the Abridged Letter of Offer along with the Composite Application Form to the Eligible Equity Shareholders at Indian address registered with their Depository/ Registrar and Transfer Agent. You may also download the Letter of Offer from the website of Securities and Exchange Board of India (“**SEBI**”), the Stock Exchanges where the Equity Shares of the Company are listed i.e. BSE Limited (“**BSE**”) & National Stock Exchange of India Limited (“**NSE**”) and the website of the Lead Manager to the Issue i.e. Keynote Corporate Services Limited at www.sebi.gov.in, www.bseindia.com, www.nseindia.com and www.keynoteindia.net respectively.

**BHARAT GEARS LIMITED**

Registered Office: 20 K.M. Mathura Road, P.O. Amar Nagar, Faridabad - 121 003, Haryana

Corporate Office: 14th Floor, Hoechst House, Nariman Point, Mumbai - 400 021

Contact Person: Mr. Prashant Khattry, Company Secretary & Compliance Officer

Tel: +91 129 428 8888; **E-mail:** info@bglindia.com; **Website:** www.bharatgears.com

CIN: L29130HR1971PLC034365

PROMOTERS OF THE COMPANY

MR. SURINDER PAUL KANWAR AND MR. SAMEER KANWAR

ISSUE DETAILS, LISTING AND PROCEDURE

ISSUE OF 11,63,262 EQUITY SHARES WITH A FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹105/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ 95/- PER EQUITY SHARE) (“RIGHTS EQUITY SHARES”) FOR AN AMOUNT AGGREGATING TO ₹ 12,21,42,510/- (RUPEES TWELVE CRORES TWENTY ONE LAKHS FORTY TWO THOUSAND FIVE HUNDRED AND TEN ONLY) ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF BHARAT GEARS LIMITED (THE “COMPANY” OR THE “ISSUER”) IN THE RATIO OF ONE (1) RIGHTS EQUITY SHARE FOR EVERY SEVEN (7) FULLY PAID-UP EQUITY SHARES (I.E. 1:7) HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON APRIL 03, 2019 (THE “ISSUE”).

The existing equity shares of our Company are listed on BSE & NSE. We have received “in-principle” approval from BSE & NSE for listing the equity shares arising from the present Rights Issue vide their letter dated January 03, 2019 & January 02, 2019 respectively. For the purposes of the Rights Issue, the Designated Stock Exchange is BSE.

Procedure: If you wish to know about processes and procedures applicable to rights issue, you may refer section titled “Terms of the Issue” on page 139 of the Letter of Offer. You may request the Lead Manager to the Issue or the Stock Exchanges to provide a copy of Letter of Offer or download it from website of SEBI, BSE, NSE and Lead Manager to the offer as stated above. Please note that in terms of Regulation 72(5) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations**”), the Lead Manager and Stock Exchanges may charge a reasonable amount for providing hard copy of the Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is eligible to undertake the issue in terms of Chapter III and to make reduced disclosures in the Letter of Offer in terms of Part B of Schedule VI of the SEBI ICDR Regulations.

INDICATIVE TIMETABLE

Issue Opening Date	April 15, 2019	Date of Allotment (on or about)	May 13, 2019
Last Date for receiving requests for SAFs	April 23, 2019	Initiation of Refunds (on or about)	May 14, 2019
Issue Closing Date	April 30, 2019	Date of Credit (on or about)	May 15, 2019
Commencement of trading of Rights Issue Equity Shares on the Stock Exchanges (on or about)			May 17, 2019

The above time table is indicative and does not constitute any obligation on the Company or the Lead Manager.

ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**GENERAL RISKS**

Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of the contents of Letter of Offer. Investors are advised to refer to the section titled “*Risk Factors*” beginning on page 15 of Letter of Offer and on page 4 of this Abridged Letter of offer, before making investment in this Issue.

