



**UNIPHOS ENTERPRISES LIMITED**

Our Company was incorporated in India on May 29, 1969 as United Phosphorous Private Limited under the Companies Act, 1956. The name was changed to United Phosphorus Private Limited on August 22, 1983 whereby the spelling of “Phosphorous” was amended to “Phosphorus”. Subsequently, the name was changed to United Phosphorus Limited on February 3, 1986 pursuant to a fresh certificate of incorporation consequent to change of name. The name of our Company was then changed to “Uniphos Limited” on November 25, 1992 and was changed back to “United Phosphorus Limited” on March 30, 1993. On October 8, 2003, pursuant to a scheme of arrangement, the name of our Company was further changed to Uniphos Enterprises Limited with Corporate Identification Number L24219GJ1969PLC001588. For details of change of name of our Company, please see the chapter “History and Other Corporate Matters” on page 24 of the Letter of Offer.

**Registered Office:** 11, GIDC, Vapi, Dist. Valsad– 396195, Gujarat, India, **Tel:** +91 260 240 0717 **Fax:** +91 260 240 1823

**Corporate Office:** Uniphos House, C. D. Marg, Khar (West) Mumbai – 400 052, Maharashtra, India

**Tel:** +91 22 2646 8000; **Fax:** +91 22 2604 1010;

**Compliance Officer and Contact Person:** Mr. K. M. Thacker, Company Secretary and Compliance Officer

**E-mail:** thackerkm@uniphos.com **Website:** [www.uelonline.com](http://www.uelonline.com)

**FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY**

**ISSUE OF 44,071,179 EQUITY SHARES WITH A FACE VALUE OF ₹ 2 EACH AT A PREMIUM OF ₹ 15/- PER EQUITY SHARE (“EQUITY SHARES”) FOR AN AMOUNT AGGREGATING ₹ 7,492.10 LACS ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF UNIPHOS ENTERPRISES LIMITED (“THE COMPANY” OR “THE ISSUER”) IN THE RATIO OF 173 (ONE HUNDRED AND SEVENTY THREE) EQUITY SHARES FOR EVERY 100 (ONE HUNDRED) FULLY PAID-UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON THURSDAY, SEPTEMBER 19, 2013 (THE “ISSUE”). THE ISSUE PRICE IS 8.50 TIMES THE FACE VALUE.**

**FOR FURTHER DETAILS, PLEASE SEE “TERMS OF THE ISSUE” ON PAGES 48 AND 107 OF THIS ABRIDGED LETTER OF OFFER AND THE LETTER OF OFFER.**

**GENERAL RISK**

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 (the “SEBI”) nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer. **Investors are advised to refer to the “Risk Factors” on page 1 of this Abridged Letter of Offer before making an investment in the Issue.**

**COMPANY’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that the Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in the Letter of Offer 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 make the Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**LISTING**

The existing equity shares are listed on the BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”). We have received "in-principle" approvals from the BSE and the NSE for listing the Equity Shares arising from the Issue vide their letters, both, dated February 4, 2011. For the purposes of the Issue, the Designated Stock Exchange is BSE.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<p><b>KEYNOTE</b></p> <p><b>Keynote Corporate Services Limited</b> The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028 <b>Tel:</b> +91–22– 30266000-3 <b>Fax:</b> +91–22– 3026 6088 <b>E-mail:</b> mbd@keynoteindia.net <b>Website:</b> www.keynoteindia.net <b>Contact Person:</b> Mr. Chintan Hefa <b>SEBI Registration No.:</b> INM 000003606</p>	<p> <b>Sharepro Services (I) Pvt. Ltd.</b></p> <p><b>Sharepro Services (I) Private Limited</b> 13AB, Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East) Mumbai – 400 072 <b>Tel:</b> +91 22 6772 0300 <b>Fax:</b> +91 22 2859 1568 <b>Email:</b> rights@shareproservices.com <b>Website:</b> www.shareproservices.com <b>Contact Person:</b> Mr. Abraham K.G. <b>SEBI Registration No:</b> INR 000001476*</p>

**ISSUE PROGRAMME**

ISSUE OPENS ON	LAST DATE FOR REQUEST FOR SPLIT APPLICATION FORMS	ISSUE CLOSSES ON
Friday, September 27, 2013	Friday, October 11, 2013	Saturday, October 26, 2013

\* The SEBI registration certificate was valid till August 15, 2013. As required under SEBI Regulations, the Registrar has made an application vide its letter dated May 13, 2013 with SEBI for renewal of its certificate of registration.

*General Instructions*

*Applicants are advised to read the Letter of Offer and the section titled “Terms of the Issue” on page 48 of this Abridged Letter of Offer carefully and satisfy themselves of the disclosures before making an application for subscription. For a copy of the Letter of Offer, the applicant may request the Company and/or the Registrar to the Issue. Further, investors are advised to retain the copy of this Abridged Letter of Offer for their future reference. A copy of the offer document (Letter of Offer and Abridged Letter of Offer) is made available to the public on the websites of Lead Manager to the Issue and the Company at [www.keynoteindia.net](http://www.keynoteindia.net) and [www.uelonline.com](http://www.uelonline.com).*

**For a table of definitions and abbreviations, restrictions on overseas shareholders and offers in the United States, presentation of financial information and use of market data and a disclaimer on forward-looking statements, please refer to pages i, v, vi and vii respectively of the Letter of Offer.**

***RISK FACTORS***

*An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in the Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. The financial and other implications of material impact of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However there are a few risk factors where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. We have numbered the risk factors to facilitate ease of reading and reference. To obtain an understanding, you should read this section in conjunction with the sections titled “History and Other Corporate Matters” and “Financial Information” on page 24 and 32 respectively as well as the other financial and statistical information contained in the Letter of Offer.*

*Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue including the merits and risks involved. The Equity Shares have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of the Letter of Offer.*

*The occurrence of any of the following events could have a material adverse effect on our business, results of operations, financial condition and prospects and cause the market price of the Equity Shares to fall significantly, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*The Letter of Offer also contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including considerations described below and in the chapter entitled "Forward Looking Statements" on page vii of the Letter of Offer.*

***INTERNAL RISK FACTORS***

- 1. Our Company is involved in a number of legal proceedings which, if determined against us, could adversely affect our business and financial condition.***

Our Company is party to certain legal proceedings. No assurances can be given as to whether these matters will be settled in our favour or against us. A summary of the material outstanding legal proceedings is set forth below:

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER***Litigations filed against our Company*

Type of cases	Number of cases	Nature of dispute	Approximate Amount Ascertainable (in ₹ lacs)
Consumer Cases	1	Cases with respect to quality of seeds.	0.53
Tax Cases	7	Disallowances of certain deductions and rejection of miscellaneous expenses.	Not ascertainable

*Litigations filed by our Company*

Type of cases	Number of cases	Nature of dispute	Approximate Amount Ascertainable (in ₹ lacs)
Consumer Cases	4	Cases with respect to quality of seeds.	4.60
Tax Cases	23	Disallowances of certain deductions and rejection of miscellaneous expenses.	Not ascertainable

The contingent liability as of March 31, 2013 and March 31, 2012 is ₹ 3,348.93 lacs and ₹ 3,353.96 lacs respectively.

Some of the Directors of our Company are party to certain pending litigations instituted under the Insecticides Act, 1968 and were named as respondents in the litigations consequent to their directorship in our Company. The said litigations were instituted against our Company prior to the Scheme and were transferred to United Phosphorus Limited (erstwhile Search Chem Industries Limited).

For further details of litigations involving our Company, please see “Outstanding Litigations and Defaults” on page 82 of the Letter of Offer.

**2. *Our Company has resumed its trading activities only since FY 2011-12. Hence any inability to further continue with our business activity/trading activity could adversely affect the results of operations of our Company.***

Since the demerger of our manufacturing units to United Phosphorus Limited (“UPL”), formerly Search Chem Industries Limited, we have not undertaken any manufacturing activities. We carried on the business of trading subsequent to the demerger but discontinued such trading activities in the year 2006. However, since FY 2011-12, we have resumed the trading activity and the revenues from the same during the aforesaid period were ₹ 938.88 lacs and for FY 2012-13 were ₹ 110.76 lacs. Besides the revenue from operations, our total income also includes other income which is primarily in the nature of dividends declared on the long term investments made by our Company. As on June 30, 2013, we hold 5.72% of the total equity share capital in UPL (i.e., 2,53,37,060 equity shares of face value ₹ 2 each). The debt-equity ratio of our Company for the quarter and the year ended March 31, 2013 stood at 1.98. Any inability to continue with our business operations could adversely affect the results of operations of our Company

**3. *A major portion of Issue Proceeds would be utilised for repayment of loans and hence would not be available for any other use in our Company’s business.***

We intend to use ₹ 7,350 lacs of the Issue Proceeds towards prepayment / repayment of a portion of the debt availed from STCI Finance Limited. Since a major portion of the Issue Proceeds is being used to discharge the loan, the amount of money raised through this Issue will not be available for any other use in our Company’s business. For further details on loans and the use of the Issue proceeds, see the section “Objects of the Issue” on page 14 and the section “Principal Terms of the Loan and Assets Charged as Security” on page 78 of the Letter of Offer.

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

**4. Our Company has experienced negative cash flows. Any negative cash flow in future could adversely affect our results of operations and financial condition.**

Our Company has experienced negative cash flows in the recent past, the details of such negative cash flows in the immediately preceding three financial years are as follows:

(₹ in lacs)			
<b>Particulars</b>	<b>FY 2012-13</b>	<b>FY 2011-12</b>	<b>FY 2010-11</b>
Cash generated from operating activities	367.21	(37.96)	(29.57)
Net Cash from/ (used in) investing activities	224.40	(140.95)	492.55
Net Cash from/ (used in) financing activities	(732.69)	463.53	(739.62)

Any negative cash flows in the future could adversely affect our Company's results of operations and financial condition. For further details, please see "Financial Information" beginning on page 32 of the Letter of Offer.

**5. Our contingent liabilities, not provided for, could adversely affect our business, results of operation, financial position and prospects.**

Our Company has not provided for certain contingent liabilities which if materialised could adversely affect our business, results of operation, financial position and prospects. The contingent liabilities as on March 31, 2013 constitute 73.48% of the net worth of our Company, the details of the same are as under:

<b>Particulars of contingent liabilities</b>	<b>FY 2012-13</b>	<b>FY 2011-12</b>
Disputed income tax liability (₹ in lacs)	3,348.93	3,353.96
<b>Net Worth (₹ in lacs)</b>	<b>4,557.69</b>	<b>5,581.78</b>
<b>Contingent Liabilities as a % of Net Worth</b>	<b>73.48%</b>	<b>60.09%</b>

For further information on our contingent liabilities, see "Financial Information – Note 22" on page 55 of the Letter of Offer.

**6. We have entered into, and may enter into, related party transactions.**

We have, in the course of our business, entered into transactions with related parties including entities forming part of our group companies, key managerial personnel and their relatives.

<b>Nature of Transactions</b>	<b>Holding Company</b>		<b>Ultimate Holding Company</b>		<b>Enterprises over which Key Management personnel and their relatives have significant influence</b>			
	<b>March 31, 2013</b>	<b>March 31, 2013</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>	<b>March 31, 2010</b>	<b>March 31, 2009</b>	
<b>1 Income</b>								
Sales to UPL	-	-	82.72	938.88	-	-	-	
Dividend from UPL	-	-	126.69	1,006.49	499.70	374.78	278.35	
Interest from UPL	-	-	-	11.61	-	-	-	
<b>Rent from</b>								
UPL	-	-	-	-	-	-	81.00	
ADVANTA	-	-	-	-	-	-	42.00	
SWAL	-	-	-	-	-	-	9.36	
<b>2 Fixed Assets</b>								
Sale of Fixed Assets to UPL	-	-	-	-	-	4,000.00	5,600.00	
<b>3 Finance Expenses</b>								
UPL	-	-	749.03	239.46	22.60	629.31	859.18	
Nerka	1.35	-	-	7.63	-	-	-	
Demuric	-	223.52	-	56.44	-	-	-	
SWAL	-	-	-	2.39	-	-	-	
<b>4 Investments</b>								

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

Nature of Transactions	Holding Company	Ultimate Holding Company	Enterprises over which Key Management personnel and their relatives have significant influence				
	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
Purchase of shares from Demuric	-	-	-	-	-	-	9,120.00
Sale of shares to Nerka 1,39,17,565 equity shares of ₹ 2 each of UPL received as bonus in Financial Year 2008-09	-	-	-	-	-	-	3,135.00
<b>5 Loan / Advance Taken (Refer note below)</b>							
UPL	-	-	8,405.00	14,318.00	14,043.00	6,601.54	9,216.40
Nerka	-	-	-	210.00	-	-	-
Demuric	-	1,850.00	-	14,130.00	-	-	-
SWAL	-	-	-	670.00	-	-	-
UIL	-	-	-	1.82	-	-	-
Trade Advance received from Unicorn	-	-	-	-	-	-	2,500.00
Advance received from UPL against sale of Property	-	-	-	-	-	-	3,800.00
<b>6 Repayment of Loans/ Advances Taken</b>							
UPL	-	-	8,405.00	14,318.00	14,043.00	-	-
Demuric	-	9,250.00	-	6,730.00	-	-	-
SWAL	-	-	-	670.00	-	-	-
UIL	-	-	-	1.82	-	-	-
Nerka	210.00	-	-	-	-	-	-
<b>7 Loan / Advance Given</b>							
UPL	-	-	-	734.00	-	-	-
<b>8 Repayment of Loans/ Advances Given</b>							
UPL	-	-	-	734.00	-	-	-
<b>9 Salary and other reimbursements</b>							
UPL	-	-	29.74	26.72	22.95	21.24	78.35
<b>Outstandings as at the Balance Sheet Date</b>							
<b>10</b> Trade Receivables from UPL	-	-	-	938.88	-	-	-
Receivable from Advanta	-	-	-	-	-	157.40	164.29
<b>11</b> Dividend receivable from UPL	-	-	-	506.74	-	-	-
<b>12</b> Payables (Including Trade Advances) – Unicorn	-	-	-	-	-	-	2,500.00
<b>13 Loan Taken</b>							
Nerka	-	-	-	210.00	-	-	-
Demuric	-	-	-	7,400.00	-	-	-

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

Nature of Transactions	Holding Company	Ultimate Holding Company	Enterprises over which Key Management personnel and their relatives have significant influence				
	March 31, 2013	March 31, 2013	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010	March 31, 2009
UPL	-	-	-	-	-	-	17.12
<b>14 Interest payable</b>							
UPL	-	-	-	4.09	-	-	384.49
Nerka	-	-	-	6.87	-	-	-
Demuric	-	-	-	30.65	-	-	-

**Maximum amount outstanding of the Loan taken during the year**

(₹ in lacs)

Name of the Company	Holding Company	Ultimate Holding Company	Enterprises over which Key Management personnel and their relatives have significant influence				
	3/31/2013	3/31/2013	3/31/2013	3/31/2012	3/31/2011	3/31/2010	3/31/2009
<b>United Phosphorus Limited</b>	-	-	7,400.00	7,166.00	7,185.00	6,324.88	6,803.64
<b>Nerka Chemicals Private Limited</b>	210.00	-	-	210.00	-	-	-
<b>SWAL Corporation Limited</b>	-	-	-	670.00	-	-	-
<b>Demuric Holdings Private Limited</b>	-	7,400.00	-	7,400.00	-	-	-
<b>Uniphos International Limited</b>	-	-	-	1.82	-	-	-

Such related party transactions may give rise to potential conflicts of interest with respect to dealings between us and the related parties. Furthermore, it is likely that we will continue to enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations.

For details of related party transactions, disclosure as per AS 18, entered into by us, please see “Financial Information- Note 31” on page 57 of the Letter of Offer.

**7. A conflict situation between our Company and other associate in the same line of business may affect the price of our Equity Shares.**

Our Promoters are the promoters of UPL, formerly Search Chem Industries Limited, which is authorised by its memorandum of association to undertake activities similar to the activities authorised by our Memorandum of Association. In the event our Company commences any activity which is similar to the activities of UPL, a possible conflict of interest may affect our business. The brief details of UPL and its main objects are as under:

- UPL was incorporated as Vishwanath Commercials Limited on January 2, 1985 having present registration no. 04-25132 (CIN L24219GJ1985PLC025132). The registered office of the company is situated at 3-11, GIDC, Vapi Dist Valsad, Gujarat 396 195. UPL is mainly engaged in activities of manufacturing off patent generic agrochemical products.
- The main objects of UPL are as below:
  1. To carry on the business of dealers, importers, exporters, commission agents or otherwise of cotton, jute, cotton goods, jute goods, textiles, yarn, synthetic goods, fibrous materials, mill stores, coal, chemicals, paper, engineering goods and cast iron items and agricultural implements and other machinery.
  2. To carry on business to manufacture, formulate, process, refine, finish, recover, extract, import, export, buy, sell, distribute or otherwise deal in Red Phosphorus, Yellow or White Phosphorus, phosphates, phosphites, phosphides, insecticides, pesticides, fungicides, fumigants, rodenticides and their formulations and/or other agricultural chemicals and fertilizers of all types.
  3. To manufacture, formulate, process, refine, finish, recover, extract, buy, sell, distribute and/or deal in all organic and/or inorganic chemicals, pharmaceutical, medicinal products, pharmaceuticals, cosmetics, dyes, intermediate paints, plastic resins and/or plastics.

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

4. *To manufacture, buy, sell, distribute, import, or deal in metals, alloys and amalgams.*
5. *To carry on the business as manufacture, dealers, importers, or exporters of the formulation for the manufacture of matches, fire and/or other explosive and pyrotechnic chemicals.*
6. *To carry on the business of manufacturer, importers, exporters, and/or dealers of chemical plants, equipments and/or accessories.*

- The summarized financial data of United Phosphorus Limited, disclosed below, has been derived based on audited consolidated financial statements

		(₹ in Lacs)		
SI No.	Particulars	FY 2012-13	FY 2011-12	FY 2010-11
1.	Capital	8,852.00	9,236.00	9,236.00
2.	Warrant application money	Nil	Nil	Nil
3.	Reserves and surplus	45,5670	4,08,075	3,63,369
4.	Revenue from operations (net)	9,19,452	7,67,132	5,76,068
5.	Net Profit	77,460	55,555	55,762
6.	Networth	4,64,522	4,17,311	3,72,605
7.	EPS (₹)	17.12	12.03	12.45
8.	Book value per share (₹)	104.95	90.37	80.68

As on the date of the Letter of Offer, there is no conflict of interest between UPL and our Company. However, we are unable to assure you that any new business that our Promoters may undertake in the future would be executed through our Company or be related to our Company in any manner whatsoever. Such an eventuality may affect our results and the price of our Equity Shares.

8. ***We have not entered into any definitive arrangements to monitor the utilization of the Issue Proceeds. Our management will have flexibility in utilizing the Net Proceeds of the Issue, which could affect our profitability and cause the price of our Equity Shares to decline.***

As per the SEBI ICDR Regulation, appointment of monitoring agency is required only for Issue size above ₹ 50,000 lacs. Hence we have not appointed any monitoring agency and the deployment of Issue Proceeds as stated in the “Objects of the Issue” on page 14 is not subject to monitoring by any independent agency.

Our management will have broad discretion in using the Net Proceeds of the Issue, and investors will be relying on the judgment of our management regarding the utilization of the Net Proceeds. Our funding plans are in accordance with our own estimates and have not been appraised by any bank or financial institution. We may have to revise our management estimates from time to time and consequently our requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business. Pending utilization for the purposes described under the section titled “Objects of the Issue”, we may temporarily invest the Net Proceeds of the Issue in interest bearing liquid instruments including deposits with banks and investments in mutual funds and other financial products and investment grade interest bearing securities as may be approved by our Board. Our management will have significant flexibility in temporarily investing the Net Proceeds of the Issue. Accordingly, the use of the Net Proceeds for purposes identified by us may not result in actual growth of our business, increased profitability or an increase in the value of your investment. The major portion of funds being raised through this Issue will be utilized for repayment/ pre-payment of loans.

9. ***Some of our loans are callable on demand***

As on date of the Letter of Offer we have availed unsecured loans from company(ies) amounting to ₹ 20 lacs. These loans are callable on demand. We cannot assure that we would be able to immediately service their repayment from cash available with us and this may require us to borrow further at higher rate of interest. This could have an adverse effect on our cash flow position and results of operations.

***10. Our Promoters and Promoter Group will continue to exercise significant control over our business which may be allegedly detrimental to the interest of shareholders and other investors.***

As on June 30, 2013, our Promoters and Promoter Group holds 55.30% of our equity share capital. As a result, they are in a position to continue to exercise significant control over our business and all matters requiring shareholder approval, including timing and distribution of dividends, election of officers and directors, our business strategy and policies, approval of significant corporate transactions such as mergers and business combinations and sale of assets. They have also undertaken to apply for Equity Shares in addition to their Rights Entitlement to the extent of any undersubscribed portion of the Issue, subject to obtaining any approvals required under applicable law, to ensure that at least 90% of the Issue is subscribed. Such subscription for Equity Shares over and above their Rights Entitlement, if allotted, may result in an increase in their percentage shareholding. Their control could approve or impede a merger, consolidation, takeover or other business combination involving us, or discourage a potential acquirer from making a tender offer or otherwise attempting to obtain control even if such transaction is allegedly beneficial to other shareholders.

***11. We are unable to assure you that our Company shall be in a position to declare dividends in the future.***

Subsequent to the implementation of the Scheme, we have not declared any dividends except in FY 2003-04. We are unable to assure you that we shall be able to declare dividends in the future. The amount of future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

***12. Our Registered Office is not owned by us and there is no formal documentation to record the terms of the tenancy. Any dispute in relation to Registered Office not owned by us in the future would have material adverse effect on our business and results of operations.***

The registered office through which we operate our business is owned by UPL, formerly Search Chem Industries Limited. However, there is no formal documentation to record our usage of the premises, which is deemed to be informal in nature. In the event any dispute arises as to the informal terms of understanding, we shall have to shift to alternative premises and register the same as our registered office. Under these circumstances, if we are unable to identify suitable alternate premises and register the same as our registered office, we may be amenable to sanctions.

***13. Future issuances or sales of the equity shares could significantly affect the trading price of the Equity Shares.***

The future issuance of equity shares by our Company or the disposal of equity shares by any of the major shareholders of our Company or the perception that such issuance or sales may occur may significantly affect the trading price of our Equity Shares. There can be no assurance that our Company will not do a further issuance of equity shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

***14. There is no guarantee that the Equity Shares will be listed on BSE and the NSE in a timely manner, or at all***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuance of shares to be submitted before the exchanges. There could be a failure or delay in listing the Equity Shares on BSE and the NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of Equity Shares allotted to you.

***15. We have pledged a large portion of our investment in equity shares of UPL with certain lenders. Any invocation of such pledge will affect our total revenues.***

As on August 7, 2013, we have pledged 1,51,75,000 equity shares of ₹ 2 each of UPL, which represents 59.89% of our total investment in the equity shares of UPL, with certain lenders. Any invocation of such pledge will result in loss of the investment of our company, which will consequently decrease the dividend income received by our company thereby affecting our total revenues.



