

**DRAFT RED HERRING PROSPECTUS****Dated March 20, 2010**

Please read Section 60B of the Companies Act, 1956

(To be updated upon ROC filing)

100% Book Building Issue**RDB RASAYANS LIMITED**

The Company was incorporated as RDB Rasayans Limited on October 13, 1995 under the Companies Act, 1956 as a public limited company by the Registrar of Companies, West Bengal. The Certificate of Commencement of Business was granted to the Company on October 27, 1995. Company Incorporation Number (CIN) of the Company is U36999WB1995PLC074860.

Regd. Office: Bikaner Building, 1st Floor, Suite No: 10, 8/1, Lal Bazar Street, Kolkata – 700 001For details of the change in the registered office, please refer section “**History and Certain Corporate Matters**” on page 60 of DRHP.**Tel:** 91-33-2230 5666; **Fax:** +91-33-2242 0588; **E-mail:** ipo@rdbgroup.in; **Website:** www.rdbgroup.in**Contact Person:** Mr. Himangshu Kedia, Company Secretary & Compliance Officer**PROMOTERS: MR. SUNDER LAL DUGAR, MR. VINOD DUGAR AND MS. SHEETAL DUGAR**

PUBLIC ISSUE OF 45,00,000 EQUITY SHARES OF RS.10 EACH FOR CASH AT A PRICE OF RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) AGGREGATING RS. [●] LACS (HEREINAFTER REFERRED TO AS THE “ISSUE”) BY RDB RASAYANS LIMITED (“COMPANY” OR “ISSUER” OR “RRL”). THE ISSUE WOULD CONSTITUTE 25.40% OF THE FULLY DILUTED POST ISSUE PAID UP CAPITAL OF THE COMPANY.

PRICE BAND: RS. [●] TO RS. [●] PER EQUITY SHARES OF FACE VALUE RS.10 EACH.

THE ISSUE PRICE IS [●] TIMES THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND [●] TIMES THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional working days after revision of the Price Band subject to the Bidding/Issue Period not exceeding 10 working days. Any revision in the Price band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to Bombay Stock Exchange Ltd. (“BSE”) and the National Stock Exchange of India Limited (“NSE”), by issuing a press release and also by indicating the change on the website of the Book Running Lead Manager (“BRLM”) and at the terminals of the Syndicate.

The Issue is being made through the 100% Book Building Process wherein up to 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers, out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Further, at least 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

RISKS IN RELATION TO FIRST ISSUE

This being the first issue of Equity shares of RDB Rasayans Limited, there has been no formal market for the Equity Shares of the Company. **The face value of the Equity Shares is Rs.10 and issue price is [●] times of the face value.** The Issue price (as determined and justified by the Company in consultation with Book Running Lead Manager (“BRLM”) on the basis of assessment of market demand for the Equity Shares by way of book-building) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of the Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments 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 the Company and the Issue including the risks involved. The Equity Shares offered in the issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. **Specific attention of the investors is invited to the section titled “Risk factors” on page ix of this Draft Red Herring Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to the Company and the Issue which is material in the context of the issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity shares offered through this Draft Red Herring Prospectus are proposed to be listed on Bombay Stock Exchange Ltd (BSE) (Designated Stock Exchange) and the National Stock Exchange of India Ltd (NSE). The Company has received in-principle approval from BSE & NSE for the listing of the Equity Shares pursuant to their letter dated [●] and [●] respectively.

IPO GRADING

This Issue has been graded by [●] as [●], indicating [●]. For details see “General Information” beginning on page 7 of this Draft Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER

Chartered Capital And Investment Limited
711, Mahakant, Opp V.S. Hospital, Ellisbridge,
Ahmedabad-380 006
Tel: +91-79-2657 5337, 2657 7571
Fax: +91-79-2657 5731
E-mail: rdb.ipo@charteredcapital.net
Website: www.charteredcapital.net
Contact Person: Mr. Manoj Kumar Ramrakhyani

REGISTRAR TO THE ISSUE

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai 400 078
Tel :+91-22- 25960320
Fax :+91-22- 25960329
E-mail: rdb.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Mr. Sachin Achar

ISSUE PROGRAMME**BID / ISSUE OPENS ON : [●], 2010****BID / ISSUE CLOSES ON : [●], 2010**

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SECTION I- DEFINITIONS AND ABBREVIATIONS

CONVENTIONAL/ GENERAL TERMS

“Issuer” or “Company” or “RRL” or “We” or “us” or “our”, unless the context otherwise requires, refers to RDB Rasayans Limited, a Company incorporated under the Companies Act, 1956 with its registered office at Bikaner Building, 1st Floor, Suite No: 10, 8/1, Lal Bazar Street, Kolkata – 700 001.

Term	Description
Articles/ Articles of Association	The Articles of Association of RDB Rasayans Limited.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
BSE	Bombay Stock Exchange Limited
Companies Act	The Companies Act, 1956, as amended from time to time.
Depository	A body corporate registered under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depositories Act	Depositories Act, 1996, as amended from time to time
Depository Participant	A depository participant as defined under the Depositories Act, 1996
FCNR Account	Foreign Currency Non Resident Account.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the rules and regulations framed thereunder.
Financial Year /fiscal year/FY/ fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
Government/ GOI	The Government of India.
GAAP	Generally Accepted Accounting Principles
HUF	Hindu Undivided Family.
Memorandum/Memorandum of Association	The Memorandum of Association of RDB Rasayans Limited
Mn, mn	Million
NAV	Net asset value.
Non Residents	Non-Resident is a Person resident outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
NRE Account	Non-Resident External Account.
NRO Account	Non-Resident Ordinary Account.
NRI/Non-Resident Indian	Non-Resident Indian, is a Person resident outside India, who is a citizen of India or a Person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
NSE	The National Stock Exchange of India Ltd
OCB/ Overseas Corporate Body	A company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
P/E Ratio	Price/Earnings Ratio.
PAT	Profit After Tax
PBT	Profit Before Tax
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
PIO/ Person of Indian Origin	Shall have the same meaning as is ascribed to such term in the Foreign Exchange Management (Investment in Firm or Proprietary Concern in India) Regulations, 2000.
RONW	Return on Networth
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992

SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (DIP) Guidelines / SEBI Guidelines	The rescinded, SEBI (Disclosure and Investor Protection) Guidelines, 2000, issued by SEBI, as amended from time to time.
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.

ISSUE RELATED TERMS

Term	Description
Allotment	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue.
Allottee	The successful Bidder to whom the Equity Shares are being/ or have been issued or transferred.
Application Supported by Blocked Amount (ASBA)	means an application for subscribing to an issue containing an authorisation to block the application money in a bank account
ASBA Investor	means an Investor except QIB, who intends to apply through ASBA process
ASBA Form	Bid cum Application form for ASBA Investor
Bankers to the Issue.	[•]
Bid	An indication to make an offer during the Bidding/Issue Period by a Bidder to subscribe to the Company's Equity Shares at a price within the Price Band including all revisions and modifications thereto.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder on submission of the Bid in the Issue.
Bid /Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a regional language newspaper with wide circulation.
Bid/Issue Closing Date	The date after which the Members of the Syndicate will not accept any Bids for the Issue, which shall be notified in a widely circulated English national newspaper , a Hindi national newspaper and a regional language newspaper with wide circulation.
Bid cum Application Form	The form in terms of which the Bidder shall make an offer to subscribe to the Equity Shares and which will be considered as the application for the Issue of the Equity Shares in terms of this Draft Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of this Draft Red Herring Prospectus and the Bid cum Application Form.
Bidding Period/Issue Period	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids.
Book Building Process/Method	Book building route as provided in Schedule XI of the SEBI Regulations, in terms of which this Issue is made.
Book Running Lead Manager	Chartered Capital And Investment Limited.
CAN/ Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
Cap Price	The higher end of the price band, above which the issue price will not be finalized and above which no bids will be accepted.
Cut off Price	Any price within the Price Band finalized by the company in consultation with the BRLM. A Bid submitted at Cut-off is a valid Bid at all price levels within the Price Band.
Designated date	The date on which funds are transferred from the Escrow Account to the Public Issue Account after the Prospectus is filed with the RoC, following which the Board of Directors shall allot Equity Shares to successful bidders.
Designated Stock Exchange	Bombay Stock Exchange Ltd
Director(s)	Director(s) of RDB Rasayans Limited, unless otherwise specified.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus filed with the SEBI, which does not have complete particulars on the price at which the Equity Shares are offered and

	size of the Issue.
ECS	Electronic Clearing Service
Equity Shares	Equity shares of the Company of Rs.10 each unless otherwise specified in the context thereof.
Escrow Account	Account to be opened with Escrow Collection Bank(s) and in whose favor the Bidder will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement to be entered into amongst the Company, the Registrar, the Escrow Collection Banks(s), the BRLM and the Syndicate Member for collection of the Bid Amounts and for remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Collection Banks	The banks, which are clearing members and registered with SEBI as Banker to the Issue at which the Escrow Account for the Issue will be opened.
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form.
Floor Price	The lower end of the Price Band, below which the Issue Price will not be finalized and below which no bids will be accepted.
IPO	Initial Public Offer.
Issue	Public Issue of 45,00,000 Equity Shares Of Rs.10 Each For Cash At A Price Of Rs. [●] Per Equity Share (Including A Share Premium Of Rs. [●] Per Equity Share) Aggregating Rs. [●] Lacs
Issue Price	The final price at which Equity Shares will be allotted in terms of the Prospectus, as determined by the Company in consultation with the BRLM, on the Pricing Date.
Issue Period	The Issuer period shall be [●], the issue opening date, to [●], the issue closing date.
Issue size	Public Issue of 45,00,000 Equity Shares by RDB Rasayans Limited.
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid, being 10% to 100% of the Bid Amount.
Mutual Fund	A fund established in the form of a trust to raise monies through the sale of units to the public or a section of the public under one or more schemes for investing in securities, including money market instrument and registered with the SEBI under the SEBI (Mutual Funds) Regulations, 1996.
Mutual Fund Portion	5% of the QIB Portion being 1,12,500 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs.[●] lacs, available for allocation to Mutual Funds only, out of QIB Portion.
Non-Institutional Bidders	All Bidders that are not Qualified Institutional Buyers for this Issue or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000.
Non-Institutional Portion	The portion of the Issue being at least 15% of the Issue i.e.6,75,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs.[●] lacs, available for allocation to Non Institutional Bidders.
Pay-in Date	Bid/Issue Closing Date or the last date specified in the CAN sent to Bidders receiving allocation who pay less than 100% margin money at the time of bidding, as applicable.
Pay-in Period	This term means (i) with respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/ Issue Opening Date and extending until the Bid/Issue Closing Date, and (ii) with respect to Bidders whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date, as specified in the CAN.
Price Band	Price band with a minimum price (floor of the price band) of Rs. [●] and the maximum price (cap of the price band) of Rs. [●] and includes revisions thereof.
Pricing Date	The date on which Company in consultation with the BRLM finalize the Issue Price.
Promoters	Promoters shall mean jointly Mr. Sunder Lal Dugar, Mr. Vinod Dugar and Ms. Sheetal Dugar
Promoter Group	Promoter Group Entities and Promoter Group Individuals
Promoter Group Entities	RDB Industries Limited, Khatod Investments & Finance Company Limited,

	Electrical Manufacturing Company Limited, BFM Industries Limited, RD Motors Private Limited, Raj Construction Projects Private Limited, Veekay Apartments Private Limited, Siddha PSIDL Township Private Limited, Pyramid Sales Private Limited, Loka Properties Private Limited, Bhagwati Plasto Works Private Limited, RD Devcon Private Limited, RDB Realty & Infrastructure Limited, Bhagwati Builders & Development Private Limited, Basudev Builders Private Limited, Bahubalai Tie-up Private Limited, MKN Investment Private Limited, Bengal Regent Infrastructure Limited, Baron Suppliers Private Limited, Triton Commercial Private Limited, Kasturi Tie-up Private Limited, Headman Mercantile Private Limited, Ankur Constructions Private Limited, Johri Towers Private Limited, Arrow Vinimay Private Limited, Regent Capital Private Limited, Regent Finance Corporation Private Limited, RDB Insurance Broking Services Private Limited, Big Space Fashion India Limited, Rimjhim Vanijya Private Limited, Infra-vision Developers Private Limited, Regent Autotrade Private Limited, Regent Forex Private Limited, India Securities Broking Private Limited, Regent Commodities Broking Private Limited, Lokenath Projects – Partnership firm, S.L.Dugar Charitable Trust, Rekha Benefit Trust, Regent Education & Research Foundation and Sunder Lal Dugar -HUF..
Promoter Group Individuals	Mrs. Kusum Devi Dugar, Mr. Sohan Lal Dugar, Mr. Punam Chand Dugar, Mr. Kaushal Dugar, Mrs. Jasoda Devi Bothra, Mrs. Jhanwari Devi Sand, Mrs. Mahindra Devi Kochar, Mrs. Sunita Daga, Mrs. Rekha Jhabak, Mr. Narendra Kumar Sethia, Mr. Ashoke Kumar Sethia, Mr. Rabindra Sethia, Mrs. Snehlata Baid, Mrs. Chandanbala Sawansukha, Mrs. Neelam Kochar, Mrs. Shantidevi Surana, Mrs. Sushiladevi Doshi, Ms. Yashashwi Dugar, Ms. Manashwi Dugar, Ms. Suhashini Dugar, Mrs. Siddhi Baid, Mr. Shanti Lal Baid, Mr. Aditya Vikram Baid, Mr. Ravindra Baid and Mr. Sandeep Baid
Promoter Group Companies	Unless the context otherwise requires, refer to those companies mentioned in the section titled “Our Promoters And Promoter Group” on page 72 of this Draft Red Herring Prospectus.
Prospectus	The Prospectus, to be filed with the RoC containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account for the Issue on the Designated Date.
Qualified QIBs	(i) a mutual fund, venture capital fund and foreign venture capital investor registered with the Board; (ii) a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the Board; (iii) a public financial institution as defined in section 4A of the Companies Act, 1956; (iv) a scheduled commercial bank; (v) a multilateral and bilateral development financial institution; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority; (viii) a provident fund with minimum corpus of twenty five crore rupees; (ix) a pension fund with minimum corpus of twenty five crore rupees; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; (xi) insurance funds set up and managed by army, navy or air force of the Union of India;
QIB Margin	An amount representing 10% of the Bid Amount that QIBs are required to pay at the time of submitting their Bid.
QIB Portion	The portion of this Issue being up to 50% of the Issue, i.e. 22,50,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs.[●] lacs, available for allocation to QIBs, of which 5% shall be reserved for Mutual Funds.
Registrar/Registrar to the Issue	Registrar & Transfer Agent, i.e. Link Intime India Private Limited
Red Herring Prospectus or RHP	Red Herring Prospectus issued in accordance with Section 60B of the Companies Act, which does not have complete particulars on the price at which the Equity Shares are issued and the size of the Issue. The Red Herring Prospectus will become the Prospectus after filing with the RoC after the pricing date.

Retail Individual Bidder	Individual Bidders (including HUFs and NRIs) who have Bid for Equity Shares for an amount less than or equal to Rs.100,000, in any of the bidding options in the Issue.
Resident Retail Individual Investor	means a Retail Individual Investor who is a person resident in India as defined in Foreign Exchange Management Act, 1999
Retail Portion	The portion of the Issue being at least 35% of the Issue i.e. 15,75,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs.[●] lacs, available for allocation to Retail Individual Bidder(s).
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s).
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended.
Self Certified Syndicate Bank (SCSB)	SCSB is a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994 and which offers the service of making an Applications Supported by Blocked Amount and recognized as such by the Board
Stock Exchanges	Bombay Stock Exchange Limited & The National Stock Exchange of India Ltd
Syndicate	The BRLM and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Company and the members of the Syndicate, in relation to the collection of the Bids in the Issue.
TRS or Transaction Registration Slip	The slip or document issued by the members of the Syndicate to the Bidder as proof of registration of the Bid.
Underwriters	The BRLM and Syndicate Member.
Underwriting Agreement	The Agreement between the members of the Syndicate and the Company, on its own behalf to be entered into on or after the Pricing Date.

COMPANY AND INDUSTRY RELATED TERMS

Auditors	The statutory auditors of the Company, being M/s M. K. Surana & Co., Chartered Accountants.
Board	The Board of Directors of RDB Rasayans Limited or a committee thereof.
ESIC	Employee's State Insurance Corporation
ICAI	The Institute of Chartered Accountants of India
Project	The proposed project of the Company
Registered Office/ Registered office of the Company	The Registered Office of the Company at Bikaner Building, 1 st Floor, Suite No: 10, 8/1, Lal Bazar Street, Kolkata – 700 001.
ROC	Registrar of Companies, West Bengal at Kolkata.

ABBREVIATIONS

AGM	Annual General Meeting.
ASBA	Application Supported by Blocked Amount
A.Y	Assessment Year
A/C	Account
BSE	Bombay Stock Exchange Limited.
BG/LC	Bank Guarantee/ Letter of Credit
BV / NAV	Book value / Net asset value
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Ltd.
DP	Depository Participant.
EGM	Extraordinary General Meeting
EPS	Earnings Per Share.
ESOP	Employees Stock Option Plan
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board.
FIBC	Flexible Intermediate Bulk Container

FVCI	Foreign Venture Capital Investor
FIIs	Foreign Institutional Investors
GSM	Grams per Square Meter
GOI	Government of India.
HDPE	High Density PolyEthylene
I.T.Act	Income-Tax Act, 1961.
KGF	Kilogram Force
LDPE	Low Density polyethylene
MAT	Minimum Alternate Tax
MW	Mega Watt
MT	Metric Tonne
MTPA	Metric Tonne Per Annum
NRI(s)	Non-Resident Indian (s)
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Ltd
N.A.	Not Applicable
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PP	Polypropylene
QC	Quality Control
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India.
SCSB	Self Certified Syndicate Bank
SIA	Secretariat for Industrial Assistance
The Act	The Companies act, 1956 (as amended from time to time)
UK	United Kingdom
U.S./U.S.A.	United States of America
UV	Ultraviolet
WBSEDCL	West Bengal State Electricity Distribution Company Limited

SECTION II – RISK FACTORS

CERTAIN CONVENTIONS - USE OF MARKET DATA

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from our financial statements prepared in accordance with Indian GAAP, Companies Act and the SEBI Regulations included elsewhere in this Draft Red Herring Prospectus. Our fiscal year commences on April 1 every year and closes on March 31 of the next year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “lacs” means “one hundred thousand” and the word “million” means “ten lac” and the word “Crore” means “ten million”. Throughout this Draft Red Herring Prospectus, all figures have been expressed in lacs. Unless otherwise stated, all references to “India” contained in this Draft Red Herring Prospectus are to the Republic of India.

Industry data used throughout this Draft Red Herring Prospectus has been obtained from industry publications and other authenticated published data. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Company believes that industry data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources

For additional definitions, please refer to the section titled ‘Definitions and Abbreviations’ on page no. i of this Draft Red Herring Prospectus. In the section titled ‘Main Provisions of the Articles of Association’ on page no. 219 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association of the Company.

FORWARD LOOKING STATEMENTS

We have included statements in this Draft Red Herring Prospectus, that contain words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions that are “forward-looking statements”. However, these words are not the exclusive means of identifying forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward looking statements. These forward looking statements include statements as to our business strategy, planned projects and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical fact. These forward-looking statements and any other projections contained in this Draft Red Herring Prospectus (whether made by us or any third party) involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements expressed or implied by such forward-looking statements or other projections.

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

- Our ability to retain and attract trained employees;
- Changes in the value of the Rupee and other currency changes;
- Loss or decline in the business from any of our key clients;
- General economic and business conditions in India and other countries;
- Our ability to successfully implement the strategy, growth, new projects and expansion plans;
- Changes in the Indian and international interest rates;
- Social or civil unrest or hostilities with neighboring countries or acts of international terrorism;
- Changes in laws and regulations that apply to packaging industry, including laws that impact our ability to enforce our collateral.
- Changes in political conditions in India.

For further discussion of factors that could cause actual results to differ, please refer the section entitled “Risk Factors” beginning on page ix of this Draft Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither the Company, the Directors, any member of the Book Running Lead Manager team nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the Company and the Book Running Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.

RISK FACTORS

An investment in equity shares involves a high degree of risk. One should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares of the Company. If any of the following risks actually occur, the business, financial condition and results of operations could suffer, the trading price of the Equity Shares could decline, and you may lose all or part of your investment.

Unless otherwise stated in the relevant risk factors set forth below, the Company is not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

Materiality

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

- a) Some events may not be material individually but may be found material collectively.
- b) Some events may have material impact qualitatively instead of quantitatively.
- c) Some events may not be material at present but may be having material impacts in future.

A. SPECIFIC TO THE PROJECT AND INTERNAL TO THE COMPANY

- 1) **There are outstanding litigations against the Company, promoters, directors and group entities:**
The Company, promoters, directors and group entities are defendants/plaintiff in various legal proceedings incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts.