Name of Lead Manager and contact details	Keynote Corporate Services Limited The Ruby, 9 th Floor, Senapati Bapat Marg, Dadar (W), Mumbai – 400 028 Tel: +91-22- 6826 6000-3 E-mail: mbd@keynoteindia.net Website: www.keynoteindia.net Contact Person: Ms. Pooja Sanghvi/ Mr. Akhil Mohod SEBI Registration No.: INM 000003606
Name of Registrar to the Issue and contact details	Link Intime India Private Limited C101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083 Tel: +91 22 4918 6200 E-mail: bharatgears.rights@linkintime.co.in Website: www.linkintime.co.in Contact Person: Mr. Sumeet Deshpande SEBI Registration No.: INR000004058
Name of Statutory Auditor	S R B C & CO LLP, Chartered Accountants
Self-Certified Syndicate Banks	The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI and is updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the below-mentioned link. https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Banker to the Issue	HDFC Bank Limited FIG-OPS Department Lodha I, Think Techno Campus, Level O-3, Opp. Crompton Greaves, Next to Kanjurmarg Railway Station, Kanjurmarg (E), Mumbai - 400 042 Tel: +91 22 3075 2928 E-mail: vincent.dsouza@hdfcbank.com Website: www.hdfcbank.com Contact Person: Mr. Vincent D’souza SEBI Registration No.: INBI00000063

For details of Collection Centers please refer CAF.

BOARD OF DIRECTORS

Name	Designation	Experience
Mr. Surinder Paul Kanwar	Chairman and Managing Director	He has in-depth knowledge of the core business of the Company & also has exposure in all business verticals. He has been associated with the Late Dr. Raunaq Singh Group since 1975. He has worked at various managerial positions in various Raunaq Group Companies.
Mr. Sameer Kanwar	Joint Managing Director	He has spearheaded the Business Operations of Faridabad plant of the Company. He received two years training in the areas of Planning, Finance and Control at ZF Friedrichshafen AG, Germany. He has overall experience and exposure in Marketing, Purchase and Management.
Mr. Wolfgang Rudolf Schilha	Non-Executive Independent Director	He retired from ZF Germany as the “Executive Vice President, International Strategic Projects” of the Commercial Vehicle division of ZF, after having managed Truck and Bus Transmission Sales, ZF

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		Corporate Worldwide Service Network and up to June 2013 the strategic business unit Bus Driveline Technology at ZF.
Mr. Rakesh Chopra	Non-Executive Independent Director	He has spearheaded various industry groups at top management levels including Escorts till September 2006. He is a director and Audit Committee Chairman in Minda Corporation Limited, director in G.P.R. Enterprises Pvt. Ltd., Kemptoy Cottages Pvt. Ltd. and Pragma Holdings Pvt. Ltd.
Mr. Virendra Kumar Pargal	Non-Executive Independent Director	He started his career with intensive training in Roots Group of United Kingdom and thereafter played a significant role in development & manufacturing of advanced machine tools. In India, he has a distinguished spell with Mahindra & Mahindra Limited, serving at various senior level positions.
Ms. Hiroo Suresh Advani	Non-Executive Independent Director	She has over 45 years of experience in the field of Trade Finance, Project Finance, Corporate Banking, Technology Upgradation Programme etc. in the organizations viz. RBI, IDBI, EXIM Bank. Post retirement in 2005 she continued to serve as adviser in EXIM Bank till March 2009.
Mr. Nagar Venkatraman Srinivasan	Non-Executive Director	He has over 50 years of experience. He started his career with Larsen & Toubro Limited and joined Bharat Gears Limited (“BGL”) in 1976. Over a long stint of 33 years with BGL, he served at various senior level positions in materials, manufacturing and general management.

OBJECTS OF THE ISSUE**Requirement of funds & Means of finance**

The proposed utilization of Issue Proceeds is set forth below:

(in ₹ lakhs)

Sr. No.	Particulars	Total Cost	To be financed out of Issue proceeds
1.	To part finance the Identified Equipment	1,391.86	1,221.43

The balance amount payable for the identified equipment and issue expenses would be met through internal accruals.

The fund requirements set out in the Objects of the Issue are proposed to be met entirely from the Proceeds of the Rights Issue and internal accruals. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Issue as required under SEBI ICDR Regulations.