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

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

**EXTERNAL RISK FACTORS**

***17. After this Issue, the price of our Equity Shares may be highly volatile.***

The price of our Equity Shares on the Stock Exchanges may fluctuate after this Issue as a result of several factors, including:

- volatility in the Indian and global securities market or in the Rupee's value relative to the U.S. dollar, the Euro and other foreign currencies;
- our profitability and performance;
- perceptions about our Company's future performance or the performance of Indian companies in general;
- changes in the estimates of our Company's performance or recommendations by financial analysts;
- significant developments in India's economic liberalisation and deregulation policies;
- significant developments in India's fiscal and environmental regulations; and
- any other political or economic factors.

There can be no assurance that an active trading market for our Equity Shares will be sustained after this Issue, or that the price at which our Shares have historically traded will correspond to the price at which the Equity Shares are offered in this Issue or the price at which our Shares will trade in the market subsequent to this Issue.

***18. Political instability or changes in the government in India could delay the further liberalisation of the Indian economy and adversely affect economic conditions in India generally and our business in particular.***

Our business may be affected by foreign exchange rates and controls, interest rates, changes in government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Since 1991, successive Indian governments have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. A significant change in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally, and our business in particular, if new restrictions on the private sector are introduced or if existing restrictions are increased.

***19. If regional hostilities, terrorist attacks or social unrest in India increase, our business could be adversely affected and the trading price of the Equity Shares could decrease.***

The Asian region has from time to time experienced instances of civil unrest, terrorist attacks and hostilities among neighbouring countries. Military activity or terrorist attacks in India in the future could influence the Indian economy by creating a greater perception that investments in Indian companies involve higher degrees of risk. These hostilities and tensions could lead to political or economic instability in India and a possible adverse effect on the Indian economy and our business and its future financial performance and the trading price of the Equity Shares.

Furthermore, India has also experienced social unrest in some parts of the country. If such tensions occur in other parts of the country, leading to overall political and economic instability, it could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

***20. Financial instability in other countries, particularly countries with emerging markets, could disrupt Indian markets and our business and cause the trading price of our Equity Shares to decrease.***

The Indian financial markets and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Further the current financial turmoil in the United States has had a significant impact on the Indian economy as well as the stability of the Indian Markets. Financial instability in other countries such as Latin America, Russia and elsewhere in the world in recent years have had limited impact on the Indian economy and India was relatively unaffected by financial and liquidity crises experienced elsewhere. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. This in turn could negatively impact the movement of exchange rates and interest rates in India. In short, any significant financial disruption could have an adverse effect on our business, future financial performance and the trading price of the Equity Shares.

***21. The Indian securities markets are more volatile than certain other securities markets.***

The Indian securities markets are more volatile than the securities markets in certain countries which are members of the Organisation for Economic Co-operation and Development. Indian stock exchanges have, in the recent past, experienced substantial fluctuations in the prices of listed securities.

Indian stock exchanges have experienced problems which, if such or similar problems were to continue or recur, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares. These problems have included temporary exchange closures, broker defaults, settlement delays and strikes by brokers. A closure of, or trading stoppage on, either of BSE and the NSE could adversely affect the trading price of the Equity Shares. Historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time disputes have occurred between listed companies, stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

***22. Any downgrading of India's debt rating by any rating agency could have a negative impact on our business and the trading price of the Equity Shares.***

Any adverse revisions to India's credit ratings for domestic and international debt by any rating agency may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to obtain financing to fund our growth on favourable terms or at all and, as a result, could have a material adverse effect on our results of operations and financial condition.

***23. Acts of violence could adversely affect the financial markets, result in a loss of customer confidence and adversely affect our business, results of operations, financial condition and cash flows***

Certain events that are beyond our control, including terrorist attacks and other acts of violence or war, which may adversely affect worldwide financial markets and potentially lead to economic recession, could adversely affect our business, results of operations, financial condition and cash flows. Additionally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that there is a risk of disruption of operations, which could have an adverse effect on the market for our services.

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

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

**25. *Investors may have difficulty enforcing judgments against us or our management.***

The enforcement by investors of civil liabilities, including the ability to effect service of process and to enforce judgments obtained in courts outside of India may be affected adversely by the fact that we are incorporated under the laws of the Republic of India and almost all of our executive officers and directors reside in India. Nearly all of our assets and the assets of our executive officers and directors are also located in India. As a result, it may be difficult to effect service of process upon us and any of these persons outside of India or to enforce outside of India, judgments obtained against us and these persons in courts outside of India.

Section 44A of the Indian Code of Civil Procedure, 1908, as amended, provides that where a foreign judgment has been rendered by a court in any country or territory outside India, which the Government has by notification declared to be a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. The United Kingdom has been declared by the Government to be a reciprocating territory for the purposes of Section 44A. However, the United States has not been declared by the Government to be a reciprocating territory for the purposes of Section 44A. A judgment of a court in the United States may be enforced in India only by a suit upon the judgment, subject to Section 13 of the Indian Code of Civil Procedure, 1908, and not by proceedings in execution.

The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India. Generally, there are considerable delays in the disposal of suits by Indian courts. It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with Indian practice. A party seeking to enforce a foreign judgment in India is required to obtain prior approval from the RBI under FEMA to repatriate any amount recovered.

***Prominent Notes***

1. This is an Issue of 44,071,179 Equity Shares at a premium of ₹ 15/- per Equity Share for an amount not exceeding ₹ 7,492.10 lacs on a rights basis to the existing Equity Shareholders of our Company in the ratio of 173 (One Hundred and Seventy Three) Equity Shares for every 100 (One Hundred) fully paid-up equity shares held by the existing Equity Shareholders on the Record Date i.e., Thursday, September 19, 2013.
2. The net worth of our Company as on March 31, 2013 was ₹ 4,557.69 lacs.
3. We have, in the course of our business, entered into transactions with related parties including our associate companies, key managerial personnel and their relatives. For details of related party transactions, disclosure as per AS 18, entered into by us please see “Financial Information – Note 31” on page 57 of the Letter of Offer.
4. There has been no financing arrangement whereby the Promoter Group, the Directors of our Company who are our Promoters and our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of the Letter of Offer with SEBI.
5. Our Company is eligible to make reduced disclosures in the Letter of Offer as per Part E of Schedule VIII of the SEBI Regulations as it is in compliance with the following:

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

- a. our Company has been filing periodic reports, statements and information in compliance with the listing agreement for the last three years immediately preceding the date of filing the Letter of Offer with SEBI;
- b. the reports, statements and information referred to in sub-clause (a) above are available on the website of any recognised stock exchange with nationwide trading terminals or on a common e-filing platform specified by SEBI;
- c. our Company has investor grievance-handling mechanism which includes meeting of the Shareholders' or Investors' Grievance Committee at frequent intervals, appropriate delegation of power by the Board of Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

*Note: We are eligible to make reduced disclosures in the Letter of Offer. However, we have undertaken to disclose full financial information pertaining to our Company.*

6. All information shall be made available by the Lead Manager and our Company to the public and investors at large and no selective or additional information would be available only to a section of investors in any manner whatsoever.
7. As on the date of the Letter of Offer, there are no outstanding investor complaints.
8. Investors may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

**For Summary Financial Information, please see page 2 of the Letter of Offer.**

### THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in "Terms of the Issue" on page 107 of the Letter of Offer.

<b>Equity Shares offered through the Issue</b>	44,071,179 Equity Shares
<b>Equity Shares outstanding prior to the Issue</b>	25,474,670 equity shares
<b>Equity Shares outstanding after the Issue (assuming full subscription for and allotment of the Rights Entitlement)</b>	69,545,849 Equity Shares
<b>Rights Entitlement</b>	173 (One Hundred and Seventy Three) Equity Shares for every 100 (One Hundred) fully paid-up Equity Shares held on the Record Date
<b>Record Date</b>	Thursday, September 19, 2013
<b>Face Value per Equity Share</b>	₹ 2 each
<b>Issue Price per Equity Share</b>	₹ 17/- each
<b>Terms of the Issue</b>	For more information, please see "Terms of the Issue" on page 107 of the Letter of Offer.
<b>Use of Issue Proceeds</b>	For further information, please see "Objects of the Issue" on page 14 of the Letter of Offer.

### Note on Outstanding Instruments

As on June 30, 2013, 22481 GDRs are outstanding. These outstanding GDRs can be converted into 44,962 equity shares of ₹ 2 each, at the option of the GDR holders.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### Terms of Payment

The full amount of ₹ 17/- per Equity Share is payable on application.

### Other details

<b>Record date</b>	Thursday, September 19, 2013
<b>Purpose</b>	Rights Entitlement
<b>Ratio</b>	173:100
<b>Ex-Right</b>	Wednesday, September 18, 2013

### Issue Schedule

<b>Issue Opening Date:</b>	Friday, September 27, 2013
<b>Last date for receiving requests for split forms:</b>	Friday, October 11, 2013
<b>Issue Closing Date:</b>	Saturday, October 26, 2013

### GENERAL INFORMATION

**Company Secretary and Compliance Officer:** Mr. K. M. Thacker, Uniphos House, C. D. Marg, Khar (West), Mumbai – 400 052, India; **Tel:** +91 22 2646 8000; **Fax:** +91 22 2604 1010; **E-mail:** [thackerkm@uniphos.com](mailto:thackerkm@uniphos.com)  
**Website:** [www.uelonline.com](http://www.uelonline.com).

*Investors may contact the Compliance Officer / Registrar to the Issue for any pre-Issue / post-Issue related matters including inter alia non-receipt of Letter of Offer / Abridged Letter of Offer, CAF, allotment advice, share certificate(s), refund order(s) etc.*

**Lead Manager to the Issue:** Keynote Corporate Services Limited, The Ruby, 9th Floor, Senapati Bapat Marg, Dadar (West), Mumbai – 400028; **Tel:** +91-22- 30266000-3; **Fax:** +91-22- 3026 6088; **E-mail:** [mbd@keynoteindia.net](mailto:mbd@keynoteindia.net);  
**Website:** [www.keynoteindia.net](http://www.keynoteindia.net); **Contact Person:** Mr. Chintan Hefa

**Legal Counsel to the Issue:** Khaitan & Co., One Indiabulls Centre, 13<sup>th</sup> Floor, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India. **Tel:** + 91 22 6636 5000; **Fax:** + 91 22 6636 5050; **Email:** [uniphos.rights@khaitanco.com](mailto:uniphos.rights@khaitanco.com); **Contact Person:** Mr. Vaibhav Mittal

**Registrar to the Issue:** Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, 2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane, Off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400 072; **Tel:** +91 22 6772 0300; **Fax:** +91 22 2859 1568; **Email:** [rights@shareproservices.com](mailto:rights@shareproservices.com);  
**Website:** [www.shareproservices.com](http://www.shareproservices.com); **Contact Person:** Mr. Abraham K.G

**Banker to the Issue:** Axis Bank Limited, Universal Building, Ground Floor, Sir PM Road, Fort, Mumbai-400 001; **Tel:** + 91 22 4086 7173; **Fax:** + 91 22 2283 5785; **Website:** [www.axisbank.com](http://www.axisbank.com); **Email:** [viraj.vaidya@axisbank.com](mailto:viraj.vaidya@axisbank.com);  
**Contact person:** Mr. Viraj Vaidya

**Self Certified Syndicate Banks:** The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process are provided on [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1365051213899.html](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html). For details on designated branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link. The list of SCSBs is given in CAF.

**Auditors of our Company:** S.V. Ghatalia & Associates LLP, Chartered Accountants, 14<sup>th</sup> Floor, The Ruby, 29 Senapati Bapat Marg, Dadar West, Mumbai 400 028; **Tel:** +91 22 6192 0000; **Fax:** +91 22 6192 1000

### CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Abridged Letter of Offer, prior to and after the proposed Issue, is set forth below:

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

*(₹ in lacs except per share data)*

Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
<b>Authorised share capital:</b>		
150,000,000 equity shares of ₹ 2 each	3,000.00	
7,000,000 Preference Shares of ₹ 100 each	7,000.00	
<b>Total</b>	<b>10,000.00</b>	
<b>Issued, subscribed and paid up capital</b>		
25,474,670 equity shares of ₹ 2 each fully paid-up	509.49	
<b>Total</b>	<b>509.49</b>	
<b>Present Issue in terms of the Letter of Offer</b>		
44,071,179 equity shares of ₹2 each at an Issue Price of ₹ 17/- per Equity Share (premium of ₹ 15 per Equity Share)	881.42	7,492.10
<b>Paid up capital after the Issue</b>		
69,545,849 equity shares of ₹2 each	1,390.91	
<b>Securities premium account</b>		
Before the Issue	0.00	
After the Issue	6,610.68	

**Notes to the Capital Structure**

**1. The shareholding pattern of our Company as on June 30, 2013:**

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
<b>(A) Shareholding of Promoter and Promoter Group</b>							
<b>(1) Indian</b>							
Individuals / Hindu Undivided Family	9	419,523	419,523	1.65	1.65	-	-
Bodies Corporate	1	13,669,179	13,669,179	53.75	53.66	-	-
<b>Sub Total</b>	<b>10</b>	<b>14,088,702</b>	<b>14,088,702</b>	<b>55.40</b>	<b>55.30</b>	-	-
<b>(2) Foreign</b>							
<b>Total shareholding of Promoter and Promoter Group (A)</b>	<b>10</b>	<b>14,088,702</b>	<b>14,088,702</b>	<b>55.40</b>	<b>55.30</b>	-	-
<b>(B) Public Shareholding</b>							
<b>(1) Institutions</b>							
Mutual Funds / UTI	3	2,260	2,260	0.01	0.01	-	-
Financial Institutions / Banks	6	1,200	1,200	-	-	-	-
Insurance Companies	2	956,456	956,456	3.76	3.75	-	-
Foreign Institutional Investors	13	1,708,899	1,707,049	6.72	6.71	-	-

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

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
<b>Sub Total</b>	<b>24</b>	<b>2,668,815</b>	<b>2,666,965</b>	<b>10.49</b>	<b>10.48</b>	-	-
<b>(2) Non-Institutions</b>							
Bodies Corporate	381	1,169,669	1,157,215	4.60	4.59	-	-
Individuals							
Individual shareholders holding nominal share capital up to ₹ 1 lac	13679	5,271,916	4,750,643	20.73	20.69	-	-
Individual shareholders holding nominal share capital in excess of ₹ 1 lac	4	424,098	424,098	1.67	1.66	-	-
<b>Any Others (Specify)</b>							
Non Resident Indians	731	1,806,508	1,600,318	7.10	7.09	-	-
<b>Sub Total</b>	<b>14795</b>	<b>8,672,191</b>	<b>7,932,274</b>	<b>34.10</b>	<b>34.04</b>	-	-
<b>Total Public shareholding (B)</b>	<b>14819</b>	<b>11,341,006</b>	<b>10,599,239</b>	<b>44.60</b>	<b>44.52</b>	-	-
<b>Total (A)+(B)</b>	<b>14829</b>	<b>25,429,708</b>	<b>24,687,941</b>	<b>100.00</b>	<b>99.82</b>	-	-
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>							
(1) Promoter and Promoter Group	0	-	-	-	-	-	-
(2) Public	3	44,962	44,162	-	0.18	-	-
<b>Sub Total (C)</b>	<b>3</b>	<b>44,962</b>	<b>44,162</b>	-	<b>0.18</b>	-	-
<b>Total (A)+(B)+(C)</b>	<b>14,832</b>	<b>25,474,670</b>	<b>24,732,103</b>	-	<b>100.00</b>	-	-

**2. Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Public" and holding more than 1% of the total number of shares**

Sr. No.	Name of the shareholder	Number of Shares held	Shares as a % of total number of shares	Total shares (including underlying shares assuming full conversion of warrants and convertible Securities) as a % of diluted share capital
1	Vinod Mohan Nair	1,248,108	4.90	4.90
2	Ares Diversified	1,145,000	4.49	4.49
3	Life Insurance Corporation Of India	898,756	3.53	3.53
4	Acacia Partners, LP	268,591	1.05	1.05
	<b>Total</b>	<b>3,560,455</b>	<b>13.98</b>	<b>13.98</b>

**3. 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 of (A)+(B)+(C) indicated in Statement at para (I)(a) above
1	GDR	22481	44962	0.18

As on date of the Letter of Offer, other than the GDRs, there are no existing convertible instruments or other options allowing the existing Equity Shareholders to receive any equity shares, at a future date.

For detailed Notes to Capital Structure, please see the section titled "Capital Structure" on page 10 of the Letter of Offer.

**OBJECTS OF THE ISSUE**

Our Company intends to deploy the Issue Proceeds to finance the fund requirements for:

1. Repayment of certain loans availed by our Company;
2. General corporate purposes; and
3. To meet the Issue expenses

The objects clause of our Memorandum of Association enables us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

The fund requirement and deployment are based on internal management estimates and have not been appraised. These are based on current conditions and are subject to change in light of changes in external circumstances or costs, or in other financial condition, business or strategy, as discussed further below.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue.

We intend to utilise the Issue Proceeds for financing the objects as set forth below:

<b>Expenditure Items</b>	<i>(₹ in lacs)</i> <b>Amount</b>
Repay certain loans	7,350.00
General corporate purposes	42.10
Issue expenses	100.00
<b>Total</b>	<b>7,492.10</b>

The entire requirements of the objects detailed above are intended to be funded from the Issue Proceeds. Accordingly, our Company confirms that there is no requirement for it 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 through the Issue.

**Details of the Objects of the Rights Issue**

**1. Repay certain loans**

We propose to utilize an amount of ₹ 7,350.00 lacs out of the Issue proceeds for the repayment of the outstanding loans.

Since the demerger of our manufacturing units to United Phosphorus Limited (“UPL”), formerly Search Chem Industries Limited, we have not undertaken any manufacturing activities. We carried on the business of trading subsequent to the demerger but discontinued such trading activities in the year 2006. However, since FY 2011-12, we have resumed such trading activities and the revenues from the same during the aforesaid period were ₹ 938.88 lacs and in FY 2012-13 ₹ 110.76 lacs.

As on the date of the Draft Letter of Offer i.e., December 29, 2010, our Company had availed ₹ 7,000.00 lacs as revolving short term loan from Yes Bank Limited as against the sanctioned amount of ₹ 8,000.00 lacs. The aforesaid loan was for the purpose of repaying the then existing loan availed from UPL for meeting administrative expenses and for the purpose of acquisition of capital assets. Subsequently, our Company has repaid the said YES Bank loan by substituting it with loans from Group Companies.

During FY 2011-12 and FY 2012-13, our Company had negative cash flows. The finance cost on the above borrowings amounted to ₹ 883.85 lacs and ₹ 1,080.30 lacs respectively. The said finance cost was partly funded by further borrowings from Group Companies and partly from our other income. As a result, our borrowings have increased.

These outstanding loans from the Group Companies were repaid in March 2013 by availing a fresh secured borrowing from STCI Finance Limited and Bajaj Finance Limited. For detailed disclosures on these transactions, please refer section titled “Principal Terms of the Loan and Assets charged as Security” on page 78 of the Letter of Offer.



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

As on March 31, 2013 we had total secured borrowings amounting to ₹ 9,000 lacs which were availed from STCI Finance Limited (₹ 7,500 lacs), Bajaj Finance Limited (₹ 1,000 lacs) and Aditya Birla Finance Limited (₹ 500 lacs). Out of the said outstanding loans on July 29, 2013 our Company has repaid the loan from Aditya Birla Finance Limited amounting to ₹ 500 lacs.

Of the aforesaid loans, we propose to repay/prepay part of the loan, to the extent of ₹ 7,350 lacs, availed from STCI Finance Limited vide its letter bearing reference number STCI/LAS/UEL/2012-13/1231 dated March 25, 2013 sanctioning an amount of ₹ 7,500 lacs from the proceeds of this Rights Issue.

**Principal terms and conditions of STCI Finance Limited**

<b>Nature of Loan Facility</b>	Revolving loan against shares
<b>Amount Sanctioned</b>	₹ 7,500.00 lacs
<b>Rate of Interest</b>	12.25 % p.a. (fixed) with monthly rests
<b>Amount outstanding as on date</b>	₹ 7,500.00 lacs
<b>Sanction details</b>	Letter no. STCI/LAS/UEL/2012-13/1231 dated March 25, 2013
<b>Tenure</b>	1 year from the date of first disbursement
<b>Security</b>	Pledge of shares of United Phosphorus Limited
<b>Benefit to our Company</b>	Saving of interest cost to the extent of 0.75% p.a.
<b>Purpose</b>	Repayment of high cost unsecured loans availed from group companies

**2. General corporate purposes**

Our Company intends to deploy upto ₹ 42.10 lacs of the Issue Proceeds for general corporate purposes, interalia for meeting exigencies and contingencies, administrative costs, and/or any other expenses as approved by our Board.

**Schedule of Implementation and Deployment of Funds**

Our Company proposes to repay the loan funds at the earliest from the date of receipt of Issue proceeds. We further propose to utilize the Issue proceeds towards the other Objects mentioned above, within a period of one year from the date of receipt of such Issue proceeds.

**Issue Related Expenses**

The Issue related expenses include, among others, fees to various intermediaries, printing and distribution expenses, advertisement expenses, and registrar and depository fees. The estimated Issue related expenses are as follows:

<b>Particulars</b>	<b>Approximate Amount (₹ in lacs)</b>	<b>As percentage of total expenses</b>	<b>As a percentage of Issue size</b>
Fees of the Intermediaries	56.50	56.50	0.75
Advertising, Printing and stationery expenses (including courier and distribution charges)	10.50	10.50	0.14
Others (listing fees, depositories' fees, auditor fees, out of pocket reimbursements, etc)	33.00	33.00	0.44
<b>Total</b>	<b>100.00</b>	<b>100.00</b>	<b>1.33</b>

**Sources and deployment of funds**

As per the certificate dated July 16, 2013 issued by M/s Jawahar Thacker & Co., Chartered Accountants, our Company has deployed ₹ 36.54 lacs till June 29, 2013 towards issue expenses. The same has been financed from the internal resources of our Company.

### **Appraisal Report**

None of the objects for which the Issue Proceeds will be utilised have been financially appraised. The estimates of the costs of objects mentioned above are based on internal estimates of our Company.

### **Interim use of funds**

The management of our Company, in accordance with the policies established by our Board from time to time, will have flexibility in deploying the Issue Proceeds. Pending utilization for the purposes described above, we intend to temporarily invest the funds in high quality interest/dividend bearing liquid instruments including investments in mutual funds, deposits with banks and other investment grade interest bearing securities. Such investments would be in accordance with investment policies approved by our Board from time to time. Our Company confirms that pending utilization of the Issue Proceeds it shall not use the funds for any investments in the equity markets.

### **Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of the Letter of Offer, which are proposed to be repaid from the Issue Proceeds.

### **Monitoring of the utilization of funds**

Our Board of Directors will monitor the utilisation of the proceeds of the Issue. We will disclose the utilization of the proceeds of the Issue under a separate head in our financial statements clearly specifying the purposes for which such proceeds have been utilized. We, in our balance sheet will provide details, if any, in relation to all such proceeds of the Issue that have not been utilized.

### **Other confirmations**

No part of the proceeds of this Issue will be paid by us as consideration to our Promoters, our Promoter Group, our Directors, key managerial personnel or companies promoted by our Promoters.

### **STATEMENT OF TAX BENEFITS**

There are no Special Tax Benefits available to our Company. For detailed information on General Tax Benefits refer section titled "Statement of Tax Benefits" on page 17 of the Letter of Offer.