A summary of these cases is as follows:

Particulars	Total No	Amount (Rs in lacs)
Under Criminal Laws		
Cases filed by the promoters	1	3.94
Cases filed against the promoters	3	1517.78
Cases filed against the directors	2	4.51
Cases filed by the Group Companies/associate concerns	2	2.00
Cases filed against the Group Companies/associate concerns	4	191.00
Under Securities Laws		
Cases filed against the Promoters	2	23.00
Cases filed by the Group Companies/associate concerns	1	20.40
Cases filed against the Group Companies/associate concerns	1	20.00
Under Tax laws		
Cases filed against the Promoters	1	518.50
Cases filed by the Group Companies/associate concerns	16	2053.13
Under Civil Laws		
Cases filed by the Company	1	13.30
Cases filed by the promoters	1	7231.84
Cases filed against the promoters	1	Nil
Cases filed by the Group Companies/associate concerns	27	2778.48
Cases filed against the Group Companies/associate concerns	24	528.61
Under Labour Laws		
Cases filed against the promoters	1	1.60
Cases filed by the Group Companies/associate concerns	3	7.10
Cases filed against the Group Companies/associate concerns	7	132.79
Under various Statutory Laws		
Cases filed by the promoters	1	Not ascertainable
Cases filed against the promoters	3	123.36
Cases filed by the Group Companies/associate concerns	11	8432.28

Cases filed against the Group Companies/associate concerns	9	11349.13
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For further details, please refer to section "Outstanding Litigations and Material Developments" on page no.134 of Draft Red Herring Prospectus.

2) **Non-receipt of Government and other regulatory approvals may affect the completion of the proposed project that forms part of the objects of the Issue. For details about the approvals which are yet to be obtained by the issuer company, please refer page no.167 of Draft Red Herring Prospectus.**

3) **The Company is dependant on single / few Customers and suppliers**

The Company is largely dependent on single and few customers, as the top one and top ten customers constitutes around 19% and 89% of the total income for the year 2008-09. In addition, company is also dependent on few suppliers as top one and top ten suppliers constitutes around 83% and 100% of the total purchases (other than capital goods) for the year 2008-09.

4) **The Promoters, Group Companies and associates of the Company have unsecured debt that is repayable on demand.**

The Promoters, Group Companies and associates of the Company have availed of certain unsecured loans that are repayable on demand. In the event that the lenders of such loans demands the repayment of these loans, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms or at all.

5) **Our 28 group Companies/ventures have incurred losses during last 3 years**

(Rs. In Lacs)

Name of Group Company	Profit/ (Loss) After Tax for the period		
	2006-07	2007-08	2008-09
Khatod Investments & Finance Company Limited	10.81	2.56	(4.82)
BFM Industries Limited	1.82	70.22	(1.43)
Raj Construction Projects Private Limited	(3.12)	(0.38)	24.51
Siddha PSIDL Township Private Limited	(7.52)	(13.34)	(4.37)
Pyramid Sales Private Limited	0.09	16.86	(16.24)
Bhagwati Plasto Works Private Limited	3.71	48.56	(50.96)
RD Devcon Private Limited	NA	NA	(14.24)
RDB Realty & Infrastructure Limited	(1.84)	(0.13)	(0.09)
Bhagwati Builders & Development Private Limited	4.93	(0.09)	112.22
Basudev Builders Private Limited	(1.55)	(0.96)	16.56
Bahubali Tie Up Private Limited	(0.24)	(0.09)	(0.10)
Bengal Regent Infrastructure Limited	(3.08)	(1.38)	(1.17)
Baron Suppliers Private Limited	(0.24)	(0.09)	(0.11)
Triton Commercial Private Limited	(0.22)	(0.09)	(0.14)
Kasturi Tie-Up Private Limited	(0.24)	(0.11)	(0.13)
Headman Mercantile Private Limited	(0.22)	(0.09)	(0.11)
Ankur Constructions Private Limited	(5.33)	0.13	12.07
Johri Towers Private Limited	4.18	1.40	(2.79)
Arrow Vinimay Private Limited	(0.09)	40.40	8.69
Regent Capital Private Limited	NA	NA	(0.05)
RDB Insurance Broking Services Private Limited	(0.53)	(13.75)	0.33
Big Space Fashion India Limited	NA	(118.32)	(226.67)
Rimjhim Vanijya Private Limited	(0.24)	(0.27)	0.59
Infra-Vision Developers Private Limited	(14.85)	(7.66)	(48.06)
Regent Commodities Broking Private Limited	(1.74)	0.85	1.18
Regent Forex Private Limited	NA	NA	(0.06)
Regent Autotrade Private Limited	(0.09)	(0.33)	(0.08)

Lokenath Projects	(10.21)	1.99	2.16
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6) Contingent liabilities of the company as on September 30, 2009:

(Rs. in lacs)

Particulars	As on Sept 30, 2009
a) Unexpired Bank Guarantees & Letters of Credit	2.00
b) Sales Tax Declaration Form Receivable from Customers	7.50
c) Estimated Amount of Contract Remaining	5.00
c) Corporate Guarantee given on behalf of one group company	650.00

7) Deployment of funds is at the discretion of the issuer Company and is not subject to any monitoring by any independent agency. The Company has not appointed any outside monitoring agency for monitoring the utilization of issue proceeds. The deployment of funds arising from the proceeds of the issue will be monitored by the Audit Committee of the Board of Directors of the Company.

8) Cash flow of the Company has been negative in the past.

The details of the negative cash flows of the Company are as follows:

(Rs. in Lacs)						
Particulars	Year Ended 31.03.05	Year Ended 31.03.06	Year Ended 31.03.07	Year Ended 31.03.08	Year Ended 31.03.09	Period Ended 30.09.09
Net cash Generated/(used) from operating activities	(24.50)	(163.07)	685.55	(221.13)	356.59	59.88
Net cash from investing activities	(132.93)	(56.45)	(295.15)	(256.15)	(448.07)	(101.58)
Net cash generated/(used) in financing activities	141.22	469.39	(242.52)	75.26	134.46	13.02
Net increase/(decrease) in cash and cash equivalents	(16.21)	249.87	147.87	(402.02)	42.98	(28.68)

9) Restrictive covenants in the agreements may impact the rights of the shareholders of the Company.

As per the terms of the loan agreements, the company can not do the certain activities, during the Currency of the bank's credit facilities, without the bank's/lead arranger's prior permission in writing of the Banks, which amongst other, includes:

- Effect any change in the company's capital structure.
- Formulate any scheme of amalgamation / re-constitution.
- Invest by way of share capital in or lend or advance funds to or place deposits with any other concern. Normal trade credit or security deposits in the usual course of business or advance to employees, are, however, not covered by this covenant.
- Enter into borrowing arrangements either secured or unsecured with any other bank or financial institutions, company or otherwise.
- Undertake guarantee obligations on behalf of another firm/concern/company, subsidiary.
- Declare dividends (in case of companies) for any year except out of profits relating to that year.
- Grant loans to promoters/partners.
- Undertake any expansion or fresh project or acquire fixed assets, while normal capital expenditure, e.g. replacement of parts, can be incurred.
- Make any change in their management set-up.

10) Orders for Plant & Machineries relating to project are yet to be placed.

The Company is yet to place orders for Rs.2316.28 Lacs being 98.20% of the plant & machineries cost relating to project. For details, please refer page 22 of Draft Red Herring Prospectus. Any delay in placing the order for procurement of the same and its delivery will inadvertently delay the completion of project.

- 11) Any penalty or action taken by any regulatory authorities in future for non-compliance of Section 383A of the Companies Act, 1956 could impact financial position of the Company to that extent.**
The Company has not complied with the provisions of Section 383A of the Companies Act, 1956 during the period March 31, 2006 to March 14, 2009 (for 1080 days) and again for the period October 5, 2009 to March 12, 2010 (for 159 days) as the Company had not appointed any Company Secretary during the said period. Thereby there was a non-compliance of Section 383A of the Companies Act, 1956 for a total period of 1239 days. This may attract a maximum liability of Rs.6,19,500. No show cause notice in respect of the above has been received by the Company from the office of Registrar of the Companies till date. Any penalty in future by any regulatory authorities could affect Company's financials to that extent.
- 12) The Company does not have a track of record for payment of dividend on equity shares.**
The Company has not declared or paid any cash dividends on the Equity Shares in the past. The future payment of dividends, if any, would be based on the then available distributable profits and the recommendations of our Board of Directors.
- 13) Non-availability of raw material and other resources may affect the operations & profitability**
Packaging industry being a raw material intensive industry, the Company is constantly exposed to possible unpredictability in the supply of raw materials. Lack of any backward linkage exposes the company to volatility inherent in availability of the critical raw material.
- 14) There is risk associated with price fluctuation of raw material and finished product**
In the past, there have been fluctuations in the prices of critical raw materials. Such fluctuations in prices of raw material and the Company's inability to negotiate at optimum market rates may affect its profitability. Similarly, the prices of finished products have also shown price variations, which may impact its profitability.
- 15) The present project is funded mainly from the proceeds of present public issue. Due to the delay in the public issue there may be a delay in the schedule of implementation of the project that the company proposes to undertake.**
The cost of project is to be funded mainly from the IPO. Any delay/failure of the IPO will impact the completion of project which will further affect the future performance and profitability of the Company.
- 16) There may be further equity offerings in the Company which will dilute the shareholding of existing shareholder.**
The Company may require further infusion of funds to satisfy its capital needs and future growth plans, which the Company may not be able to procure. Any future equity offerings by the Company may lead to dilution of equity and may affect the market price of the Equity Shares.
- 17) We are dependent on our management team and key personnel and loss of any key team member may adversely affect our business performance.**
Our success depends on the continued services and performance of the members of our management team and other key employees. If one or more members of our senior management team were unable or unwilling to continue in their present positions, those persons could be difficult to replace with competent employees and our business could be adversely affected. Moreover, we do not own any key person insurance. As such, any loss of our senior management personnel or key employees could adversely affect our business, results of operations and financial condition.
- 18) There has been a strike in the manufacturing unit for the period from June 23, 2009 to July 28, 2009. This strike had disrupted the manufacturing activity at the unit which in turn had its effect on the sales & profitability of the Company. Such sort of labour unrest may also arise in future which may have its effect on the sales & profitability of the company.**
- 19) Failure to effectively manage labour or failure to ensure availability of sufficient labour could affect the business operations of the Company.**
- 20) Our Promoters are not involved in the day to day activities of the Company due to which the promoters are dependent on the key managerial personnel of the Company for successfully running of the Company.**
- 21) The Registered office from which we operate is not owned by us.**
The registered office premises from which we operate is not owned by us. The premise has been leased out by the land lord to Loka Properties Private Limited, one of our group companies. Our

Company has not entered into any formal agreement for occupying the premises either with Loka Properties Private Limited or with the landlord of the premises. However, the landlord has given its consent to the Loka Properties Private Limited allowing it to use the office by its group/associate companies.

22) Our business is dependent on our manufacturing facilities. The loss of or shutdown of operations at any of our manufacturing facilities may have a material adverse effect on our business, financial condition and results of operations.

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, labour disputes, strikes, lock-outs, continued availability of services of our external contractors, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition and results of operations may be adversely affected by any disruption of operations at our facilities, including due to any of the factors

23) The Company may face significant competition from a number of sources.

The packaging market in India is highly competitive with a large number of players. We expect the competition to intensify and increase from a number of sources. We believe that the principal competitive factors in our markets are price, quality and raw material supply. There are many companies in India, which are present across the value chain and hold a commanding position in the industry; such companies pose a threat to our Company.

24) Failure to comply with environmental laws, rules and regulations may adversely affect our business or operations.

A failure on our part to adequately comply with applicable environmental laws, rules and regulations, could hamper or adversely impact the operations of our Company, and consequently, could adversely affect the Company and its cash flows and profitability

25) The Company may continue to be controlled by our promoter group and other principal shareholders following this issue and our other shareholders may not be able to affect the outcome of shareholder voting.

After the completion of the Issue, our promoters group will collectively hold approximately 65.34% of the outstanding Equity Shares. Consequently, our Promoters and other principal shareholders, if acting jointly, may exercise substantial control over us and *inter alia* may have the power to elect and remove a majority of our Directors and/or determine the outcome of proposals for corporate action requiring approval of our Board of Directors or shareholders, such as lending and investing policies, revenue budgets, capital expenditure, dividend policy and strategic acquisitions/joint ventures.

26) The Company may not be fully insured for business losses, which the Company might incur.

The Company has not taken any insurance for protecting us from future business losses and in the event of such losses occurring, the operations of our Company may be affected significantly.

27) We have entered into certain transactions in which our promoters are interested parties. For details of the Related Party Transaction, please refer to page no.107 of DRHP.

B. EXTERNAL RISK FACTORS BEYOND THE CONTROL OF THE COMPANY

Certain factors beyond the control of the Company could have a negative impact on the Company's performance, such as:

1) Changes in Government Policies and political situation in India

Since 1991, the Government of India has pursued policies of economic liberalization, including relaxing restrictions on the private sector. The Company cannot assure you that these liberalization policies will continue in future. Protest against liberalization could slowdown the pace of economic development. The rate of economic liberalization could change, specific laws and policies could change, and foreign investment, currency exchange rates and other matters affecting investing in our securities could change as well.

The current Indian Government is coalition of several parties. The withdrawal of one or several parties could result in political instability, which may have adverse affect on the capital market and investor confidence.

Any adverse change in Government policies relating to the packaging industry in general and plastic packaging in particular may have an impact on the profitability of the industry.

2) Changes in regulations

Changes in regulatory environment relating to manufacturing and marketing packaging products in and outside the country will significantly impact the business of the Company.

3) Regulation of Exports and Imports

Any change in regulations, domestic or international, having an impact on the packaging market in general, will affect the industry as a whole. Such changes may be in the nature of introduction of quota, tariff barrier, subsidies etc.

4) Risks arising from changes in taxation policies

Statutory taxes and other levies may affect our margin in the event of our inability to factor such expense in our trading margin. Any increase in taxes and/ or levies, or the imposition of new taxes and/ or levies in the future, may have a material adverse impact on our business, results of operations and financial condition.

5) Risk arising from violence and acts of terror

Terrorist attacks and other acts of violence or war involving India and other countries where the Company sells its products could affect the Company's business.

6) The Company is subject to risk arising from exchange rate fluctuations.

The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in the future. Fluctuations in the exchange rates may affect the Company to the extent of cost of imported raw material being bought from overseas vendors for the Company's products and also for the sales of the Company to its foreign buyers. Any adverse fluctuations with respect to the exchange rate of any foreign currency for Indian Rupees may affect the Company's profitability, since a part of its raw material will be purchased in foreign currency and also as a part of its sales is from its overseas sales.

7) Risk caused by changes in Interest rates and banking Policies

The Company is dependent on various banks and financial institutions for arranging the Company's working capital requirements, term loans, etc. Accordingly, any change in the extant banking policy or increase in interest rates may have an adverse impact on the Company's profitability.

8) Change in India's debt rating

Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business and could materially effect our future financial performance, and the trading price of our equity shares.

9) Disruption in infrastructural facilities

Any disruption in supply of power, basic infrastructural facilities, telecom lines could adversely affect the business and production process of the Company or subject it to excess cost.

10) Economic Downturn

The Company's performance is highly dependent upon the growth of business and economy in the Country. An economic down turn may negatively impact the operating results of the Company.

11) Trading of shares only in Dematerialised form

Since the Equity Shares of the Company are required to be traded compulsory in demat form, shareholders who hold shares in Physical Form may not be able to trade in such Equity Shares unless they get their holding dematerialized.

12) Volatility of share prices on listing

After this Issue, the price of our Equity Shares may be highly volatile, or an active trading market for our Equity Shares may not develop. The prices of our Equity Shares on the Stock Exchanges may fluctuate as a result of several factors, including:

- Volatility in the Indian and global securities market;
- Our results of operations and performance, in terms of market share;
- Performance of the Indian economy;
- Changes in Government policies;
- Changes in the estimates of our performance or recommendations by financial analysts;
- Significant developments in India's economic liberalization and deregulation policies; and

- Significant developments in India's fiscal and environmental regulations

C. NOTES TO RISK FACTORS

1. Public issue of 45,00,000 Equity Shares of Rs.10 each for cash at a price of Rs. [●] per Equity Share (including a share premium of Rs.[●] per Equity Share) aggregating Rs.[●] lacs by RDB Rasaysns Limited. The issue would constitute 25.40% of the fully diluted post issue paid up capital of the company.
2. The Issue is being made through the 100% Book Building Process wherein up to 50% of the Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers, out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Further, at least 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
3. Under-subscription, if any, in any category would be met with spill over from other categories or combination of other categories at the sole discretion of our Company in consultation with the BRLM. In case of inadequate demands from the Mutual Funds, the Equity Shares would be made available to QIBs other than Mutual Funds.
4. In the event of the Issue being oversubscribed, the allocation shall be on a proportionate basis to QIB Bidders, Retail Individual Bidders and Non-Institutional Bidders (Refer to the paragraph entitled "Basis of Allotment" on page no.200 of this Draft Red Herring Prospectus.
5. Net worth of the Company as on September 30, 2009 is Rs.1578.83 lacs. The book value of the Equity Shares of the Company as on September 30, 2009 is Rs.47.78 per Equity Share.
6. Except as stated in the section "Capital Structure" on page no.13 of Draft Red Herring Prospectus, the Company has not issued any Equity Shares for consideration otherwise than for cash.
7. Investors are advised to refer the paragraph on "Basis for Issue Price" on page no. 27 of this Draft Red Herring Prospectus before making an investment in the Issue.
8. Investors are free to contact the Book Running Lead Manager or Compliance Officer for any clarification or information or complaints pertaining to the Issue.
9. Investors may note that allotment and trading in shares of the Company shall be done only in dematerialized form.
10. All information shall be made available by the Book Running Lead Manager and the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.
11. The average cost of acquisition of Equity Shares of face value of Rs.10 each by our promoters is given below:

Sr. No.	Name of Promoter	Avg. Cost of Acquisition (Rs.)
1.	Mr. Sunder Lal Dugar	2.50
2.	Mr. Vinod Dugar	0.78
3.	Ms. Sheetal Dugar	0.76

12. The Promoters/Promoter Group, the Directors of the Promoter Company, the Directors of the issuer Company or their immediate relatives has not purchased or sold or financed the purchase by any other person of the Equity Shares of the Company, during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
13. There has been no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing Draft Red Herring Prospectus with the Board.
14. There has no change in the name of the Company since incorporation.
15. For Related party transactions, please refer page 107 under heading "Related Party transactions" of the Draft Red Herring Prospectus. The total value of transactions with related parties for the year ended March 31, 2009 was Rs.176.58 lacs.

SECTION III - INTRODUCTION

SUMMARY

The Investor should read the following summary with the Risk Factors included from page no ix to xv and the more detailed information about the Company and the financial statements included in the Prospectus.

Industry Overview

Packaging may be looked at as several different types. For example a transport package or distribution package is the package form used to ship, store, and handle the product or inner packages. Some identify a consumer package as one which is directed toward a consumer or household. It is sometimes convenient to categorize packages by layer or function: "**primary**", "**secondary**", etc.

- Primary packaging is the material that first envelops the product and holds it. This usually is the smallest unit of distribution or use and is the package which is in direct contact with the contents.
- Secondary packaging is outside the primary packaging – perhaps used to group primary packages together.
- Tertiary packaging is used for bulk handling and shipping.

Using these three types as a general guide, examples of packaging materials and structures might typically be listed as follows:

Primary Packaging

- Aerosol spray can
- Bags-In-Boxes
- Beverage can
- Wine box
- Bottles
- Blister packs
- Carton
- Cushioning
- Envelopes
- Plastic bags
- Plastic bottles
- Skin pack
- Tin can
- Wrappers

Secondary Packaging

- Boxes
- Cartons
- Shrink wrap

Tertiary Packaging

- Bales
- Barrel
- Crate
- Container
- edge protector
- Flexible intermediate bulk container, Big bag, "Bulk Bags", or "Super Sacks"
- Insulated shipping container
- Intermediate bulk container
- Pallets

- **Slip Sheet**
- **Stretch wrap**

These broad categories can be somewhat arbitrary. For example, depending on the use, a shrink wrap can be primary packaging when applied directly to the product, secondary packaging when combining smaller packages, and tertiary packaging on some distribution packs
(Source: http://packaging.indiabizclub.com/info/objectives_of_packaging)

The role of packaging has changed from that of a carrier and protector to that of a marketing tool, performing a vital role in brand communication and on-shelf differentiation. Technological advancement has been one of the key drivers of growth in this industry. This industry is largely dependent on the fast moving consumer goods sector.

Indian Packaging industry with a growth of more than 15% p.a. accounts for USD 14 Billion. This shows the immense potential in the industry. This growth is expected to be doubled in next two years and figures indicate towards a change in the industrial and consumer set up. Packaging today, has grown in importance and is regarded as vital marketing tool. It enhances product value and helps expand market within and outside country. The packaging industry can be characterized as global and fast growing industry.