Schedule of Utilization and Deployment of Funds

The Issue Proceeds are expected to be deployed in accordance with the schedule set forth below:

(in ₹ lakhs)

Sr. No.	Particulars	Amount already spent during Fiscal 2019	Amount to be deployed in Fiscal 2020
1.	Gear Grinding Machine	-	616.07
2.	Gear Cutting Machine	-	775.79
3.	Issue Expenses	33.96	24.04
	Total	33.96	1,415.90

For Gear Grinding and Gear Cutting machine, the Company enjoys supplier credit. Accordingly, as per the terms, payment for these machines shall be made in FY 2019-20. As indicated above, our Company proposes to deploy the entire Issue Proceeds towards the Objects as described during Fiscal 2020. In the event of the estimated utilization of the Issue Proceeds in the scheduled Fiscal is not undertaken in its entirety, the remaining Issue Proceeds shall be utilized in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Further, if the Issue Proceeds are not completely utilised for the Objects during the respective period stated above due to factors such as (i) economic and business conditions; (ii) timely completion of the Issue; (iii) market conditions outside the

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control of our Company; and (iv) any other commercial considerations, the remaining Issue Proceeds shall be utilised (in part or full) in subsequent periods as may be determined by our Company in accordance with applicable laws. Similarly, subject to our business considerations, our Company may also use the Issue Proceeds in the preceding Fiscal, if it is in the best interests of our Company.

SHAREHOLDING PATTERN AS ON DECEMBER 31, 2018

Sl. No.	Particulars	Pre-Issue number of shares	% Holding of Pre-Issue
1.	Promoter & Promoter Group	44,66,738	54.85
2.	Public	36,76,095	45.15
	Total	81,42,833	100.00

LIMITED REVIEW / AUDITED FINANCIALS[#]*(in ₹ lakhs)*

Particulars	Nine months period ended December 31, 2018	Year ended March 31, 2018
Total income from operations (net)	45,119.47	51,383.67
Net Profit / (Loss) before tax and extraordinary items	1,894.41	924.30
Net Profit / (Loss) after tax and extraordinary items	1,215.73	630.30
Equity Share Capital	814.28	814.28
Reserves and Surplus	8,144.35	6,967.92
Net worth	8,958.63	7,782.20
Basic and Diluted earnings per share (₹)	14.93*	7.93
Return on net worth (%)	13.57	8.10
Net asset value per share (₹)	110.02	95.57

*Not Annualized

Limited review financials for the nine months period ended December 31, 2018 and audited financials for year ended March 31, 2018

INTERNAL RISK FACTORS - Top 5 Risk Factors as per the Letter of Offer

1. Our Company is a party to certain litigations, the outcome of which could adversely affect our business operations and financial condition.
2. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, in a timely manner or at all may adversely affect our operations.
3. A portion of our land at our Mumbra Plant is in the process of being acquired by Thane Municipal Corporation (TMC) along with Mumbai Metropolitan Region Development Authority (MMRDA).
4. We are subject to the restrictive covenants of banks/ lenders in respect of the Loans/Credit Limits and other Banking Facilities availed from them.
5. Some of our Group Companies have incurred losses during the last three fiscal years.

For further details, please see the section titled "Risk Factors" beginning on page no. 15 of the Letter of Offer.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION**A. Total number of outstanding litigations against the company and amount involved:**

Sr. No.	Nature of outstanding Litigations	Number of Matters	Financial implications to the extent quantifiable (₹ in lakhs)
1.	Civil	2	-
2.	Labour Related	6	2.14
3.	Direct Tax	7	18.40
	Total	15	20.54