### **ABOUT US**

#### **HISTORY AND OTHER CORPORATE MATTERS**

Our Company was incorporated on May 29, 1969 as United Phosphorous Private Limited. The name was changed to United Phosphorus Private Limited on August 22, 1983 whereby the spelling of "Phosphorous" was amended to "Phosphorus". The name was changed to United Phosphorus Limited on February 3, 1986 pursuant to a fresh certificate of incorporation consequent to change of name. The name of our Company was then changed to "Uniphos Limited" on November 25, 1992 and was changed back to "United Phosphorus Limited" on March 30, 1993. The equity shares of our Company were listed on BSE and the Ahmedabad Stock Exchange Limited in 1986. Subsequently, the equity shares of our Company were listed on the NSE in 1995. Our Company was initially incorporated with the purpose of manufacturing red phosphorus. Our product range was enlarged through backward and forward integration, with the development of a range of phosphorus based agrochemicals and other speciality chemicals used in the pharmaceutical and flame retardant industry.

Pursuant to a scheme of arrangement and re-structuring in the nature of a de-merger (the "Scheme") approved by the Hon'ble High Court of Gujarat at Ahmedabad on August 28, 2003, all the assets and liabilities pertaining to the manufacturing division of United Phosphorus Limited ("UPL") were transferred to Search Chem Industries Limited ("SCIL"). UPL was renamed as Uniphos Enterprises Limited on October 8, 2003 and SCIL was renamed as United Phosphorus Limited. The appointed date for the Scheme was March 1, 2003 (the "Appointed Date").

*Pursuant to the Scheme:*

1. The shareholders of our Company were allotted one Equity Share of ₹ 2 each of our Company in lieu of every equity share of ₹ 10 each held by them in our Company.
2. In addition to the above, the shareholders of our Company had an option to receive either one equity share of SCIL of ₹ 10 each or 14 redeemable preference shares of SCIL of ₹ 10 each for every one equity share held by our shareholders in our Company.
3. SCIL ensured that the depository issued GDRs of SCIL to the then existing GDR holders of UPL.
4. Every fully paid-up preference shareholder of our Company received 1 preference share of SCIL of ₹ 100 each for every 1 preference share of ₹ 100 each held in our Company.
5. All legal proceedings by and against our Company as at the Appointed Date was continued and enforced by or against SCIL.
6. All contracts, deeds, bonds, agreements and other instruments subsisting as of the effective date pertaining to the manufacturing division of our Company were continued in full force and effect, by or against SCIL.
7. All staff, workmen and employees of manufacturing division of our Company as on the effective date was deemed to have become staff, workmen and employees of SCIL, with effect from the Appointed Date.
8. All assets, liabilities and obligations of our Company not pertaining to its manufacturing division continued to be vested in and managed by our Company.
9. With effect from the effective date, the name of our Company was changed to Uniphos Enterprises Limited and the name of SCIL was changed to United Phosphorus Limited.

Subsequently, on March 3, 2005, the equity shares of our Company were delisted from the Ahmedabad Stock Exchange Limited.

#### **Benefits of the Scheme**

Uniphos Enterprises limited (UEL) (Formerly United Phosphorus Limited - UPL) & Search Chem Industries Limited (SCIL) (Now United Phosphorus Limited - UPL) both were the companies under same management. They entered into the “Scheme of Arrangement” to take advantage of synergy of clubbing the manufacturing activities under one roof which would help to use the resources of each company more beneficially. The products/resources of one company were the basic requirement of the other company. By clubbing the manufacturing activities of both the companies, there were benefits of economies of scale, management, reduction in manpower etc to the UPL group, as a whole. UEL, as a company, got benefited by this arrangement as it's holding in the UPL shares appreciated considerably.

Under this Scheme of Arrangement, the shareholders of UEL were issued one share each of SCIL (Now UPL) for every share held in UEL, as one of the option. This has benefited the shareholders of UEL, by way of appreciation in the market value of SCIL (Now UPL) shares, over a period of time.

#### **Major events in the history of our Company**

Our Company is a part of the United Phosphorus group and was originally incorporated as United Phosphorous Private Limited and subsequently renamed as Uniphos Enterprises Limited. Pursuant to the Scheme, the manufacturing division of our Company was transferred till the year 2003 and consequently our Company undertook trading activities till the year 2006. However, due to lack of business opportunity our Company did not undertake any business activity from FY 2006-07 to FY 2010-11. Subsequently, in FY 2011-12 we resumed our business of trading activity and the revenues during the said period were ₹ 938.88 lacs. In FY 2012-13 the revenue from the business operations of our Company were ₹ 110.76 lacs.

#### **Our Business**

Our Company is an offshoot pursuant to the scheme of arrangement & restructuring in terms of Section 391 & 394 of the Companies Act 1956. By virtue of the scheme, manufacturing division was transferred to Search Chem Industries Limited (SCIL) which is presently United Phosphorus Limited, listed on BSE & NSE. The appointed date for the purpose of the scheme was March 1, 2003. On transferring of

manufacturing division, we remained a separate entity with listing status on BSE & NSE. The main objects of our Company consists both for manufacturing and to trade in various chemicals. However, since the manufacturing division of the company was transferred, we continued our business of trading in chemicals.

**The main objects set out in MoA include following provisions enabling us to carry on trading activities:**

1. To carry on business to manufacture, formulate, process, refine, finish, recover, extract, import, export, buy, sell, distribute or otherwise deal in Red Phosphorus, Yellow or White Phosphorus, phosphates, phosphites, phosphides, insecticides, pesticides, fungicides, fumigants, rodenticides and their formulations and/or other agricultural chemicals and fertilizers of all types.
2. To manufacture, formulate, process, refine, finish, recover, extract, buy, sell, distribute and/or deal in all organic and/or inorganic chemicals, pharmaceutical, medicinal products, pharmaceuticals, cosmetics, dyes, intermediate paints, plastic resins and/or plastics.
3. To manufacture, buy, sell, distribute, import, or deal in metals, alloys and amalgams.
4. To carry on the business as manufacturer, dealers, importers, or exporters of the formulation for the manufacture of matches, fire and/or other explosive and pyrotechnic chemicals.
5. To carry on the business of manufacturer, importers, exporters, and/or dealers of chemical plants, equipments and/or accessories.

Our Company undertook trading activities till the year 2006. Subsequent to the year 2006, the opportunities in trading of chemicals could not be pursued aggressively since the tariff for imports was hiked resulting in reduced margins. We are consistently looking at developing the trading activity and for this purpose have been identifying the potential chemicals with sufficient margins. Our Company would explore possibility of trading in some of the permissible items and if required would initiate steps in this regard. Since the trading business can be conveniently pursued with non fund based facilities, our Company may not require much working capital fund based facility.

During FY 2011-12 our Company got an opportunity and initiated import of chemicals from Vietnam and sold it on high seas basis and in FY 2012-13 our Company traded in chemicals of propionic acid and hydrazine hydrate. The revenues from such trading activities in FY 2011-12 and FY 2012-13 were ₹ 938.88 lacs and ₹ 110.76 lacs respectively. Besides our revenues from operations, we also derive income from long term investments in the form of other income which is ₹ 1020.86 lacs and ₹ 223.86 lacs for FY 2011-12 and FY 2012-13 respectively.

#### **Corporate Structure of our Company**

Our Company is managed by the Board of our Company.

#### **Agreement with shareholders**

As on date of the Letter of Offer there are no agreements entered into between our Company and our shareholders.

#### **MANAGEMENT**

As per our Articles of Association, our Company cannot have less than three or more than twelve Directors on our Board. We currently have six Directors on our Board.

The following table sets forth details regarding the Board of Directors as on the date of the Letter of Offer:

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

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Date of Appointment, Tenure and DIN	Nationality	Age (years)	Other directorships, partnerships, proprietorships and trusteeships
1.	<p><b>Mr. Rajnikant Devidas Shroff</b></p> <p>S/o Mr. Devidas Shroff</p> <p>Chairman and Managing Director</p> <p>202, Parishram, Nargis Dutt Road, Pali Hill, Bandra (w), Mumbai 400050</p> <p><b>Occupation:</b> Industrialist</p> <p><b>Date of appointment:</b> 29 May , 1969</p> <p><b>Tenure:</b> 5 years from April 1, 2010</p> <p><b>DIN:</b> 00180810</p>	Indian	81	<p><b>Directorship</b></p> <ol style="list-style-type: none"> <li>1) United Phosphorus Limited</li> <li>2) Enviro Technology Limited</li> <li>3) Nivi Trading Limited</li> <li>4) Shroff United Chemicals Limited</li> <li>5) Demuric Holdings Private Limited</li> <li>6) Vyom Finvest Private Limited</li> <li>7) Swal Corporation Limited</li> <li>8) Sanguine Holdings Private Limited</li> <li>9) Shroff Envirotral Private Limited</li> <li>10) Bharuch Enviro Infrastructure Limited</li> <li>11) Agri Net Solutions Limited</li> <li>12) Association of Small and Medium Chemical Manufacturers (India)</li> <li>13) Crop Care Federation of India</li> <li>14) Tatva Global Environment Limited</li> <li>15) Uniphos Envirotronic Private Limited</li> <li>16) Uniphos International Limited</li> <li>17) JRF Research Private Limited</li> </ol> <p><b>Partner</b></p> <ol style="list-style-type: none"> <li>1) Prakriya Pharmachem</li> <li>2) Urja Chemicals</li> </ol> <p><b>Proprietorship</b></p> <ol style="list-style-type: none"> <li>1) Vikram Farm</li> </ol>
2.	<p><b>Mrs. Sandra Rajnikant Shroff</b></p> <p>Non Executive Vice Chairman</p> <p>202, Parishram, Nargis Dutt Road, Pali Hill, Bandra (w), Mumbai 400050</p> <p><b>Occupation:</b> Industrialist</p> <p><b>Date of appointment:</b> May 29, 1969</p> <p><b>Tenure:</b> Permanent Director</p> <p><b>DIN:</b> 00189012</p>	British	73	<p><b>Directorship</b></p> <ol style="list-style-type: none"> <li>1) United Phosphorus Limited</li> <li>2) Enviro Technology Limited</li> <li>3) Nivi Trading Limited</li> <li>4) Shroff United Chemicals Limited</li> <li>5) Ventura Guaranty Limited</li> <li>6) Demuric Holdings Private Limited</li> <li>7) Shroff Envirotral Private Limited</li> <li>8) Bharuch Enviro Infrastructure Limited</li> <li>9) Vapi Waste and Effluent Management Company Limited</li> <li>10) Uniphos Envirotronic Private Limited</li> <li>11) Uniphos International Limited</li> </ol> <p><b>Partner</b></p> <ol style="list-style-type: none"> <li>1) Ultima Search</li> <li>2) Sarjan Chemicals</li> <li>3) Akruti Products</li> </ol>
3.	<p><b>Mr. Jaidev Rajnikant Shroff</b></p> <p>Non-Executive Director</p> <p>4/B, Summer Palace, Nargis Dutt Road, Pali Hill, Bandra (w), Mumbai 400050</p>	United Kingdom	49	<p><b>Directorship</b></p> <ol style="list-style-type: none"> <li>1) United Phosphorus Limited</li> <li>2) Nivi Trading Limited</li> <li>3) Ventura Guaranty Limited</li> <li>4) Demuric Holdings Private Limited</li> <li>5) Shroff Envirotral Private Limited</li> </ol>

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

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Date of Appointment, Tenure and DIN	Nationality	Age (years)	Other directorships, partnerships, proprietorships and trusteeships
	<p><b>Occupation:</b> Industrialist</p> <p><b>Date of appointment:</b> 3 February, 1994</p> <p><b>Tenure:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 00191050</p>			<p>6) Tatva Global Environment Limited</p> <p>7) Isar Builders and Developers Private Limited</p> <p>8) Asia Society India Center</p> <p>9) Advanta India Limited</p> <p>10) Force Aviation Private Limited</p> <p>11) Latur Water Supply Management Co. Limited</p> <p>12) Tatva Global Environment (Deonar) Limited</p> <p>13) Pradeep Metals Limited</p> <p>14) JRF Research Private Limited</p> <p><b>Partner</b></p> <p>1) Ultima Search</p> <p>2) Prakriya Pharmachem</p> <p>3) Sarjan Chemicals</p>
<b>4.</b>	<b>Mr. Arun Chandrasen Ashar</b>	Indian	65	<b>Directorship</b>
	<p>Independent Director</p> <p>Muktangan, 10<sup>th</sup> Floor, Sarojini Road, Santacruz (w), Mumbai 400054</p> <p><b>Occupation:</b> Chartered Accountant</p> <p><b>Date of appointment:</b> 28 February, 1992</p> <p><b>Tenure:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 00192088</p>			<p>1) United Phosphorus Limited</p> <p>2) Vyom Finvest Private Limited</p> <p>3) Sanguine Holdings Private Limited</p> <p>4) R. Shroff Consultants Private Limited</p> <p>5) Equator Holdings Private Limited</p> <p>6) Agri Net Solutions Limited</p> <p>7) Daman Ganga Paper and Pulp Private Limited</p> <p>8) Enviro Technology Limited</p> <p>9) Bharuch Enviro Infrastructure Limited</p> <p>10) Tatva Global Environment Limited</p> <p>11) Shivalik Solid Waste Management Limited</p> <p>12) Tatva Global Environment (Deonar) Limited</p> <p>13) Sharvak Environment Limited</p> <p>14) Entrust Environment Limited</p> <p>15) Latur Water Supply Management Company Limited</p> <p>16) Gharpure Engineering and Construction Private Limited</p> <p>17) Kerala Enviro Infrastructure Limited</p>
<b>5.</b>	<b>Mr. Pradeep Goyal</b>	Indian	58	<b>Directorship</b>
	<p>Independent Director</p> <p>171/172, Tower A, Kalpataru Horizan, S K Ahire Marg, Mumbai 400018</p> <p><b>Occupation:</b> Business</p> <p><b>Date of appointment:</b> 29 March, 2001</p> <p><b>Tenure:</b> Liable to retire by rotation</p> <p><b>DIN:</b> 00008370</p>			<p>1) Pradeep Metals Limited</p> <p>2) SV Shah Construction Private Limited</p> <p>3) United Phosphorus Limited</p> <p>4) Hind Rectifiers Limited</p> <p>5) Entegra Limited</p> <p>6) Janakalyan Sahakari Bank Limited</p> <p>7) B.S. Metal Private Limited</p>
<b>6.</b>	<b>Mrs. Swati Sandesh Mayekar</b>	Indian	57	<b>Directorship</b>
	<p>Independent Director</p>			<p>1) Prodigy Finvest Private Limited</p>

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

Sr. No.	Name, Father's Name, Designation, Address, Occupation, Date of Appointment, Tenure and DIN	Nationality	Age (years)	Other directorships, partnerships, proprietorships and trusteeships
	218, Madhusheela, Homi Bhabha Road, Bandra West, Mumbai 400050			2) Encode Advanced Dentistry Private Limited
	<b>Occupation:</b> Business			<b>Proprietor</b>
	<b>Date of appointment:</b> 28 January, 2010			1) Swati S Mayekar Associates
	<b>Tenure:</b> Liable to retire by rotation			<b>Trusteeship</b>
	<b>DIN:</b> 00245261			1) Indian Institute of Continuing Education and Research

Further, Directors of our Company do not hold current and past directorship(s) for a period of five years in listed companies whose shares have been or were suspended from being traded on the BSE Limited or the National Stock Exchange of India Limited or in listed companies who have been / were delisted from stock exchanges.

**Relationship between Directors inter-se**

Name of the Directors	Relationship
Mr. Rajnikant D. Shroff	Husband of Mrs. Sandra R. Shroff and the father of Mr. Jaidev R. Shroff
Mrs. Sandra R. Shroff	Wife of Mr. Rajnikant D. Shroff and the mother of Mr. Jaidev R. Shroff
Mr. Jaidev R. Shroff	Son of Mr. Rajnikant D. Shroff and Mrs. Sandra R. Shroff

Except as stated above, none of the other Directors are related to each other.

**Brief biography of our Directors**

**Mr. Rajnikant Devidas Shroff** is our Promoter, our Chairman and Managing Director. He holds a bachelors' degree in chemistry from Bombay University, has completed a Company Management Programme from Harvard University and a course in Chemical Plant Design and Layout. He has over 40 years of experience in the chemical and agro chemicals industry. In 1956, he became the first Indian to establish a chemical factory in the United Kingdom. He was awarded the President's Gold Shield, India's highest award for development of technology, in 1972 and an award for Research and Development in environmental matters from the Department of Industrial and Scientific Research in 2007. Mr. Shroff has established the Vapi Industries Association, the Sandra Shroff Nursing College as well as serving for 9 years on the Board of the Gujarat Industrial Development Corporation.

**Mrs. Sandra Rajnikant Shroff** is our promoter and the Vice-Chairman of the Board of Directors. She is a Senior Cambridge by education. She is the president of the Burns Association of India. She represents the agrochemical industry at various forums. She is also a member of the Indian Chemical Manufacturers' Association and the Federation of Indian Exporters.

**Mr. Jaidev Rajnikant Shroff** is our promoter and a non-executive director of our Company. He holds a bachelor's degree in chemistry from the University of Mumbai. He has over 20 years of experience within the group. He has been ranked 38<sup>th</sup> by ICIS Chemical Business in a ranking of the 40 most influential figures in chemicals industry worldwide.

**Mr. Arun Chandrasen Ashar** is an independent director of our Company. He is a qualified chartered accountant. He is a Fellow of the Institute of Chartered Accountants of India. He has almost four decades of experience in finance.

**Mr. Pradeep Goyal** is an independent director of our Company. He holds a bachelors' degree in technology in metallurgy from the Indian Institute of Technology, Kanpur and a degree in Material

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

Sciences and Engineering from the Massachusetts Institute of Technology. He was awarded the first rank in Metallurgy from the President of India and the Vidya Bharati Medal from the Indian Institute of Metals. He has over 25 years of experience in the industry. He has served with institutions such as the Federation of Indian Chambers of Commerce and Industry, the Associated Chambers of Commerce and Industry of India and the Indo-German Chamber of Commerce. He has been the Chairman and Managing Director of Pradeep Metals Limited since 1984 and was a Senior Development Engineer in Air Products and Chemicals Inc., USA from 1980 to 1983.

**Ms. Swati Sandesh Mayekar** is an independent director of our Company. She is a member of the Institute of Chartered Accountants of India and an Associate Member of Institute of Company Secretaries of India. She holds a bachelors' degree in general laws. She was a partner with M/s Kanu Doshi Associates, Chartered Accountants from 1979 to 1984. Subsequently, she was associated with M/s Khatau Bros. Ltd., Mumbai till 1986.

As of date of the Letter of Offer, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Directors were selected as a director or member of senior management.

There is no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.

**KEY INDUSTRY REGULATIONS**

The objects of the Issue are to be utilized for the repayment of loan and general corporate purposes. There are no regulations applicable for undertaking the proposed objects.

**FINANCIAL INFORMATION**

**I. Reformatted Audited Balance sheet as at March 31, 2013; March 31, 2012; March 31, 2011; March 31, 2010 and March 21, 2009**

Particulars	Notes	₹ in lacs				
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
<b>Equity and Liabilities</b>						
<b>Shareholders' fund</b>						
Share Capital	3	509.49	509.49	509.49	509.49	509.49
Reserves and Surplus	4	18,584.74	19,603.21	19,484.53	5,167.81	3,183.32
		<b>19,094.23</b>	<b>20,112.70</b>	<b>19,994.02</b>	<b>5,677.30</b>	<b>3,692.81</b>
<b>Current Liabilities</b>						
Trade payables	5	13.49	913.15	11.47	0.27	5.73
Short-term borrowings	6	9,020.00	8,630.00	7,295.00	7,420.00	38.03
Other current liabilities	7	117.07	79.96	40.37	104.88	10,277.15
		<b>9,150.56</b>	<b>9,623.11</b>	<b>7,346.84</b>	<b>7,525.15</b>	<b>10,320.91</b>
<b>TOTAL</b>		<b>28,244.79</b>	<b>29,735.81</b>	<b>27,340.86</b>	<b>13,202.45</b>	<b>14,013.72</b>
<b>ASSETS</b>						
<b>Non-Current Assets</b>						
<b>Fixed assets</b>						
Tangible assets	8	17,393.63	17,394.27	17,394.50	2,872.74	2,815.45
Non-current investments	9	8,392.97	8,398.17	7,748.57	7,754.33	7,773.50
Non-current loans and advances	10	2,180.64	2,084.35	2,069.75	2,043.15	1,983.42
Deferred Tax assets (net)		-	-	-	0.44	0.44
		<b>27,967.24</b>	<b>27,876.79</b>	<b>27,212.82</b>	<b>12,670.66</b>	<b>12,572.81</b>
<b>Current Assets</b>						
Trade receivables	11	-	938.88	-	-	-
Cash and bank balance	12	240.71	381.79	97.17	373.81	10.12



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

Particulars	Notes	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
Current - loans and advances	13	0.30	0.69	0.06	0.59	5.20
Other Current Assets	14	36.54	537.66	30.81	157.39	1,425.59
		<b>277.55</b>	<b>1,859.02</b>	<b>128.04</b>	<b>531.79</b>	<b>1,440.91</b>
<b>TOTAL</b>		<b>28,244.79</b>	<b>29,735.81</b>	<b>27,340.86</b>	<b>13,202.45</b>	<b>14,013.72</b>

Note: The above statement should be read with the Significant accounting policies and notes to reformatted financial statements.

**II. Reformatted Audited Statement of Profits and Losses for the year ended March 31, 2013; March 31, 2012; March 31, 2011; March 31, 2010 and March 21, 2009**

(₹ in lacs)						
Particulars	Notes	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
<b>INCOME</b>						
Revenue from operation	15	110.76	938.88	-	-	-
Other income	16	223.86	1,020.86	514.62	396.44	410.71
<b>Total Revenue (I)</b>		<b>334.62</b>	<b>1,959.74</b>	<b>514.62</b>	<b>396.44</b>	<b>410.71</b>
<b>EXPENSES</b>						
Purchases of traded goods	17	107.57	908.42	-	-	-
Employee benefits expense	18	29.57	26.72	22.95	20.61	16.52
Other expenses	19	130.34	30.46	60.66	133.87	94.67
<b>Total Expenses (II)</b>		<b>267.48</b>	<b>965.60</b>	<b>83.61</b>	<b>154.48</b>	<b>111.19</b>
<b>Profit before interest, tax, depreciation, amortisation and exceptional items (I) - (II)</b>		<b>67.14</b>	<b>994.14</b>	<b>431.01</b>	<b>241.96</b>	<b>299.52</b>
Depreciation & amortisation expense	20	5.31	5.70	6.07	19.58	17.58
Finance costs	21	1,080.30	883.85	607.78	638.99	1,042.72
<b>Profit/(loss) before exceptional items and tax</b>		<b>(1,018.47)</b>	<b>104.59</b>	<b>(182.84)</b>	<b>(416.61)</b>	<b>(760.78)</b>
Add : Exceptional items		-	-	-	2,736.10	1,386.36
<b>Profit/(loss) before tax</b>		<b>(1,018.47)</b>	<b>104.59</b>	<b>(182.84)</b>	<b>2,319.49</b>	<b>625.58</b>
Less : Tax expenses						
- Current tax		-	-	-	335.00	48.00
- Deferred tax liability / (asset)		-	-	0.44	-	(27.04)
- (Excess) / short tax of earlier year		-	(14.09)	-	-	0.03
		-	<b>(14.09)</b>	<b>0.44</b>	<b>335.00</b>	<b>20.99</b>
<b>Profit / (loss) for the year</b>		<b>(1,018.47)</b>	<b>118.68</b>	<b>(183.28)</b>	<b>1,984.49</b>	<b>604.59</b>
<b>Earning per equity share</b>						
(Nominal value of share ₹ 2)						
<b>Basic and diluted (₹)</b>	23	<b>(4.00)</b>	<b>0.47</b>	<b>(0.72)</b>	<b>7.79</b>	<b>2.37</b>

Note: The above statement should be read with the Significant accounting policies and notes to reformatted financial statements.