With a rapid growth in markets like Food, beverage, pharmaceutical, cosmetics and textile has provided momentum for the need of packaging as all these sectors need specialized packaging. Availability of most of the raw material in abundance that is required in packaging industry such as paper, plastic, board, glass, metal adds to the further growth of industry

The Indian packaging industry holds a lot of potential. The industry is still at a very nascent stage. The importance of packaging has still not been fully realised in the Indian market.

- The market volume of the Indian packaging industry amounts to about Rs. 77,570 crore and has constantly grown by approximately 15 percent year on year.
- The pace of growth will accelerate to between 20-25 percent over the next five years.
- The highest demand for packaging and the associated equipment come from the food processing industry at 50 percent and from the pharmaceutical industry at 25 percent.
- The large growing middle class, liberalization and organized retail sector are the catalysts to growth in packaging. Also food and Pharma packaging are the key driving segments.
- The Indian food market is estimated to total about Rs. 8,82,350 crore according to the 'India Food Report 2008' published by Research and Markets.
- Food retail turnover is expected to grow from the current Rs 3,39,365 crore mark to 7,27,212 crore by 2025.
- The pharmaceutical industry is expected to average an annual growth of 16 percent till 2012.
- There are about 600-700 packaging machinery manufacturers, 95 percent of which are in the small and medium sector located all over India.
- Indian packaging machinery imports are around Rs 606 crore (20-25 percent) while the Indian packaging machinery exports are rapidly growing.
- Germany and Italy are the largest suppliers of packaging machinery to India but focus is now shifting on Taiwan and China.
- Indian companies are now placing increasing emphasis on attractive and hygienic packaging. This promises enormous potential for the future.

(Source: <http://www.indiapackagingshow.com/industry.htm>)

Business Overview of our Company

RDB Rasayans Ltd, an ISO 9001:2008 certified organization, is manufacturer of PP Tape, PP woven sacks, Woven fabrics, Industrial woven fabric, PP woven fabrics and PP woven bags. There is a growing demand for PP fabric for packing for different products in the fertilizers, cement, polymers, chemicals, textiles, machinery, automobiles and steel industry etc. The Company is engaged in manufacture and sale of FIBC (Jumbo Bags) and Woven Sacks and various woven polymer based products like Container Liners, Protective irrigation system, Canal Liners, etc. The Company has a track record of business in the field of woven sacks and Flexible Intermediate Bulk Container (FIBC) container liners, Canal Liners, Protective Irrigation Systems, which find large scale application in the segments like cement and fertilizer. The

manufacturing facility of the Company is located at 126 Basudevpur, Haldia -721 602, Dist. Purba Medinipur, West Bengal.

In the year 1995, the company was incorporated as public limited company and the object clause of the Company was later on altered in 2003 to enable us to carry on the existing business. In June 2003, the company commissioned its Plant at Haldia with the manufacturing capacity of 1800 MTPA. Initially the Company started the manufacturing of small bags and later in the year 2004 the company entered into the segment of manufacturing FIBC (Jumbo Bags).

SUMMARY FINANCIAL INFORMATION

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30, 2009
A Fixed Assets						
Gross Block	748.52	815.23	861.73	1,354.68	1,805.18	1,925.21
Add: Capital WIP	4.72	0.00	253.34	14.94	16.84	0.82
Less: Depreciation	52.53	115.42	182.69	251.96	354.54	411.53
Net Block	700.71	699.81	932.38	1,117.66	1,467.48	1,514.50
Less: Revaluation Reserve	0.00	0.00	0.00	0.00	0.00	
Net Block after adjustment for Revaluation Reserve(A)	700.71	699.81	932.38	1,117.66	1,467.48	1,514.50
B Investment(B)	0.00	0.00	0.00	0.00	0.00	0.00
C Current assets, loans and advances						
Inventories	210.85	271.96	261.99	338.98	318.81	319.22
Sundry debtors	213.00	190.83	214.64	309.66	303.42	330.27
Cash and bank balances	11.68	261.55	409.42	7.40	50.39	21.71
Loans and advances	273.57	762.39	411.93	788.02	879.58	901.60
Total(C)	709.10	1,486.73	1,297.98	1,444.06	1,552.20	1,572.80
D Liabilities and Provisions						
Secured loans	374.82	856.97	699.69	876.98	1,117.90	1,206.25
Unsecured loans	621.68	47.20	-	-		-
Deferred tax liability	-	77.22	76.78	82.39	109.66	109.40
Current liabilities & Provisions	145.39	122.28	214.79	268.06	263.04	192.82
Total(D)	1,141.89	1,103.67	991.26	1,227.43	1,490.60	1,508.47
E Net Worth (A+B+C-D)	267.92	1,082.87	1,239.10	1,334.29	1,529.08	1,578.83
F Represented by:						
1 Share capital	180.37	330.37	330.37	330.37	330.37	330.37
Equity share capital						
2 Share application money	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00
3 Reserves and Surplus	87.95	753.20	908.73	1,003.92	1,198.71	1,248.46
4 Less: Miscellaneous expenditure	0.40	0.70				
Net Worth (1+2+3-4)	267.92	1,082.87	1,239.10	1,334.29	1,529.08	1,578.83

Note: The above statement should be read with the significant accounting policies appearing in annexure 4 and notes to the summary statements of Assets and Liabilities, Profit and Losses and Cash Flows, appearing in Annexure 5.

SUMMARY STATEMENT OF PROFIT & LOSS, AS RESTATED

(Rs in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30, 2009
Income						
Sales						
Of the Items manufactured by the Company	1,196.25	2,211.64	2,652.18	2,818.83	3,407.49	1,121.76
Of the items traded by the Company	0.00	0.00	0.00	0.00	0.00	0.00
Total Sales	1,196.25	2,211.64	2,652.18	2,818.83	3,407.49	1,121.76
Less :Excise Duty	107.15	244.70	255.73	312.08	346.67	76.83
Net Sales	1,089.10	1,966.94	2,396.45	2,506.75	3,060.82	1,044.93
Other Income	7.95	25.52	16.03	20.06	59.34	4.50
Increase (Decrease) in inventories	(5.22)	40.39	17.87	46.47	(125.37)	65.91
Total	1,091.83	2,032.85	2,430.35	2,573.28	2,994.79	1,115.34
Expenditure						
Material Consumed	753.16	1,293.94	1,678.03	1,742.60	1,968.59	683.78
Finished Goods Purchased						
Manufacturing & Other Expenses	187.21	314.75	428.21	516.31	573.37	237.91
Interest And Finance Charges	40.30	72.80	49.03	110.55	117.47	80.18
Total	980.67	1,681.49	2,155.27	2,369.46	2,659.43	1001.87
Profit/(Loss) before depreciation/ Amortisation and tax	111.16	351.36	275.08	203.82	335.36	113.47
Depreciation	30.50	62.89	67.27	72.91	102.58	56.99
Preliminary Exp. W/Off	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Revenue Expenditure W/Off	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit before tax and extra-ordinary items	80.66	288.47	207.81	130.91	232.78	56.48
Provisions for taxes on income						
Current Tax	5.00	25.00	52.00	27.50	37.50	7.00
Deferred tax Liabilities/ (Assets)	-	77.22	(0.43)	5.60	27.27	(0.26)
Fringe Benefit Tax	-	1.00	0.71	1.00	1.28	0.00
Net Profit before extra-ordinary items	75.66	185.25	155.53	96.81	166.73	49.74
Extra ordinary Items (net of tax)						
IT adjustment for earlier years				1.61	(28.06)	
Prior year Adjustments other than Income tax						
Profit/(Loss) for the year as restated	75.66	185.25	155.53	95.20	194.79	49.74

Note: The above statement should be read with the significant accounting policies appearing in annexure 4 and notes to the summary statements of Assets and Liabilities, Profit and Losses and Cash Flows, appearing in Annexure 5.

THE ISSUE

Equity Shares offered	
Public Issue	45,00,000 Equity Shares
Of Which	
QIB Portion	Up to 50% of the Issue, i.e. 22,50,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs.[●] lacs, (Allocation on proportionate basis) out of which 5% of the QIB Portion i.e. 1,12,500 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price
Non Institutional Portion	At least 15% of the Issue i.e. 6,75,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs. [●] lacs, available for allocation to Non Institutional Bidders. (Allocation on proportionate basis)
Retail Portion	At least 35% of the Issue i.e. 15,75,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per equity share aggregating to Rs.[●] lacs, available for allocation to Retail Individual Bidder(s). (Allocation on proportionate basis)
Equity Shares outstanding prior to the Issue	1,32,14,800 Equity shares of Rs.10 each
Equity Shares outstanding after the Issue	1,77,14,800 Equity Shares of Rs.10 each
Objects of the Issue	Please see the section entitled "Objects of the Issue" on page 21 of this Draft Red Herring Prospectus.

- Under-subscription, if any, in any category would be met with spill over from other categories or combination of other categories at the sole discretion of our Company in consultation with the BRLM. In case of inadequate demands from the Mutual Funds, the Equity Shares would be made available to QIBs other than Mutual Funds.

GENERAL INFORMATION

RDB RASAYANS LIMITED

Regd. Office: Bikaner Building, 1st Floor, Suite No: 10, 8/1, Lal Bazar Street, Kolkata – 700 001

The Company was initially incorporated with the Registered Office situated at 8/1 Lal Bazar Street, Bikaner Building, 1st floor, Calcutta – 700 001. Thereafter, it was shifted to 35, American Street, Second floor, Calcutta – 700 007 w.e.f. January 24, 1997. Then on August 01, 2001, the Registered Office of the company was shifted to 18, Ezra Street, Kolkata – 700 001. Thereafter, it was shifted to 3A, Auckland Place, 8th floor, room No.- 8B, Kolkata – 700 017 w.e.f. January 01, 2003. Finally, Registered Office of the company was shifted to the present address i.e. Bikaner Building, 1st floor, Suite No. 10, 8/1, Lal Bazar Street, Kolkata – 700 001 w.e.f May 20, 2005.

Tel: 91-33-2230 5666; **Fax:** +91-33-2242 0588; **E-mail:** ipo@rdbgroup.in; **Website:** www.rdbgroup.in

Contact Person: Mr. Himangshu Kedia, Company Secretary & Compliance Officer

The Company was incorporated as RDB Rasayans Limited on October 13, 1995 under the Companies Act, 1956 as a public limited company by the Registrar of Companies, West Bengal. The Certificate of Commencement of Business was granted to the Company on October 27, 1995.

Company Registration Number: 21-74860. (Company Incorporation Number (CIN) of the Company is U36999WB1995PLC074860.)

The Company is registered with the Registrar of Companies, West Bengal, situated at Nizam Palace, 2nd MSO Building, 234/4, 2nd Floor, Acharya Jagdish Chandra Bose Road, Kolkata – 700 020.

BOARD OF DIRECTORS OF THE COMPANY

Sr. No.	Name	Designation
1.	Mr. Sunder Lal Dugar	Chairman
2.	Mr. Shanti Lal Baid	Managing Director
3.	Mr. Sandeep Baid	Whole Time Director
4.	Mr. Mahendra Pratap Singh	Non Executive Independent Director
5.	Mr. Sachin Shridhar	Non Executive Independent Director
6.	Mr. Prabir Kumar Sarkar	Non Executive Independent Director

Please refer the section “Our Promoters and Promoter Group” for profile of promoter directors and section “Our Management” for brief profile of other directors, on page no.72 and 63 respectively of this Draft Red Herring Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Himangshu Kedia

RDB Rasayans Limited

1st Floor, Suite No: 10, 8/1,
Lal Bazar Street,
Kolkata – 700 001

Tel: 91-33-2230 5666; **Fax:** +91-33-2242 0588;

E-mail: ipo@rdbgroup.in; **Website:** www.rdbgroup.in

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post- Issue related problems, such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary accounts or refund orders etc.

LEGAL ADVISOR TO THE COMPANY

Dipayan Choudhury, Advocates

5, Kiran Shankar Roy Road,
3rd Floor, Kolkata – 700 001

Tel: +91-33-2248 3860 / 2243 0865;

Fax: +91-33-2231 1688;

Contact person: Mr. Suvradal Choudhury
Email address: dcadvocates@airtelmail.in, suvradal@gmail.com

BANKERS TO THE COMPANY

Axis Bank Limited

Eastern Zonal Office,
5, Shakespeare Sarani,
Kolkata - 700 071.
Tel: +91-9903058399
Fax: +91-33-2282 9308
Contact person: Mr. Susanta Majumder
Email address: susanta.majumder@axisbank.com

ISSUE MANAGEMENT TEAM

BOOK RUNNING LEAD MANAGER

Chartered Capital And Investment Limited

711, Mahakant, Opp V.S. Hospital,
Ellisbridge,
Ahmedabad-380 006
Tel: +91-79-2657 5337, 2657 7571
Fax: +91-79-2657 5731
E-mail: rdb.ipo@charteredcapital.net
Website: www.charteredcapital.net
Contact Person: Mr. Manoj Kumar Ramrakhyani

SYNDICATE MEMBER

[•]

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai 400 078
Tel :+91-22- 25960320, Fax :+91-22- 25960329
E-mail: rdb.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Mr. Sachin Achar

STATUTORY AUDITORS OF THE COMPANY

M. K. Surana & Co.
Chartered Accountants
20, Synagogue Street,
2nd Floor, Kolkata – 700 001
Tel: +91-33- 2210 3203 / 3235
Email: kirti_surana@hotmail.com

BANKERS TO THE ISSUE AND ESCROW COLLECTION BANKS

[•]

SELF CERTIFIED SYNDICATE BANKS

[•]

STATEMENT OF INTER-SE ALLOCATION OF RESPONSIBILITIES BETWEEN BRLMs

Since Chartered Capital And Investment Limited is the sole BRLM for this Issue, all the Issue related activities are handled by Chartered Capital And Investment Limited.

CREDIT RATING

As this is an Issue of Equity Shares, credit rating is not required.

IPO GRADING

The Company has appointed [●] for the purpose of IPO Grading.

[●]

This Issue has been graded by [●] as “[●]”, indicating [●] through its letter dated [●]. The rationale furnished by the credit rating agency for its grading will be updated at the time of filing of the RHP with the Registrar of Companies. Attention of the Investors is drawn to the disclaimer of [●] appearing on page [●] of the report of [●].

TRUSTEES

This being an Issue of Equity Shares, appointment of Trustees is not required.

MONITORING AGENCY

As the net proceeds of the Issue will be less than Rs. 50,000 Lacs, as per the SEBI Regulations it is not required that a monitoring agency be appointed by our Company.

APPRAISING ENTITY

None of the objects of the issue has been appraised by any entity.

WITHDRAWAL OF THE ISSUE

The Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at anytime after the Bid/Issue Opening Date but before Allotment. If our Company withdraws from the Issue, it shall issue a public notice within two days of the closure of the Issue informing the reason. The notice shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an initial public offering of its Equity Shares, it shall file a fresh Draft Red Herring Prospectus with the SEBI.

BOOK BUILDING PROCESS

Book building refers to the collection of Bids from investors, which is based on the Price Band, with the Issue Price being finalized after the Bid/Issue Closing Date, The principal parties involved in the Book Building Process are:

1. The Company.
2. The Book Running Lead Manager; and
3. The Syndicate Members who are intermediaries registered with SEBI or registered as brokers with the Stock Exchange (s) and eligible to act as underwriters. The BRLM appoints the Syndicate Members, and
4. The Registrar to the issue.
5. Self Certified Syndicate Banks

The SEBI Regulations has permitted an issue of securities to the public through the 100% Book Building Process, wherein (i) up to 50 % of the Issue shall be allocated on a proportionate basis to QIBs, including upto 5% of the QIB portion that shall be available for Allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB portion shall be available for Allocation on a proportionate basis to all QIB Bidders, including Mutual Funds. Further, (ii) at least 15% of the Issue shall be available for allotment on a proportionate basis to Non Institutional Bidders and (iii) at least 35% of the Issue shall be available for allotment on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. We will comply with the SEBI Regulations for this Issue. In this regard, we have appointed the BRLM to procure subscriptions to the Issue.

QIBs are not allowed to withdraw their Bid(s) after the Bid /Issue Closing Date. In addition as per the recent amendments to the SEBI Regulations, QIBs are required to pay 10% margin amount upon submission of their Bids and the allocation to QIBs will be on a proportionate basis. For further details please refer the section titled “Terms of the Issue” on page 179 of the Draft Red Herring Prospectus.

Book Building Process under the SEBI Regulations is subject to change and the investors are advised to make their own judgment about investment through this process prior to making a Bid in the Issue.

Steps to be taken by the Bidders for bidding:

- Check whether he/she is eligible for bidding;
- Bidder necessarily needs to have a demat account; and
- Ensure that the Bid cum Application Form/ASBA Form is duly completed as per instructions given in this Draft Red Herring Prospectus and in the Bid cum Application Form/ASBA Form.

Illustration of Book Building and Price Discovery Process *(Investors should note that the following is solely for the purpose of illustration and is not specific to this Issue)*

Bidders can bid at any price within the price band. For instance, assuming a price band of Rs. 20 to Rs. 24 per share, issue size of 1800 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com) during the bidding period. The illustrative book as shown below shows the demand for the shares of our Company at various prices and is collated from bids from various investors.

Number of equity shares Bid for	Bid Price (Rs.)	Cumulative equity shares Bid for	Subscription
500	24	500	27.77%
1000	23	1500	83.33%
1500	22	3000	166.67%
2000	21	5000	277.77%
2500	20	7500	416.66%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired quantum of shares is the price at which the book cuts off i.e., Rs.22 in the above example. The issuer, in consultation with the BRLM will finalise the issue price at or below such cut off price i.e. at or below Rs.22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in respective category.

Though the process of Book Building is not new now, investors are advised to make their own judgment about investment through this process prior to making a Bid or Application in the Issue. Pursuant to SEBI Regulations, QIBs are not allowed to withdraw their Bids after Bid/ Issue Closing Date.

Bid/Issue Programme

BID/ISSUE OPENS ON	[●], 2010
BID/ISSUE CLOSES ON	[●], 2010

1. Closure time of the Stock Exchange bidding platform for entry of bids is 5.00 P.M..
2. On the day of closing, extension of time will be granted by Stock Exchange only for uploading the bids received from Retail Investors after taking into account the total number of applications received upto the closure of timings for acceptance of application forms as stated in Offer Document and reported by BRLM to the Exchange within half an hour of such closure.
3. Bids not uploaded in the book, would be rejected.
4. In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.
5. Standardization of cut-off time for uploading of bids on the bid / issue closing date.
 - a) A standard cut-off time of 3.00 P.M. for acceptance of bids

- b) A standard cut-off time of 4.00 P.M. for uploading of bids received from non retail applicants i.e. QIBs and HNIs.
- c) A standard cut-off time of 5.00 P.M. for uploading of bids received from retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m and 5.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid cum Application Form **except that on the Bid/Issue Closing Date, when Bids shall be accepted only between 10.00 a.m and 3.00 p.m (Indian Standard Time).**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday).

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band advertised at least one day prior to the Bid /Issue Opening Date.

In case of revision in the Price Band, the Issue Period will be extended for three additional working days after revision of the Price Band, subject to the Bidding Period/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the syndicate.

UNDERWRITING AGREEMENT

After the determination of the Issue Price and prior to filing of the Prospectus with RoC, the Company, on its behalf, will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLM shall be responsible for bringing in the amount devolved in the event that the members of the Syndicate do not fulfill their underwriting obligations.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:
(This portion has been intentionally left blank and will be filled in before filing of the Prospectus with RoC)

Name and Address of the Underwriters	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in lacs)
Chartered Capital And Investment Limited 711, Mahakant, Opp V.S. Hospital, Ellisbridge, Ahmedabad-380 006 Tel: +91-79-2657 5337, 2657 7571 Fax: +91-79-2657 5731 E-mail: rdb.ipo@charteredcapital.net Website: www.charteredcapital.net Contact Person: Mr. Manoj Kumar Ramrakhiani [•]	[•] [•]	[•] [•]

The above-mentioned amount is indicative underwriting and would be finalized after pricing and actual allocation. The above Underwriting Agreement is dated [•].

In the opinion of our Board of Directors (based on a certificate dated [•] given by the Underwriters), the resources of the above mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). The above Underwriting Agreement has been accepted by the Board of Directors acting through our Chairman and Managing Director, at their meeting held on [•], and we have issued letters of acceptance to the Underwriters.

In addition, in the opinion of the BRLM, the underwriters' assets are adequate to meet their underwriting obligations.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the BRLM, and the Syndicate Members shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure/subscribe to the extent of the defaulted amount. Allocation to QIBs is proportionate as per the terms of this Draft Red Herring Prospectus.