B. Brief details of top 5 material outstanding litigations against the company and amount involved:

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved (₹ in Lakhs)
1.	By an order dated October 17, 2018 passed by the Hon'ble Civil Judge Senior Division, Faridabad, Haryana in Petition for Ejectment (CIN RA-25-2014/ Institution No. 32-RA) filed against our Company, the Hon'ble Court has held <i>inter alia</i> that all the Respondents (<i>including our Company</i>) are liable to be evicted from the demised premises on account of sub-lease/ transfer of leasehold rights by our Company in favour of Aravali Printers & Publishers Pvt. Ltd and M/s Amit Exporters (<i>Respondents</i>) as the same tantamounts to alienation without permission of the petitioner. An appeal (RA No. 43 of 2018) has been filed by our Company under section 15 of the Haryana Urban (Control of Rent and Eviction) Act, 1973 before the court of Ld. District Judge (Appellate Authority) challenging the aforesaid order.	Arya Pratinidhi Sabha, Haryana	Pending	Amount not quantifiable
2.	By an order dated December 05, 2018, the AO, Income Tax has disallowed the provision of leave encashment of ₹44,09,000/- and raised a demand of ₹14,74,230/- for AY 2011-12. Our Company has filed an appeal against the aforesaid order before CIT(A).	Income Tax Department	Pending	14.74
3.	AO, Income Tax has by an order dated January 06, 2016 confirmed the addition of ₹10,72,000/- under section 43B (leave encashment) and has raised a demand of ₹3,66,196/- for AY 2009-10. The Company has by a letter dated May 05, 2016 requested to adjust the aforesaid demand against amount already paid/ pending refund of FBT/ and further interest on refund claimed by the Company.	Income Tax Department	Pending	3.66
4.	By an order (No. MH/16519/7A/RO Mumbai II/THN/C-I/666) dated January 23, 2014 the Regional Provident Fund Commissioner(I) & Assessing Officer, Regional Office, Mumbai has assessed dues of ₹1,27,171/- payable by our Company in respect of Mr. Shankar Narayan Patil, an employee of the establishment on the subsistence allowance paid to him for the period April 2006 to April 2011 under section 7A of the EPF Act and has directed us to pay the same. Our Company has filed an appeal (ATA No.212(9)2014) against the aforesaid order.	Regional Provident Fund Commissioner(I) & Assessing Officer, Regional Office, Mumbai II	Pending	1.27
5.	By an order (No. MH/16519/7A/RO Mumbai II/THN/Cir-I/56) dated August 14, 2015, the Regional Provident Fund Commissioner(I) & Assessing Officer, Regional Office, Mumbai II has assessed dues of ₹85,832/- payable by our Company under section 7A of the EPF Act for the period March 2011 to December 2012 and has directed us to pay the same. Our Company has filed an appeal (ATA No. 1122(9) 2015) against the aforesaid order.	Regional Provident Fund Commissioner(I) & Assessing Officer, Regional Office, Mumbai II	Pending	0.86

For further details regarding outstanding litigations filed against and by the company, please refer to chapter titled 'Outstanding Litigations and Defaults' on page 119 of the Letter of Offer.

Save and except the matters disclosed in the chapter “Outstanding Litigations and Defaults” on page 119 of the Letter of Offer, there are no proceedings pertaining to the following matters which are pending against the Company:

- (i) Issues of moral turpitude or criminal liability on the part of the Company;
- (ii) Material violations of the statutory regulations by the Company;
- (iii) Economic offences where proceedings have been initiated against the Company.

ANY OTHER IMPORTANT INFORMATION**Procedure for Application**

The CAF for the Rights Equity Shares offered as part of the Issue along with Abridged Letter of Offer would be printed in black ink for all Eligible Equity Shareholders. The CAF along with the Abridged Letter of Offer shall be dispatched through registered post or speed post at least three days before the Issue Opening Date. In case the original CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the Registrar to the Issue, for issue of a duplicate CAF, by furnishing the registered folio number, DP ID Number, Client ID Number and their full name and address. In case the signature of the Equity Shareholder(s) does not match with the specimen registered with our Company, the application is liable to be rejected.

Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the CAF/duplicate CAF attributable to postal delays or if the CAF/duplicate CAF are misplaced in the transit. Equity Shareholders should note that those who are making the application in such duplicate CAF should not utilise the original CAF for any purpose, including renunciation, even if the original CAF is received or found subsequently. If any Equity Shareholder violates any of these requirements, he/she shall face the risk of rejection of both applications. Please note that in accordance with the provisions of SEBI circular bearing number CIR/CFD/DIL/1/2011 dated April 29, 2011, all Applicants who are QIBs or Non-Institutional Investors must mandatorily make use of ASBA facility.