**III. Reformatted audited Cashflow Statement for the year ended March 31, 2013; March 31, 2012; March 31, 2011; March 31, 2010 and March 21, 2009**

(₹ in lacs)					
Particulars	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
<b>A. Cash Flow from Operating Activities</b>					

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

Particulars	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
Profit / (Loss) before tax from operations :	(1,018.47)	104.59	(182.84)	2,319.50	625.58
Non-cash adjustment to reconcile profit before tax to net cash flows :					
Depreciation/Amortisation on operation	5.31	5.70	6.07	19.58	17.58
Interest expense	1,080.30	883.85	607.78	638.99	1,042.71
Profit on sale of fixed asset	(0.88)	-	-	(2,736.11)	(5,052.88)
Loss on Sale of Shares	-	-	-	-	1,425.00
Loss on Conversion of shares from Short term to Long term	-	-	-	-	2,241.53
Interest (income) (Including Interest on Income Tax Refund)	(96.29)	(14.37)	(14.92)	-	-
Dividend (Income)	(126.69)	(1,006.49)	(499.70)	(374.78)	(278.35)
Operating Profit before Working Capital changes	(156.72)	(26.72)	(83.61)	(132.82)	21.17
<b>Movement in working capital :</b>					
Increase/(Decrease) in trade payable/Other current Liabilities	(825.78)	928.78	(77.27)	(5,901.68)	(651.01)
(Increase) / Decrease in trade receivables	938.88	(938.88)	-	-	-
(Increase) / Decrease in short term loans and advances	0.39	(0.93)	157.91	8.82	(28.49)
(Increase) / Decrease in other current assets	506.74	-	-	-	-
<b>Cash generated from / (used in) operations</b>	<b>463.51</b>	<b>(37.75)</b>	<b>(2.97)</b>	<b>(6,025.68)</b>	<b>(658.33)</b>
Direct taxes Paid (net of refunds)	(96.30)	(0.21)	(26.60)	(394.62)	(98.11)
Net cash flow from / (used in) operating activities ( A )	<b>367.21</b>	<b>(37.96)</b>	<b>(29.57)</b>	<b>(6,420.30)</b>	<b>(756.44)</b>
<b>B. Cash Flow from Investing Activities</b>					
Purchase of non-current Investments	-	(655.07)	-	-	(9,120.00)
Proceeds from sale of fixed assets	1.42	-	-	200.00	5,600.00
Additions in fixed assets	-	-	(22.07)	(57.71)	(70.25)
loan given	-	734.00	-	-	-
Loan repayment received	-	(734.00)	-	-	-
Sale of Investments	-	-	-	-	3,135.00
Advance received against sale of property	-	-	-	-	3,800.00
Interest (income) (Including Interest on Income Tax Refund)	96.29	14.37	14.92	-	-
Dividend received	126.69	499.75	499.70	374.78	278.35
Net cash flow from / (used in) investment activities ( B )	<b>224.40</b>	<b>(140.95)</b>	<b>492.55</b>	<b>517.07</b>	<b>3,623.10</b>
<b>C. Cash Flow from Financing Activities</b>					
Proceeds from short -term borrowings	18,755.00	30,329.82	14,043.00	7,381.97	(1,483.88)
Repayment of short-term borrowings	(18,365.00)	(28,994.82)	(14,168.00)	-	-
Unclaimed dividend paid	-	(0.50)	(5.47)	-	-

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

Particulars	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
Share issue expenses	(5.62)	(0.11)	(30.81)	-	-
Interest paid	(1,117.07)	(870.86)	(578.34)	(1,115.05)	(1,391.12)
<b>Net cash flow from / (used in) financing activities ( C )</b>	<b>(732.69)</b>	<b>463.53</b>	<b>(739.62)</b>	<b>6,266.92</b>	<b>(2,875.00)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(141.08)</b>	<b>284.62</b>	<b>(276.64)</b>	<b>363.69</b>	<b>(8.34)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>381.79</b>	<b>97.17</b>	<b>373.81</b>	<b>10.12</b>	<b>18.46</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>240.71</b>	<b>381.79</b>	<b>97.17</b>	<b>373.81</b>	<b>10.12</b>
<b>Components of cash and cash equivalents :</b>					
<b>Cash on hand</b>	0.06	0.08	-	0.02	0.03
<b>Balances with bank on current account</b>	240.65	381.71	96.67	367.81	1.03
<b>Unpaid dividend account *</b>	-	-	0.50	5.98	9.06
<b>Total cash and cash equivalents</b>	<b>240.71</b>	<b>381.79</b>	<b>97.17</b>	<b>373.81</b>	<b>10.12</b>

\* These balances are not available for use by the Company as they represent corresponding unpaid dividend liabilities.

Note: The above statement should be read with the Significant accounting policies mentioned and notes to reformatted financial statements.

For further details on our Financial Information, please refer to page 32 of the Letter of Offer.

**CERTAIN OTHER FINANCIAL INFORMATION**

**I. Details of Loan Taken/ Repaid during the last five years**

**a. Yes Bank Limited**

SI No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Secured/ Unsecured loan	Long term/ short term	Tenure of loan	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
<b>2008-09</b>											
1	2008-09	Yes Bank Limited	Opening Balance 15.00	At various rates of 13 % to 17 % and linked to PLR	Secured by way of Guarantee provided by Demuric Holdings Private Limited through lien on it's FD - ₹ 15 Cr	Long term	36 Months ending 12.02.2010	The opening balance of Loan was used for purchase of property in the year 2006-07	15.00	05.01.09	Loan from United Phosphorus Limited
<b>2009-10</b>											
1	26.03.10	Yes Bank Limited	74.00	7.50%	To be secured by way of exclusive charge on current assets of the company.	Short term	6 Months	(1) To repay the United Phosphorus Limited Loan / Int - 69.28 Cr (2) Repay the Interest of other parties - 1 Cr (3) Administrative expenses/Other - ₹ 0.75 Cr			Repaid in next Year
<b>2010-11</b>											
1	1.4.2010	Opening Balance	74.00	7.50%	To be secured by way of exclusive charge on current assets of the company.	Short term	6 Months		74.00	22.09.10	(1) Loan from United Phosphorus Limited - 68.58 Cr (2) Dividend - ₹ 5 Cr

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

SI No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Secured/ Unsecured loan	Long term/ short term	Tenure of loan	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
2	25.09.10	Yes Bank Limited	70.00	7.50% TO 11 %	To be secured by way of exclusive charge on current assets of the company.	Short term	6 Months	Repay the Loan of United Phosphorus Limited - 68.58 Cr and other Admin Exp	70.00	10.03.11	Loan from United Phosphorus Limited
3	31.12.10	Yes Bank Limited	1.00	- Do -	- Do -	Short term	6 Months	Int Pymt of Yes Bank Loan	1.00	10.03.11	Loan from United Phosphorus Limited
4	05.03.11	Yes Bank Limited	0.60	- Do -	- Do -	Short term	6 Months	Int Pymt of Yes Bank Loan	0.60	10.03.11	Loan from United Phosphorus Limited
5	15.03.11	Yes Bank Limited	72.00	- Do -	To be secured by way of exclusive charge on current assets of the company.	Working Capital Demand loan	90 Days	Repay the Loan of United Phosphorus Limited - 71.85 Cr and Other Administrative Expenses			Repaid in next Year
6	31.03.11	Yes Bank Limited	0.75	- Do -	- Do -	- Do -	- Do -	Interest Payment of Yes Bank Loan			
<b>2011-12</b>											
1		Opening Balance	72.75	- Do -	- Do -				72.75	13.06.11	From Unsecured Loan from various party/parties
2	02.05.11	Yes Bank Limited	0.25	10.35% to 11.50%	- Do -	- Do -	- Do -	Interest Payment of Yes Bank Loan	0.25	13.06.11	- Do -
3		Yes Bank Limited	0.85	- Do -	- Do -	- Do -	- Do -	Interest Payment of Yes Bank Loan			- Do -
	01.06.11								0.85	13.06.11	
4	21.06.11	Yes Bank	74.25	- Do -	To be secured by	Working	90 Days	Repayment of	74.25	19.09.11	Loan from

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

Sl No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Secured/ Unsecured loan	Long term/ short term	Tenure of loan	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
		Limited			way of exclusive charge on current assets of the company.	Capital Demand loan		Unsecured Loans from Various Party/Parties			United Phosphorus Limited
5	01.07.11	Yes Bank Limited	0.25	- Do -	- Do -	- Do -	- Do -	Interest Payment of Yes Bank Loan	0.25	19.09.11	Loan from United Phosphorus Limited
6	22.09.11	Yes Bank Limited	75.00	- Do -	To be secured by way of exclusive charge on current assets of the company.	Working Capital Demand loan	90 Days	Repayment of United Phosphorus Limited Loan	75.00	21.12.11	Loan from United Phosphorus Limited ₹ 71.52 Cr & unsecured Loan from Various Party/Parties ₹ 2.10 Cr & Balance from Dividend

**b. United Phosphorus Limited**

Sl No.	Date /Month of Loan	Loan Amount (₹ in crores)	Interest rate (% p.a.)	Where utilized	Repayment Date /month	Amount Repaid (₹ in crores)	Source of repayment
1	<b>2008-2009</b>						
	April	72.13	15%	(1) Towards the liability of "Bank A/c excess drawn" (Canara Bank) (2) Administrative Expenses /Interest costs			
	May	1.56		Admin/interest Cost			
	June	0.37					
	July	0.25					
	August	0.22					
	September	0.38			September	2.78	Dividend from UPL
	October	0.18					

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

Sl No.	Date /Month of Loan	Loan Amount (₹ in crores)	Interest rate (% p.a.)	Where utilized	Repayment Date /month	Amount Repaid (₹ in crores)	Source of repayment
	November	0.18			November	31.35	Proceeds from sale of shares
	December	0.44					
	January	15.17		Repayment of yes Bank Loan/Others			
	March	1.28		Admin/interest Cost	March	57.86	Bank A/c Excess drawn - ₹ 32.65 Cr (Canara Bank), Advance from Customer - ₹ 25 Cr,
	<b>TOTAL</b>	<b>92.16</b>				<b>91.99</b>	
<b>2</b>	<b>2009-2010</b>						
	April	33.50	15% for three months &	₹ 32.64 Cr - Towards the liability of "Bank A/c excess drawn" (Canara Bank)			
	May	2.25	13% for	Admin/Interest cost	May	0.82	Own excess fund
	June	0.05	Nine	Admin/Interest cost			
	July	0.20	Months	Admin/Interest cost			
	August	1.25		Admin/Interest cost			
	September	26.60		(1) ₹ 25 Cr Return of Advance from Customer (2) Balance - Administrative/Interest costs	September	3.75	Dividend from UPL
					October	2.00	Out of balance consideration recd from sale of assets
	December	0.92		Admin/Interest cost			
	January	0.03		Admin/Interest cost			
	February	0.38		Admin/Interest cost			
	March	0.84		Admin/Interest cost	March	59.62	Loan from Yes Bank
	<b>TOTAL</b>	<b>66.02</b>				<b>66.19</b>	
<b>3</b>	<b>2010-2011</b>						
	September	68.58	13%	Repay the Yes Bank Loan	September	68.58	Loan from Yes Bank
	March	71.85	13%	Repay the Yes Bank Loan	March	71.85	Loan from Yes Bank
	<b>TOTAL</b>	<b>140.43</b>				<b>140.43</b>	
<b>4</b>	<b>2011-2012</b>						
	September	71.66	13%	Repay the Yes Bank Loan	Sept	71.66	Loan from Yes Bank
	<b>December</b>	71.52	13%	Repay the Yes Bank Loan	March	71.52	From unsecured Loan from Various Parties/Party
	<b>TOTAL</b>	<b>143.18</b>				<b>143.18</b>	
<b>5</b>	<b>2012-13</b>						
	April	74.00	13%	To repay the Loan from Demuric Holdings Pvt Ltd.	June	16.00	Loan from Demuric Holdings Pvt Ltd. - 16 cr and balance from Loan from STCI Finance Ltd.
					March	58.00	

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

Sl No.	Date /Month of Loan	Loan Amount (₹ in crores)	Interest rate (% p.a.)	Where utilized	Repayment Date /month	Amount Repaid (₹ in crores)	Source of repayment
	November	0.25	13%	For expenses / Interest	March	0.25	Loan from STCI Finance Limited
	December	4.00	13%	To repay the Loan from Demuric Holdings Pvt Ltd.	March	4.00	
	March	5.80	13%	To repay the Loan from Demuric Holdings Pvt Ltd.	March	5.80	
<b>TOTAL</b>		<b>84.05</b>				<b>84.05</b>	

**c. Demuric Holdings Private Limited**

Sl No.	Date of Loan	Loan Amount (₹ in crores)	Interest rate	Where utilized	Repayment date	Repayment amount (₹ in crores)	Source of repayment
1	<b>2011-12</b>						
	June	67.30	13%	Repay the Yes Bank Loan	June	67.30	Loan from Yes Bank Limited
	March	74.00	14%	To repay United Phosphorus Limited Loan	April 2012-2013	74.00	Loan from STCI Finance Limited and Bajaj Finance Limited
	<b>TOTAL</b>	<b>141.30</b>				<b>141.30</b>	
2	<b>2012-13</b>						
	June	16.00	14%	To repay United Phosphorus Limited Loan			
	July	0.70		For expenses			
					Aug	0.70	Own excess fund
					Nov	0.25	Own excess fund
					Dec	4.00	Loan from UPL
	March	1.80		For expenses	March	13.55	Loan from UPL & STCI Finance Ltd and Bajaj Finance Limited
	<b>TOTAL</b>	<b>18.50</b>				<b>18.50</b>	

**d. SWAL Corporation Limited**

Sl No.	Date of Loan	Loan Amount (₹ in crores)	Interest rate	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
1	<b>2011-12</b>						
	June	6.70	13%	Repay the Yes Bank Limited Loan	6.70	June	Loan from Yes Bank Limited



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

**e. Nerka Chemicals Private Limited**

SI No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
1	<b>2011-2012</b>							
	Dec	Nerka Chemicals Pvt Ltd	2.10	13%	Repay the Yes Bank Loan	2.10	April 2012-2013	Short term Loan from Aditya Birla Finance Limited/Excess fund

**f. Aditya Birla Finance Limited**

SI No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Tenure of loan	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
1	<b>2011-2012</b>								
	February	Aditya Birla finance Limited	10.00	13%	Repayable on 29.07.13	Partly in Investment in shares & partly for operations	5.00	July 29, 2013 <sup>#</sup>	Dividend on Equity shares of United Phosphorus Limited held by Company

<sup>#</sup>On July 29, 2013 our Company has repaid the loan from Aditya Birla Finance Limited amounting to ₹ 500 lacs.

**g. STCI Finance Limited**

SI No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Tenure of loan	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
1	<b>2012-13</b>								
	March	STCI Finance Limited	75.00	12.25%	Repayable on 25.03.2014	For Loan repayment of Demuric Holdings pvt ltd, Interest & other expenses	–	Outstanding	–

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

**h. Bajaj Finance Limited**

Sl No.	Date of Loan	Name of the Lender	Loan Amount (₹ in crores)	Interest rate	Tenure of loan	Where utilized	Repayment amount (₹ in crores)	Repayment date	Source of repayment
	March	Bajaj Finance Limited	10.00	12%	Repayable on 27.03.2014	For Loan repayment of Demuric Holdings pvt ltd, Interest & other expenses	-	Outstanding	-

**Details of Fixed Assets for Last Five Years**

								(₹ in Lacs)
No .	Sale/Purchase/ Expenses	Fixed Asset	Buyer /Seller Name	Date	Amount	Nature	Purpose	
<b>Year 2008-09</b>								
1	Sales	Uniphos House, Khar	United Phosphorus Limited	December 2008	5600	Building	Investment in shares	
2	<b>CAPITAL WIP</b>							
	Capital Expense	Water Tax			0.57		Expenses capitalised till assets is put to use	
	Capital Expense	Electricity charges			14.41		Expenses capitalised till assets is put to use	
3	Purchase	Purchase of Small Land in Banglore	Raja Dutta	March 09	45.63	Land	For Approach road for Main Land	
4	Capital Expense	Land	Government	July 08	4.39	Local taxes	Old pending Taxes paid & capitalised for Banglore Land	
5	Capital Expense	Land	Government	August 08	3.14	Local taxes	Old pending Taxes paid & capitalised for Banglore Land	
6	Capital Expense	Land	Government	October 08	2.11	Local taxes	Old pending Taxes paid & capitalised for Banglore Land	
<b>Year 2009-10</b>								
7	Capital Expense	Land	Government	July 10	15.1	Fees	Charges for Conversion of use of Land	
8	Capital Expense	Land	Government	August 10	43.6	Fees	Charges for Conversion of use of Land	
9	Capital Expense	Land	Government	November 10	0.99	Local taxes	Old pending Taxes paid & capitalised for Banglore Land (Net)	
<b>Year 2010-11</b>								
10	Capital	Land	Government	March 11	22.07	Fees	Charges for Conversion of use of Land	

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

No	Sale/Purchase/ Expenses	Fixed Asset	Buyer /Seller Name	Date	Amount	Nature	Purpose
	Expense						
<b>Year 2011-12</b>							
NIL							
<b>Year 2012-13</b>							
11	Sales	Vehicle	Sanjay patekar	November 12	1.42		Sale of old vehicle

**Details of Investments made by our Company in the last five years**

Sl. No.	Date	Particulars	Party	Purpose	2008-09	2009-10	2010-11	2011-12	2012-13
1		<b>Opening Balance of Investments as per Financials statements*</b>			<b>5,455.03</b>	<b>7,773.50</b>	<b>7,754.33</b>	<b>7,748.57</b>	<b>8,398.17</b>
2	12.06.08	Purchase of 28,50,000 Equity shares of United Phosphorus limited	Demuric Holdings Pvt ltd.	Investment	9,120.00	-	-	-	-
3	03.11.08	Less : 28,50,000 Sale of Equity Shares of United Phosphorus limited	Nerka chemicals pvt Ltd.		(4,560.00)	-	-	-	-
		(Sales Consideration ₹ 3135 Lacs, Cost of ₹ 4560 reduced from the Investment)							
4	28.11.08	Less : Reclassification of 28,50,000 Shares of United Phosphorus Limited from Short term to long term investment			(2,241.53)	-	-	-	-
5	23.02.12	Purchase of 51,930 Equity shares of United Phosphorus	Open Market	Investment	-	-	-	77.89	-

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

Sl. No.	Date	Particulars	Party	Purpose	2008-09	2009-10	2010-11	2011-12	2012-13
6	27.02.12	limited Purchase of 3,00,000 Equity shares of United Phosphorus limited	Open Market	Investment	-	-	-	431.91	-
7	06.03.12	Purchase of 40,000 Equity shares of Advanta India limited	Open Market	Investment	-	-	-	145.27	-
		Less : depreciation provided on Investment in house property as per the Companies Act, 1956			-	(19.17)	(5.76)	(5.47)	(5.20)
		<b>Closing Balance of Investments as per Financials statements</b>			<b>7,773.50</b>	<b>7,754.33</b>	<b>7,748.57</b>	<b>8,398.17</b>	<b>8,392.97</b>

\*Opening/Closing balance includes ₹134.41 lacs (gross value) as investment in house property for all the years.

**Details of loans and advances given by our Company in the last five years**

**Non Current Loans and Advances (Unsecured and considered goods)**

Particulars	(₹ in lacs)				
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
<b>Security Deposits</b>					
Telephone deposit	0.02	0.02	0.02	0.02	0.02
Electricity connection deposit	0.11	0.11	0.11	0.11	
Maharashtra VAT deposit	0.30	0.30			
Advance tax and TDS (Net of provisions) (Refer below for the details)	2,180.21	2,083.92	2,069.62	2,043.02	1,983.40
	<b>2,180.64</b>	<b>2,084.35</b>	<b>2,069.75</b>	<b>2,043.15</b>	<b>1,983.42</b>

Month	Year	(₹ in Lacs)				
		As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
	Advance tax and TDS (Net of provisions)	2,180.21	2,083.92	2,069.62	2,043.02	1,983.40
	Opening Balance at the beginning of the year	2,083.92	2,069.62	2,043.02	1,983.40	1,933.33

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

Month	Year	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
April	Tax refund	-	(3.58)	-	0.53	-
August	Tax paid	-	-	42.00	-	-
September	Tax adjustment as per IT order	-	-	-	15.54	-
September	Tax paid	-	-	-	160.00	-
October	Tax paid	-	-	(30.68)	-	5.41
December	Tax paid	-	-	-	92.00	-
December	Tax adjustment as per IT order	96.29	16.72	-	4.66	-
February	Tax paid	-	-	-	38.00	-
March	Tax paid	-	-	-	83.89	61.32
March	TDS Accounted	-	-	-	-	31.40
March	Provision for Taxation	-	-	-	(335.00)	(48.00)
March	Tax adjustment as per IT order	-	1.16	15.28	-	-
	<b>TOTAL</b>	<b>2,180.21</b>	<b>2,083.92</b>	<b>2,069.62</b>	<b>2,043.02</b>	<b>1,983.40</b>

**Current - loans and advances**

(Unsecured, Considered Good)

Particulars	(₹ in lacs)				
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
Advance recoverable in cash or kind	0.30	0.69	0.06	0.59	5.20
<b>Total</b>	<b>0.30</b>	<b>0.69</b>	<b>0.06</b>	<b>0.59</b>	<b>5.20</b>

An amount of ₹ 734 lacs was given to UPL as a loan/advance during the financial year 2011-12, which was repaid by UPL during the same financial year.