CAPITAL STRUCTURE

The Share Capital Structure of the Company as on date of filing this Draft Red Herring Prospectus with SEBI is as below:

(Rs. in lacs)

	Share Capital	Aggregate Nominal Value	Aggregate Value including premium
A.	Authorised Share Capital 1,80,00,000 Equity Shares of Rs.10 each	1800.00	
B.	Issued, Subscribed and Paid-Up Share Capital before the Issue 1,32,14,800 Equity Shares of Rs.10 each fully paid-up	1321.48	
C.	Issue in terms of this Red Herring Prospectus 45,00,000 Equity Shares of Rs.10 each	450.00	[•]
	Of which		
	(i) QIB Portion of up to 22,50,000 Equity Shares	225.00	[•]
	(ii) Non-Institutional Portion at least 6,75,000 Equity Shares	67.50	[•]
	(iii) Retail Portion of at least 15,75,000 Equity Shares	157.50	[•]
D.	Equity Share Capital after the Issue 1,77,14,800 Equity Shares of Rs.10 each	1771.48	[•]
E.	Share Premium Account Before the Issue After the Issue	0.00 [•]	

Change in Authorised Share Capital

1. The initial authorized share capital of the Company was Rs.25,00,000 divided into 2,50,000 equity shares of Rs.10 each.
2. The authorized share capital of Rs.25,00,000 divided into 2,50,000 equity shares of Rs.10 each was increased to Rs.1,00,00,000 divided into 10,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at the EGM held on September 18, 2001.
3. The authorized share capital of Rs.1,00,00,000 divided into 10,00,000 equity shares of Rs.10 each was increased to Rs.2,00,00,000 divided into 20,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at the EGM held on September 16, 2002.
4. The authorized share capital of Rs.2,00,00,000 divided into 20,00,000 equity shares of Rs.10 each was increased to Rs.3,50,00,000 divided into 35,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at the EGM held on February 15, 2006.
5. The authorized share capital of Rs.3,50,00,000 divided into 35,00,000 equity shares of Rs.10 each was increased to Rs.18,00,00,000 divided into 1,80,00,000 equity shares of Rs.10 each pursuant to a resolution of shareholders passed at an EGM held on September 7, 2009.

Our current authorized share capital is sufficient to meet the requirements of the Public Issue.

Notes to Capital Structure

1. Share Capital history of the Company.

The current capital structure of the Company is built up as under.

Date of Allotment of Equity Shares	No of Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of consideration	Reasons for allotment	Cumulative no of Shares	Cumulative paid up share capital (Rs.)	Cumulative Share Premium (Rs.)
October 13, 1995	700	10	10	Cash	Subscription to Memorandum	700	7,000	Nil
September 16, 1996	18000	10	10	Cash	Preferential Allotment	18,700	1,87,000	Nil

March 31, 1997	170000	10	10	Cash	Preferential Allotment	1,88,700	18,87,000	Nil
March 2, 2002	2,05,000	10	10	Cash	Preferential Allotment	3,93,700	39,37,000	Nil
February 14, 2003	6,10,000	10	10	Cash	Preferential Allotment	10,03,700	1,00,37,000	Nil
March 31, 2003	8,00,000	10	10	Cash	Preferential Allotment	18,03,700	1,80,37,000	Nil
March 31, 2006	15,00,000	10	42	Cash	Preferential Allotment	33,03,700	3,30,37,000	4,80,00,000
October 5, 2009	99,11,100	10	Nil	Bonus	Bonus Issue [#] (3:1)	1,32,14,800	13,21,48,000	Nil

Bonus shares were allotted to then existing shareholders on October 5, 2009 in the ratio of 3 (Eight) Equity shares for each 1 (one) Equity Shares held by them.

Details of Capitalization of the reserves/profit & loss account are as following

Date of allotment of Bonus shares	Ratio of Bonus Issue	Number of Equity Shares issued as Bonus Shares	Face Value of the Share (Rs.)	Amount of Reserve /profit and loss account capitalised (Rs.)
October 5, 2009	3:1	99,11,100	10	9,91,11,000

The details of bonus issues made by the company and amount debited to P & L account & Reserve are explained in the below mentioned table:

(Rs. in lacs)

Bonus Issue made during the year	991.11
---	---------------

By capitalization of	
Profit & Loss Account	511.11
Share Premium Account (General Reserve)	480.00
Total Bonus Issue made during the year	991.11

2. Issue of Equity Shares in the last one year

Other than the bonus issue as mentioned above, the Company has not issued any share to any person during last one year.

3. Shareholding of the Promoters & Promoters Group and Lock-in

(a) Details of the build up of Promoters & Promoters Group shareholding

Promoters

Sr. No.	Name of Promoter	Date of Allotment/ Transfer/ Date when made fully paid up	No of Shares	Nature of Allotment (Rights, Bonus, Preferential etc.)	Consideration	Face Value	Issue / Purchase / Transfer Price	% Of Pre Issue Capital	% Of Post Issue Capital
1	Mr. Sunder Lal Dugar	October 13, 1995	100	Subscriber to Memorandum	Cash	10	10	0.00	0.00
		October 5, 2009	300	Bonus	Nil	10	Nil	0.00	0.00
		Total (A)	400					0.00	0.00
2	Mr. Vinod Dugar	March 27, 2008	315400	Transfer ¹	Cash	10	5	2.39	1.78
		September 18, 2009	543300	Transfer ²	Cash	10	2	4.11	3.07
		October 5, 2009	2576100	Bonus	Nil	10	Nil	19.49	14.54
		Total (B)	3434800					25.99	19.39

	¹ On March 27, 2008, Deepraj Vinimay Pvt. Ltd, Inchook Tracon Pvt. Ltd, Hopewell Garments Pvt. Ltd, Roshani Multi Trade Pvt. Ltd, Gunjan Agency Pvt. Ltd and Mudrika Fiscal Services Pvt. Ltd transferred 35000, 32500, 52900, 95000, 50000 & 50000 Equity Shares respectively to Mr. Vinod Dugar.								
	² On September 18, 2009, Rekha Benefit Trust, Ms. Rekha Jhabak & Mr. Alok Jhabak transferred 93300, 400000 & 50000 Equity Shares respectively to Mr. Vinod Dugar.								
3	Ms. Sheetal Dugar	March 27, 2008	307150	Transfer ¹	Cash	10	5	2.32	1.73
		September 18, 2009	589300	Transfer ²	Cash	10	2	4.46	3.33
		October 5, 2009	2689350	Bonus	Nil	10	Nil	20.35	15.18
		Total (C)	3585800					27.13	20.24
	¹ On March 27, 2008, Parama Vyapaar Pvt. Ltd, Cherry Tieup Pvt. Ltd, Paradise Garments Pvt. Ltd, Akkal Paper Mills Pvt. Ltd, Wrinkel Vinimay Pvt. Ltd, Basukinath Coal Pvt. Ltd, Tobu Toys Ltd and Harivardhan Steel & Alloys Pvt. Ltd transferred 12000, 25000, 35000, 23800, 35000, 35000, 23850 & 117500 Equity Shares respectively to Ms. Sheetal Dugar.								
	² On September 18, 2009, Rekha Benefit Trust & Ms. Rekha Jhabak transferred 93300 & 496000 Equity Shares respectively to Ms. Sheetal Dugar.								
	Total (X= A+B+C)		7021000					53.13	39.63

Promoters Group

Sr. No.	Name of Promoter	Date of Allotment/ Transfer/ Date when made fully paid up	No of Shares	Nature of Allotment (Rights, Bonus, Preferential etc.)	Consideration	Face Value	Issue / Purchase / Transfer Price	% Of Pre Issue Capital	% Of Post Issue Capital
1.	Motilal Dugar HUF	March 22, 2002	1000	Transfer ¹	Cash	10	1.5	0.01	0.01
		October 5, 2009	3000	Bonus	Nil	10	Nil	0.02	0.02
		Total (D)	4000					0.03	0.02
	¹ On March 22, 2002, Mr. Ramesh Chandra Baradia transferred 1000 Equity Shares to Motilal Dugar HUF.								
2	Pyramid Sales Pvt Ltd	September 24, 2007	380100	Transfer ¹	Cash	10	5	2.88	2.15
		October 26, 2007	23800	Transfer ²	Cash	10	5	0.18	0.13
		March 27, 2008	70875	Transfer ³	Cash	10	5	0.54	0.40
		September 18, 2009	403675	Transfer ⁴	Cash	10	N.A. ⁴	3.05	2.28
		October 5, 2009	2635350	Bonus	Nil	10	Nil	19.94	14.88
		Total (E)	3513800					26.59	19.84
	¹ On September 24, 2007, Rishab Electro Electricels Pvt. Ltd, Pashupati Merchandise Pvt. Ltd, Vairavi Electrical Pvt. Ltd, Telstar Packaging Pvt. Ltd, Sukant Steel Pvt. Ltd, Sapphire Steel Pvt. Ltd, Sitala Timber Pvt. Ltd and Sustha Distributors Pvt. Ltd transferred 23800, 23800, 35000, 35000, 35000, 35000, 25000 & 167500 Equity Shares respectively to M/s Pyramid Sales Pvt. Ltd.								
	² On October 26, 2007, Sati Trexim Pvt. Ltd transferred 23800 Equity Shares to M/s Pyramid Sales Pvt. Ltd.								
	³ On March 27, 2008, Ramdoot Realtors Pvt. Ltd transferred 70875 Equity Shares to M/s Pyramid Sales Pvt. Ltd.								
	⁴ On September 18, 2009, 1000, 253875 and 148800 Equity Shares held by Shree Strips India (P) Ltd, Cetex Marketing Pvt Ltd and Arham Commercial Co. Pvt Ltd respectively were transferred to M/s Pyramid Sales Pvt. Ltd. The Equity Shares were transferred pursuant to the scheme of amalgamation approved by Calcutta High Court vide its order dated December 17, 2008.								
3	Ms. Rekha Jhabak	April 4, 2003	930000	Transfer ¹	Cash	10	2	7.04	5.25
		September 18, 2009	-896000	Transfer ²	Cash	10	2	-6.78	-5.06
		October 5, 2009	102000	Bonus	Nil	10	Nil	0.77	0.58
		Total (F)	136000					1.03	0.77
	¹ On April 4, 2003, Fuenkop (India) Ltd, Skoda Trexim (Pvt) Ltd, Naina Traders Pvt. Ltd, Sai Medicare Pvt. Ltd, Well Wisher Pvt. Ltd, Abhishek Vihiyog Pvt. Ltd, Bhutnath Vanijya Vyapaar Private Limited, Cassia Chattels Pvt. Ltd, Esskay Telecom Ltd, Gliadin Inter Trade Pvt. Ltd, Hem Textile & Trading Company Private Limited, Indivar Kutir (P) Ltd, Krishna Chlorate (P) Ltd, Megapode Vyapaar (P) Ltd, Mood Dealers (P) Ltd, Bee Anu Trading Co. Pvt. Ltd, Pioneer Zippes Pvt. Ltd, Pragma Commerce Pvt. Ltd, Rajendra Kumar Bardia, Satyavan Sales								

	Promotions Pvt. Ltd, Shyam Nagar Housing Pvt. Ltd transferred 50000, 10000, 50000, 50000, 20000, 30000, 50000, 150000, 50000, 50000, 30000, 50000, 50000, 35000, 50000, 50000, 50000, 5000, 30000 & 20000 Equity Shares respectively to Ms Rekha Jhabak.								
	² On September 18, 2009, Ms. Rekha Jhabak transferred 400000 and 496000 Equity Shares to Mr. Vinod Dugar and Ms. Sheetal Dugar respectively.								
4	Mr. Shantilal Baid	March 2, 2002	25000	Preferential Allotment	Cash	10	10	0.19	0.14
		February 14, 2003	10000	Preferential Allotment	Cash	10	10	0.08	0.06
		September 18, 2009	60000	Transfer ¹	Cash	10	10	0.45	0.34
		October 5, 2009	285000	Bonus	Nil	10	Nil	2.16	1.61
		Total (G)	380000					2.88	2.15
	¹ On September 18, 2009, Mr. Ravindra Baid, Ms. Saroj Dugar, Ms. Bhanwari Devi Baid and Jiwanmal Baid HUF transferred 5000, 10000, 30000 and 15000 Equity Shares respectively to Mr. Shantilal Baid.								
5	Shantilal Baid HUF	March 2, 2002	35000	Preferential Allotment	Cash	10	10	0.26	0.20
		October 5, 2009	105000	Bonus	Nil	10	Nil	0.79	0.59
		Total (H)	140000					1.06	0.79
6	Mr. Sandeep Baid	March 2, 2002	10000	Preferential Allotment	Cash	10	10	0.08	0.06
		September 18, 2009	85000	Transfer ¹	Cash	10	10	0.64	0.48
		October 5, 2009	285000	Bonus	Nil	10	Nil	2.16	1.61
		Total (I)	380000					2.88	2.15
	¹ On September 18, 2009, Mr. Ravindra Baid, Ms. Saroj Dugar, Ms. Bhanwari Devi Baid, Mr. Aditya Vikram Baid and Jiwanmal Baid HUF transferred 5000, 10000, 30000, 25000 and 15000 Equity Shares respectively to Mr. Sandeep Baid.								
	Total (Y=D+E+F+G+H+I)		4553800					34.46	25.71
	Total of Promoter & Promoter Group Shareholding (Z=X+Y)		11574800					87.59	65.34

As on date of this Draft Red Herring Prospectus, none of the Equity Shares held by the Promoters & Promoters Group have been pledged to any person, including banks and financial institutions.

(b) Details of Promoters Contribution Locked in for 3 Years

Pursuant to the Regulation 36(a) of the SEBI Regulations, an aggregate of 20% of the Post-Issue Equity Share capital of the Company shall be locked in for a period of three years. The details of the Promoters' Equity Shares locked-in for a period of three years are as follows:

Sr. No	Name of Promoter	Date of Allotment/ Transfer/ Date when made fully paid up	No of Shares	Nature of Allotment (Rights, Bonus, Preferential etc.)	Consideration	Face Value	Issue / Purchase / Transfer Price	% Of Pre Issue Capital	% Of Post Issue Capital
1	Mr. Vinod Dugar	October 5, 2009	1771500	Bonus	Nil	10	Nil	13.41	10.00
2	Ms. Sheetal Dugar	October 5, 2009	1771500	Bonus	Nil	10	Nil	13.41	10.00
		Grand Total	3543000					26.81	20.00

The lock-in shall start from the date of allotment in the proposed public issue & the last date of lock-in shall be reckoned as three years from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. The Equity Shares to be locked-in for a period of three years have been computed as 20% of the equity capital after the issue.

Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from persons defined as promoters under the SEBI Regulations. Our Promoter has given their written consent for inclusion of the aforesaid Equity Shares as a part of Promoter's contribution which is subject to lock-in for a period of 3 years.

The Company hereby confirms that the minimum Promoters' contribution of 20% of the post-Issue Capital, which is subject to lock-in for three years are not ineligible in term of regulation 33 of SEBI (Issue of Capital and Disclosure requirements) Regulations, 2009 and does not consist of :

- (a) Equity Shares acquired within three years before the filing of the Draft Red Herring Prospectus with SEBI for consideration other than cash and revaluation of assets or capitalisation of intangible assets or resulting from a bonus issued by utilization of revaluation reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are ineligible for minimum Promoter's contribution.
- (b) Securities acquired by the Promoters, during the preceding one year, at a price lower than the price at which Equity Shares are being offered to the public in the Issue.
- (c) Equity Shares issued to the Promoters on conversion of partnership firms into limited company.
- (d) Pledged Equity Shares held by the Promoters.

(c) Details of Shares locked-in for one year:

In terms of regulation 37 of the SEBI (ICDR) Regulations, 2009, in addition to 20% of post-issue shareholding of the Company held by the Promoters for three years, as specified above, the entire pre-issue issued equity share capital of the Company, including the shareholding of persons falling under promoters, promoter group and non-promoter category, will be locked in for a period of one year.

The lock-in shall start from the date of allotment in the proposed public issue & the last date of lock-in shall be reckoned as one year from the date of commencement of commercial production or the date of allotment in the public issue whichever is later. The Promoters/promoter group/ other pre-IPO non-promoter shareholder have given their written consent for lock-in for a period of 1 year.

The Promoters have given an undertaking and have agreed not to sell / transfer /pledge /or dispose of in any manner, Equity Shares forming part of the Promoters' contribution from the date of filing of this Draft Red Herring Prospectus till the date of commencement of lock-in as per the SEBI Regulations.

(d) Other requirements in respect of lock-in

The share certificates which are in physical form for locked-in Equity Shares will carry an inscription "nontransferable" along with the duration of specified non – transferable period mentioned on the face of the share certificate as per Regulation 35(2) of the SEBI Regulations.

In terms of regulation 39 of the SEBI ICDR Regulations, Equity Shares held by promoters and locked-in may be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution, subject to the following:

- (a) if the Equity Shares are locked-in for a period of three years as mentioned above, the loan has been granted by such bank or institution for the purpose of financing one or more of the objects of the issue and pledge of Equity Shares is one of the terms of sanction of the loan;
- (b) if the Equity Shares are locked-in for a period of one year as mentioned above, the pledge of Equity Shares is one of the terms of sanction of the loan.

In terms of regulation 40 of the SEBI ICDR Regulations, Subject to the provisions of Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997, the Equity Shares held by promoters and locked-in as per regulation 36 may be transferred to another promoter or any person of the promoter group or a new promoter or a person in control of the issuer and the Equity Shares held by persons other than promoters and locked-in as per regulation 37 may be transferred to any other person holding the Equity Shares which are locked-in along with the Equity Shares proposed to be transferred.

However, the lock-in on such Equity Shares shall continue for the remaining period with the transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated in these regulations has expired.

4. Shareholding of the pre IPO Non - Promoters shareholder

Sr. No.	Name of Promoter	Date of Allotment/ Transfer/ Date when made fully paid up	No of Shares	Nature of Allotment (Rights, Bonus, Preferential etc.)	Consideration	Face Value	Issue / Purchase / Transfer Price	% Of Pre Issue Capital	% Of Post Issue Capital
1.	Growth Techno Projects Ltd	February 14, 2003	410000	Preferential Allotment	Cash	10	10	3.10	2.31
		October 5, 2009	1230000	Bonus	Nil	10	Nil	9.31	6.94
		Total (J)	1640000					12.41	9.26

These shares will also be subject to lock-in for a period of one year.

5. The following Directors hold Equity Shares in their individual capacity, as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of Director	No. of Equity Shares
1	Mr. Sunder Lal Dugar	400
2	Mr. Shanti Lal Baid	380000
3	Mr. Sandeep Baid	380000
	Total	760400

6. Details of Shares held by Promoter and Promoter Group.

Sr. No.	Name of the Promoters/Promoter group	No. of shares
1.	Mr. Sunder Lal Dugar	400
2.	Mr. Vinod Dugar	3434800
3.	Ms. Sheetal Dugar	3585800
4.	Motilal Dugar HUF	4000
5.	Pyramid Sales Pvt Ltd	3513800
6.	Ms. Rekha Jhabak	136000
7.	Mr. Shanti Lal Baid	380000
8.	Shanti Lal Baid HUF	140000
9.	Mr. Sandeep Baid	380000
	Total	11574800

7. Shareholding pattern of the Company.

The table below presents shareholding pattern of the Company before and after the proposed Issue.

Particulars	Before the issue		After the issue	
	No. of shares	%	No. of shares	%
Promoters & Promoter's Group				
Promoters				
Mr. Sunder Lal Dugar	400	0.00	400	0.00
Mr. Vinod Dugar	3434800	25.99	3434800	19.39
Ms. Sheetal Dugar	3585800	27.13	3585800	20.24
Sub Total (A)	7021000	53.13	7021000	39.63
Promoter Group				
Motilal Dugar HUF	4000	0.03	4000	0.02
Pyramid Sales Pvt Ltd	3513800	26.59	3513800	19.84

Ms. Rekha Jhabak	136000	1.03	136000	0.77
Mr. Shanti Lal Baid	380000	2.88	380000	2.15
Shanti Lal Baid HUF	140000	1.06	140000	0.79
Mr. Sandeep Baid	380000	2.88	380000	2.15
Sub Total (B)	4553800	34.46	4553800	25.71
Sub Total (A +B)	11574800	87.59	11574800	65.34
Non Promoter Group				
Other Pre-IPO Shareholder				
Growth Techno Projects Ltd	1640000	12.41	1640000	9.26
Public Shareholders (issued thro IPO)	0	0.00	4500000	25.40
Sub Total (C)	1640000	12.41	6140000	34.66
Total (A + B + C)	13214800	100.00	17714800	100.00

8. Equity Shares held by top ten shareholders

The list of top 10 shareholders of the Company and the number of Equity Shares held by them as on the date of filing and 10 days prior to the date of filing of Draft Red Herring Prospectus is as under:

Sr. No.	Name of Shareholder	No. of Shares	% of paid up capital
1.	Ms. Sheetal Dugar	3585800	27.13
2.	Pyramid Sales Pvt Ltd	3513800	26.59
3.	Mr. Vinod Dugar	3434800	25.99
4.	Growth Techno Projects Ltd	1640000	12.41
5.	Shanti Lal Baid HUF	140000	1.06
6.	Mr. Sandeep Baid	380000	2.88
7.	Mr. Shanti Lal Baid	380000	2.88
8.	Ms. Rekha Jhabak	136000	1.03
9.	Motilal Dugar HUF	4000	0.03
10.	Mr. Sunder Lal Dugar	400	0.00
	Total	13214800	100.00

The list of top 10 shareholders of the Company and the number of Equity Shares held by them two years prior to the date of filing of Draft Red Herring Prospectus is as under:

Sr. No.	Name of Shareholder	No. of Shares	% of paid up capital
1	Ms. Rekha Jhabak	930000	28.15
2	Growth Techno Projects Ltd	410000	12.41
3	Pyramid Sales Pvt Ltd	403900	12.23
4	Cetex Marketing Pvt Ltd	253875	7.68
5	Rekha Benefit Trust	186600	5.65
6	Arham Commercial Co. Pvt Ltd	148800	4.50
7	Harivardhan Steel & Alloys Pvt. Ltd	117500	3.56
8	Roshani Multi Trade Pvt. Ltd	95000	2.88
9	Ramdoot Realtors Pvt. Ltd	70875	2.15
10	Ms. Bhanwari Devi Baid	60000	1.82
	Total	2676550	81.02

9. The Promoters/Promoter Group, the Directors of the Promoter Company, the Directors of the issuer Company or their immediate relatives has not purchased or sold or financed the purchase by any other person of the Equity Shares of the Company, during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
10. No share has been allotted by the Company to any person in terms of any scheme approved under sections 391-394 of the Companies Act, 1956.
11. The Company has not re-valued its assets since inception and has not issued any shares out of the revaluation reserves.

