6. Debt-Equity Ratio

Debt / Equity (Equity Share Capital + Reserves - Debit Balance in Profit & Loss Account)

<table>
<thead>
<tr>
<th>Year Ended March 31</th>
<th>Total Debt (Rs.)</th>
<th>Equity Share Capital (Rs.)</th>
<th>Reserves (Rs.)</th>
<th>Debt-Equity Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>3,963,928</td>
<td>3,000,000</td>
<td>963,928</td>
<td>1.32</td>
</tr>
<tr>
<td>2011</td>
<td>3,963,928</td>
<td>3,000,000</td>
<td>963,928</td>
<td>1.32</td>
</tr>
</tbody>
</table>

As per the requirements of Section 173(2) read with Section 77A and other applicable provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, the Company proposes to buy-back 9,63,928 Equity Shares of Rs. 10/- each (constituting 21.99% of the fully paid-up Equity Share capital of the Company) from the members of the Company at an aggregate purchase price of Rs. 8193.39 Lacs which is within 25% of the Company's fully paid-up Equity Share Capital and Free Reserves as per the latest audited financial results of the Company.

This will be done without in any manner compromising on the inorganic growth opportunities available to the Company as per the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (hereinafter referred to as "Buy back Regulations").

The proposed Buy Back is subject to and shall be governed by all the applicable provisions under the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 on reasonable grounds, that the Company will not, having regard to its state of affairs, be unable to meet its liabilities as they fall due or that the value of its assets as shown in the most recent audited balance sheet is not less than one and a half times its liabilities as shown therein.

The proposed Buy Back is subject to and shall be governed by the provisions of the Companies Act, 1956 and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998, and the Company shall not be entitled to issue any new securities, re-issue forfeited equity shares, buy-back of shares or any other security, warrant or stock option into Equity Shares or re-issue forfeited Equity Shares, till the date of closure of the Buy-back offer.

As required under the Act, the ratio of the debt owed by the Company would not be more than twice the Share Capital and Reserves at the balance sheet date immediately preceding the date of the Board Meeting at which the Buy Back was approved, i.e. 23rd September, 2011.

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As required under the Act, the ratio of the debt owed by the Company would not be more than twice the Share Capital and Reserves at the balance sheet date immediately preceding the date of the Board Meeting at which the Buy Back was approved, i.e. 23rd September, 2011.