**Other Current Assets**

(Unsecured Considered Good)

Particulars	(₹ in lacs)				
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
Dividend receivable	-	506.74	-	-	-
Misc. expenses - Right Issue Expenses	36.54	30.92	30.81	-	-
Asset held for sale	-	-	-	-	1,263.89
Rent Receivable	-	-	-	157.39	161.70
<b>Total</b>	<b>36.54</b>	<b>537.66</b>	<b>30.81</b>	<b>157.39</b>	<b>1,425.59</b>

**PRINCIPAL TERMS OF THE LOAN AND ASSETS CHARGED AS SECURITY**

**A. Term Loan**

Name of the Lending Bank/ Financial Institution:

**a. Bajaj Finance Limited**

<b>Nature of Loan Facility</b>	Loan against shares
<b>Amount Sanctioned</b>	₹ 3,000.00 lacs
<b>Rate of Interest</b>	12.00% p.a. payable monthly
<b>Amount outstanding as on date</b>	1,000.00 lacs
<b>Sanction details</b>	Letter no. 100017 dated March 25, 2013
<b>Tenure</b>	12 months with put/call after 6 months
<b>Security</b>	<ul style="list-style-type: none"> <li>• Pledge of shares from United Phosphorus Limited (to provide security cover of 2 times of the loan amount)</li> <li>• Post dated cheques for the loan amount and the interest amounts thereon</li> </ul>
<b>Purpose</b>	Repayment of loan and general corporate purpose

**b. STCI Finance Limited**

<b>Nature of Loan Facility</b>	Revolving loan against shares
<b>Amount Sanctioned</b>	₹ 7,500.00 lacs
<b>Rate of Interest</b>	12.25 % p.a. (fixed) with monthly rests
<b>Amount outstanding as on date</b>	₹ 7,500.00 lacs
<b>Sanction details</b>	Letter no. STCI/LAS/UEL/2012-13/1231 dated March 25, 2013
<b>Tenure</b>	1 year from the date of first disbursement
<b>Security</b>	Pledge of shares of United Phosphorus Limited
<b>Purpose</b>	Repayment of high cost unsecured loans availed from group companies

**B. Inter-corporate Deposits**

1. Name of the lending company: N.H.Harsora Limited, Dr. Hakim's Wadi, Behind Super Cinema, Harsora Centre, Grant Road, Mumbai – 400007

<b>Nature of facility</b>	Loan recallable on demand
<b>Amount Sanctioned</b>	₹ 20 Lacs
<b>Rate of Interest</b>	Interest free
<b>Amount outstanding as on date</b>	₹ 20 Lacs
<b>Sanction details</b>	Not applicable
<b>Tenure</b>	Loan recallable on demand
<b>Security</b>	Nil
<b>Purpose</b>	Working capital

**ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER****WORKING RESULTS**

In accordance with circular no. F.2/5/SE/76 dated February 5, 1977 issued by the Ministry of Finance, Government of India, as amended by Ministry of Finance, Government of India through its circular dated March 8, 1977 and in accordance with sub-item (B) of item X of Part E of the SEBI Regulations, the information required to be disclosed for the period between the last date of financial statements provided to the shareholders and the date preceding one month from the date of Letter of Offer is provided below:

**a. Working Results of our Company for the period from 1 April 2013 to July 31, 2013**

Particulars	Amount (₹ in Lacs)
Sales / turnover	216.67
Other income	636.27
Total income	852.94
PBIDT	600.65
Interest & Finance Charges	369.10
Provision for Depreciation	1.24
Provision for Tax	-
Profit /(Loss) after Tax	230.31

**b. Material changes and commitments, if any, affecting the financial position of our Company**

In the opinion of our Board, there have not arisen since the date of the last financial statements disclosed in the Letter of Offer, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our material liabilities within the next 12 months otherwise than as disclosed in the Letter of Offer which will impact our performance and prospects.

**CAPITALISATION STATEMENT AS ADJUSTED FOR THE ISSUE**

Statement of Capitalisation of the Uniphos Enterprises Limited (the “Company”) as adjusted for issue:

Particulars	₹ in Lacs	
	Pre-Issue as at March 31, 2013	As Adjusted for the Issue
<b>Short Term Debt</b>	9,020.00	9,020.00
<b>Long Term Debt</b>	-	-
<b>Total Debt (A)</b>	<b>9,020.00</b>	<b>9,020.00</b>
<b>Shareholders' Fund / Net worth</b>		
<b>Share capital</b>	509.49	1,390.91
<b>Reserves and surplus</b>		
<b>Securities Premium Account</b>	-	6,610.68
<b>Capital reserve</b>	64.39	64.39
<b>General reserve</b>	3,100.65	3,100.65
<b>Surplus in the statement of profit and loss</b>	919.70	919.70
<b>Miscellaneous expenses</b>	(36.54)	(36.54)
<b>Total Shareholders' fund/ Net worth (B)</b>	<b>4,557.69</b>	<b>12,049.79</b>
<b>Total Debts / Shareholder's fund (A/B)</b>	<b>1.98</b>	<b>0.75</b>

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

### Notes:

The statement of the Company as adjusted for the issue are prepared by the Company's management and have considered the following principles for the purpose of Calculation:

1. Pre issue figures are based reformatted financial statements of the Company.
2. The corresponding post issue figures are based on the rights issue entitlements ratio of 173 Equity Shares for every 100 fully paid-up equity shares held by the existing Equity Shareholders as of March 31, 2013 and based on the issue price of ₹ 17 per share as decided by the Board of Directors in its meeting dated September 7, 2013.
3. The Capitalisation Statement, as adjusted for Rights Issue is prepared on the assumption that the proposed rights issue of 44,071,179 Equity Shares with a face value of ₹ 2 each at a premium of ₹ 15/- per Equity Share will be subscribed fully.
4. Net Worth includes equity Share capital + Reserves & Surplus (excluding revaluation reserve) - Miscellaneous expenses.

### MARKET PRICE INFORMATION

The high, low and average market prices of the equity shares during the preceding three years were recorded, as stated below:

BSE							
Calendar Year	Date of High	High (₹)	Volume on date of High (No. of Shares)	Date of Low	Low (₹)	Volume on Date of low (No. of Shares)	Average (₹)
2011	January 4	40.10	3,470	December 30	22.40	1,050	28.13
2012	February 9	30.00	21,406	September 3	20.20	424	23.97
2013	January 10	26.20	41,898	April 8	16.20	100	20.37

(Source: www.bseindia.com)

NSE							
Calendar Year	Date of High	High (₹)	Volume on date of High (No. of Shares)	Date of Low	Low (₹)	Volume on Date of low (No. of Shares)	Average (₹)
2011	January 4	40.20	4,560	December 29	22.50	1,817	28.13
2012	February 9	30.10	17,522	September 3	20.35	1,514	23.93
2013	January 10	26.50	84,413	April 15	16.05	800	20.66

(Source: www.nseindia.com)

### Notes:

- High, low and average prices are of the daily closing prices.
- In case of two days with the same closing price, the date with higher volume has been considered.

Monthly high and low prices and trading volumes on the Stock Exchanges for the six months preceding the date of filing of the Letter of Offer is as stated below:

BSE							
Month	Date	High (₹)	Volume (No. of Shares)	Date	Low (₹)	Volume (No. of Shares)	Average (₹)
March 2013	11 <sup>th</sup>	20.30	2,579	26 <sup>th</sup>	17.25	1,222	19.04
April 2013	15 <sup>th</sup>	20.70	1,552	8 <sup>th</sup>	16.2	100	17.77
May 2013	17 <sup>th</sup>	21.00	2,549	2 <sup>nd</sup>	18.00	7,038	19.75
June 2013	7 <sup>th</sup>	20.50	1,027	24 <sup>th</sup>	16.60	4,500	18.87
July 2013	30 <sup>th</sup>	19.20	10	22 <sup>nd</sup>	17.20	101	18.28
August 2013	22 <sup>nd</sup>	18.75	127	30 <sup>th</sup>	16.75	6,100	17.68

(Source: www.bseindia.com)



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

NSE							
Month	Date	High (₹)	Volume (No. of Shares)	Date	Low (₹)	Volume (No. of Shares)	Average (₹)
March 2013	11 <sup>th</sup>	20.35	2,077	26 <sup>th</sup>	17.10	1,724	18.93
April 2013	11 <sup>th</sup>	19.95	503	15 <sup>th</sup>	16.05	800	17.94
May 2013	17 <sup>th</sup>	21.00	5,100	2 <sup>nd</sup>	18.20	500	19.56
June 2013	11 <sup>th</sup>	20.45	1,000	28 <sup>th</sup>	18.00	412	19.24
July 2013	3 <sup>rd</sup>	19.95	2	30 <sup>th</sup>	17.50	300	18.58
August 2013	12 <sup>th</sup>	18.25	402	29 <sup>th</sup>	16.35	200	17.17

(Source: www.nseindia.com)

Notes

- High, low and average prices are of the daily closing prices.
- In case of two days with the same closing price, the date with higher volume has been considered.

The closing prices of equity shares as on December 24, 2010 (the trading day immediately following the day on which the resolution of the Board of Directors was passed approving the Rights Issue) on BSE and the NSE were ₹ 39.60 and ₹ 39.05, respectively.

- a. The week end closing prices of the equity shares for last four weeks on BSE and NSE are provided in the table below:

Week ended on	Closing Price (In ₹)	
	BSE*	NSE**
September 6, 2013	17.25	17.55
August 30, 2013	16.75	17.15
August 23, 2013	17.85	16.50
August 16, 2013	17.95	18.25 <sup>1</sup>

\*Source: [www.bseindia.com](http://www.bseindia.com) \*\* Source: [www.nseindia.com](http://www.nseindia.com)

<sup>1</sup> There was no trading on this day. The last date of trading prior to this day was August 12, 2013

- b. The highest and lowest prices of the equity shares on BSE and NSE for last four weeks are provided in the table below:

Name of the stock exchange	Highest (In ₹)	Date	Lowest (In ₹)	Date
BSE	18.75	August 22, 2013	16.75	August 30, 2013
NSE	18.30	September 5, 2013	16.35	August 29, 2013

Notes

- High and low prices are of the daily closing prices.
- In case of two days with the same closing price, the date with higher volume has been considered.

- c. The closing current market price as of September 6, 2013 on BSE was ₹ 18.15 per share and NSE was ₹ 17.40 per share.

The Issue Price of ₹ 17/- has been arrived at by our Company in consultation with the Lead Manager.

**OUTSTANDING LITIGATIONS AND DEFAULTS**

All pending matters involving our Company which, if they result in an adverse outcome would materially and adversely affect our operations or our financial position, have been disclosed in this section.

There are no matters which are pending or which have arisen in the immediately preceding ten years, which have not been transferred to UPL, formerly Search Chem Industries Limited, pursuant to the Scheme of Amalgamation, involving:

- (1) Issues of moral turpitude or criminal liability on the part of our Company
- (2) Material violations of statutory regulations by our Company
- (3) Economic offences where proceedings have been initiated against our Company.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

In terms of Part E of Schedule VIII of SEBI Regulations, which sets out disclosure requirements the purpose of inclusion in the letter of offer, the following materiality tests have been applied for disclosure of litigations involving our Company:

1.1 For the outstanding litigations which may not have any impact on our future revenues:

- (a) Where the aggregate amount involved in such individual litigation exceeds one per cent of the net worth of our Company as per last completed financial year; or
- (b) Where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in single case individually may not exceed one per cent of the net worth of our Company as per the last completed financial year.

1.2 For the outstanding litigations which may have any impact on the future revenues:

- (a) Where the aggregate amount involved in such individual litigation is likely to exceed one per cent of the total revenue of our Company as per last completed financial year; or
- (b) Where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in single case individually may not exceed one per cent of the total revenue of our Company, if similar cases put together collectively exceed one per cent of total revenue of our Company as per last completed financial year.

**Pending matters which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:**

### *Litigations filed against our Company*

Type of cases	Number of cases	Nature of dispute	Approximate Amount Ascertainable (in ₹ lacs)
Consumer Cases	1	Cases with respect to quality of seeds.	0.53
Tax Cases	7	Disallowances of certain deductions and rejection of miscellaneous expenses.	Not ascertainable

### *Litigations filed by our Company*

Type of cases	Number of cases	Nature of dispute	Approximate Amount Ascertainable (in ₹ lacs)
Consumer Cases	4	Cases with respect to quality of seeds.	4.60
Tax Cases	23	Disallowances of certain deductions and rejection of miscellaneous expenses.	Not ascertainable

For detailed information, please see page 82 of the Letter of Offer.

## GOVERNMENT APPROVAL

Please refer to the section titled “Government Approvals” on page 98 of the Letter of Offer.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

This Issue of Equity Shares to the Equity Shareholders of our Company as on the Record Date is being made in accordance with the resolution passed by our Board of Directors under Section 81(1) of the Companies Act, at its meeting held on December 23, 2010.

**Prohibition by SEBI and various agencies/ other regulatory bodies**

Our Company, our associates, our Promoters, our Promoter Group companies, or the companies with which the Directors are associated as directors or promoters, have not been prohibited from accessing or operating in the capital market under any order or direction passed by SEBI.

None of our Company, our associates, our Promoters or the members of the Promoter Group have been declared willful defaulters by the RBI or any Government authority and no violations of securities laws have been committed by them in the past and no proceedings in relation to such violations are currently pending against them.

None of our Directors are associated in any manner with any entity which is engaged in securities market related business and is registered with SEBI for the same.

None of our Directors hold current or have held directorship(s) in the last five years in a listed company whose shares have been or were suspended from trading on BSE or the NSE or in a listed company which has been / was delisted from any stock exchange.

We confirm that there are no proceedings initiated by SEBI, Stock Exchanges or ROC, etc on our Company/Promoters/Directors/Group Companies.

***Eligibility for the Issue***

Our Company is an existing listed company registered under the Companies Act whose equity shares are listed on BSE and NSE. It is eligible to make this Rights Issue in terms of Chapter IV of the SEBI Regulations.

Our Company is eligible to make reduced disclosures in the Letter of Offer as per clause 5 under Part E of Schedule VIII of the SEBI ICDR Regulations as it is in compliance with the following:

- (a) our Company has been filing periodic reports, statements and information in compliance with the listing agreement for the last three years immediately preceding the date of filing the Draft Letter of Offer with SEBI;
- (b) the reports, statements and information referred to in sub-clause (a) above are available on the website of any recognised stock exchange with nationwide trading terminals, i.e., BSE and the NSE or on a common e-filing platform specified by SEBI;
- (c) our Company has investor grievance-handling mechanism which includes meeting of the Shareholders' or Investors' Grievance Committee at frequent intervals, appropriate delegation of power by the Board of Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

*Note: We are eligible to make reduced disclosures in the Letter of Offer. However, we have undertaken to disclose full financial information pertaining to our Company.*

Furthermore, as on the date of filing of the Letter of Offer, our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended, the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Equity Listing Agreement.

**DISCLAIMER CLAUSE OF SEBI**

**AS REQUIRED, A COPY OF THE OFFER DOCUMENT HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY BE DEEMED / CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY**

RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS OFFER DOCUMENT. THE LEAD MANAGER, KEYNOTE CORPORATE SERVICES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGER, KEYNOTE CORPORATE SERVICES LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 29, 2010 WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATIONS LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE OFFER DOCUMENT PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
  - a) THE OFFER DOCUMENT FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
  - b) ALL THE LEGAL REQUIREMENTS TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - c) THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOT APPLICABLE AS THE ISSUE IS NOT UNDERWRITTEN.

5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE OFFER DOCUMENT WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE OFFER DOCUMENT. – NOT APPLICABLE AS THE PRESENT ISSUE IS A RIGHTS ISSUE.
6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUES OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE OFFER DOCUMENT – NOT APPLICABLE AS THE PRESENT ISSUE IS A RIGHTS ISSUE.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. - NOT APPLICABLE AS THE PRESENT ISSUE IS A RIGHTS ISSUE.
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE "MAIN OBJECTS" LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FORM ALL THE STOCK EXCHANGES MENTIONED IN THE LETTER OF OFFER. WE FURHTER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKER TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE OFFER DOCUMENT THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.
11. WE CERTIFY THAT ALL APPLICABLE DISCLOSURES MANDATED IN SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE

REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN THE ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE OFFER DOCUMENT:

- a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE ISSUER AND
- b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO THE ADVERTISEMENT IN TERMS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE.

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ETC.

15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE OFFER DOCUMENT WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY KEYNOTE CORPORATE SERVICES LIMITED' AS PER FORMAT SPECIFIED BY THE BOARD THROUGH CIRCULAR. - NOT APPLICABLE AS THE PRESENT ISSUE IS A RIGHTS ISSUE.

17. WE CERTIFY THAT THE PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.

THE FILING OF THE OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCE AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

THE PROMOTER/ DIRECTORS OF OUR COMPANY CONFIRM THAT NO INFORMATION/ MATERIAL LIKELY TO HAVE A BEARING ON THE DECISION OF INVESTORS IN RESPECT OF THE SHARES OFFERED IN TERMS OF THE OFFER DOCUMENT HAS BEEN SUPRESSED WITHHELD AND/ OR INCORPORATED IN THE MANNER THAT WOULD AMOUNT TO MIS-STATEMENT/ MISREPRESENTATION AND IN THE EVENT OF ITS TRANSPILING AT ANY POINT IN TIME TILL ALLOTMENT/ REFUND AS THE CASE MAY

**BE, THAT ANY INFORMATION/ MATERIAL HAS BEEN SUPPRESSED/ WITHHELD AND/ OR AMOUNTS TO A MIS-STATEMENT/ MISREPRESENTATION, THE PROMOTERS/ DIRECTORS UNDERTAKE TO REFUND THE ENTIRE APPLICATION MONIES TO ALL SUBSCRIBERS WITHIN 7 DAYS THEREAFTER WITHOUT PREJUDICE TO THE PROVISIONS OF SECTION 63 OF THE COMPANIES ACT.**

**Disclaimer clauses from our Company and the Lead Manager**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than in the Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

The Lead Manager and our Company shall make all information available to the Equity Shareholders and no selective or additional information would be available for a section of the Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of the Letter of Offer with SEBI.

Investors who invest in the Issue will be deemed to have represented to our Company and Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in this Issue.

**Caution**

Investors that apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the LM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares in the Issue.

**Disclaimer with respect to jurisdiction**

The Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Mumbai, India only.

**Designated Stock Exchange**

The Designated Stock Exchange for the purpose of the Issue will be BSE.

**Disclaimer Clause of BSE**

BSE has given vide its letter no. DCS/PREF/NP/IP-RT/1019/10-11 dated February 4, 2011 permission to our Company to use BSE's name in the Letter of Offer as one of the Stock Exchanges on which the Equity Shares are proposed to be listed. BSE has scrutinized the Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. BSE does not in any manner: (i) warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; or (ii) warrant that this Company's securities will be listed or will continue to be listed on BSE; or (iii) take any responsibility for the financial or other soundness of our Company, its Promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against 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.

**Disclaimer Clause of the NSE**

The NSE has given vide its letter no. NSE/LIST/157769-W dated February 4, 2011 permission to our Company to use NSE's name in this Draft Letter of Offer as one of the Stock Exchanges on which the Equity Shares are proposed to be listed. The NSE has scrutinized the Draft Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to our Company. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Letter of Offer has been cleared or approved by NSE, nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Letter of Offer; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of our Company, the Promoters, its management or any scheme or project of our Company.

Every person who desires to apply for or otherwise acquire any securities of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

**Filing**

The Draft Letter of Offer was filed with the Corporation Finance Department of the SEBI, located at SEBI Western Regional Office, Unit No: 002, Ground Floor, SAKAR I, Near Gandhigram Railway Station, Opposite Nehru Bridge, Ashram Road, Ahmedabad – 380 009, India for its observations. Pursuant to SEBI's observations, the Letter of Offer has been filed with the Designated Stock Exchange as per the provisions of the Companies Act.

**Listing**

The existing equity shares are listed on BSE and NSE. We have received the in-principle approvals in respect of the Equity Shares to be offered in terms of the Letter of Offer from BSE and NSE. We will apply to BSE and NSE for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to this Issue. If the listing and trading approvals for the Equity Shares to be issued pursuant to this Issue is not granted by any of the Stock Exchanges, we shall forthwith repay, without interest, all monies received from applicants in pursuance of the Letter of Offer.

We will issue and dispatch Allotment advice/ share certificates/ demat credit and/ or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date.

If such allotment is not made or money is not repaid within eight days from the day we become liable to repay it, we and every Director of the Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to pay the money with interest as prescribed under Section 73 of the Companies Act.

**Investor grievances arising out of this Issue**

Our Company's investor grievances arising out of the Issue will be handled by Sharepro Services (India) Private Limited, who is the Registrar to the Issue. The Registrar will have a separate team of personnel handling only post-Issue correspondence.

The agreement between our Company and the Registrar will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of Allotment Advice/ share certificate / refund order to enable the Registrar to redress grievances of Investors.



## **ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

All grievances relating to the Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact telephone / cell numbers, email id of the first applicant, number and type of shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

The average time taken by the Registrar for attending to routine grievances will be 7-10 days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

**Investors may contact the compliance officer at the below mentioned address and/ or Registrar to the Issue at the above mentioned address in case of any pre-Issue/ post -Issue related problems such as non-receipt of allotment advice/share certificates/ demat credit/refund orders etc.**

**Additionally, we have been registered with the SEBI Complaints Redress System (“SCORES”) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 3, 2011. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).**

**Mr. K. M. Thacker**

Company Secretary and Compliance Officer

**Uniphos Enterprises Limited**

8, Shri Krishna Commercial Centre

6, Udoy Nagar, Off S. V. Road,

Goregaon (West),

Mumbai- 400 062

**Tel:** +91 22 2875 5486

**Fax:** +91 22 2875 3485

**E-mail:** thackerkm@uniphos.com

### **Status of Complaints**

- a. Total number of complaints received during Fiscal 2011: 11
- b. Total number of complaints received during Fiscal 2012: 6
- c. Total number of complaints received during Fiscal 2013: 7
- d. Average Time normally taken for disposal of various types of investor complaints: 7-10 days from the date of receipt of complaints.

### **Status of outstanding investor complaints**

As on June 30, 2013, there were no outstanding investor complaints.

### **TERMS OF THE ISSUE**

The Equity Shares proposed to be issued are subject to the terms and conditions contained in the Letter of Offer, the Abridged Letter of Offer and the enclosed CAF, the MoA and AoA of our Company, the provisions of the Companies Act, the terms and conditions as may be incorporated in the FEMA, as amended, applicable guidelines and regulations issued by SEBI, or other statutory authorities and bodies from time to time, the Listing Agreements entered into by our Company, terms and conditions as stipulated in the allotment advice or security certificate and rules as may be applicable and introduced from time to time. **All rights/obligations of Equity Shareholders in relation to application and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.**

**Please note that equity shareholders being QIBs and Non-Institutional Investors, can participate in this Issue only through ASBA process. Retail Individual Investors whose application amounts do not exceed ₹ 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process.**

All Investors (apart from Retail Individual Investors) having bank accounts with SCSBs that are providing ASBA in cities / centers where such Investors are located, are mandatorily required to make use of the ASBA facility. Otherwise, applications of such Investors are liable for rejection. All Investors are encouraged to make use of the ASBA facility wherever such facility is available.

ASBA Investors should note that the ASBA process involves application procedures that may be different from the procedure applicable to non-ASBA process. ASBA Investors should carefully read the provisions applicable to such applications before making their application through the ASBA process. For details, please refer to “Procedure for Application through the Applications Supported by Blocked Amount Process” on page 117 of the Letter of Offer.

#### **Basis for the Issue**

The Equity Shares are being offered for subscription for cash to those existing Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories for the purpose of this Rights Issue in respect of the equity shares held in the electronic form and on the register of members of our Company in respect of the equity shares held in physical form at the close of business hours on the Record Date, fixed in consultation with the Designated Stock Exchange.

#### **Rights Entitlement**

As your name appears as a beneficial owner in respect of the equity shares held in the electronic form or appears in the register of members as an Equity Shareholder of our Company as on the Record Date, i.e., Thursday, September 19, 2013, you are entitled to the number of Equity Shares as set out in Part A of the enclosed CAFs.

**The distribution of the Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. The Company is making the issue of Equity Shares on a rights basis to the Equity Shareholders and the Letter of Offer, Abridged Letter of Offer and the CAFs will be dispatched only to those Equity Shareholders who have a registered address in India. Any person who acquires Rights Entitlements or Equity Shares will be deemed to have declared, warranted and agreed, by accepting the delivery of the Letter of Offer, that it is not and that at the time of subscribing for the Equity Shares or the Rights Entitlements, it will not be, in the United States and in other restricted jurisdictions.**

#### **Principal Terms of this Issue**

##### ***Face Value***

Each Equity Share will have the face value of ₹ 2.