12. There has been no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity during the period of six months immediately preceding the date of filing Draft Red Herring Prospectus with the Board.
13. Neither the Company, its Promoters, its Directors, nor the BRLM have entered into any buy-back and/or standby arrangements for purchase of Equity Shares of the Company offered through this Draft Red Herring Prospectus.
14. A Bidder cannot make a bid for more than the number of Equity Shares offered through the issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
15. Up to 50% of the issue, i.e. 22,50,000 Equity Shares aggregating to Rs. [●] lacs shall be available for allocation to QIBs, out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. At least 15% of the Issue, i.e. 6,75,000 Equity Shares aggregating upto Rs. [●] lacs shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Issue, i.e. 15,75,000 Equity Shares aggregating upto Rs. [●] lacs shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
16. Under-subscription, if any, in any category would be met with spill over from other categories or combination of other categories at the sole discretion of the Company in consultation with the BRLM. In case of inadequate demands from the Mutual Funds, the Equity Shares would be made available to QIBs other than Mutual Funds.
17. In case of over-subscription, allotment will be on proportionate basis as detailed in Para on "Basis of Allotment". An over-subscription to the extent of 10% of the Issue Size can be retained for the purpose of rounding off to the nearer multiple of [●] Equity Shares (which is minimum allotment lot), while finalizing the allotment.
18. The Company has not raised any bridge loan against the proceeds of the Issue.
19. The Company does not have any ESOS/ESPS scheme for its employees and it does not intend to allot any shares to its employees under ESOS/ESPS scheme from the proposed issue. As and when, options will be granted to its employees under the ESOP scheme, the Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
20. The company presently does not have any intention or proposal to alter its capital structure for a period of six months from the date of opening of the issue, by way of split/consolidation of the denomination of Equity Shares or further Issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise, except that the company may issue options to its employee pursuant to any employee stock option plan, or if the company goes for acquisitions, joint ventures or strategic alliances, subject to necessary approvals, it might consider raising additional capital to fund such activity or use share as currency for acquisition and/or participation in such joint venture or strategic alliance or for regulatory compliances.
21. All the existing Equity Shares of the Company are fully paid up. The Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment.
22. There would be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus to SEBI until the Equity Shares issued/ to be issued pursuant to the Issue have been listed.
23. The company has not issued any Equity shares out of revaluation reserves. Except as stated in the section "Capital Structure" on page no.13 of Draft Red Herring Prospectus, the Company has not issued any Equity Shares for consideration otherwise than for cash.
24. At any given point of time, there shall be only one denomination for the Equity Shares of the Company. The Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.
25. The company has 10 members as on the date of filing of the Draft Red Herring Prospectus with SEBI.
26. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares.
27. BRLM or their associates does not hold any Equity Share in the Company.

OBJECTS OF THE ISSUE

The objects of the Issue are set forth below:

- To finance the capital expenditure to enhance the manufacturing capacity by 7450 MTPA by establishing the Unit -II.
- To meet General Corporate Purpose; and
- To meet Issue Expenses

Additionally the Company is seeking to achieve the benefits of listing, which Company believes, would enhance its brand equity and provide liquidity to its shareholders.

The main objects clause of Memorandum of Association of the Company enables it to undertake the existing as well as proposed activities, for which the funds are being raised pursuant to this Issue. Company's existing activities are within the ambit of the objects clause of the Memorandum of Association of the Company.

The fund requirements and the intended use of the Issue Proceeds as described herein are based on management estimates and its current business plans. The fund requirements and intended use of Issue Proceeds have not been appraised by any bank or financial institution. In view of the competitive and dynamic nature of the industry, the Company may have to revise its expenditure and fund requirements as a result of variations in the cost structure, changes in estimates and external factors, which may not be within the control of its management. This may entail rescheduling and revising the planned expenditure and fund requirement and increasing or decreasing the expenditure for a particular purpose from its planned expenditure at the discretion of its management subject to compliance of various applicable rules & regulations. In addition, the estimated dates of completion of project as described herein are based on management's current expectations and are subject to change due to various factors, some of which may not be in its control.

In case of any variation in the actual utilization of funds earmarked for the above activities, including on account of cost overruns in the project for which the investment is being made, increased fund deployment for a particular activity may be met with surplus funds, if any, available in the other activities, or from internal accruals, debt or equity.

Funds Requirement

As the Company was working at over 100% capacity utilization since 2006-07, the installed capacity was increased in March 2009 to total 6050 MTPA (5400 MT for Extruder and 650 MT for Liners) from 1800 MT (for Extruder).

With increase of demand of the FIBC, the Company is proposing to expand the capacity further by setting up another unit (Unit-II) specially for Jumbo Bag Liners with a capacity of about 7450 MTPA including Lamination and Multifilament unit taking total manufacturing capacity to 13500 MTPA.

The proceeds of this Issue are to be utilized for establishing another unit for manufacturing activities at an additional land acquired at the same location where existing manufacturing facility is situated and may be bifurcated as under: (collectively referred to as the "Project"):

(Rs in Lacs)

Activity	Total Fund requirement	Fund already deployed*	Estimated schedule of deployment of Balance fund during 2010-2011	
			April-September	October-March
Civil Works	442.85	442.85	--	--
Plant & Machinery	2358.65	42.37	1877.01	439.27
Pre-operative Expenses	70.00	--	--	70.00
Provision for Contingencies [#]	115.81	--	--	115.81
Security for WBSEDCL**	200.00	--	200.00	--
General Corporate Purpose	[•]		[•]	[•]
Issue Expenses	[•]	5.00	[•]	[•]
Total	[•]	490.22	[•]	[•]

* Certified as per Auditor's Certificate dated January 29, 2010

** This is towards security deposit to West Bengal State Electricity Distribution Company Limited (WBSEDCL) for electricity connection at the proposed manufacturing unit. This is as per the estimates of management.

Contingency has been calculated at the rate of 5% of cost of plant & machinery for which order has not yet been placed.

Means of finance

The Company intends to finance the fund requirement for Objects of the Issue in the following manner:

(Rs. in Lacs)

Manner of Funding	Amount of Funding
IPO Proceeds	[●]
Internal Accruals	[●]
Term Loan from Axis Bank Ltd*	40.00
Total	[●]

*For details, please refer the "Indebtedness" in the section "Business Overview" on page 45 of DRHP.

We are in compliance with the Regulation 4(2) (g) of the SEBI Regulations for firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount to be raised through the proposed Issue and existing identifiable internal accruals.

TO FINANCE THE CAPITAL EXPENDITURE TO ENHANCE THE MANUFACTURING CAPACITY BY 7450 MTPA BY ESTABLISHING THE UNIT -II

The main Object of the Issue is to utilize the Net Proceeds of the Issue to finance the capital expenditure to enhance the production facilities of the Company. Presently Company is having a production capacity of 6050 MT and proposes to enhance its production capacities by 7450 MTPA. The details of the cost to be incurred on the various activities are as under:

Land

Proposed unit II will be located at the additional land at same location where existing Unit-I is located. Unit-I is on 2.50 Acres of land allotted by Haldia Development Authority on a lease for 90 years, for manufacturing of HDPE & PLB ducts at Haldia and proposed unit will be on additional 2.63 Acres of land already allotted to the Company by Haldia Development Authority on a lease for 90 years, for manufacturing of Woven Sacks. Shed for the same has been already constructed.

Details of the Civil Work are as under:

Particulars	Area (Sft)	Rate* (Rs./Sft)	Amount (Rs. In Lacs)
Land and Development Cost for 2.63 acres			95.21
Main Factory Shed	31000	550.00	170.50
Raw Material Godown	20000	475.00	95.00
Finishing Area	14000	475.00	66.50
Canteen Room	1000	475.00	4.75
Toilets	290	475.00	1.38
General Stores	175	475.00	0.83
Architect's Fees			8.68
Total	66465		442.85

Plant and Machinery

Details of cost of various plant & machineries for Unit II are as under:

Sr. No	Description	Nos	Make	Total Amount including taxes (Rs.)	Supplier's Name	Quotation No	Quotation Date
	Plant & Machinery						
1	Tape Stretching Line with Melt Pump	1	Lohia	28,343,948	LOHIA STARLINGER LTD	REF:LSL:MKT; QTN:037:09-10	15/10/2009
2	High Tensile Steel Tubes (Cheese Pipe)	250000		5,614,774	S K ENGINEERING CO		14/10/2009

3	Liner Plant (Jumbo 2.1 Mtrs)	1		42,37,336	KABRA Extrusiontechnik Ltd		
4	Spin Draw Wind machine Model Baby Lofil with assecessories	1	Lohia	5,816,622	LOHIA STARLINGER LTD	REF:LSL:MKT; QTN:037:09-10	15/10/2009
5	Automatic Woven Bag Conversion Line		JPI - Model (JPCS-1400)	2,123,778	J P Industries	JPI/CS/001	14/10/2009
6	Coating Plant	1	JP 90CRJ 2200	12,348,068	J P Industries	JPI/LMS/32A	15/10/2009
7	Circular Loom						
a	12-Shuttle	2	GCL-12S	10,632,534	GCL INDIA PVT. LTD	277/09-10	14/10/2009
b	8-Shuttle	5	GCL-8-1S	14,143,545	GCL INDIA PVT. LTD	277/09-10	14/10/2009
c	6-1-Shuttle - Big	20	GCL-6-2S	20,628,254	GCL INDIA PVT. LTD	277/09-10	14/10/2009
d	6-Shuttle - Small	35	GCL-6-S with MMI	24,676,577	GCL INDIA PVT. LTD	277/09-10	14/10/2009
e	Leno Loom	6	GCL-6-L	5,356,068	GCL INDIA PVT. LTD	277/09-10	14/10/2009
8	Jumbo Webbing Machine						
	4-HEAD Susmtex	12	Susmatex Machinery	4,860,944	SUSMATEX MACHINERY	P.I.NO 25	14/10/2009
9	Printing Machine Small 4 Color	1	JP PC 760 UL4	6,507,168	J P Industries	JPI/PC/52	14/10/2009
10	Printing Machine Jumbo 4 Color Mannual	1	PM 750MX4C	2,228,852	Printmac Industries		14/10/2009
11	Jumbo Bag Cutting Machine	3	GCJ-2000	4,776,112	GCL INDIA PVT. LTD	277/09-10	14/10/2009
12	Web Cutting Machine	3	GWC-250	1,449,891	GCL INDIA PVT. LTD	277/09-10	14/10/2009
13	Ultra Sonic Automatic Cutter with Winder	1	GCJ-2000U	3,980,093	GCL INDIA PVT. LTD	277/09-10	14/10/2009
14	Baffel Cutting Machine	2	BC-01(cold cut)	796,019	GCL INDIA PVT. LTD	277/09-10	14/10/2009
15	Hydraulic Baling Press Machine	2	GBP-100	3,411,508	GCL INDIA PVT. LTD	277/09-10	14/10/2009
16	Twisting Machine	1	KEI-96-T	2,077,154	KRISTEEL SHINWA IND. LTD	KSIL/TM/64/ 271/09	14/10/2009
17	Stitching Machine set	200	Stitchman	13,501,786	STITCHMAN	ST/QN/0258	13/10/2009
18	Jumbo Bag Metal Tester	2	SIVA Systems	432,124	SIVA SYSTEM PVT. LTD	MBQ/910255:M	15/10/2009
19	Air Blower	8	Bharat Machinery & Spares	132,107	Bharat Machinery & Spares		14/10/2009
20	Chilling Plant for Tape plant	1	90 TR	2,087,843	REYNOLD INDIA PVT. LTD	REY/KOL/ AF- 8310	13/10/2009
	Chilling Plant for Lamination	1	60 TR	1,811,511	REYNOLD INDIA PVT. LTD	REY/KOL/ AF- 8310	13/10/2009
	Chilling Plant	1	28 TR	839,231	REYNOLD INDIA PVT. LTD	REY/KOL/ AF- 8310	13/10/2009
	Chilling Plant	1	20 TR	818,762	REYNOLD INDIA PVT. LTD	REY/KOL/ AF- 8310	13/10/2009
	Chilling Plant	1	22 TR	788,058	REYNOLD INDIA PVT. LTD	REY/KOL/ AF- 8310	13/10/2009
21	Air Compressor	1	ELGI (E22-7.5 + ELRD 191)	643,664	EASTERN ENGINEERING CO.	EEC:RC: 3212079:09-10	14/10/2009
	Compressor for Printing Machine	2	ELGI	190,965	EASTERN ENGINEERING CO.	EEC:RC: 3212079:09-10	14/10/2009
	Compressor for Loom	2	ELGI	190,965	EASTERN ENGINEERING CO.	EEC:RC: 3212079:09-10	14/10/2009
	Compressor for Cutting Machine	1	ELGI	90,677	EASTERN ENGINEERING CO.	EEC:RC: 3212079:09-10	14/10/2009
22	Forklift	1	Godrej- Model G 1000D	3,009,519	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
	Forklift	1	Godrej- Model GX 300E	1,034,938	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
	Forklift	1	Godrej- Model GX 300D	1,028,456	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
	Stacker	1	Godrej- Model ESW1545W	693,673	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
	Stacker	1	Godrej- Model Manual Staker GMS 1015	73,916	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
	Hand Pallet Truck	10	Godrej- Model PTH 27-45	272,921	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
	Hand Pallet Truck	10	Godrej- Model GPT 2500	204,690	GODREJ & BOYCE MFG CO LTD	AD:FLT: RDB:Q025	14/10/2009
23	Weighing Machine	12	ETL	2,497,770	ESSAE- TERAOKA	ETL/NG/	15/10/2009

					LIMITED	RDBRL/09	
24	Air Circulator	30	Powervent	154,371	POWERVENT	ACE/OPP/35	15/10/2009
	Exhaust Fan	50	Powervent	266,098	POWERVENT	ACE/OPP/35	15/10/2009
25	Hoist for Lamination	1		100,000	As per Management's Estimate		
26	Laboratory Equipments	1		3,000,000			
27	Cutting & Sealing Machine for Liner Plant	1		100,000			
28	Trolley with Storage Bin for Jumbo Bag	80		400,000			
29	Water Purifier	1		200,000			
30	Vaccum Cleaner	2		150,000			
31	Fire Protection Equipments			4,000,000			
32	Storage Bin & Crates	2000		600,000			
	S_Total	252521		20,33,23,290			
	Office Equipment						
33	XEROX MACHINE	1		220,810			
34	SCANNER	1		27,601			
35	BARCODING OPTION	1		331,214			
36	ATTENDENCE PUNCHING MACHINE	1		110,405			
37	EPABX	1		110,405			
38	CLOSE CIRCUIT TV WITH RECORDING	1		883,238			
39	METAL DETECTION WITH SENSOR	1		16,561			
40	Electrical & Installation			18,089,075			
				-			
41	Erection			9,044,537			
42	Furniture Fixture			1,500,000			
				-			
43	Vehicle			-			
	Truck 10 Wheel Cover Tata 2515 EX	1		2,208,096			
				-			
	Total			23,58,65,232			

No order has been placed for any of the machineries mentioned above except the machinery mentioned in serial no 3 for which the order has been placed and the machinery has already been received by the company from the supplier. Further, the Company has neither purchased nor proposes to purchase any second hand machinery for the proposed expansion.

Details of the Pre-operative expenses are as under:

Sr. No.	Particulars	Amount (Rs. in lacs)
1.	Establishment Expenses	25.00
2.	Traveling Expenses	25.00
3.	Trial Run Expenses	20.00
	Total	70.00

GENERAL CORPORATE PURPOSES

In accordance with the policies set up by the Board, the Company proposes to retain flexibility in applying Issue Proceeds for general corporate purpose, including strengthening of our marketing capabilities, upgradation of Infrastructure and working capital.

Our management will have the flexibility in utilizing these proceeds under the overall guidance and policies laid down by our Board.

ISSUE EXPENSES

The total expenses of the Issue are estimated to be approximately Rs. [●] lacs. The expenses of the Issue include, among others, underwriting and issue management fees, selling commission, printing and

distribution expenses, advertisement expenses and listing fees. All expenses with respect to the Issue will be allocated on the following basis:

Sr. No.	Activity	Total (Rs. in Lacs)
1.	Lead management fees, underwriting and selling commission*	[•]
2.	Advertising and marketing expenses*	[•]
3.	Printing and stationery, including transportation costs*	[•]
4.	Others (Registrar's fee, Legal Advisor, listing fees etc.)*	[•]
5.	Fees payable to Grading Agency*	[•]
	Total estimated Issue expenses*	[•]

* will be incorporated after the issue price is finalized.

Schedule of Implementation

Activity	Commencement	Completion
Civil Works (Acquisition of Land & Land Development)	Completed	
Civil Works (Erection of Main Factory Shed)	Completed	
Civil Works (Erection of other parts of building)	Completed	
Plant & Machinery & its delivery	June, 2010 (Order Placement)	September, 2010 (Delivery)
Security for WBSEDCL	July, 2010	July, 2010
Commencement of trail run	November, 2010	December, 2010
Commencement of commercial production		January, 2011

Details of funds already deployed & Sources of funds deployed

The funds deployed towards the object of this issue on the project as certified by the Statutory Auditors of our Company, viz. M/s M. K. Surana & Co., Chartered Accountants vide their certificate dated January 29, 2010 is given below:

Particulars	Amount (Rs. in lacs)
Funds Deployed	
Civil Works	442.85
Plant & Machinery	42.37
Issue Expenses	5.00
Total	490.22
Sources of Funds	
Internal accruals	450.22
Term Loan from Axis Bank Ltd	40.00
Total	490.22

Working Capital

The additional working capital requirement will be fulfilled from the internal accruals and bank borrowings. We will approach our existing bankers for the additional working capital facilities at the appropriate time as and when the project is nearing completion.

Appraisal Report

None of the projects for which Issue Proceeds will be utilized have been financially appraised and the estimates of the costs of projects mentioned above are based on internal estimates of the Company.

Bridge Loan

We have not entered into any bridge loan facility that will be repaid from the Issue Proceeds.

Interim use of Issue proceeds

Pending utilisation of the Issue proceeds for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds and deposits with the banks for the applicable period.

Monitoring of utilisation of funds

The Audit Committee of the Board will monitor the utilization of the Issue proceeds. Furthermore, pursuant to clause 49 of the Listing Agreement, we shall disclose to the Audit Committee, the uses and application of funds under the heads as specified above, on a quarterly basis as a part of the quarterly declaration of financial results. Further, on an annual basis, the Company shall prepare a statement of funds utilized for purposes other than those stated in the Offer Document, if any, and place it before the Audit Committee. Such disclosure shall be made only till such time that the full money raised through this Issue has not been fully spent. This statement shall be certified by the statutory auditors of the Company. The Audit Committee shall make appropriate recommendations to the Board to take up steps in this matter. Our Company shall inform material deviations in the utilisation of Issue proceeds to the stock exchanges and shall also simultaneously make the material deviations/adverse comments of the Audit Committee public through advertisement in newspapers.

No part of the proceeds of the Issue will be paid by us as consideration to our Promoters, our Directors, key management personnel or companies promoted by our Promoters except in the usual course of business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares by the Book Building Process. The face value of the Equity Shares is Rs.10 and the Issue Price is [●] times the face value of the Equity Shares at the lower end of the price band and [●] times the face value at the higher end of the price band.