All QIB applicants, Non-Institutional Investors (including all companies and body corporates) and other Applicants whose Application Amount exceeds ₹ 2 lakhs can participate in the Issue only through the ASBA process, subject to their fulfilling the eligibility conditions to be an ASBA Investor. Further, all QIB applicants and Non-Institutional Investors are mandatorily required to use ASBA, even if application amount does not exceed ₹ 2 lakhs, subject to their fulfilling the eligibility conditions to be an ASBA Investor. The Investors who are (i) not QIBs, (ii) not Non-Institutional Investors or (iii) investors whose application amount is less than ₹ 2 lakhs can participate in the Issue either through the ASBA process or the non ASBA process.

Please also note that by virtue of circular no. 14, dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been de recognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Any Equity Shareholders being an OCB is required to obtain prior approval from RBI for applying in this Issue.

Application on Plain Paper - Non ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with demand draft, net of bank and postal charges payable at Mumbai which should be drawn in favour of the “Bharat Gears Limited– Rights Issue – R” in case of the resident shareholders and “Bharat Gears Limited– Rights Issue – NR” in case of the non-resident shareholders applying on repatriable basis and send the same by registered/speed post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date.

The envelope should be superscribed “Bharat Gears Limited– Rights Issue – R” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “Bharat Gears Limited– Rights Issue – NR” in case of non-resident shareholders applying on repatriable basis.

The application on plain paper, duly signed by the Investors including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:

•Name of Issuer, being Bharat Gears Limited; •Name and address of the Equity Shareholder including joint holders; •Registered Folio Number/DP and Client ID no.; •Number of Equity Shares held as on Record Date; •Number of Rights Equity Shares entitled to; •Number of Rights Equity Shares applied for; •Number of additional Rights Equity Shares applied for, if any; •Total number of Rights Equity Shares applied for; •Total amount paid at the rate of ₹105/- per Rights Equity Share; •Particulars of cheque/demand draft; •Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories; •Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue. Documentary evidence for exemption to be provided by the applicants; •Share certificate numbers and distinctive numbers of Equity Shares, if held in physical form; •Allotment option preferred - physical or demat form, if held in physical form; •Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories' records; •In case of Non-Resident Equity Shareholders, NRE/FCNR/NRO A/c No. name and address of the bank and branch; •If payment is made by a draft purchased from an NRE/FCNR/NRO A/c No., as the case may be, an Account debit certificate from the bank issuing the draft, confirming that the draft has been issued by debiting NRE/FCNR/NRO A/c.

Application on Plain Paper - ASBA

An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF and who is applying under the ASBA Process may make an application to subscribe to the Issue on plain paper. The Equity Shareholder shall submit the plain paper application to the Designated Branch of SCSB for authorizing such SCSB to block an amount equivalent to the amount payable on the application in the said bank account maintained with the same SCSB. Applications on plain paper from any address outside India will not be accepted.

The envelope should be superscribed "Bharat Gears Limited– Rights Issue – R" in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and "Bharat Gears Limited– Rights Issue – NR" in case of non-resident shareholders applying on repatriable basis and should be postmarked in India. The application on plain paper, duly signed by the Investors including joint holders, in the same order as per the specimen recorded with our Company, must reach the SCSBs before the Issue Closing Date and should contain the following particulars:

•Name of Issuer, being Bharat Gears Limited; •Name and address of the Equity Shareholder including joint holders; •Registered Folio Number/DP and Client ID no.; •Number of Equity Shares held as on Record Date; •Number of Rights Equity Shares entitled to; •Number of Rights Equity Shares applied for; •Number of additional Rights Equity Shares applied for, if any; •Total number of Rights Equity Shares applied for; •Total amount to be blocked at the rate of ₹105/- per Rights Equity Share; •Except for applications on behalf of the Central or State Government and the officials appointed by the courts, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue; •Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB; •In case of non-resident investors, details of the NRE/FCNR/NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained; •Signature of the Shareholders to appear in the same sequence and order as they appear in our records or depositories records.