##### ***Issue Price***

Each Equity Share shall be offered at an Issue Price of ₹ 17/- for cash at a premium of ₹ 15/- per Equity Share. The Issue Price has been arrived at after consultation between our Company and the Lead Manager.

##### ***Entitlement Ratio***

The Equity Shares are being offered on a rights basis to the Equity Shareholders in the ratio of 173 Equity Shares for every 100 equity shares held on the Record Date.

##### ***Terms of Payment***

The full amount of ₹ 17/- per Equity Share is payable on application.

##### ***Fractional Entitlements***

Fractional entitlement if any will be rounded off to the next higher integer and the share required for the same will be adjusted from one of the promoter's entitlement.

***Ranking***

The Equity Shares being issued shall be subject to the provisions of our Memorandum of Association and Articles of Association. The Equity Shares shall rank *pari passu*, in all respects including dividend, with our existing equity shares.

***Mode of payment of dividend***

In the event of declaration of dividends, we shall pay dividends to equity shareholders as per the provisions of the Companies Act and the provisions of our Articles of Association.

***Listing and trading of Equity Shares proposed to be issued***

Our Company's existing equity shares are currently listed and traded on BSE (Scrip Code: 500429) and the NSE (Scrip Code – UNIENTER) under the ISIN INE037A01022. The fully paid up Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchanges under the existing ISIN for fully paid up Equity Shares of our Company.

The listing and trading of the Equity Shares shall be based on the current regulatory framework applicable thereto. Accordingly, any change in the regulatory regime would affect the schedule. Upon Allotment, the Equity Shares shall be traded on Stock Exchanges in the demat segment only.

We have received "in-principle" approvals for the listing of the Equity Shares to be issued pursuant to the Issue in accordance with Clause 24(a) of the Listing Agreement from BSE and NSE pursuant to letters, both, dated February 4, 2011. We will apply to BSE and NSE for final approval for the listing and trading of the Equity Shares. All steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares to be allotted pursuant to the Issue shall be taken as per the regulatory requirement.

If permissions to list, deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Letter of Offer. If such money is not repaid beyond eight days after our Company becomes liable to repay it, i.e., the date of refusal of an application for such a permission from a Stock Exchange, or on expiry of 15 days from the Issue Closing Date in case no permission is granted, whichever is earlier, then our Company and every Director who is an officer in default shall, on and from such expiry of eight days, be liable to repay the money, with interest as per applicable law.

***Rights of the Equity Shareholder***

Subject to applicable laws, the Equity Shareholders of our Company shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right to free transferability of Equity Shares; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act and Memorandum of Association and Articles of Association.

**Arrangements for Disposal of Odd Lots**

Our Company's shares will be traded in dematerialized form only and therefore the marketable lot is one (1) share. Therefore, there is no possibility of any odd lots.

**Restrictions on transfer and transmission of shares and on their consolidation/ splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue.

**General Terms of the Issue**

***Market Lot***

The market lot for the Equity Shares in dematerialised mode is one Equity Share. In case an Equity Shareholder holds equity shares in physical form, we would issue to the allottees one certificate for the Equity Shares allotted to each folio ("**Consolidated Certificate**") and in case an Equity Shareholder seeks allotment in demat form (whether existing equity shares being held in demat or physical form) and provides all relevant and correct details we would allot him in demat form. In respect of Consolidated Certificates, we will upon receipt of a request from the respective Equity Shareholders, split such Consolidated Certificates into smaller denominations within one week's time from the receipt of the request in respect thereof, subject to a maximum of five denominations. We shall not charge a fee for splitting any of the Consolidated Certificates.

***Joint Holders***

Where two or more persons are registered as the holders of any equity shares, they shall be deemed to hold the same as joint tenants with the benefit of survivorship subject to the provisions contained in the Articles of Association.

***Nomination***

In terms of Section 109A of the Companies Act, nomination facility is available in respect of the Equity Shares. An Investor can nominate any person by filling the relevant details in the CAF in the space provided for this purpose.

In case of Equity Shareholders who are individuals, a sole Equity Shareholder or the first named Equity Shareholder, along with other joint Equity Shareholders, if any, may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the Equity Shares. A person, being a nominee, becoming entitled to the Equity Shares by reason of the death of the original Equity Shareholder(s), shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the Equity Shares. Where the nominee is a minor, the Equity Shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the Equity Share(s), in the event of death of the said holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale of the Equity Shares by the person nominating. A transferee will be entitled to make a fresh nomination in the manner prescribed. Fresh nominations can be made only in the prescribed form available on request at the Registered Office of the Company or such other person at such addresses as may be notified by the Company. The Investor can make the nomination by filling in the relevant portion of the CAF. In terms of Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, 1956, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Only one nomination would be applicable for one folio. Hence, in case the Equity Shareholder(s) has already registered the nomination with the Company, no further nomination needs to be made for Equity Shares that may be allotted in this Issue under the same folio.

**In case the allotment of Equity Shares is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in this Issue. Nominations registered with respective Depository Participant (“DP”) of the investor would prevail. Any investor desirous of changing the existing nomination is requested to inform its respective DP.**

*Notices*

All notices to the Equity Shareholder(s) required to be given by the Company shall be published in one English national daily with wide circulation, one Hindi national daily with wide circulation and one regional language daily newspaper with wide circulation in Gujarati daily and/or, will be sent by ordinary post/registered post/speed post to the registered holders of the equity shares from time to time.

*Additional Subscription by the Promoters*

Our Promoter/ Promoter Group, either jointly or severally, intend to subscribe to their Rights Entitlement in this Issue, in full, subject to the terms of the Letter of Offer and applicable laws. Subject to compliance with applicable laws including the Takeover Code, the Promoter/ Promoter Group, either jointly or severally, reserve the right to subscribe for (1) additional Equity Shares of our Company and/or (2) the unsubscribed portion if any, to the extent that the holding of Promoter/Promoter Group does not exceed 75% of the post Issue paid up capital of our Company. One of the Promoter/ Promoter Group entity Nerka Chemicals Private Limited has provided an undertaking dated July 12, 2013 to this effect.

As a result of the subscription, our Promoter/Promoter Group may acquire Equity Shares over and above their respective entitlements in this Issue, which may result in an increase of their shareholding above the current shareholding along with the Rights Entitlement. Such subscription and acquisition of additional Equity Shares by our Promoter / Promoter Group through the Issue, if any, shall be made in accordance with applicable laws. Further, such acquisition is exempted from the obligation to make an open offer as the conditions prescribed in Regulation 10(4) (b) of the Takeover Code are duly complied with.

For further details, please refer to “Terms of the Issue - Basis of Allotment” on page 116 of the Letter of Offer.

*Procedure for Application*

The CAF for Equity Shares would be printed in black ink for all Equity Shareholders. In case the original CAFs are not received by the Investor or is misplaced by the Investor, the Investor may request the Registrars 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 the Company nor the Registrar 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.

**Please note that Equity Shareholders being QIBs, Non-Institutional Investors and other Equity Shareholders (whose application amount exceeds ₹ 2,00,000) can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed ₹ 2,00,000 can participate in this 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 derecognized 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.**

**The CAF consists of four parts:**

- Part A: Form for accepting the Rights Equity Shares and for applying for additional Rights Equity Shares;
- Part B: Form for renunciation;
- Part C: Form for application by renouncee(s);
- Part D: Form for request for Split Application Forms.

***Acceptance of the Issue***

You may accept the offer to participate and apply for the Equity Shares offered, either in full or in part, by filling Part A of the enclosed CAFs and submit the same along with the application money payable to the Banker to the Issue or any of the collection branches as mentioned on the reverse of the CAFs before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of our Company in this regard. Investors at centres not covered by the branches of collecting banks can send their CAFs together with the cheque drawn at par on a local bank at Mumbai/demand draft payable at Mumbai to the Registrar to the Issue by registered post. Such applications sent to anyone other than the Registrar to the Issue are liable to be rejected. For further details on the mode of payment, see “Mode of Payment for Resident Equity Shareholders/Investors” and “Mode of Payment for Non-Resident Equity Shareholders/Investors” on pages 131 and 132, respectively of the Letter of Offer.

***Option available to the Equity Shareholders***

The CAFs will clearly indicate the number of Equity Shares that the Shareholder is entitled to.

If the Equity Shareholder applies for an investment in Equity Shares, then he can:

- Apply for his Rights Entitlement of Equity Shares in full;
- Apply for his Rights Entitlement of Equity Shares in part;
- Apply for his Rights Entitlement of Equity Shares in part and renounce the other part of the Equity Shares (by requesting for split forms);
- Apply for his Rights Entitlement in full and apply for additional Equity Shares;
- Renounce his Rights Entitlement in full.

***Additional Equity Shares***

You are eligible to apply for additional Equity Shares over and above your Rights Entitlement, provided that you are eligible to apply under applicable law and have applied for all the Equity Shares offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional 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 “Basis of Allotment” on page 116 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 Equity Shares.

Where the number of additional 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.

***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 more than three persons (including joint holders), partnership firm(s) or their nominee(s), minors, HUF, any trust or society (unless the same is registered under the Societies Registration Act, 1860 or the Indian Trust Act, 1882 or any other applicable law relating to societies or trusts and is authorized under its constitution or bye-laws to hold equity shares, as the case may be). Additionally, existing Equity Shareholders may not renounce in favor of persons or entities in the United States or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.

*Renunciation by OCBs*

By virtue of the Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized 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 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.**

*Renunciation by non-resident shareholders*

Application(s) received from Non-Resident / NRIs, or persons of Indian origin residing abroad for allotment of Equity Shares shall, inter alia, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non Resident or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF, without which the CAF shall be rejected on technical grounds. For further details please refer to “Grounds for Technical Rejection under ASBA Investors” and “Grounds for Technical Rejection for non- ASBA Investors” on page 122 and on page 129 respectively of the Letter of Offer.

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 enclosed CAF to the Banker 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 person(s) applying for Equity Shares in Part ‘C’ of the CAF to receive Allotment of such Equity Shares. The Renounees applying for all the Equity Shares renounced in their favour may also apply for additional 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 further right to renounce any Equity Shares in favour of any other person.

***Procedure for renunciation***

*To renounce all the 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 this part of the CAF.

*To renounce in part/or renounce 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 forms. 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.

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

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

*Renouncee(s)*

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

*Change and/or introduction of additional holders*

If you wish to apply for Equity Shares jointly with any other person(s), not more than three, who is/are not already a joint holder with you, it shall amount to renunciation and the procedure as stated above for renunciation shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure, as stated above shall have to be followed.

However, this right of renunciation is subject to the express condition that the Board of Directors of our Company shall be entitled in its absolute discretion to reject the request for Allotment from the Renouncee(s) without assigning any reason thereof.

**Instructions for Options**

The summary of options available to the Equity Shareholder is presented below. You may exercise any of the following options with regard to the Equity Shares offered, using the enclosed CAF:

<b>Option Available</b>	<b>Action Required</b>
1. Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A ( <i>All joint holders must sign</i> )
2. Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares ( <i>All joint holders must sign</i> )
3. Accept a part of your Rights Entitlement and renounce the balance to one or more Renouncee(s)	Fill in and sign Part D ( <i>all joint holders must sign</i> ) requesting for SAFs. Send the CAF to the Registrar to the Issue so as to reach them on or before the last date for receiving requests for SAFs. Splitting will be permitted only once.
OR	
<b>Renounce your Rights Entitlement to all the Equity Shares offered to you to more than one Renouncee</b>	<b>On receipt of the SAF take action as indicated below.</b>  For the Equity Shares you wish to accept, if any, fill in and sign Part A.  For the Equity Shares you wish to renounce, fill in and sign Part B indicating the number of Equity Shares renounced and hand it over to the Renouncee. Each of the Renouncee should fill in and sign Part C for the Equity Shares accepted by them.
4. Renounce your Rights Entitlement in full to one person ( <i>Joint Renouncees are considered as one</i> ).	Fill in and sign Part B ( <i>all joint holders must sign</i> ) indicating the number of Equity Shares renounced and hand it over to the Renouncee. The Renouncee must fill in and sign Part C ( <i>All joint Renouncees must sign</i> )
5. Introduce a joint holder or change the sequence of joint holders	This will be treated as a renunciation. Fill in and sign Part B and the Renouncee must fill in and sign Part C.

**Please note that the options 3 and 4 mentioned in the above table will not be available to the shareholders applying through ASBA process.**



**In case of equity shares held in physical form, applicants must provide information in the CAF as to their respective bank account numbers, name of the bank, to enable the Registrar to print the said details on the refund order. Failure to comply with this may lead to rejection of application. In case of equity shares held in demat form, bank account details furnished by the Depositories will be printed on the refund order.**

**Please note that:**

- Part 'A' of the CAF must not be used by any person(s) other than the Equity Shareholder to whom the Letter of Offer has been addressed. If used, this will render the application invalid.
- Request for Split Application Forms/SAF should be made for a minimum of one Equity Share or, in either case, in multiples thereof and one SAF for the balance Equity Shares, if any.
- Request by the Investor for the SAFs should reach the Registrar on or before Friday, October 11, 2013.
- Only the Equity Shareholder to whom the Letter of Offer has been addressed shall be entitled to renounce and to apply for SAFs. Forms once split cannot be split further.
- SAFs will be sent to the Investor (s) by post at the applicant's risk.
- Equity Shareholders may not renounce in favour of persons or entities in the United States, who are not Qualified Institutional Buyers (as defined the US Securities Act), or who would otherwise be prohibited from being offered or subscribing for Equity Shares or Rights Entitlement under applicable securities laws.
- Submission of the CAF to the Banker 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 us of the person(s) applying for Equity Shares in Part 'C' of the CAF to receive Allotment of such Equity Shares.
- While applying for or renouncing their Rights Entitlement, joint Equity Shareholders must sign the CAF in the same order as per specimen signatures recorded with us or the Depositories.
- Non-resident Equity Shareholders: Application(s) received from Non-Resident/ NRIs, or persons of Indian origin residing abroad for allotment of Equity Shares allotted as a part of this Issue shall, amongst other things, be subject to conditions, as may be imposed from time to time by the RBI in the matter of refund of application money, allotment of equity shares, subsequent issue and allotment of equity shares, interest, export of share certificates, etc. In case a Non-Resident or NRI Investor has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF.
- Applicants must write their CAF number at the back of the cheque / demand draft.

**Availability of duplicate CAF**

In case the original CAF is not received, or is misplaced by the Investor, the Registrar to the Issue will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/ DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within eight days from the Issue Opening Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Investor violates such requirements, he / she shall face the risk of rejection of both the applications.

Neither the Registrar nor the Lead Managers or us, shall be responsible for postal delays or loss of duplicate CAFs in transit, if any.

**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 “**Uniphos Enterprises – Rights Issue - R**” in case of the resident shareholders and non-resident shareholders applying on non-repatriable basis and in favor of “**Uniphos Enterprises – 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.

Furthermore, Equity Shareholders have an option to print application on plain paper from the website of the Registrar to the Issue, i.e. www.shareproservices.com, by providing his/ her folio. no. / DP ID/ Client ID in order to enable the Equity Shareholder to apply for the Issue. Further, they also can make an application on plain paper giving necessary details as given below.

The envelope should be superscribed “**Uniphos Enterprises – Rights Issue - R**” in case of resident shareholders and Non-resident shareholders applying on non-repatriable basis and “**Uniphos Enterprises – 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 Uniphos Enterprise 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 Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount paid at the rate of ₹ 17/- per Equity Share;
- Particulars of cheque/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.
- 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; and
- Additionally, all such applicants are deemed to have accepted the following:

*“I/We understand that neither the Rights Entitlement nor the 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”). I/we understand the 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 Equity Shares or Rights Entitlement for sale in the United States, or as a*

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*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 our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company has reason to believe is, a resident of the United States.*

*I/We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized 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 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 Equity Shares is/are, outside the United States, and (ii) 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 our 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 utilize 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.

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.

### ***Last date for Application***

The last date for submission of the duly filled in CAF is Saturday, October 26, 2013.

If the CAF together with the amount payable is not received by the Banker to the Issue/ Registrar to the Issue on or before the close of banking hours on the aforesaid last date or such date as may be extended by the Board/ Committee of Directors, the invitation to offer contained in the Letter of Offer/ Abridged Letter of Offer shall be deemed to have been declined and the Board/ Committee of Directors shall be at liberty to dispose off the Equity Shares hereby offered, as provided in the Basis of Allotment” referred below.

### ***Basis of Allotment***

Subject to the provisions contained in the Letter of Offer, the Articles of Association of our Company and the approval of the Designated Stock Exchange, the Board will proceed to Allot the Equity Shares in the following order of priority:

- a) Full Allotment to those Equity Shareholders who have applied for their Rights Entitlement either in full or in part and also to the Renouncee(s) who has/ have applied for Equity Shares renounced in their favour, in full or in part.
- b) Allotment to the Equity Shareholders who having applied for all the Equity Shares offered to them as part of the Issue and have also applied for additional Equity Shares. The Allotment of such additional

Equity Shares will be made as far as possible on an equitable basis having due regard to the number of equity shares held by them on the Record Date, provided there is an under-subscribed portion after making full Allotment in (a) and (b) above. The Allotment of such Equity Shares will be at the sole discretion of the Board / Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.

Fractional entitlement if any will be rounded off to the next higher integer and the share required for the same will be adjusted from one of the promoter's entitlement.

- c) Allotment to Renouncees who having applied for all the Equity Shares renounced in their favour, have applied for additional Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Equity Shares will be at the sole discretion of the Board/Committee of Directors in consultation with the Designated Stock Exchange, as a part of the Issue and not preferential Allotment.
- d) Allotment to any other person as the Board may in its absolute discretion deem fit provided there is surplus available after making full Allotment under (a), (b) and (c) above.

Our Promoter/ Promoter Group, either jointly or severally, intend to subscribe to their Rights Entitlement in this Issue, in full, subject to the terms of the Letter of Offer and applicable laws. Subject to compliance with applicable laws including the Takeover Code, the Promoter/ Promoter Group, either jointly or severally, reserve the right to subscribe for (1) additional Equity Shares of our Company and/or (2) the unsubscribed portion if any, to the extent that the holding of Promoter/Promoter Group does not exceed 75% of the post Issue paid up capital of our Company. One of the Promoter/ Promoter Group entity Nerka Chemicals Private Limited has provided an undertaking dated July 12, 2013 to this effect.

As a result of the subscription, our Promoter/Promoter Group may acquire Equity Shares over and above their respective entitlements in this Issue, which may result in an increase of their shareholding above the current shareholding along with the Rights Entitlement. Such subscription and acquisition of additional Equity Shares by our Promoter / Promoter Group through the Issue, if any, shall be made in accordance with applicable laws. Further, such acquisition is exempted from the obligation to make an open offer as the conditions prescribed in Regulation 10(4)(b) of the Takeover Code are duly complied with.

#### **Underwriting**

This Issue is not underwritten and our Company has not entered into any underwriting arrangements.

#### **PROCEDURE FOR APPLICATION THROUGH THE APPLICATIONS SUPPORTED BY BLOCKED AMOUNT (“ASBA”) PROCESS**

**Please note in accordance with the provisions of SEBI circular number CIR/CFD/DIL/1/2011 dated April 29, 2011, all applicants who are QIBs, Non Institutional Investors shall mandatorily make use of ASBA facility. All QIBs and Non-Institutional Investors, complying with the eligibility conditions of SEBI circular dated December 30, 2009, must mandatorily invest through the ASBA process. For further details please refer to “Grounds for Technical Rejection for ASBA Investors” on page 122 of the Letter of Offer.**

**This section is for the information of the ASBA Investors proposing to subscribe to the Issue through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Equity Shareholders who are eligible to apply under the ASBA Process are advised to make their independent investigations and to ensure that the CAF is correctly filled up, specifying the number of the bank account maintained with the Self Certified Syndicate Bank (“SCSB”) in which the Application Money will be blocked by the SCSB.**

**The Lead Manager, the Company, its directors, affiliates, associates and their respective directors and officers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to applications accepted by SCSBs, Applications uploaded**

**by SCSBs, applications accepted but not uploaded by SCSBs or applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for applications uploaded by SCSBs, the amount payable on application has been blocked in the relevant ASBA Account.**

The list of banks who have been notified by SEBI to act as SCSBs for the ASBA Process is provided on [http://www.sebi.gov.in/cms/sebi\\_data/attachdocs/1365051213899.html](http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html). For details on designated branches of SCSBs collecting the CAF, please refer the above mentioned SEBI link.

**In terms of SEBI circulars dated September 13, 2012 and January 2, 2013, SCSBs should ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.**

***ASBA Investors who are eligible to apply under the ASBA Process***

An ASBA Investor is an investor (either Equity Shareholder or Renouncee) who is intending to subscribe the Equity Shares of our Company under this Issue applying through blocking of funds in a bank account maintained with SCSBs.

All QIBs and Non-Institutional Investors, complying with the above conditions, must mandatorily invest through the ASBA process. All Retail Individual Investors complying with the above conditions may optionally apply through the ASBA process.

**CAF**

The Registrar will despatch the CAF to all Equity Shareholders as per their Rights Entitlement on the Record Date for the Issue. Those Equity Shareholders who wish to apply through the ASBA payment mechanism will have to select for this mechanism in Part A of the CAF and provide necessary details.

Equity Shareholders desiring to use the ASBA Process are required to submit their applications by selecting the ASBA Option in Part A and Part C of the CAF respectively. Application in electronic mode will only be available with such SCSBs who provide such facility. The Equity Shareholder shall submit the CAF to the Designated Branch of the SCSB for authorising such SCSB to block an amount equivalent to the amount payable on the application in the ASBA Account.

More than one ASBA Investor may apply using the same ASBA Account, provided that SCSBs will not accept a total of more than five CAFs with respect to any single ASBA Account.

**Acceptance of the Issue**

You may accept the Issue and apply for the Equity Shares either in full or in part, by filling Part A of the respective CAFs sent by the Registrar, selecting the ASBA process option in Part A of the CAF and submit the same to the SCSB before the close of the banking hours on or before the Issue Closing Date or such extended time as may be specified by the Board of Directors of our Company in this regard.

**Mode of payment**

The ASBA Investor applying under the ASBA Process agrees to block the entire amount payable on application with the submission of the CAF, by authorizing the SCSB to block an amount, equivalent to the amount payable on application, in a bank account maintained with the SCSB.

After verifying that sufficient funds are available in the bank account details of which are provided in the CAF, the SCSB shall block an amount equivalent to the amount payable on application mentioned in the CAF until it receives instructions from the Registrar. Upon receipt of intimation from the Registrar, the SCSBs shall transfer such amount as per the Registrar's instruction from the bank account with the SCSB mentioned by the Equity Shareholder in the CAF. This amount will be transferred in terms of the SEBI Regulations, into the separate bank account maintained by our Company as per the provisions of section

73(3) of the Companies Act. The balance amount remaining after the finalisation of the basis of Allotment shall be either unblocked by the SCSBs or refunded to the Investors by the Registrar on the basis of the instructions issued in this regard by the Registrar to the Issue and the Lead Manager to the respective SCSB.