Investors should read the following summary with the Risk factors included in page no ix and the details about the Company and its financial statements included in this Draft Red Herring Prospectus.

QUALITATIVE FACTORS

For some of the qualitative factors which form the basis for computing the price, see "Business Overview" on page 45 of this Draft Red Herring Prospectus.

QUANTITATIVE FACTORS

Information presented in this section is derived from the Company's audited financial statements.

1. Adjusted Earning Per Share (EPS)

Year ended	Basic and Diluted EPS (Rs.)	Weight
March 31, 2007	4.71	1
March 31, 2008	2.93	2
March 31, 2009	5.05	3
Weighted Average	4.29	
Six months ended September 30, 2009 (Not Annualised)	1.51	

Note:

- Earning per share represents earning per share calculated on the basis of Adjusted profit divided by the weighted number of equity shares (Basic /Diluted) as at the end of year
- Bonus issue was made by the Company on October 5, 2009 in the ratio of 3 (Eight) Equity shares for each 1 (one) Equity Shares held by them and EPS of the Company will be diluted accordingly.

2. Price/Earning (P/E) ratio in relation to Issue Price of Rs. [●] per share of Rs.10 each

- Based on year ended March 31, 2009 Basic & Diluted EPS of Rs. 5.05, the P/E Ratio is [●]
- Based on weighted average EPS of Rs. 4.29, the P/E Ratio is [●]
- Industry P/E

i) Highest	31.4
ii) Lowest	3.8
iii) Industry Composite	8.2

Source: Capital Market Feb 22 – Mar 07, 2010, Category: Packaging

3. Average Return on Net Worth (RONW %)

Year ended	RONW (%)	Weight
March 31, 2007	12.55	1
March 31, 2008	7.26	2
March 31, 2009	10.90	3
Weighted Average	9.96	
Six months ended September 30, 2009 (Not Annualised)	3.15	

Note:

Return on Net worth as a percentage represents Adjusted profit after tax divided by Net worth at the end of each financial year.

4. Minimum Return on Total Net Worth Required to Maintain Pre- Issue EPS: [●]%.

5. Net Asset Value per Equity Share

- (i) As on March 31, 2009 – Rs. 46.28
- (ii) As on September 30, 2009 – Rs. 47.78
- (iii) After the Issue: Rs. [●]
- (iv) Issue Price: Rs. [●]

Bonus issue was made by the Company on October 5, 2009 in the ratio of 3 (Eight) Equity shares for each 1 (one) Equity Shares held by them and NAV of the Company will be diluted accordingly

6. Comparison of Accounting Ratios

The comparable ratios of the companies which are to some extent similar in business are as given below:

Name of the Company	Face Value (Rs.)	EPS (Rs.)	P/E	RONW (%)	NAV (Rs.)
Neo Corp international Limited	10	7.4	7.6	15.3	52.2
Polyplex Corporation Limited	10	9.4	6.9	13.0	83.3
Essel Propack Limited	2	2.2	20.3	4.7	39.0
Jumbo Bag Limited	10	1.4	-	8.4	20.4
RDB Rasayans Limited	10	5.05	[●]	10.9	46.28

Source: Capital Market Feb 22 – Mar 07, 2010, Category: Packaging

The Face value of the Share is Rs.10 per Equity Share and the Issue Price is [●] time of the face value.

The issue Price will be determined on the basis of the demand from the investors in accordance with the SEBI Regulations. The BRLM believe that the Issue Price of Rs. [●] per share is justified in view of the above qualitative and quantitative parameters. The investors should persue the risk factors and the financials of the Company including important profitability and return ratios, as set out in the Auditors' report on page no. 110 of the Draft Red Herring Prospectus to have a more informed view of the investment.

STATEMENT OF TAX BENEFITS

To
The Board of Directors
RDB Rasayans Limited
8/1, Bikaner Building
Lal Bazar Street
Kolkata- 700 001

We **M/s M K Surana & Co.** are the Statutory Auditors of **M/s RDB Rasayans Limited** having its registered office at 8/1, Bikaner Building, Lal Bazar Street, Kolkata- 700 001. We hereby certify that under the current tax laws, the following tax benefits inter alia, will be available to the Company and the members of the Company. However a member is advised to consider in his/her/its own case the tax implications of an investment in the Equity Shares, particularly in view of the fact that certain recently enacted legislation may not have direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

As per the existing provisions of the Income Tax Act 1961 and other laws as applicable for the time being in force, the following tax benefits and deductions are and will, inter-alia be available to **M/s RDB Rasayans Limited** and its shareholders.

The following are special tax benefits available to the Company under 'The West Bengal State Support for Industries Scheme, 2008:

10..1 **Industrial Promotion Assistance (IPA)**

Industrial units falling in the scales of 2, 3 & 4 will be granted Industrial Promotion Assistance (IPA). The total IPA (TIPA) for which an industrial unit would be eligible shall be equivalent to certain percentage of the Value Added Tax (VAT) paid by the unit in the previous year. The percentages proposed for units with different scales of investment are:

Scale 2: 70%, Scale 3: 75%, Scale 4: 80%,

10.1.1 The TIPA admissible to an industrial unit will be broken up into two components, with equal weightage of 50% of TIPA to each, i.e.

IPA against Fixed Capital Investment, called Capital IPA (CIPA), and
IPA against employment creation, called Employment IPA (EIPA).

10.1.2 CIPA will be disbursed to an eligible project for the number of years indicated below, or till 50% of FCI is reached, whichever is earlier:

Scale 2 : 8 years
Scale 3 : 10 years
Scale 4 : 12 years

10.1.3 As far as EIPA is concerned, the entitlement of the unit shall be assessed on the basis of employment created by the unit after having verified the statement of monthly contribution towards EPF for the employees in Form No. 12 under the provisions of Paragraph 38(2) of the Employees' Provident Funds Scheme, 1952. Monthly average of the number of employees as reported in Form-12 for the 12 months in the year will be taken as the parameter for employment creation and EIPA will be extended only to the extent the employment for the persons belonging to the State of West Bengal are created.

10.1.4 In order to ascertain the residential status of the employee, the unit shall be required to submit photocopies of Electoral Photo Identity Card (EPIC), issued by the appropriate registering authorities within the state of West Bengal and a list showing residential address of all the employees. The List of employees in Form No 12 as indicated above shall contain the EPIC Number against the respective name of employee. Such documents shall be required to be furnished every time it submits claim in regard to EIPA.

10.1.5 EIPA would be released on an ascending scale, depending on the volume of local employment

creation as per the following 5 slabs:

Size of employment for investment of every Crore of Rupees	Percentage of EIPA to be released
<2	Nil
2-4	60%
5-8	80%
9-12	90%
>12	100%

Explanation : Local employment shall mean that the person is ordinarily a resident of West Bengal and holds an EPIC issued by the appropriate registering authorities within the state of West Bengal.

10.1.6 EIPA can be availed by the unit upto 50% of the FCI or 15 years from the date of commencement of Commercial Production, whichever is reached earlier.

10.1.7 Units under the "Heavy Investment Category" shall be entitled to the IPA as provided in the scheme.

General tax benefits available:

A. Benefits to the company under Act

1. Dividends exempt under section 10(34) and 10(35) of the IT Act.

Dividend (whether interim or final) received by the company from its investment in shares of another domestic company would be exempted in the hands of the company as per the provisions of section 10(34) read with section 115-O of the IT Act. In terms of section 10(35) of the IT Act, any income received from units of a Mutual Fund specified under section 10(23D) of the IT Act is exempt from tax, subject to such income not arising from the transfer of units in such Mutual Fund.

2. Computation of capital gains.

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets except shares held in a company or any other security listed in a recognized stock exchange in India or units of Unit Trust of India ('UTI') or Mutual Fund units specified under section 10(23D) of the IT Act or zero coupon bonds are considered to be long-term capital assets, if they are held for a period exceeding thirty-six months. Shares held in a company or any other security listed in a recognized stock exchange in India or UTI or Mutual Fund units specified under section 10(23D) of the IT Act or zero coupon bonds are considered as long-term capital assets, if these are held for a period exceeding twelve months.

As per the provisions of section 10(38) of the IT Act, long term capital gain arising to the company from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to Securities Transaction Tax ('STT').

As per the provisions of section 112 of the IT Act, long-term capital gains other than those covered under section 10(38) of the IT Act are subject to tax at a rate of 20% (plus applicable surcharge and cess). However, proviso to section 112(1) specifies that if the long-term capital gains other than those covered under section 10(38) of the IT Act arising on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the capital gains computed at the rate of 10% without indexation benefit, then such capital gains are chargeable to tax at the rate of 10% without indexation benefit (plus applicable surcharge and education cess).

However, from Assessment Year 2007-2008, such long-term capital gains will be included while computing book profits for the purpose of payment of Minimum Alternate Tax ("MAT") under the provisions of section 115JB of the IT Act.

As per provisions of section 111A of the IT Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable

at the rate of 15% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and the transaction is chargeable to STT.

3. Securities Transaction Tax

In terms of STT, transactions for purchase and sale of the securities in the recognized stock exchange by the shareholder will be chargeable to STT. As per the said provisions, any delivery based purchase and sale of equity share in a company through the recognized stock exchange is liable to securities transaction tax @ 0.125% of the value payable by both buyer and seller individually.

The non-delivery based sale transactions are liable to tax @ 0.025% of the value payable by the seller.

4. Exemption of capital gains arising from income tax

As per the provisions of section 54EC of the IT Act and subject to the conditions specified therein capital gains arising to a company on transfer of a long-term capital asset other than those covered under section 10(38) of the IT Act shall not be chargeable to tax to the extent such capital gains are invested in National Highway Authority of India (NHAI) or Rural Electrification Corporation (REC) notified bonds within six months from the date of transfer. If only part of such capital gain is invested, the exemption shall be proportionately reduced. The IT Act has restricted the maximum investment in such bonds up to Rs 5 million per assesses during any financial year.

5. Where the long-term specified asset is transferred or converted into money at any time within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the long-term specified asset is transferred or converted into money.

6. In accordance with and subject to the provisions of section 32 of the Income tax Act, the Company will be allowed to claim depreciation on specified tangible and intangible assets as per the rates specified. Besides normal depreciation, the Company, in terms of section 32(1)(iia), shall be entitled to claim Additional depreciation @ 20% of actual cost on new plant and machinery for the period of one year after acquired on or after 31st March, 2005.

7. In accordance with and subject to the provisions of section 35D of the Income tax Act, the Company will be entitled to amortize, over a period of five years, all expenditure in connection with the proposed public issue subject to the overall limit specified in the said section.

8. Under Section 115 JAA (1A) of the Act, tax credit shall be allowed of any tax paid (MAT) under Section 115 JB of the Act. Credit eligible for carry forward is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT credit shall not be available for set-off beyond 7 years succeeding the year in which the MAT becomes allowable.

9. Unabsorbed depreciation if any, for an Assessment Year (AY) can be carried forward and set off against any source of income in subsequent AYs, as per section 32 of the Act, subject to the (2) of section 72 and sub-section (3) of section 73 of the Act.

Carry forward and Set off of Business Loss

10. Business losses if any, for any AY can be carried forward and set off against business profits for eight subsequent AYs.

11. Section 48 of the Act, which prescribes the mode of computation of capital gains, provides for deduction of cost of acquisition/improvement and expenses incurred in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long term capital gains, it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition/improvement, which adjusts the cost of acquisition / improvement by a cost inflation index as prescribed from time to time.

12. As per section 71 read with section 74, Short-term capital loss arising during a year is allowed to be setoff against short-term as well as long-term capital gains of the said year. Balance loss, if any, should be carried forward and set-off against short-term as well as long-term capital gains for subsequent 8 years.

13. As per section 71 read with section 74, Long-term capital loss arising during a year is allowed to be setoff only against long-term capital gains. Balance loss, if any, should be carried forward and set-off against subsequent year's long-term capital gains for subsequent 8 years.

B. Benefits to the Resident shareholders of the company under the IT Act

1. Dividends exempt under section 10(34) of the IT Act

Dividend (whether interim or final) received by a resident shareholder from its investment in shares of a domestic company would be exempt in the hands of the resident shareholder as per the provisions of section 10(34) read with section 115-O of the IT Act.

2. Any income of minor children (Maximum two children) clubbed with the total income of the parent under section 64(1A) of the Income Tax Act 1961, will be exempt from tax to the extent of Rs. 1500 per minor child under section 10(32) of the Income Tax Act 1961.

3. Computation of capital gains

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets [except shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or Mutual Fund units specified under section 10(23D) of the IT Act and zero coupon bonds] are considered to be long-term capital assets, if they are held for a period exceeding thirty-six months. Shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or Mutual Fund units specified under section 10(23D) of the IT Act and zero coupon bonds are considered as long-term capital assets, if these are held for a period exceeding twelve months.

As per the provisions of section 48 of the IT Act, the amount of capital gain shall be computed by deducting from the sale consideration, the cost of acquisition and expenses incurred in connection with the transfer of a capital asset. However, in respect of long-term capital gains arising to a resident shareholder, a benefit is permitted to substitute the cost of acquisition/ improvement with the indexed cost of acquisition/ improvement. The indexed cost of acquisition/ improvement, adjusts the cost of acquisition/ improvement by a cost inflation index, as prescribed from time to time.

As per the provisions of section 10(38) of the IT Act, long term capital gain arising to a resident shareholder from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

As per the provisions of section 112 of the IT Act, long-term capital gains [other than those covered under section 10(38) of the IT Act] are subject to tax at a rate of 20% (plus applicable surcharge and cess). However, proviso to section 112(1) specifies that if the long-term capital gains [other than those covered under section 10(38) of the IT Act] arising on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the capital gains computed at the rate of 10% without indexation benefit, then such capital gains are chargeable to tax at the rate of 10% without indexation benefit (plus applicable surcharge and education cess).

As per provisions of section 111A of the IT Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable @ 15% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and the transaction is chargeable to STT.

4. Exemption of capital gains arising from income tax

As per the provisions of section 54EC of the IT Act and subject to the conditions specified therein capital gains arising to a resident shareholder on transfer of a long-term capital asset other than those covered under section 10(38) of the IT Act shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of such capital gain is invested, the exemption shall be proportionately reduced.

However, if the resident shareholder transfers or converts the notified bonds into money (as stipulated therein) within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year. The bonds specified for this section are bonds

issued on or after April 1, 2006 by NHA and REC. The IT Act has restricted the maximum investment in such bonds up to Rs.5 million per assessee during any financial year.

Further, as per the provisions of section 54F of the IT Act and subject to conditions specified therein, long-term capital gains other than a capital gains arising on sale of resident house and those covered under section 10(38) of the IT Act arising to an individual or Hindu Undivided Family ('HUF') on transfer of shares of the company will be exempted from capital gains tax, if the net consideration from such shares are used for either purchase of residential house property within a period of one year before or two years after the date on which the transfer took place, or for construction of residential house property within a period of three years after the date of transfer.

However, if the resident shareholder transfers the residential house property within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year.

C. Benefits to the Non-resident shareholders of the company other than Foreign Institutional Investors and Foreign Venture Capital Investors

1. Dividends exempt under section 10(34) of the IT Act

Dividend (whether interim or final) received by a non-resident shareholder from its investment in shares of a domestic company would be exempt in the hands of the non-resident shareholder as per the provisions of section 10(34) read with section 115-O of the IT Act.

2. Any income of minor children (Maximum two children) clubbed with the total income of the parent under Section 64(1A) of the Income Tax Act 1961 will be exempt from tax to the extent of Rs.1,500 per minor child per year in accordance with the provisions of section 10(32) of the Income Tax Act 1961.

3. Computation of capital gains

Capital assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. All capital assets [except shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or Mutual Fund units specified under section 10(23D) of the IT Act and zero coupon bonds] are considered to be long-term capital assets, if they are held for a period exceeding thirty-six months. Shares held in a company or any other security listed in a recognized stock exchange in India or units of UTI or Mutual Fund units specified under section 10(23D) of the IT Act and zero coupon bonds are considered as long-term capital assets, if these are held for a period exceeding twelve months.

As per the provisions of section 48 of the IT Act, the amount of capital gain shall be computed by deducting from the sale the consideration, the cost of acquisition and expenses incurred in connection with the transfer of a capital asset. Under first proviso to section 48 of the IT Act, the taxable capital gains arising on the transfer of capital assets being shares or debentures of an Indian company need to be computed by converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be done at the prescribed rates prevailing on dates stipulated. Hence, in computing such gains, the benefit of indexation is not available to non resident shareholders.

As per the provisions of section 10(38) of the IT Act, long term capital gain arising to a non-resident shareholder from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

As per the provisions of section 112 of the IT Act, long-term capital gains (other than those covered under section 10(38) of the IT Act) are subject to tax at a rate of 20% (plus applicable surcharge and cess). However, proviso to section 112(1) specifies that if the long-term capital gains [other than those covered second proviso to section 48 and under section 10(38) of the IT Act] arising on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20% with indexation benefit exceeds the capital gains computed at the rate of 10% without indexation benefit, then such capital gains are chargeable to tax at the rate of 10% without indexation benefit (plus applicable surcharge and education cess).

As per provisions of section 111A of the IT Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable @ 15% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and the transaction is chargeable to STT.

4. Exemption of capital gain from income-tax

As per the provisions of section 54EC of the IT Act and subject to the conditions specified therein capital gains arising to a non-resident shareholder on transfer of a long-term capital asset (other than those covered under section 10(38) of the IT Act) shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer. If only part of such capital gain is invested, the exemption shall be proportionately reduced.

However, if the non-resident shareholder transfers or converts the notified bonds into money (as stipulated therein) within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable in such year. The bonds specified for this section are bonds issued on or after April 1, 2006 by NHAI and REC. The IT Act has restricted the maximum investment in such bonds up to Rs 5 million per assessee during any financial year.

Further, as per the provisions of section 54F of the IT Act and subject to conditions specified therein, long-term capital gains (other than a capital gains arising on sale of resident house and those covered under section 10(38) of the IT Act) arising to an individual or HUF on transfer of shares of the company will be exempted from capital gains tax, if the net consideration from such shares are used for either purchase of residential house property (subject to prior approval from Reserve Bank of India) within a period of one year before or two years after the date on which the transfer took place, or for construction of residential house property within a period of three years after the date of transfer.

5. Non resident taxation

Under section 115-I of the IT Act, the non-resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the IT Act viz. "Special Provisions Relating to Certain Incomes of Non-Residents" which are as follows:

Under section 115E of the IT Act, where shares in the company are acquired or subscribed to in convertible foreign exchange by a non-resident Indian, capital gains arising to the non-resident on transfer of shares held for a period exceeding 12 months, will [in cases not covered under section 10(38) of the IT Act], be concession ally taxed at the flat rate of 10% (plus applicable surcharge and cess) (without indexation benefit but with protection against foreign exchange fluctuation)

Under provisions of section 115F of the IT Act, long-term capital gains [in cases not covered under section 10(38) of the IT Act] arising to a non-resident Indian from the transfer of shares of the company subscribed to in convertible foreign exchange will be exempt from income tax, if the net consideration is reinvested in specified assets within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption will be proportionately reduced. However the amount so exempted will be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

6. In accordance with the provisions of Section 115G of the Income Tax Act 1961, Non Resident Indians are not obliged to file a return of income under Section 139(1) of the Income Tax Act 1961 if their only source of income is income from investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the Income Tax Act 1961.

7. In accordance with the provisions of Section 115H of the Income Tax Act 1961, when a Non Resident Indian become assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer along with his return of income for that year under Section 139 of the Income Tax Act 1961 to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

8. As per the provisions of section 115 I of the I.T. Act, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that year under Section 139 of the Income Tax Act 1961, declaring therein that the provisions of Chapter XII-A shall

not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Income Tax Act 1961.

9. Tax Treaty Benefits

As per the provisions of Section 90(2) of the Income Tax Act 1961, the provisions of the Income Tax Act 1961 would prevail over the provisions of the tax treaty to the extent they are more beneficial to the Non-Resident.

D. Benefits to Foreign Institutional Investors ('FII')

1. Dividends exempt under section 10(34) of the Act

Dividend (whether interim or final) received by a FII from its investment in shares of a domestic company would be exempt in the hands of the FII as per the provisions of section 10(34) read with section 115-O of the Act.

2. Long term capital gains exempt under section 10(38) of the Act.

As per the provisions of section 10(38) of the Act, long term capital gain arising to the FII from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

3. Capital gains

As per the provisions of section 115AD of the Act, FIIs are taxed on the capital gains income at the following rates:

Rate of tax

Nature Of Income	(%)*
Long-term Capital Gains	10
Short-term Capital Gains	30

* Plus applicable surcharge and cess

The benefits of foreign currency fluctuation protection and indexation as provided by section 48 of the Act are not available to a FII.

As per the provisions of section 10(38) of the Act, long term capital gain arising to FII from transfer of a long term capital asset being an equity share in a company listed on a recognized stock exchange in India, shall be exempt from tax, if such sale is entered into on or after October 1, 2004, and the transaction is chargeable to STT.