Additionally, all such eligible equity shareholders making application on plain paper (ASBA & Non ASBA) are deemed to have accepted the following:

"I/We understand that neither the Rights Entitlement nor the Rights Equity Shares have been, and will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") or to, or for the account or benefit of a "U.S. Person" as defined in Regulation S under the US Securities Act ("Regulation S"). I/we understand the Rights Equity Shares referred to in this application are being offered in India but not in the United States. I/we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Rights Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/we understand this application should not be forwarded to or transmitted in or to the United States at any time. I/we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept

subscriptions from any person, or the agent of any person, who appears to be, or who the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is, a resident of the United States "U.S. Person" (as defined in Regulation S) or is ineligible to participate in the Issue under the securities laws of their jurisdiction.

I/We will not offer, sell or otherwise transfer any of the Rights Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorised or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/We understand and agree that the Rights Entitlement and Rights Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.

I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement and/or the Rights Equity Shares is/are, outside the United States, (ii) am/are not a "U.S. Person" as defined in Regulation S, and (iii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."

Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilise the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon and no liability shall arise on part of our Company, Lead Manager and our Directors. Investors are requested to note that CAF or plain paper application with only foreign addresses is liable to be rejected on technical grounds. The CAF or plain paper application should contain the Indian address also if foreign address is mentioned. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper application format will be available on the website of the Registrar to the Issue at www.linkintime.co.in.

Rights Entitlement Ratio

The Rights Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of one (1) Rights Equity Share for every seven (7) fully paid-up Equity Shares (i.e. 1:7) held on the Record Date.

Fractional entitlements

Fractional entitlement if any will be rounded off to the next higher integer and the shares required for the same will be adjusted from promoter's entitlement in the rights issue.

Renunciation

This Issue includes a right exercisable by you to renounce the Equity Shares offered to you either in full or in part in favour of any other person or persons. Your attention is drawn to the fact that our Company shall not Allot and/or register any Equity Shares in favour of the following Renounees: (i) more than three persons (including joint holders), (ii) partnership firm(s) or their nominee(s), (iii) minors (except applications by minors having valid demat accounts as per the demographic details provided by the Depositors), (iv) HUF (however, you may renounce your Rights Entitlements to the Karta of an HUF acting in his capacity of Karta), or (v) any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882, as amended or any other applicable law relating to societies or trusts and is authorised under its constitutions or bye-laws to hold equity shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favour of persons or entities which would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities or other laws. Equity Shareholders may also not renounce in favour of persons or entities in the United States or to the account or benefit of a U.S. person (as defined in Regulation S) or to

who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognised as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Accordingly, the existing Equity Shareholders of our Company who do not wish to subscribe to the Rights Equity Shares being offered but wish to renounce the same in favour of Renounee shall not renounce the same (whether for consideration or otherwise) in favour of OCB(s).

The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through automatic route on case by case basis. Shareholders renouncing their rights in favour of OCBs may do so provided such renounee obtains a prior approval from the RBI. On submission of such approval to our Company at our Registered Office, the OCB shall receive the Abridged Letter of Offer and the CAF.

Part ‘A’ of the CAF must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid. Submission of the CAF to the Bankers to the Issue at its collecting branches specified on the reverse of the CAF with the form of renunciation (Part ‘B’ of the CAF) duly filled in shall be conclusive evidence for our Company of the fact of renouncement to the person(s) applying for Rights Equity Shares in Part ‘C’ of the CAF for the purpose of Allotment of such Rights Equity Shares. The Renounees applying for all the Rights Equity Shares renounced in their favour may also apply for additional Rights Equity Shares. Part ‘A’ of the CAF must not be used by the Renounee(s) as this will render the application invalid. Renounee(s) will have no right to further renounce any Rights Equity Shares in favour of any other person.

Procedure for renunciation

To renounce all the Rights Equity Shares offered to an Equity Shareholder in favour of one Renounee

If you wish to renounce the offer indicated in Part ‘A’, in whole, please complete Part ‘B’ of the CAF. In case of joint holding, all joint holders must sign Part ‘B’ of the CAF. The person in whose favour renunciation has been made should complete and sign Part ‘C’ of the CAF. In case of joint Renounees, all joint Renounees must sign Part ‘C’ of the CAF.