The SCSB may reject the application at the time of acceptance of CAF if the bank account with the SCSB details of which have been provided by the Equity Shareholder in the CAF does not have sufficient funds equivalent to the amount payable on application mentioned in the CAF. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application only on technical grounds.

**Options available to the ASBA Investors applying under the ASBA Process**

The summary of options available to the ASBA Investors is presented below. You may exercise any of the following options with regard to the Equity Shares, using the respective CAFs received from Registrar:

Option Available	Action Required
1. Accept whole or part of your Rights Entitlement without renouncing the balance.	Fill in and sign Part A of the CAF ( <i>All joint holders must sign</i> )
2. Accept your Rights Entitlement in full and apply for additional Equity Shares	Fill in and sign Part A of the CAF including Block III relating to the acceptance of entitlement and Block IV relating to additional Equity Shares ( <i>All joint holders must sign</i> )

**The ASBA Investors applying under the ASBA Process will need to select the ASBA option process in the CAF and provide required necessary details. However, in cases where this option is not selected, but the CAF is tendered to the SCSBs with the relevant details required under the ASBA process option and the SCSBs block the requisite amount, then that CAFs would be treated as if the Equity Shareholder have selected to apply through the ASBA process option.**

**Please note that Equity Shareholders being QIBs and Non-Institutional Investors can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed ₹ 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process.**

**Additional Equity Shares**

You are eligible to apply for additional Equity Shares over and above the number of Equity Shares that you are entitled to, provided that you are eligible to apply for Equity Shares under applicable law and you have applied for all the Equity Shares (as the case may be) offered without renouncing them in whole or in part in favour of any other person(s). Applications for additional Equity Shares shall be considered and Allotment shall be made at the sole discretion of the Board, in consultation with the Designated Stock Exchange and in the manner prescribed under “Terms of the Issue - Basis of Allotment” on page 116 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 Equity Shares.

**Renunciation under the ASBA Process**

Renouncees are eligible to participate in this Issue through the ASBA Process.

**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.

Furthermore, Equity Shareholders have an option to print application on plain paper from the website of the Registrar to the Issue, i.e. [www.shareproservices.com](http://www.shareproservices.com), by providing his/ her folio. no. / DP ID/ Client ID in order to enable the Equity Shareholder to apply for the Issue. Further, they also can make an application on plain paper giving necessary details as given below.

The envelope should be superscribed “*Uniphos Enterprises – Rights Issue*” 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 Uniphos Enterprise 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 Equity Shares entitled to;
- Number of Equity Shares applied for;
- Number of additional Equity Shares applied for, if any;
- Total number of Equity Shares applied for;
- Total amount to be blocked at the rate of ₹ 17/- per Equity Share; and
- 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;
- Additionally, all such applicants are deemed to have accepted the following:

*“I/We understand that neither the Rights Entitlement nor the 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”). I/we understand the 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 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. I/we understand that none of our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who our Company, the Registrar, the Lead Manager or any other person acting on behalf of our Company has reason to believe is, a resident of the United States or other restricted jurisdiction.*

*I/We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized 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 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 Equity Shares is/are, outside the United States, and (ii) 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 our Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements.”*

**Option to receive Equity Shares in Dematerialized Form**

**EQUITY SHAREHOLDERS UNDER THE ASBA PROCESS MAY PLEASE NOTE THAT THE EQUITY SHARES OF THE COMPANY UNDER THE ASBA PROCESS CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD OR THE DETAILS OF THE DEPOSITORY ACCOUNT AS MENTIONED BY RENOUNCEE(S) IN THE APPLICATION FORM.**

**Issuance of Intimation Letters**

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches, a list of the ASBA Investors who have been allocated Equity Shares in this Issue, along with:

- The number of Equity Shares to be allotted against each successful ASBA Application;
- The amount to be transferred from the ASBA Account to the separate bank account opened by the Company for the Issue, for each successful ASBA;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

**General instructions for Equity Shareholders applying under the ASBA Process**

- (a) Please read the instructions printed on the CAF carefully.
- (b) Application should be made on the printed CAF only and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected. The CAF must be filled in English.
- (c) The CAF/plain paper application in the ASBA Process should be submitted at a Designated Branch of the SCSB and whose bank account details are provided in the CAF and not to the Banker to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to our Company or Registrar or Lead Manager to the Issue.
- (d) All applicants, and in the case of application in joint names, each of the joint applicants, should mention his/her PAN number allotted under the Income-Tax Act, 1961, irrespective of the amount of the application. Except for applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, **CAFs without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended credit” and no allotment and credit of Equity Shares shall be made into the accounts of such Investors.**
- (e) All payments will be made by blocking the amount in the bank account maintained with the SCSB. Cash payment is not acceptable. In case payment is affected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.
- (f) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company/or Depositories.
- (g) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. In case of joint applicants, reference, if any, will be made in the first applicant's name and all communication will be addressed to the first applicant.



- (h) All communication in connection with application for the Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole applicant Equity Shareholder, folio numbers and CAF number.
- (i) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Equity Shares under applicable securities laws are eligible to participate.
- (j) ASBA Investors who intend to subscribe the Equity Shares of our Company under this Issue shall be eligible to participate under the ASBA Process.
- (k) All Investors (apart from Retail Individual Investors) having bank accounts with SCSBs that are providing ASBA in cities / centres where such Investors are located, are mandatorily required to make use of the ASBA facility. Otherwise, applications of such Investors are liable for rejection. All Investors are encouraged to make use of the ASBA facility wherever such facility is available.
- (l) In case of non – receipt of CAF, application can be made on plain paper mentioning all necessary details as mentioned under the heading “Application on Plain Paper - ASBA” on page 119 of the Letter of Offer.
- (m) **In terms of SEBI circulars dated September 13, 2012 and January 2, 2013, SCSBs should ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.**

***Do's:***

- a. Ensure that the ASBA Process option is selected in part A of the CAF and necessary details are filled in.
- b. Ensure that you submit your application in physical mode only. Electronic mode is only available with certain SCSBs and not all SCSBs and you should ensure that your SCSB offers such facility to you.
- c. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.
- d. Ensure that your Indian address is available to our Company and the Registrar, in case you hold equity shares in physical form or the depository participant, in case you hold equity shares in dematerialised form;
- e. Ensure that the CAFs are submitted at the SCSBs and details of the correct bank account have been provided in the CAF.
- f. Ensure that there are sufficient funds (equal to {number of Equity Shares as the case may be applied for} X {Issue Price of Equity Shares, as the case may be}) available in the bank account maintained with the SCSB mentioned in the CAF before submitting the CAF to the respective Designated Branch of the SCSB.
- g. Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the CAF, in the bank account maintained with the respective SCSB, of which details are provided in the CAF and have signed the same.
- h. Ensure that you receive an acknowledgement from the SCSB for your submission of the CAF in physical form.

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- i. Except for CAFs submitted on behalf of the Central or State Government and the officials appointed by the courts, each applicant should mention their PAN allotted under the I. T. Act.
- j. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF.
- k. Ensure that the demographic details are updated, true and correct, in all respects.

### ***Don'ts:***

- a. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- b. Do not apply on duplicate CAF after you have submitted a CAF to a Designated Branch of the SCSB.
- c. Do not pay the amount payable on application in cash, by money order or by postal order.
- d. Do not send your physical CAFs to the Lead Manager to Issue / Registrar / Collecting Banks (assuming that such Collecting Bank is not a SCSB) / to a branch of the SCSB which is not a Designated Branch of the SCSB / Company; instead submit the same to a Designated Branch of the SCSB only.
- e. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- f. Do not apply if the ASBA account has been used for five applicants.
- g. Do not apply through the ASBA Process if you are not an ASBA Investor.
- h. Do not instruct your respective banks to release the funds blocked under the ASBA Process.

### **Grounds for Technical Rejection for ASBA Investors**

In addition to the grounds listed under “Grounds for Technical Rejection for non-ASBA Investors” on page 129 of the Letter of Offer, applications under the ABSA Process are liable to be rejected on the following grounds:

- a) Application on a SAF (unless all the SAFs are used by the original shareholder).
- b) Application for Allotment of Rights Entitlements or additional shares in physical form (in case the existing holding is in dematerialized form).
- c) DP ID and Client ID mentioned in CAF not matching with the DP ID and Client ID records available with the Registrar.
- d) Sending CAF to a Lead Manager / Registrar / Collecting Bank (assuming that such Collecting Bank is not a SCSB) / to a branch of a SCSB which is not a Designated Branch of the SCSB / Company.
- e) Insufficient funds are available with the SCSB for blocking the amount.
- f) Funds in the bank account with the SCSB whose details are mentioned in the CAF having been frozen pursuant to regulatory orders.
- g) Account holder not signing the CAF or declaration mentioned therein.
- h) CAFs that do not include the certification set out in the CAF to the effect that the subscriber does not have a registered address (and is not otherwise located) in restricted jurisdictions and is authorized to acquire the rights and the securities in compliance with all applicable laws and regulations.

- i) CAFs which have evidence of being executed in/dispatched from restricted jurisdiction.
- j) Applications by persons not competent to contract under the Contract Act, 1872, as amended, except applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- k) Submission of more than five CAFs per ASBA Account.
- l) Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
- m) Submitting the GIR instead of the PAN.
- n) An Equity Shareholder, who is not complying with any or all of the conditions for being an ASBA Investor, applies under the ASBA process.
- o) The Application by an Equity Shareholder whose cumulative value of Equity Shares applied for is more than ₹ 200,000 but has applied separately through split CAFs of less than ₹ 200,000 each and has not done so through the ASBA process.
- p) Applications by SCSBs not complying with the SEBI circulars dated September 13, 2012 and January 2, 2013, whereby SCSBs need to ensure that for making applications on own account using ASBA facility, they should have a separate account in own name with any other SEBI registered SCSBs. Such account should be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

**Depository account and bank details for Equity Shareholders applying under the ASBA Process**

**IT IS MANDATORY FOR ALL THE EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE CAF. EQUITY SHAREHOLDERS APPLYING UNDER THE ASBA PROCESS MUST ENSURE THAT THE NAME GIVEN IN THE CAF IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE CAF IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE CAF.**

**Equity Shareholders applying under the ASBA Process should note that on the basis of name of these Equity Shareholders, Depository Participant's name and identification number and beneficiary account number provided by them in the CAF, the Registrar to the Issue will obtain from the Depository demographic details of these Equity Shareholders such as address, bank account details for printing on refund orders and occupation ("Demographic Details"). Hence, Equity Shareholders applying under the ASBA Process should carefully fill in their Depository Account details in the CAF.**

These Demographic Details would be used for all correspondence with such Equity Shareholders including mailing of the letters intimating unblock of bank account of the respective Equity Shareholder. The Demographic Details given by the Equity Shareholders in the CAF would not be used for any other purposes by the Registrar. Hence, Equity Shareholders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the CAFs, the Equity Shareholders applying under the ASBA Process would be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Letters intimating Allotment and unblocking or refund (if any) would be mailed at the address of the Equity Shareholder applying under the ASBA Process as per the Demographic Details received from the Depositories. Refunds, if any, will be made directly to the bank account linked to the DP ID. Equity Shareholders applying under the ASBA Process may note that delivery of letters intimating unblocking of bank account may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Equity Shareholder in the CAF would be used only to ensure dispatch of letters intimating unblocking of the ASBA Accounts.

Note that any such delay shall be at the sole risk of the Equity Shareholders applying under the ASBA Process and none of our Company, the SCSBs or the Lead Manager shall be liable to compensate the Equity Shareholder applying under the ASBA Process for any losses caused due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, (a) names of the Equity Shareholders (including the order of names of joint holders), (b) the DP ID and (c) the beneficiary account number, then such applications are liable to be rejected.

#### *Underwriting*

The Issue is not underwritten.

#### **Issue Schedule**

<b>Issue Opening Date:</b>	Friday, September 27, 2013
<b>Last date for receiving requests for SAFs:</b>	Friday, October 11, 2013
<b>Issue Closing Date:</b>	Saturday, October 26, 2013

The Board may however decide to extend the Issue period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date.

#### **Allotment Advices / Refund Orders**

Our Company will issue and dispatch Allotment advice/ share certificates/demat credit and/or letters of regret along with refund order or credit the allotted Equity Shares to the respective beneficiary accounts, if any, within a period of 15 days from the Issue Closing Date.

Investors residing at centers where clearing houses are managed by the RBI will get refunds through National Electronic Clearing Service (“NECS”) except where Investors have not provided the details required to send electronic refunds or where the investors are otherwise disclosed as applicable or eligible to get refunds through direct credit and real-time gross settlement (“RTGS”).

In case of those Investors who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity Shares shall be given separately. Investors to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 days of the Issue Closing Date.

In case of those Investors who have opted and are entitled to receive their Rights Entitlement in physical form and our Company issues letter of allotment, the corresponding share certificates will be kept ready within three months from the date of Allotment thereof or such extended time as may be approved by our Company Law Board under Section 113 of the Companies Act or other applicable provisions, if any. Investors are requested to preserve such letters of allotment, which would be exchanged later for the share certificates.

The letter of allotment / refund order would be sent by registered post/ speed post to the sole/ first Investors registered address. Such refund orders would be payable at par at all places where the applications were originally accepted. The same would be marked ‘Account Payee only’ and would be drawn in favour of the sole/first Investor. Adequate funds would be made available to the Registrar to the Issue for this purpose.

### ***Payment of Refund***

#### *Mode of making refunds*

The payment of refund, if any, would be done through any of the following modes:

1. NECS – Payment of refund would be done through NECS for Investors having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories/the records of the Registrar. The payment of refunds is mandatory for Investors having a bank account at any centre where NECS facility has been made available (subject to availability of all information for crediting the refund through NECS).
2. NEFT – Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the registrar to our Company or with the depository participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
3. Direct Credit – Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
4. RTGS – If the refund amount exceeds ₹ 2 lacs, the investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the CAF. In the event the same is not provided, refund shall be made through ECS or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
5. For all other Investors the refund orders will be despatched through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
6. Credit of refunds to Investors in any other electronic manner permissible under the banking laws, which are in force, and are permitted by the SEBI from time to time.

#### ***Refund payment to Non- resident***

Where applications are accompanied by Indian rupee drafts purchased abroad and payable at Mumbai, refunds will be made in the Indian Rupees based on the U.S. dollars equivalent which ought to be refunded. Indian Rupees will be converted into U.S. dollars at the rate of exchange, which is prevailing on the date of refund. The exchange rate risk on such refunds shall be borne by the concerned applicant and our Company shall not bear any part of the risk.

Where the applications made are accompanied by NRE/FCNR/NRO cheques, refunds will be credited to NRE/FCNR/NRO accounts respectively, on which such cheques were drawn and details of which were provided in the CAF.

#### **Printing of Bank Particulars on Refund Orders**

As a matter of precaution against possible fraudulent encashment of refund orders due to loss or misplacement, the particulars of the Investor's bank account are mandatorily required to be given for printing on the refund orders. Bank account particulars, where available, will be printed on the refund orders/refund warrants which can then be deposited only in the account specified. We will in no way be responsible if any loss occurs through these instruments falling into improper hands either through forgery or fraud.

***Allotment advice / Share Certificates/ Demat Credit***

Allotment advice/ share certificates/ demat credit or letters of regret will be dispatched to the registered address of the first named Investor or respective beneficiary accounts will be credited within 15 days, from the Issue Closing Date. In case our Company issues Allotment advice, the relative share certificates will be dispatched within one month from the date of the Allotment. Allottees are requested to preserve such allotment advice (if any) to be exchanged later for share certificates.

***Option to receive Equity Shares in Dematerialized Form***

Investors shall be allotted the Equity Shares in dematerialized (electronic) form at the option of the Investor. The Company has signed a tripartite agreement with NSDL on May 2, 1997 which enables the Investors to hold and trade in equity shares in a dematerialized form, instead of holding the equity shares in the form of physical certificates. The Company has also signed a tripartite agreement with CDSL on April 9, 1999 which enables the Investors to hold and trade in equity shares in a dematerialized form, instead of holding the equity shares in the form of physical certificates.

In this Issue, the allottees who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Equity Shares in physical form. No separate CAFs for Equity Shares in physical and/or dematerialized form should be made.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF THE COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Equity Shares in this Issue in the electronic form is as under:

- Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. *Those Equity Shareholders who have already opened such beneficiary account(s) need not adhere to this step.*
- For Equity Shareholders already holding equity shares in dematerialized form as on the Record Date, the beneficial account number shall be printed on the CAF. For those who open accounts later or those who change their accounts and wish to receive their Equity Shares by way of credit to such account, the necessary details of their beneficiary account should be filled in the space provided in the CAF. It may be noted that the Allotment of Equity Shares arising out of this Issue may be made in dematerialized form even if the original equity shares are not dematerialized. Nonetheless, it should be ensured that the depository account is in the name(s) of the Equity Shareholders and the names are in the same order as in our records.
- The responsibility for correctness of information (including Investor's age and other details) filled in the CAF vis-à-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in CAF should be the same as registered with the Investor's depository participant.
- If incomplete/ incorrect beneficiary account details are given in the CAF, then such shares will be credited to a demat suspense a/c which shall be opened by the Company as specified in the SEBI circular no. SEBI/CFD/DIL/LA/1/2009/24/04 dated April 24, 2009.
- The Equity Shares allotted to applicants opting for issue in dematerialized form, would be directly credited to the beneficiary account as given in the CAF after verification. Allotment advice, refund

order (if any) would be sent directly to the applicant by the Registrar to the Issue but the applicant's depository participant will provide to him the confirmation of the credit of such Equity Shares to the applicant's depository account. It may be noted that Equity Shares in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL.

- Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Equity Shares in this Issue. In case these details are incomplete or incorrect, the application is liable to be rejected.
- Non-transferable allotment advice/refund orders will be directly sent to the Investors by the Registrar.
- Dividend or other benefits with respect to the Rights Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

**General instructions for non-ASBA Investors**

- (a) Please read the instructions printed on the enclosed CAF carefully.
- (b) Application should be made on the printed CAF, provided by our Company except as mentioned under the head "Application on Plain Paper – non ASBA" on page 114 of the Letter of Offer and should be completed in all respects. The CAF found incomplete with regard to any of the particulars required to be given therein, and/ or which are not completed in conformity with the terms of the Letter of Offer are liable to be rejected and the money paid, if any, in respect thereof will be refunded without interest and after deduction of bank commission and other charges, if any. The CAF must be filled in English and the names of all the Investors, details of occupation, address, father's / husband's name must be filled in block letters.

The CAF together with the cheque/demand draft should be sent to the Banker to the Issue/Collecting Bank or to the Registrar to the Issue and not to our Company or Lead Manager to the Issue. Investors residing at places other than cities where the branches of the Banker to the Issue have been authorised by our Company for collecting applications, will have to make payment by Demand Draft payable at Mumbai of an amount net of bank and postal charges and send their CAFs to the Registrar to the Issue by registered post. If any portion of the CAF is/are detached or separated, such application is liable to be rejected.

**Applications where separate cheques/demand drafts are not attached for amounts to be paid for Equity Shares are liable to be rejected.**

- (c) Except for applications on behalf of the Central and State Government, the residents of Sikkim and the officials appointed by the courts, all Investors, and in the case of application in joint names, each of the joint Investors, should mention his/her PAN number allotted under the I.T. Act, 1961, irrespective of the amount of the application. **CAFs without PAN will be considered incomplete and are liable to be rejected.**
- (d) Investors, holding equity shares in physical form, are advised that it is mandatory to provide information as to their savings/current account number and the name of the bank with whom such account is held in the CAF to enable the Registrar to the Issue to print the said details in the refund orders, if any, after the names of the payees. Application not containing such details is liable to be rejected.
- (e) All payment should be made by cheque/demand draft only. Application through the ASBA process as mentioned above is acceptable. Cash payment is not acceptable. In case payment is effected in contravention of this, the application may be deemed invalid and the application money will be refunded and no interest will be paid thereon.

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

- (f) Signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in English or Hindi and thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/ her official seal. The Equity Shareholders must sign the CAF as per the specimen signature recorded with our Company.
- (g) In case of an application under power of attorney or by a body corporate or by a society, a certified true copy of the relevant power of attorney or relevant resolution or authority to the signatory to make the relevant investment under this Issue and to sign the application and a copy of the Memorandum and Articles of Association and / or bye laws of such body corporate or society must be lodged with the Registrar to the Issue giving reference of the serial number of the CAF. In case the above referred documents are already registered with our Company, the same need not be a furnished again. In case these papers are sent to any other entity besides the Registrar to the Issue or are sent after the Issue Closing Date, then the application is liable to be rejected. In no case should these papers be attached to the application submitted to the Banker to the Issue.
- (h) In case of joint holders, all joint holders must sign the relevant part of the CAF in the same order and as per the specimen signature(s) recorded with our Company. Further, in case of joint Investors who are Renounees, the number of Investors should not exceed three. In case of joint Investors, reference, if any, will be made in the first Investor's name and all communication will be addressed to the first Investor.
- (i) Application(s) received from NRs/NRIs, or persons of Indian origin residing abroad for Allotment of Equity Shares shall, *inter alia*, be subject to conditions, as may be imposed from time to time by the RBI under FEMA in the matter of refund of application money, Allotment of Equity Shares, subsequent issue and Allotment of Equity Shares, interest, export of share certificates, etc. In case a NR or NRI Equity Shareholder has specific approval from the RBI, in connection with his shareholding, he should enclose a copy of such approval with the CAF. Additionally, applications will not be accepted from NRs/NRIs in the United States or its territories and possessions, or any other jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.
- (j) All communication in connection with application for the Equity Shares, including any change in address of the Equity Shareholders should be addressed to the Registrar to the Issue prior to the date of Allotment in this Issue quoting the name of the first/sole Investor, folio numbers and CAF number. Please note that any intimation for change of address of Equity Shareholders, after the date of Allotment, should be sent to the Registrar and Transfer Agents of our Company, in the case of equity shares held in physical form and to the respective depository participant, in case of equity shares held in dematerialized form.
- (k) SAFs cannot be re-split.
- (l) Only the Equity Shareholder(s) and not Renounee(s) shall be entitled to obtain SAFs.
- (m) Investors must write their CAF number at the back of the cheque /demand draft.
- (n) Only one mode of payment per application should be used. The payment must be by cheque / demand draft drawn on any of the banks, including a co-operative bank, which is situated at and is a member or a sub member of the bankers clearing house located at the centre indicated on the reverse of the CAF where the application is to be submitted.
- (o) A separate cheque / draft must accompany each CAF. Outstation cheques / demand drafts or post-dated cheques and postal / money orders will not be accepted and applications accompanied by such cheques / demand drafts / money orders or postal orders will be rejected.
- (p) No receipt will be issued for application money received. The Banker to the Issue / Collecting Bank/ Registrar will acknowledge receipt of the same by stamping and returning the acknowledgment slip at the bottom of the CAF.



- (q) The distribution of the Letter of Offer and issue of Equity Shares and Rights Entitlements to persons in certain jurisdictions outside India may be restricted by legal requirements in those jurisdictions. Persons in the United States and such other jurisdictions are instructed to disregard the Letter of Offer and not to attempt to subscribe for Equity Shares.