As per provisions of section 111A of the Act, short term capital gains arising from transfer of short term capital asset, being an equity share in a company or a unit of an equity oriented mutual fund shall be taxable at the rate of 15% (plus applicable surcharge and education cess), if such sale is entered into on or after October 1, 2004 and is chargeable to STT.

4. Tax Treaty Benefits

As per section 90(2) of the Act, the provisions of the Act would prevail over the provisions of the tax treaty to the extent they are more beneficial to the FII. Thus, an FII can opt to be governed by provisions of the Act or the applicable tax treaty whichever is more beneficial.

E. Benefits to the Mutual Funds

1. Dividends exempt under section 10(34) of the Act

Dividend (whether interim or final) received by a Mutual Fund from its investment in shares of a domestic company would be exempt in the hands of the Mutual Fund as per the provisions of section 10(34) read with section 115-O of the Act.

2. As per the provisions of section 10(23D) of the Act

Any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 ('SEBI') or regulations made there under, Mutual Funds set up by public sector banks or public financial institutions or Mutual Funds authorized by the Reserve Bank of India, would be exempt from income tax, subject to the prescribed conditions.

F. Benefits to the Venture Capital Companies / Funds

1. Dividends exempt under section 10(34) of the Act

Dividend (whether interim or final) received by a Venture Capital Company ('VCC')/ Venture Capital Funds ('VCF') from its investment in shares of another domestic company would be exempt in the hands of the VCC/VCF as per the provisions of section 10(34) read with section 115-O of the Act.

2. In case of a shareholder being a Venture Capital Company/ Fund, as per the provisions of Section 10(23FB) of the Income Tax Act 1961, any income of Venture Capital Companies/ Funds registered with the SEBI, would be exempt from Income Tax, subject to the conditions specified in the said subsection.

G. Benefits under the Wealth Tax Act, 1957

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

H. Benefits under the Gift Tax Act

As no Gift tax is leviable in respect of gifts made on or after October 1, 1998, but before April 1, 2006. As per amended section 56 (2) (vi) any gift received in money, the aggregate value of which exceeds Rs. 50,000/- is received without consideration, the whole of the aggregate value of such sum will be chargeable to tax. As per newly inserted section 56 (2) (vii) value of sum of money / immovable property/ movable property received without consideration or for inadequate consideration is in exceed of Rs. 50,000/- than the whole of the aggregate value of such sum will be chargeable to tax with effect from Dt: 01.10.2009.

Notes

1. All the above benefits are as per the current tax laws as amended by the Finance Act, 2009 and will be available only to the sole/ first named holder in case the shares are held by joint holders.

2. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the double taxation avoidance agreements, if any, between India and the country in which the non-resident has fiscal domicile.

3. In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of his/ her participation in the scheme.

4. Tax implications of an investment in the Equity Shares, particularly in view of the fact that certain recently enacted legislations may not have direct legal precedent or may have a different interpretation on the benefits which an investor can avail.

5. Our views expressed herein are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

Place: Kolkata
Date: 23/12/2009

FOR, M K Surana & Co.
Chartered Accountants

Partner
Membership No.: 061605

SECTION IV – ABOUT THE ISSUER COMPANY

INDUSTRY OVERVIEW

(A) Packaging Industry Overview

Packaging may be looked at as several different types. For example a transport package or distribution package is the package form used to ship, store, and handle the product or inner packages. Some identify a consumer package as one which is directed toward a consumer or household. It is sometimes convenient to categorize packages by layer or function: "**primary**", "**secondary**", etc.

- Primary packaging is the material that first envelops the product and holds it. This usually is the smallest unit of distribution or use and is the package which is in direct contact with the contents.
- Secondary packaging is outside the primary packaging – perhaps used to group primary packages together.
- Tertiary packaging is used for bulk handling and shipping.

Using these three types as a general guide, examples of packaging materials and structures might typically be listed as follows:

Primary Packaging

- Aerosol spray can
- Bags-In-Boxes
- Beverage can
- Wine box
- Bottles
- Blister packs
- Carton
- Cushioning
- Envelopes
- Plastic bags
- Plastic bottles
- Skin pack
- Tin can
- Wrappers

Secondary Packaging

- Boxes
- Cartons
- Shrink wrap

Tertiary Packaging

- Bales
- Barrel
- Crate
- Container
- edge protector
- Flexible intermediate bulk container, Big bag, "Bulk Bags", or "Super Sacks"
- Insulated shipping container
- Intermediate bulk container
- Pallets
- Slip Sheet
- Stretch wrap

These broad categories can be somewhat arbitrary. For example, depending on the use, a shrink wrap can be primary packaging when applied directly to the product, secondary packaging when combining smaller packages, and tertiary packaging on some distribution packs
(Source: http://packaging.indiabizclub.com/info/objectives_of_packaging)

The role of packaging has changed from that of a carrier and protector to that of a marketing tool, performing a vital role in brand communication and on-shelf differentiation. Technological advancement has been one of the key drivers of growth in this industry. This industry is largely dependent on the fast moving consumer goods sector.

Indian Packaging industry with a growth of more than 15% p.a. accounts for USD 14 Billion. This shows the immense potential in the industry. This growth is expected to be doubled in next two years and figures indicate towards a change in the industrial and consumer set up. Packaging today, has grown in importance and is regarded as vital marketing tool. It enhances product value and helps expand market within and outside country. The packaging industry can be characterized as global and fast growing industry.

With a rapid growth in markets like Food, beverage, pharmaceutical, cosmetics and textile has provided momentum for the need of packaging as all these sectors need specialized packaging. Availability of most of the raw material in abundance that is required in packaging industry such as paper, plastic, board, glass, metal adds to the further growth of industry

The Indian packaging industry holds a lot of potential. The industry is still at a very nascent stage. The importance of packaging has still not been fully realised in the Indian market.

- The market volume of the Indian packaging industry amounts to about Rs. 77,570 crore and has constantly grown by approximately 15 percent year on year.
- The pace of growth will accelerate to between 20-25 percent over the next five years.
- The highest demand for packaging and the associated equipment come from the food processing industry at 50 percent and from the pharmaceutical industry at 25 percent.
- The large growing middle class, liberalization and organized retail sector are the catalysts to growth in packaging. Also food and Pharma packaging are the key driving segments.
- The Indian food market is estimated to total about Rs. 8,82,350 crore according to the 'India Food Report 2008' published by Research and Markets.
- Food retail turnover is expected to grow from the current Rs 3,39,365 crore mark to 7,27,212 crore by 2025.
- The pharmaceutical industry is expected to average an annual growth of 16 percent till 2012.
- There are about 600-700 packaging machinery manufacturers, 95 percent of which are in the small and medium sector located all over India.
- Indian packaging machinery imports are around Rs 606 crore (20-25 percent) while the Indian packaging machinery exports are rapidly growing.
- Germany and Italy are the largest suppliers of packaging machinery to India but focus is now shifting on Taiwan and China.
- Indian companies are now placing increasing emphasis on attractive and hygienic packaging. This promises enormous potential for the future.

(Source: <http://www.indiapackagingshow.com/industry.htm>)

Demand IN Eastern India : The projected demand level of Synthetic Woven Sacks is expected to undergo a step rise in the coming years. The following tables seek to summarize the findings of the report as compared to the actual demand level of 2008-2009 and corroborate the authenticity of the above statement.

2008-2009 (Actual)

Sector	WB	Bihar	Jharkhand	Orissa	CG	EMP	NE	Fig in MTA Total
Cement	6660	1390	7280	6560	13280	21380	1790	59500
Fertilizer	2000	-	-	3640	118	3179	594	9530
Chemicals	6590	120	245	250	245	120	120	7690
Sugar	720	450	0	50	30	15	-	1270
Tarpaulin	5100	2850	1150	2200	2400	-	2300	16000

Food Grain	3575	250	200	1930	600	35	1680	8270
Flour	1000	830	590	460	410	-	1270	4560
Cattle Feed	410	105	-	130	245	150	75	1100
Potato (Leno)	5300	50	-	-	-	-	-	5350
Tea	107	-	-	-	-	-	305	412
Paper	150	-	-	350	-	-	850	1350
Sponge Iron	-	-	-	960	880	-	-	1840
Steel wrapping	-	0	370	500	-	-	-	870
Other	2700	1050	900	2250	600	450	1200	9150
Total	29900	5830	9590	18415	17760	21180	9525	126900

Demand Projection 2009 – 2010

Sector	WB	Bihar	Jharkhand	Orissa	CG	EMP	NE	Fig in MTA Total
Cement	8060	1390	8940	7920	14080	22960	3660	67050
Fertilizer	2100	-	-	3764	125	3307	618	9910
Chemicals	8930	130	270	270	270	130	130	10130
Sugar	1000	520	-	65	35	20	-	1640
Tarpaulin	5600	3100	1250	2400	2650	-	2550	17550
Food Grain	3890	280	225	2185	660	40	1700	8950
Flour	1190	870	610	490	440	-	1330	4930
Cattle Feed	460	115	-	145	270	170	80	1240
Potato (Leno)	5900	170	-	-	-	-	-	6070
Tea	150	-	-	-	-	-	400	550
Paper	200	-	-	400	-	-	950	1550
Sponge Iron	-	-	-	1000	920	-	-	1920
Steel wrapping	-	-	390	525	-	-	-	915
Other	3400	1300	1150	2800	750	550	1500	11450
Total	34680	6540	10050	20750	18250	24090	11370	143900

2010 – 2011

Sector	WB	Bihar	Jharkhand	Orissa	CG	EMP	NE	Fig in MTA Total
Cement	8570	2040	9420	8400	14430	23590	5610	72130
Fertilizer	2200	-	-	3900	130	3440	640	10300
Chemicals	12000	150	300	300	300	150	150	13350
Sugar	1200	820	-	90	40	30	-	2180
Tarpaulin	6200	3450	1400	2650	2900	-	2800	19400
Food Grain	4140	310	250	2450	710	45	1830	9730
Flour	1320	910	650	510	460	-	1400	5250
Cattle Feed	550	140	-	170	330	220	100	1500
Potato (Leno)	5900	420	-	-	-	-	-	6320
Tea	250	-	-	-	-	-	750	1000
Paper	250	-	-	450	-	-	1000	1700
Sponge Iron	-	-	-	1060	970	-	-	2030
Steel wrapping	-	-	410	550	-	-	-	960
Other	4200	1650	1400	3500	950	700	1900	14300
Total	41340	7865	11410	24470	21580	25205	14960	1650150

2011 – 2012

Fig in MTA

Sector	WB	Bihar	Jharkhand	Orissa	CG	EMP	NE	Total
Cement	9230	2310	9740	9520	14690	24050	6530	76000
Fertilizer	2350		-	4000	135	3575	670	10700
Chemicals	12050	170	330	330	330	170	170	13550
Sugar	1240	1280	-	125	65	40	-	2750
Tarpaulin	6800	3800	1550	2900	3200	-	3050	21300
Food Grain	4260	320	260	2720	770	45	1840	10200
Flour	1380	960	680	540	480	-	1470	5500
Cattle Feed	670	170	-	210	400	240	120	1800
Potato (Leno)	5900	850	-	-	-	-	-	6750
Tea	400	-	-	-	-	-	1100	1500
Paper	300	-	-	500	-	-	1050	1850
Sponge Iron	-	-	-	1100	1020	-	-	2120
Steel wrapping	-	-	430	580	-	-	-	1010
Other	5300	2050	1750	4400	1200	900	2350	17950
Total	38450	10370	13010	34205	25750	29690	20175	173000

This demand is **demand of processed raffia products** in terms of actual polymer used (in tape plant) **without taking in to account the weight of filler , lamination and liner.**

Production

The state wise production of Woven Sack based on 2007 – 08 situation is given in the table below :

Product	WB	Bihar	Jharkhand	Orissa	CG-EMP	NE	Fig in MTA Total
PP	52200	0	7900	5700	13200	3000	82000
HDPE	7750	0	0	1450	0	0	9200
Total	59950	0	7900	7150	13200	3000	91200

Out of the total production, around 9000 MTA of raffia product is exported. So the domestic supply within ER by the local manufacturers is – 82000 MTA.

Exports:

Total export of raffia products from Eastern Region is 9000 MTA which includes 6000 MTA of jumbo bags (FIBC). At present there are 5 manufactures in Eastern India producing about 7000 MTA of FIBC.

Demand-Supply Gap

The demand supply summary of woven sack / fabric market in Eastern India is given in the table below:

Demand	112, 200 MTA
Production	91,200 MTA
Exports	9000 MTA
Domestic Supply	82200 MTA
Gap	30000 MTA
Available Market for New Unit	30000 MTA + Exports + National Sales

Future growth

- Raffia market (processed product) in the East has witnessed – 16% growth in demand in 07-08 over 06-07. Similar growth is likely to continue in the coming years (20% CAGR by 2009-10 over 2007-08).
- East is likely to witness a significant cement capacity addition in the coming years. Around 20 million MTA of cement capacity is to be added between 08-09 & 09-10 in the East, which will generate additional demand of 32000 MTA of raffia bags.
- Leno bag, a variant of raffia bags, is being used in potato packaging in West Bengal and become popular in Bihar. This market is still in short supply and about two third market being catered primary from South India. This sector has a longer term potential of 6000 MTA in the East.

- West Bengal, specifically the port cities of Haldia and Kolkata has all the potential to become an export hub for FIBC, tarpaulin, leno bag & other raffia products. The global demand for these product is extremely high and due to labor intensively of the raffia manufacturing process, the developed countries find it more economic to source this from the developing world. West Bengal has already been recognized by the world as a sourcing hub for such products.

Investment Opportunity in West Bengal

- Three major raw materials for raffia manufacturing are raw material, power and labor. Considering the input cost of all these components, West Bengal is the one of cheapest in the country. This will help local units to become competitive in all India marketing.
- GO WB is offering special additional incentive of 25% of total power bill over above the other normal incentives for 33 KV line & 1500 KVA maximum demand load. A new raffia unit with 2 X 600 kg/hr line set up in WBSEDCL area can easily avail this benefit.
- A Petroleum, Chemical & Petrochemical Invest Region (PCPIR) is being set up at Nayachar. This will bring two fold opportunity for raffia industry – a) boost in demand for chemicals packing & b) opportunity to set up raffia unit within the PCPIR.

Conclusion

The demand supply gap suggest that there is an **immediate opportunity for 10 more 450 kg/hr raffia lines** to fulfill the gap in the domestic market. Over and above that, further demand will be created from the exports markets, organic growth in the consuming sectors , new application development and national sales outside the Eastern Region.

In a nutshell, there is a very significant investment opportunity for the raffia industry particularly for the large size units. The new industry should ideally target both the domestic as well as the exports market (particularly for FIBC, Leno Bag & Tarpaulin).

(Source: Market Survey report Raffia Industry in Eastern India by Haldia Petrochemicals Ltd)

As our Products are manufactured out of different kinds of polymers, it is necessary to understand Petrochemical and Polymer industry in India as well.

Petrochemicals

Petrochemicals are derived from various chemical compounds, mainly from hydrocarbons. These hydrocarbons are derived from crude oil and natural gas. Among the various fractions produced by distillation of crude oil, petroleum gases, naphtha, kerosene and gas oil are the main feed-stocks for the petrochemical industry. Ethane and natural gas liquids obtained from natural gas are the other important feedstock's used in the petrochemical industry. Olefins (Ethylene, Propylene & Butadiene) and Aromatics (Benzene, Toluene & Xylenes) are the major building blocks from which most petrochemicals are produced.

Petrochemical manufacturing involves manufacture of building blocks by cracking or reforming operation; conversion of building blocks into intermediates such as fibre intermediates (Acrylonitrile, Caprolactum, Dimethyl Terephthalate/Purified Terephthalic Acid, Mono Ethylene Glycol); precursors (Styrene, Ethylene Dichloride, Vinyl Chloride Monomer etc.) and other chemical intermediates; production of synthetic fibres, plastics, elastomers, other chemicals and processing of plastics to produce consumer and industrial products.

Petrochemical products namely synthetic fibers cater to the clothing needs of mankind and are used in both apparel and non-apparel applications.

(Sources:<http://chemicals.nic.in/petro3.htm>)

Polymer

Polymers find major applications in packaging for preservation of food articles, molded industrial and home appliances, furniture, extruded pipes etc. Synthetic rubbers are used for making various types of tyres and non tyre rubber goods and supplement natural rubber. Surfactant intermediates are used in the manufacture of detergents.

The polymer business is broadly based on the changing dynamics of the user industry. The industrial growth which contributes to the growth of the economy is a prime driver for the growth in the polymer business.

Additionally, changing preferences and costs of packaging are other factors that affect growth.

(Source: Report of the Working Group on Chemicals and petrochemicals, 11th five year plan [2007-08 to 2011-12])

Performance of Indian Polymers Industry

India's per capita demand for polymers is still a minuscule 6 kg vis- vis world average of 27 kg. A large base of converting industry and a growing domestic market as well as export will make India an interesting place for polymer business in the years to come. India has the advantage of high population and expected to maintain high economic growth. This should propel the India's consumption in polymer to new levels in coming year.

India Demand-Supply Balance (kT)

High density polyethylene

Year	Capacity	Production	Import	Export	Demand	Demand Growth
05-06	620	1035	141	286	890	16%
06-07	620	958	139	264	833	-6.4%
07-08	720	974	258	136	1096	32%
08-09	720	1100	186	80	1206	10%
09-10 (E)	720	1200	211	60	1351	12%
10-11 (E)	720	1200	363	40	1523	13%
11-12 (E)	720	1200	575	30	1745	15%
12-13 (E)	720	1200	875	20	2055	18%

Poly Propylene

Year	Capacity	Production	Import	Export	Demand	Demand Growth
05-06	1945	1541	128	224	1445	10%
06-07	1945	1901	85	245	1741	20%
07-08	1970	1978	210	150	2038	17%
08-09	2045	2000	343	100	2243	10%
09-10 (E)	3545	3146	50	683	2512	12%
10-11 (E)	3545	3320	50	506	2864	14%
11-12 (E)	4785	4025	50	752	3323	16%
12-13 (E)	4785	4546	25	649	3922	18%

Polymers

Year	Capacity	Production	Import	Export	Demand	Demand Growth
05-06	5249	4730	722	695	4757	15%
06-07	5457	5037	661	659	5039	5.9%
07-08	5652	5259	1102	412	5949	18%
08-09	5985	5686	1139	312	6513	9.5%
09-10 (E)	8466	7595	875	1240	7230	11%
10-11 (E)	8466	7972	1044	908	8107	12%
11-12 (E)	9706	8805	1497	1074	9228	14%
12-13 (E)	12526	11225	1902	2496	10632	15%

Note:

- 1) Years are financial Years-1st April to 31st March
- 2) Production Numbers: Industry
- 3) Import-Export Data: DGCIS, Calcutta
- 4) 08- 09: Estimate
- 5) 09/10-12/13: Forecast

(Source: Chemicals & Petrochemicals: Official Journal of Chemicals & Petrochemicals Manufacturers Association: Oct.-Dec. 2008- 2009)

Flexible Packaging

Plastics flexible packaging is a very dynamic and competitive business. This is particularly in the commodity monolayer films or simple 3 layer structures, providing an overall protection with moisture barrier and inferior barrier properties limiting shelf life.

With almost 40% of the global population and GDP more than US\$5 trillion at the purchase power parity, both India and China are becoming very important global economic centers. The dynamic change in lifestyle of the growing younger generation in Asian countries like China and India, has increased the scope of multi layer structures, including Aluminum foil to enhance the barrier properties against Oxygen and Carbon Dioxide etc.

The flexible packaging market in these two countries alone, is growing at an average rate of 12-15%, compared to about 6% globally. Despite the large mature market of Japan, the Asian region is expected to grow between 8-10%. The developed regions of North America and Europe are expected to grow at more than 4%, significantly higher than their GDP growth.

The plastics flexible packaging is dominated by Polyolefins mainly from Pe. It is estimated that Pe has almost 75% share of the flexible packaging market. BOPP and cast PP films would be responsible for an additional 10-12 % share. The only other commodity polymer, with a decent share (almost 5-7%) is PVC. Although the specialty barrier resins are very crucial for the growth of the industry, they have only 2-4% share in volumes.

These specialty barrier resins are very efficient and therefore are required at significantly lower levels, though their contribution in the value of the packaging would be much higher.

(Source: Report of the Working Group on Chemicals and petrochemicals, 11th five year plan [2007-08 to 2011-12])

Packtech

Textiles made of man-made fibres/filament yarns and used in packaging are in great demand. The Rs 14,000 crore market for technical textiles used in packaging, commonly known as packtech, is estimated to grow to around Rs 26,000 crore by 2012-13. Packtech includes several flexible packaging material for packing industrial, agricultural, consumer and other goods. Products like polyolefin woven sacks, leno bags, wrapping fabric, jute hessian and sacks, soft luggage, tea-bags filter paper and jumbo-sized bags fall under the category. Jumbo-sized ordinary bags or tote bags are technically known as flexible intermediate bulk container (FIBC).