To renounce in part/or the whole to more than one person(s)

If you wish to either accept this offer in part and renounce the balance or renounce the entire offer under this Issue in favour of two or more Renounees, the CAF must be first split into requisite number of SAFs. Please indicate your requirement of SAFs in the space provided for this purpose in Part ‘D’ of the CAF and return the entire CAF to the Registrar to the Issue so as to reach them latest by the close of business hours on the last date of receiving requests for SAFs. On receipt of the required number of SAFs from the Registrar, the procedure as mentioned in paragraph above shall have to be followed.

In case the signature of the Equity Shareholder(s), who has renounced the Rights Equity Shares, does not match with the specimen registered with our Company/DP, the application is liable to be rejected.

Renounee(s)

The person(s) in whose favour the Rights Equity Shares are renounced should fill in and sign Part ‘C’ of the CAF and submit the entire CAF to the Bankers to the Issue on or before the Issue Closing Date along with the application money in full. The Renounee cannot further renounce.

Additional Rights Equity Shares

You are eligible to apply for additional Rights Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Rights Equity Shares offered without

renouncing them in whole or in part in favour of any other person(s). Applications for additional Rights Equity Shares shall be considered and allotment shall be made at the sole discretion of the Board, subject to sectoral caps and in consultation if necessary with the Designated Stock Exchange and in the manner prescribed under “Terms of the Issue-Basis of Allotment” on page 165 of the Letter of Offer.

Under the foreign exchange regulations currently in force in India, transfers of shares between Non-Residents and residents are permitted subject to compliance with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or certain other conditions, then the prior approval of the RBI will be required. FVCIs, Category - I AIFs and VCFs are not permitted to participate in the rights issue by listed companies. For details on restrictions on eligibility by FPIs and FVCIs, see "Terms of the Issue - Investment by FPIs and NRIs" and “Terms of the Issue - Investment by AIFs, FVCIs and VCFs” on pages 169 and 170, respectively of the Letter of Offer.

If you desire to apply for additional Equity Shares, please indicate your requirement in the place provided for additional Equity Shares in Part A of the CAF. The Renouncee applying for all the Equity Shares renounced in their favour may also apply for additional Rights Equity Shares.

Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange

Intention of our Promoters and Promoter Group to subscribe to their rights entitlement

Our Promoter(s) and entities forming part of our Promoter Group have, vide their letters dated March 05, 2019 (the “Subscription Letters”) undertaken to: (a) subscribe, jointly and/ or severally to the full extent of their Rights Entitlement and subscribe to the full extent of any Rights Entitlement that may be renounced in their favour by any other Promoter or member(s) of the Promoter Group of our Company; and (b) subscribe to, either individually or jointly and/ or severally with any other Promoter or member of the Promoter Group, for additional Rights Equity Shares, including subscribing to unsubscribed portion (if any) in the Issue.

Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Any such acquisition of additional Rights Equity Shares (including any unsubscribed portion of the Issue) is exempt in terms of Regulation 10(4)(b) of the Takeover Regulations as conditions mentioned therein have been fulfilled and shall not result in a change of control of the management of our Company in accordance with provisions of the Takeover Regulations. The additional subscription by the promoters shall be made subject to such additional subscription not resulting in the minimum public shareholding of the issuer falling below the level prescribed in LODR/ SCRR. Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements pursuant to the Issue.

Offer Document of last public or rights issue.

Please note that the Letter of Offer dated May 23, 2006 issued by the Company, may be inspected at the Registered Office of the Company between 10:00 a.m. and 5:00 p.m. on all working days from the date of the Letter of Offer until the Issue Closing Date.

DECLARATION BY THE COMPANY

We hereby certify that all relevant provisions of the Companies Act, 1956, the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in the Letter of Offer is contrary to the provisions of the Companies Act, the SEBI Act or rules made there under or guidelines or regulations issued, as the case may be. We further certify that all the disclosures and statements in the Letter of Offer are true and correct.

Place : Faridabad, Haryana

Date : March 30, 2019

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