***Do's for non-ASBA Investors:***

- a. Check if you are eligible to apply i.e. you are an Equity Shareholder on the Record Date;
- b. Read all the instructions carefully and ensure that the cheque/ draft option is selected in part A of the CAF and necessary details are filled in;
- c. In the event you hold equity shares in dematerialised form, ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Equity Shares will be allotted in the dematerialized form only;
- d. Ensure that your Indian address is available to our Company and the Registrar, in case you hold equity shares in physical form or the depository participant, in case you hold equity shares in dematerialised form;
- e. Ensure that the CAFs are submitted at the collection centres of the Banker to the Issue only on prescribed forms;
- f. Ensure that the value of the cheque/ draft submitted by you is equal to the (number of Equity Shares applied for) X (Issue Price of Equity Shares, as the case may be) before submission of the CAF;
- g. Ensure that you receive an acknowledgement from the collection centers of the collection bank for your submission of the CAF in physical form;
- h. Ensure that you mention your PAN allotted under the I.T. Act with the Application Form, except for Application on behalf of the Central and State Governments, residents of the state of Sikkim and officials appointed by the courts;
- i. Ensure that the name(s) given in the CAF is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the CAF is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the CAF;
- j. Ensure that the demographic details are updated, true and correct, in all respects.

***Don'ts for non-ASBA Investors:***

- a. Do not apply if you are not eligible to participate in this Issue in terms of the securities laws applicable to your jurisdiction;
- b. Do not apply on duplicate CAF after you have submitted a CAF to a collection center of the collection bank;
- c. Do not pay the amount payable on application in cash, by money order or by postal order;
- d. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- e. Do not submit Application accompanied with Stock invest;

**Grounds for Technical Rejections for non-ASBA Investors**

Investors are advised to note that applications may be rejected on technical grounds, including the following:

- Amount paid does not tally with the amount payable;
- Bank account details (for refund) are not given and the same are not available with the DP (in the case of dematerialized holdings) or the Registrar (in the case of physical holdings);
- Age of Investor(s) not given (in case of Renounees);
- Application for Allotment of Rights Entitlements or additional shares in physical form (in case the existing holding is in dematerialised form).
- Except for CAFs on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN number not given for application of any value;
- In case of CAF under power of attorney or by limited companies, corporate, trust, relevant documents are not submitted;
- If the signature of the Equity Shareholder does not match with the one given on the CAF and for renounce(s) if the signature does not match with the records available with their depositories;
- CAFs are not submitted by the Investors within the time prescribed as per the CAF and the Letter of Offer;
- CAFs not duly signed by the sole/joint Investors;
- CAFs by OCBs without specific RBI approval;
- CAFs accompanied by outstation cheques / post-dated cheques / money order / postal order / outstation demand draft;
- In case no corresponding record is available with the depositories that matches three parameters, namely, names of the Investors (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity;
- CAFs that do not include the certifications set out in the CAF to the effect that, among other thing, the subscriber is not located in restricted jurisdictions and is authorized to acquire the Rights Entitlements and Equity Shares in compliance with all applicable laws and regulations;
- CAFs which have evidence of being executed in/dispatched from restricted jurisdictions;
- CAFs by ineligible non-residents (including on account of restriction or prohibition under applicable local laws);
- CAFs where our Company believes that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements;
- In case the GIR number is submitted instead of the PAN;
- Applications by Renounees who are persons not competent to contract under the Indian Contract Act, 1872, including minors; and
- Multiple CAFs, including cases where an Investor submits CAFs along with a plain paper application.
- QIBs and other Equity Shareholders applying for Equity Shares in this Issue for value of more than ₹ 2,00,000 who hold equity shares in dematerialised form, applying through the non-ASBA process.
- Equity Shareholders not being individuals or HUFs applying for Equity Shares in this Issue for a value not exceeding ₹ 2,00,000, who hold equity shares in dematerialised form, applying through the non-ASBA process.
- The application by an Equity Shareholder whose cumulative value of Equity Shares applied for is more than ₹ 2,00,000 but has applied separately through split CAFs of less than ₹ 2,00,000 and has not done so through the ASBA process.

Please read the Letter of Offer or Abridged Letter of Offer and the instructions contained therein and in the CAF carefully before filling in the CAF. The instructions contained in the CAF are an integral part of the Letter of Offer and must be carefully followed. The CAF is liable to be rejected for any non-compliance of the provisions contained in the Letter of Offer or the CAF.

**Please note that Equity Shareholders being QIBs and Non-Institutional Investors can participate in this Issue only through the ASBA process. Retail Individual Investors whose application amounts do not exceed ₹ 2,00,000 can participate in this Issue either through the ASBA process or the non ASBA process.**

### **Investment by FIIs**

In accordance with the current regulations, the following restrictions are applicable for investment by FIIs:

No single FII can hold more than 10% of our Company's post-Issue paid-up share capital. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each subaccount shall not exceed 5% of the total paid-up share capital of our Company, in case such sub-account is a foreign corporate or an individual.

Applications will not be accepted from FIIs in restricted jurisdictions.

### **Investment by NRIs**

Investments by NRIs are governed by the Portfolio Investment Scheme under Regulation 5(3)(i) of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. Applications will not be accepted from FIIs in restricted jurisdictions.

### **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with the SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### **Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI (Venture Capital Funds) Regulations, 1996, as amended ("SEBI VCF Regulations") and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, as amended ("SEBI FVCI Regulations") prescribe, amongst other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI (Alternative Investments Funds) Regulations, 2012 ("SEBI AIF Regulations") prescribe, amongst other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue.

Venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations.

**Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centers where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.**

### **Investment by QFIs**

In terms of circulars dated January 13, 2012, SEBI and RBI have permitted investment by QFIs in Indian equity issues, including in rights issues. A QFI can invest in this Issue through its depository participant with whom it has opened a demat account. No single QFI can hold more than 5% of the paid up equity capital of our Company at any point of time. Further, the aggregate shareholding of all QFIs shall not exceed 10% of the paid up equity capital of the Company at any point of time.

Applications will not be accepted from QFIs in restricted jurisdictions.

**QFI applicants having bank accounts with SCSBs that are providing ASBA in cities / centers where such Investors are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such Investors are liable for rejection.**

**Mode of payment for Resident Equity Shareholders/ Investors**

- All cheques / drafts accompanying the CAF should be drawn in favour of the Collecting Bank (specified on the reverse of the CAF), crossed 'A/c Payee only' and marked "**Uniphos Enterprises – Rights Issue – R**";

Investors residing at places other than places where the bank collection centres have been opened by our Company for collecting applications, are requested to send their CAFs together with Demand Draft for the full application amount, net of bank and postal charges favouring the Banker to the Issue, crossed 'A/c Payee only' and marked "**Uniphos Enterprises – Rights Issue – R**" payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.

Applications through mails should not be sent in any other manner except as mentioned above. The CAF along with the application money must not be sent to our Company or the Lead Manager or the Registrar. Applicants are requested to strictly adhere to these instructions.

**Mode of payment for Non-Resident Equity Shareholders/ Investors**

As regards the application by non-resident Equity Shareholders, the following conditions shall apply:

- Individual non-resident Indian applicants who are permitted to subscribe for Equity Shares by applicable local securities laws can obtain application forms from the following address:

**Sharepro Services (India) Private Limited**

13AB, Samhita Warehousing Complex,  
2<sup>nd</sup> Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka, Andheri (East)  
Mumbai – 400 072

**Tel:** +91 22 6772 0300

**Fax:** +91 22 2859 1568

**Email:** rights@shareproservices.com

**Website:** www.shareproservices.com

**Contact Person:** Mr. Abraham K.G.

**SEBI Registration Number:** INR 000001476\*

*\* The SEBI registration certificate is valid till August 15, 2013. As required under SEBI Regulations, the Registrar has made an application vide its letter dated May 13, 2013 with SEBI for renewal of its certificate of registration.*

*Note: The Letter of Offer/ Abridged Letter of Offer and CAFs to NRIs shall be sent only to their Indian address, if provided.*

- All non-resident Investors should draw the cheques/ demand drafts in favour of "**Uniphos Enterprises – Rights Issue – NR**", crossed "A/c Payee only" for the full application amount, net of bank and postal charges and which should be submitted along with the CAF to the Banker to the Issue/ collection centres or to the Registrar to the Issue.
- Non-resident Investors applying from places other than places where the bank collection centres have been opened by the Company for collecting applications, are requested to send their CAFs together with demand draft for the full application amount, net of bank and postal charges drawn in favour of Banker to the Issue, crossed "A/c Payee only" and marked "**Uniphos Enterprises – Rights Issue – NR**" payable at Mumbai directly to the Registrar to the Issue by registered post so as to reach them on or before the Issue Closing Date. The Company or the Registrar to the Issue will not be responsible for postal delays or loss of applications in transit, if any.
- Applications will not be accepted from non-resident from any jurisdiction where the offer or sale of the Rights Entitlements and Equity Shares may be restricted by applicable securities laws.

## ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER

- Payment by non-residents must be made by demand draft payable at Mumbai/cheque payable drawn on a bank account maintained at Mumbai or funds remitted from abroad in any of the following ways:

### *Application with repatriation benefits*

- By Indian Rupee drafts purchased from abroad and payable at Mumbai or funds remitted from abroad (submitted along with Foreign Inward Remittance Certificate); or
- By cheque/draft on a Non-Resident External Account (NRE) or FCNR Account maintained in India; or
- By Rupee draft purchased by debit to NRE/FCNR Account maintained elsewhere in India and payable in Mumbai; or FIIs registered with SEBI must remit funds from special non-resident rupee deposit account.
- Non-resident investors applying with repatriation benefits should draw cheques/drafts in favour of '**Uniphos Enterprises – Rights Issue - NR**' and must be crossed 'account payee only' for the full application amount, net of bank and postal charges.
- FIIs registered with SEBI must remit funds from special non-resident rupee deposit account; or
- Investors may note that where payment is made by drafts purchased from NRE/ FCNR accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.
- In the case of NRI Investors who remit their application money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any, shall be credited to such account details of which should be furnished in the appropriate columns in the CAF. In the case of NRI Investors who remit their application money through Indian Rupee drafts from abroad, refunds and other disbursements, if any, will be made in U.S Dollars at the rate of exchange prevailing at such time subject to the permission of RBI. Our Company will not be liable for any loss on account of exchange rate fluctuation for converting the Rupee amount into U.S. Dollar or for collection charges charged by the Investor's bankers.
- Payments through NRO accounts will not be permitted.

Investors may note that where payment is made by drafts purchased from NRE/ FCNR accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

### *Application without repatriation benefits*

- As far as non-residents holding equity shares on non-repatriation basis are concerned, in addition to the modes specified above, payment may also be made by way of cheque drawn on Non-Resident (Ordinary) Account maintained in India or Rupee Draft purchased out of NRO Account maintained elsewhere in India but payable at Mumbai. In such cases, the Allotment of Equity Shares will be on non-repatriation basis.
- All cheques/drafts submitted by non-residents applying on a non-repatriation basis should be drawn in favour of '**Uniphos Enterprises – Rights Issue – R**' and must be crossed 'account payee only' for the full application amount, net of bank and postal charges. The CAFs duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- Investors may note that where payment is made by drafts purchased from NRE/ FCNR/ NRO accounts as the case may be, an account debit certificate from the bank issuing the draft confirming that the draft has been issued by debiting the NRE/ FCNR/ NRO account should be enclosed with the CAF. Otherwise the application shall be considered incomplete and is liable to be rejected.

## **ABRIDGED LETTER OF OFFER CONTAINING SALIENT FEATURES OF THE LETTER OF OFFER**

- New demat account shall be opened for holders who have had a change in status from resident Indian to NRI. Any application from a demat account which does not reflect the accurate status of the Applicant are liable to be rejected.

### **Notes:**

- In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Equity Shares can be remitted outside India, subject to tax, as applicable according to the IT Act.
- In case Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Equity Shares cannot be remitted outside India.
- The CAF duly completed together with the amount payable on application must be deposited with the collecting bank indicated on the reverse of the CAFs before the close of banking hours on or before the Issue Closing Date. A separate cheque or bank draft must accompany each CAF.
- In case of an application received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines/ rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.

### **Impersonation**

**As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of section 68A of the Companies Act which is reproduced below:**

*“Any person who makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or otherwise induces a Company to Allot, or register any transfer of shares therein to him, or any other person in a fictitious name, shall be punishable with imprisonment for a term which may extend to five years”.*

### **Payment by Stockinvest**

In terms of RBI Circular DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003, the stockinvest scheme has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

### **Dematerialized dealing**

The Company has entered into agreements dated May 2, 1997 and April 9, 1999 with NSDL and CDSL, respectively.

### **Disposal of application and application money**

No acknowledgment will be issued for the application moneys received by our Company. However, the Banker to the Issue / Registrar to the Issue / SCSBs receiving the CAF will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each CAF.

The Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money received will be refunded. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Equity Shares allotted, will be refunded to the Investor within a period of 15 days from the Issue Closing Date.

If such money is not repaid within eight days from the day our Company becomes liable to repay it, our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be jointly and severally liable to repay the money with interest as prescribed under Section 73 of the Companies Act.

For further instructions, please read the CAF carefully.

**Utilisation of Issue Proceeds**

The Board of Directors declares that:

- i. All monies received out of this Issue shall be transferred to a separate bank account other than the bank account referred to sub-section (3) of Section 73 of the Companies Act;
- ii. Details of all monies utilized out of the Issue shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- iii. Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
- iv. The Company may utilize the funds collected in this Issue only after finalization of Basis of Allotment.

**Undertakings by our Company**

Our Company undertakes the following:

1. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchanges where the Equity Shares are to be listed will be taken within seven working days of finalization of basis of Allotment.
3. The funds required for making refunds to unsuccessful applicants as per the modes disclosed shall be made available to the Registrar to the Issue by our Company.
4. The Company undertakes that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
5. Adequate arrangements shall be made to collect all ASBA applications and to consider them similar to non-ASBA applications while finalising the basis of Allotment.
6. The certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within the specified time.
7. No further issue of securities affecting equity capital of the Company shall be made till the securities issued/offered through the Letter of Offer Issue are listed or till the application monies are refunded on account of non-listing, under-subscription etc.
8. At any given time there shall be only one denomination of equity shares of our Company.
9. Our Company accepts full responsibility for the accuracy of information given in the Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in the Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

10. All information shall be made available by the Lead Manager and the Issuer to the Investors at large and no selective or additional information would be available for a section of the Investors in any manner whatsoever including at road shows, presentations, in research or sales reports etc.
11. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

### **Minimum Subscription**

(A) If our Company does not receive the minimum subscription of ninety per cent of the issue, the entire subscription shall be refunded to the applicants within fifteen days from the date of closure of the issue.

(B) If there is delay in the refund of subscription by more than 8 days after the issue becomes liable to pay the subscription amount (i.e. fifteen days after closure of the issue), our Company will pay interest for the delayed period, at rates prescribed under sub-sections (2) and (2A) of Section 73 of the Companies Act, 1956.

Our Promoter/ Promoter Group, either jointly or severally, intend to subscribe to their Rights Entitlement in this Issue, in full, subject to the terms of the Letter of Offer and applicable laws. Subject to compliance with applicable laws including the Takeover Code, the Promoter/ Promoter Group, either jointly or severally, reserve the right to subscribe for (1) additional Equity Shares of our Company and/or (2) the unsubscribed portion if any, to the extent that the holding of Promoter/Promoter Group does not exceed 75% of the post Issue paid up capital of our Company. One of the Promoter/ Promoter Group entity Nerka Chemicals Private Limited has provided an undertaking dated July 12, 2013 to this effect.

As a result of the subscription, our Promoter/Promoter Group may acquire Equity Shares over and above their respective entitlements in this Issue, which may result in an increase of their shareholding above the current shareholding along with the Rights Entitlement. Such subscription and acquisition of additional Equity Shares by our Promoter / Promoter Group through the Issue, if any, shall be made in accordance with applicable laws. Further, such acquisition is exempted from the obligation to make an open offer as the conditions prescribed in Regulation 10(4)(b) of the Takeover Code are duly complied with.

### **Important**

- Please read the Letter of Offer carefully before taking any action. The instructions contained in the accompanying CAF are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the application is liable to be rejected.
- All enquiries in connection with the Letter of Offer or accompanying CAF and requests for SAFs must be addressed (quoting the Registered Folio Number/ DP and Client ID number, the CAF number and the name of the first Equity Shareholder as mentioned on the CAF and superscribed '*Uniphos - Rights Issue*' on the envelope and postmarked in India) to the Registrar to the Issue at the following address:

**Sharepro Services (India) Private Limited**

13AB, Samhita Warehousing Complex,  
2nd Floor, Sakinaka Telephone Exchange Lane,  
Off Andheri Kurla Road, Sakinaka, Andheri (East)  
Mumbai – 400 072

**Tel:** +91 22 6772 0300

**Fax:** +91 22 2859 1568

**Email:** rights@shareproservices.com

**Website:** www.shareproservices.com

**Contact Person:** Mr. Abraham K.G.

**SEBI Registration Number:** INR 000001476\*

\* The SEBI registration certificate is valid till August 15, 2013. As required under SEBI Regulations, the Registrar has made an application vide its letter dated May 13, 2013 with SEBI for renewal of its certificate of registration.

The Issue will remain open for 30 days.



## **STATUTORY AND OTHER INFORMATION**

### **Option to subscribe**

Investors shall be allotted the Equity Shares in dematerialized (electronic) form at the option of the Investor. The Company has signed a tripartite agreement with NSDL on May 2, 1997 which enables the Investors to hold and trade in equity shares in a dematerialized form, instead of holding the equity shares in the form of physical certificates. The Company has also signed a tripartite agreement with CDSL on April 9, 1999 which enables the Investors to hold and trade in equity shares in a dematerialized form, instead of holding the equity shares in the form of physical certificates.

In this Issue, the allottees who have opted for Equity Shares in dematerialized form will receive their Equity Shares in the form of an electronic credit to their beneficiary account as given in the CAF, after verification with a depository participant. Investor will have to give the relevant particulars for this purpose in the appropriate place in the CAF. Allotment advice, refund order (if any) would be sent directly to the Investor by the Registrar to the Issue but the Investor's depository participant will provide to him the confirmation of the credit of such Equity Shares to the Investor's depository account. CAFs, which do not accurately contain this information, will be given the Equity Shares in physical form. No separate CAFs for Equity Shares in physical and/or dematerialized form should be made.

The Equity Shareholders of the Company who are holding the equity shares in the physical form have an option to subscribe to this Issue in either the dematerialized form or in the physical form.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES OF THE COMPANY CAN BE TRADED ON THE STOCK EXCHANGES ONLY IN DEMATERIALIZED FORM.**

## **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The contracts referred to in para (A) below (not being contracts entered into in the ordinary course of business carried on by the company) which are or may be deemed material have been entered into by our Company.

The contracts together with the documents referred to in para (B) below may be inspected at the registered office of our company between 11.00 a.m. to 2.00 p.m. on any working day from the date of the Letter of Offer until the date of the closure of the Issue.

### **(A) MATERIAL CONTRACTS**

1. Memorandum of Understanding (MOU) dated December 23, 2010 between the Company and Keynote Corporate Services Ltd., Lead Manager to the issue.
2. MOU dated December 23, 2010 between Company and Sharepro Services (I) Private Ltd., Registrar to the Issue.
3. Tripartite Agreement dated May 2, 1997 between the Company, National Securities Depository Ltd. (NSDL) and Sharepro Services (I) Pvt. Ltd.
4. Tripartite Agreement dated April 9, 1999 between the Company, Central Depository Services (India) Limited (CDSL) and Sharepro Services (I) Pvt. Ltd.
5. Banker's to the Issue Agreement dated September 7, 2013 between the Company, Keynote Corporate Services Limited, Sharepro Services (I) Pvt. Ltd. and Axis Bank Limited.

**(B) DOCUMENTS FOR INSPECTION**

1. Memorandum & Articles of Association of our Company;
2. Certificate of incorporation of our Company dated May 29, 1969 and subsequent fresh certificates of incorporation dated August 22, 1983, February 3, 1986, November 25, 1992, March 30, 1993 and October 8, 2003;
3. Resolution of the Board of Directors under section 81(1) of Companies Act, 1956 passed in its meeting dated December 23, 2010 authorising the Issue;
4. Resolution of the Board of Directors passed in its meeting dated September 7, 2013 approving the Letter of Offer;
5. Annual reports of our Company for the last five financial years;
6. Report of M/s. S.V. Ghatalia & Associates LLP, Chartered Accountants & Statutory Auditors of our Company dated July 24, 2013 on reformatted audited financial statements of our Company for the financial years ended March 31, 2013, 2012, 2011, 2010 and 2009;
7. A statement of tax benefits dated July 24, 2013 received from M/s. S.V. Ghatalia & Associates LLP, Chartered Accountants & Statutory Auditors of our Company regarding tax benefits available to our Company and its shareholders;
8. Certificate dated July 16, 2013 from M/s. Jawahar Thacker & Co., Chartered Accountants regarding “sources & deployment of funds”;
9. Letter of Offer dated May 31, 1993 in respect of preceding rights issue made by our Company;
10. Scheme of Arrangement and Re-structuring in the nature of a de-merger approved by the Hon’ble High Court of Gujarat at Ahmedabad on August 28, 2003 pursuant to which all the assets and liabilities pertaining to the manufacturing division of United Phosphorus Limited (“UPL”) were transferred to Search Chem Industries Limited (“SCIL”). UPL was renamed as Uniphos Enterprises Limited and SCIL was renamed as United Phosphorus Limited;
11. Consents of the Directors, Company Secretary & Compliance Officer, Lead Manager to the Issue, Legal Advisor to the Issue, Statutory Auditors, Banker to the Issue and Registrar to the Issue to include their names in the Letter of Offer to act in their respective capacities;
12. Certificate dated December 23, 2010 from our Company as regards compliance with conditions enumerated in Para 1 of Part E under Schedule VIII of SEBI Regulations;
13. Due Diligence Certificate dated December 29, 2010 by Keynote Corporate Services Ltd., Lead Manager to the Issue;
14. In-principle listing approval(s) dated February 4, 2011 from BSE & NSE respectively;
15. Observation letter no. WRO II/SM/DK/RI/UEL/0615/2013 dated March 18, 2013 received from SEBI;

**DECLARATION**

We hereby certify that no statement made in this Offer Document contravenes any of the provisions of the Companies Act, 1956 and the rules made thereunder. All the legal requirements connected with this Issue as also the guidelines, instructions, etc., issued by SEBI, Government and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in the Offer Document are true and correct.

<b>Name</b>	<b>Signature</b>
<b>Mr. Rajnikant Devidas Shroff</b>	<b>Sd/-</b>
<i>Chairman and Managing Director</i>	
<b>Mrs. Sandra Rajnikant Shroff</b>	<b>Sd/</b>
<i>Non Executive Vice Chairman</i>	
<b>Mr. Jaidev Rajnikant Shroff</b>	<b>Sd/</b>
<i>Non-Executive Director</i>	
<b>Mr. Arun Chandrasen Ashar</b>	<b>Sd/</b>
<i>Independent Director</i>	
<b>Mr. Pradeep Goyal</b>	<b>Sd/</b>
<i>Independent Director</i>	
<b>Mrs. Swati Sandesh Mayekar</b>	<b>Sd/</b>
<i>Independent Director</i>	

**Place:** Mumbai  
**Date:** September 7, 2013

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**Mr. K. M. Thacker**  
*Company Secretary & Compliance Officer*

**FOR FURTHER DETAILS, PLEASE REFER TO THE LETTER OF OFFER**