Demand for packaging products is dependent on industrial growth. In the medium term (next five years), the packaging industry is expected to grow by 13% per annum. Within the industry, polymer-based products like woven sacks, FIBC, leno bags and wrapping fabric are expected to grow higher at a CAGR of 17% during the period. The maximum growth in packtech consumption is expected in the FIBC segment which is used for bulk packaging segment. With exports multiplying each year, demand for FIBC is expected to shoot up to 4.5 lakh tonne over the next five years from the existing consumption of 1.5 lakh tonne.

(Source: Economic Times, Article: 'Packtech market to grow to Rs 26K cr by 2012-13: IMaCS' dated 06/04/2009)

Life Cycle analysis study of Synthetic, Jute and Paper Woven Sacks illustrate the advantages

Indian Institute of Technology, Delhi conducted an exhaustive life cycle study (in the Indian environment) on various types of 50 kg bags used for packaging of several commodities, including cement, fertilizers and food grains. Some of these products have been so far reserved exclusively for jute bags essentially to protect the jute growing community. This study, involving the entire cycle from production of raw materials, conversion to bags, transportation of the packed commodity product to the disposal and recovery of the basic raw materials in the Indian environment reveals some very interesting facts:

- Synthetic bags made from HDPE/PP are much lighter and save almost 3 to 5 times of packaging material as compared to jute and paper bags.
- The lower material weight obviously would save significant amount of energy during manufacture of raw materials and conversion into bags. The study shows that jute bags would require almost 50% more energy and paper bags about 300% more energy compared to synthetic bags.

- Synthetic bags require very insignificant amount of water compared to jute and paper bags. Similarly, the consumption of chemicals for synthetic bags is negligible as compared to jute and paper bags.
- The lighter weight of the synthetic bags provides significant saving of fuel and therefore energy during transportation.

(Source: http://www.plastemart.com/upload/literature/297_art_life_syntheticbags.asp)

Environmental effect on usage of Plastics in packaging

Packaging is one of the major applications of plastics. Compared to alternative materials, a plastic package has significantly lower weight (between two and eight times lighter, depending on the application). This advantage results in a lower overall carbon footprint, despite a higher production footprint per kilogram of material

(about 2-4 kgCO₂e per kg plastic versus 0.7 kgCO₂e per kg for glass and paper, 3 kgCO₂e per kg for thin steel and 8 kgCO₂e per kg for aluminum).

To quantify the savings, the packaging market is segmented in seven applications: "Small packaging", "Beverage bottles", "Other bottles", "Other rigid packaging", "Shrink and stretch films", "Carrier bags", and "Other flexible packaging". In total seven different plastics (LDPE, HDPE, PP, PVC, PS, EPs, PET) were considered against seven reference materials (white glass, thin steel, aluminum, corrugated board, paper/cardboard, beverage carton, wood).

Films and bottles, with 67 MtCO₂e and 97 MtCO₂e respectively, are the largest contributors to the total savings of ~220 MtCO₂e. (Source: 'Innovations for Greenhouse Gas Reductions' by International Council of Chemical Associations: July 2009)

Business Overview

Overview

RDB Rasayans Ltd, an ISO 9001:2008 certified organization, is manufacturer of PP Tape, PP woven sacks, Woven fabrics, Industrial woven fabric, PP woven fabrics and PP woven bags. There is a growing demand for PP fabric for packing for different products in the fertilizers, cement, polymers, chemicals, textiles, machinery, automobiles and steel industry etc. The Company is engaged in manufacture and sale of FIBC (Jumbo Bags) and Woven Sacks and various woven polymer based products like Container Liners, Protective irrigation system, Canal Liners, etc. The Company has a track record of business in the field of woven sacks and Flexible Intermediate Bulk Container (FIBC) container liners, Canal Liners, Protective Irrigation Systems, which find large scale application in the segments like cement and fertilizer. The manufacturing facility of the Company is located at 126 Basudevapur, Haldia -721 602, Dist. Purba Medinipur, West Bengal.

The Company has constantly shown growth in production and sales. The sale has increased from Rs.511.91 lacs in the year 2003-04 to Rs.3407.49 lacs in the year 2008-09. The Company manufactures high strength, low GSM FIBC with high safety factor. The Company also manufactures Jumbo Bags (FIBCs) with 140 GSM Bags, 5:1 Safety factor for 1000 KG Safe Working Load and 160 GSM Bags, 6:1 Safety Factor for 1500 KG Safe Working Load.

The Company produces FIBCs of U+2 panel, Circular Jumbo bags, Baffle bags, All panel bags, Conductive FIBC and Static dissipative FIBCs. In addition to FIBC, the Company also manufactures various woven polypropylene products including Small bags, Box woven bags, Roofing underlayment fabric, Courier bags, Ground covers, Silt fence and Geotextiles. The Company offers woven bags and fabrics in both PP and HDPE. Its products are UV stabilized and pre-conditioned against shrinkage.

The journey of the Company since incorporation can be summarized as under:

In the year 1995, the company was incorporated as public limited company and the object clause of the Company was later on altered in 2003 to enable us to carry on the existing business. In June 2003, the company commissioned its Plant at Haldia with the manufacturing capacity of 1800 MTPA. Initially the Company started the manufacturing of small bags and later in the year 2004 the company entered into the segment of manufacturing FIBC (Jumbo Bags).

As the Company was working at over 100% capacity utilization since 2006-07, the installed capacity was increased in March 2009 to total 6050 MTPA (5400 MT for Extruder and 650 MT for Liners) from 1800 MTPA (for Extruder).

With increase of demand of the FIBC, the Company is proposing to expand the capacity further by setting up another unit specially for Jumbo Bag Liners with a capacity of about 7450 MTPA including Lamination and Multifilament unit.

Products

Its main products are:

• Flexible Intermediate Bulk Container (FIBC) • Technical Textile • Flexible Tanks • Woven Sacks • Container Liners: Bulk Cargo Handling Systems • Anti Corrosive Packaging • Electrostatic Bags • Baffle Bags	• Corner Loop Bags • Circular Bags • Electrostatic Bags • PP Valve Bags • PE Valve Bags • Lami Bags • Conductive Bags • UN Bags
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The Company supplies these products to various industrial customers in domestic as well as in international markets.

PP sacks are mainly used for packaging fertilizers, cement, chemicals, plastic and food grains etc. Over the years of use these are considered as better and cost effective substitute for jute bags, paper sacks etc. The

following industries can be end user segments of PP Woven Fabrics/ Bags where consumption is essentially high:

a) Industry	Fertilizer, Cement, Plastic, Chemicals etc.
b) Agricultural Products	Grains, Coffee Beans, Vegetables etc.
c) Food Products	Sugar, Salt, Flour, Rice, Gram etc.
d) Others	Mail Bags, Military sane bags, Fabrics for tubes & pipes, steel etc.

The proposed product range of the company is as follows:

Bags Size	Weight	Main user industry
PP Bags 72 Cms x 48 Cms	70 Gms	Cement
HDPE Bags 91 Cms x 61 Cms	130 Gms	Fertilizer, Chemicals

The plant is equipped to manufacture any size and shape as required by the customers. The characteristics of PP/Woven Sack and advantages over jute and paper bags are given as under:

- Light in weight;
- Superior resistance to chemicals;
- Can withstand temperature up to boiling point of water;
- Excellent resistance to dropping on account of high tensile strength, flexibility etc;
- Water repellent due to slating surface after filling;
- Possible to make sacks absolutely waterproof by laminating the fabric by using inner liner of LDPE;
- Possible to produce attractive colours by use of augment;
- Non- Toxin.

Location

Our Company carries on manufacturing operations at the following location:

Existing Unit & proposed unit both are located at the same location. Existing Unit is on 2.50 Acres of land allotted by Haldia Development Authority for manufacturing of HDPE & PLB ducts at Haldia and proposed unit will be on 2.63 Acres of land already allotted by Haldia Development Authority for manufacturing of Woven Sacks.

Existing Unit

Sr. No.	Address	Total Area (In Acres)
1.	Mouza Basudevpur, J L No. 126, P.S. Durgachak, Dist. Purba Medinipur, Haldia, West Bengal - 721 602 consisting of plot no.1296P, 1299P, 1300P, 1336P, 1337P, 1338P, 1339P, 1340, 1341P, 1349P, 1353P, 1354P, 1355P, 1356P and 1349/3677.	2.50

Proposed Unit

Sr. No.	Address	Total Area (In Acres)
1.	Mouza Basudevpur, J L No. 126, P.S. Durgachak, Dist. Purba Medinipur, Haldia, West Bengal - 721 602 consisting of plot no.1291P, 1293P, 1294, 1295, 1296P, 1299P, 1300P, 1335P, 1339P, 1341P, 1342P, 1343P and 1349P.	2.63

Plant & Machinery

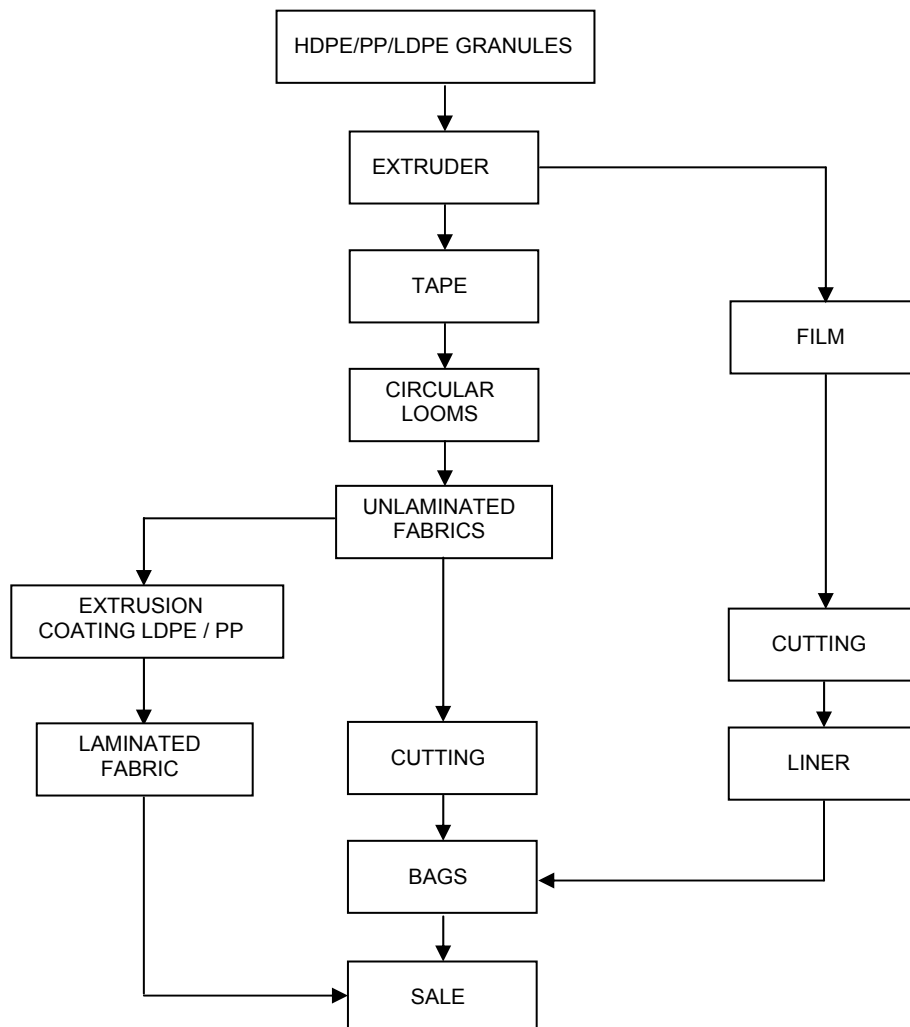
For details about the plant & machinery relating to the proposed project, please refer section titled "Objects of the Issue" on page no.21 of this Draft Red Herring Prospectus.

Technology

The Company is using Extrusion & Weaving Technology for the current manufacturing activity.

Process

MANUFACTURING PROCESS FLOW CHART



The manufacturing process can be divided into seven different phases as explained below:

- Extrusion of PP granules into different types of Tapes
- Weaving the tapes into fabrics in circular looms
- Printing
- Cutting of woven cloth of desired sizes
- To makes sacks PP woven sacks fabric by stitching
- Bailing
- Lamination

The manufacturing process is described as under;

1. PP Granules, the main raw material for tape manufacturing are mixed by the computerized dozer as per requirement and extruded by a Screw Extruder rotation in a fixed barrel, with Screw configuration for material, mixing sharing, melting and final mixing to develop pressure between 250 to 300 to enable plastic material to flow from a flat Die with control of $\pm 0.5\%$ and the same quenched from 250 degrees to 25 degrees centigrade, making more oriented grain structure locked in the cast film, by cold water. The film is then wiped off water and silted by multi slitters for required tape width between 2mm to 5mm, to be obtained by mono orientation through a hot air woven to adopt chain structure in PP. the same tape is then annealed by heating and cooling arrangement before winding, by high speed magnetic tension controlled cheese winders, to get adequately tight wound bobbin for binder tape /using in circulars looms. The edge trimmings are re-cycled to the extruder.

2. The tape thus extruded and winded on bobbins are feed into the circular looms creel for warp feed & welt feed for Weaving the required size of tubular fabric for woven bags/FIBC bags/tarpaulins crushing the tape and covering the maximum surface area with minimum weight adequate strength for packing.
3. The fabric thus produced has lot of perforation, which is not suitable to pack hydroscopic, free flowing, material & bulk materials like Urea, DAP, pesticides and are laminated by giving a coating on both the sides of flat fabric by LDPE extruded film for tarpaulins and laminated fabric.
4. The fabric, laminated or unlimited are cut to size as per the customers specifications by heat cutting process, in order to avoid tape frying due to heat sealing.
5. The cut fabric is stitched on the sides by automatic double needle stitching machine for conversion into sacks. The stitched bag is printed in multi colours. Bags are inspected for the pattern, weight etc. The bags are then packed in bales with the help of bailing machine. The finished bags, FIBC bags, tarpaulins are made in to bales, each containing 50 to 70 KGS per bale and binder tapes are packed in cartons containing 50 to 70 KGS per cartons which are ultimately dispatched to the customers.

Quality Control and Testing

The Company has in-house Testing Facilities to test parameters related to Woven Sacks manufacturing as various quality standards to ensure quality performance of products manufactured by the company. The Company has Quality Testing Process supported by quality-testing laboratory which has all types of equipments required for checking quality of HDPE/PP woven sacks and bags in line various quality standards.

Collaborations

No collaboration with any entity for technical and financial assistance has been entered into.

Raw Materials

PP (Polypropylene) granules, Poly Ethylene, LLDPE, LDPE are major raw material required for manufacturing of the finished product and are presently being procured from domestic as well as overseas suppliers.

Other consumables like printing ink, stitching material (Thread), Master batch, and other additives are easily available in the domestic market and are procured locally from various suppliers.

Utilities

Our Company's manufacturing unit is located at Haldia, where the utilities like water power and manpower are easily available.

Power

Our total power requirement for the existing & proposed unit is 3000 KVA. The released power for the existing unit was 415 KVA till March 2009. WBSEDCL has already given the sanction of 1480 KVA load for existing unit. We will require an additional power load of 1520 KVA for the additional unit which will be provided by the State Electricity Board. In addition, our Company has 2 DG sets each of 380 KVA & 500 KVA totaling to a generating capacity of 880 KVA installed at the unit which takes care of any power failure for uninterrupted production.

Water

Water is required for chilling plant, cooling tower, drinking and sanitation purposes. The water consumption at our manufacturing unit is 150 Liters per day for drinking and for the purpose of manufacturing, which will increase to 400 liters per day, post capacity expansion. Water is sourced through the local governing body and bore wells.

Compressed Air

Compressed air is required for dehumidifying and for cleaning purposes. The requirement is estimated at 100 Cubic mtrs. /hrs which will be obtained from compressors of required capacity. The company is already having Air Compressors with the capacity of 50 Cubic Mtrs.

Manpower

The Company has staff strength of 217 employees, the breakup of which is as follows:

Sr. No	Category	No. of employees
1	Managers	5
2	Officers	2
3	Supervisors	28
4	Skilled Labour	152
5	Unskilled Labour	17
6	Office Staff	13
Total		217

The Company proposes to add the following staff after expansion and shall take the necessary steps for recruitment of additional manpower in due course of time:

Sr. No	Category	No. of employees
1	Managers	8
2	Executives	5
3	Officers	4
4	Supervisors	12
5	Skilled Labour	336
6	Unskilled Labour	50
7	Office Staff	10
Total		425

No problem is envisaged by the Company in recruiting required personnel from the neighboring area.

Security Staff will be outsourced by the company.

Competition

The packaging industry is highly fragmented with large number of players in organized and unorganized sectors. Some of Company's competitors in the domestic market include Jumbo Bag Ltd, LTS Plastic (India) Private limited, Mittal Technopac Pvt Ltd, Royal Touch Fablon Pvt Ltd, Kushal Polysacks Pvt Ltd, Annapurna Packaging Industries Pvt Ltd, Bina Udyog pvt Ltd, Asansol Poly Fabs Pvt Ltd etc. The Company also faces competition in overseas market. The proposed expansion of capacity will also serve the object to meet the competition, so as to achieve diverse product portfolio, economies of scale and cost competitiveness.

Business Strategy

The Company is in the manufacturing of plastic woven fabric and sacks for more than 5 years and has grown to the present level by developing quality of products. The Company wants to leverage this strength to its benefit in future so as to become an effective player in the plastic packaging industry with emphasis on export market. To provide best quality products and services to the customers is the main business strategy of our company.

Broadly, the business strategy of the Company is as under:

- Improving the cost competitiveness
- Widening the customer base
- Optimum utilization of the production capacity

Approach to marketing & proposed marketing set up

The Company manufactures plastic woven sacks and fabrics. The overall marketing function is looked after by Mr. Shantilal Baid, Managing Director himself along with team of professionals who takes care of the domestic as well as international market. Our Company sells its substantial production directly to the Indian and Overseas customers.

Competitive Strengths

Followings are Company's principal competitive strengths:-

- **Strong management Team**

The management team of the Company have significant industry experience and has been instrumental in the consistent growth of the Company's income and operations.

- **Relationship with established players in industry:**

The Company enjoys credible relationship with its Growth Partners such as Debtors, Creditors, Bankers etc. The Company is well poised to benefit from this strong relationship with the industry players enabling the Company to provide better services to its customers.

- **Multiple products**

The Company distributes a wide range of products such as Flexible Intermediate Bulk Container, PP & HDPE Woven Sack, Box Bags, Woven Polypropylene Sheets and PP Fibrillated Twisted Yarn. This allows the Company to cater to the diverse demands of its customers and to consolidate and establish its presence across regions.

- **New Products in pipeline**

We are in the process of entering new Technical Textile applications consisting of geotextiles, pond liners, canal liners, flexi-tanks, etc. these value-added products are well accepted in the western world and offer good realizations and margins as compared to its PP-based woven packaging products. We believe there is a good potential for our concept products like rain water pond and woven PP canal liner in India, at the backdrop of water scarcity, drought etc.

Export Obligation and Export Possibilities

There is no export obligation on the Company. However, the company has been doing export to various countries. Export sales of the Company for the year ended March 31, 2009 was Rs.758.71 lacs which constitutes 28.64% of total sales.

Capacity & Capacity Utilisation

Existing Capacity Utilization

Particulars	Financial Year 2006- 07	Financial Year 2007- 08	Financial Year 2008- 09*
Installed Capacity (In MTPA)	1800	1800	6050
Utilized Capacity (In MTPA)	2461.07	2422.63	2789.98
% Capacity Utilization	137%	135%	129%**

Installed capacity is based on 3 shifts. Number of Working days in a year is 330 days

* Capacity has been increased in exiting unit I in March 2009 from 1800 MTPA to 6050 MTPA.

** % capacity utilization of 2008-09 has been annualized to make the figures comparable.

Proposed Capacity Utilization

Particulars	Financial Year 2009- 10	Financial Year 2010- 11	Financial Year 2011- 12	Financial Year 2012- 13
Installed Capacity (In MTPA)	6050	13500	13500	13500
Utilized Capacity (In MTPA)	4673	7856	11265	12010
% Capacity Utilization	77%	100%***	83%	89%

Installed capacity is based on 3 shifts. Number of Working days in a year is 330 days

*** % capacity utilization of 2010-11 has been annualized to make the figures comparable.

Since the Company has already achieved a capacity utilization of around 100% and keeping in view business prospects as mentioned above, company is confident to achieve capacity utilization of 89% in the year 2012-13.

Property

Property	Owned/Lease	Use	Area
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Mouza Basudevpur, J L No. 126, P.S. Durgachak, Dist. Purba Medinipur, Haldia, West Bengal - 721 602	Leased for 90 years by Haldia Development Authority vide procession letter dated October 8, 2001 (Lease Deed dated June 14, 2004) consisting of plot no. 1296P, 1299P, 1300P, 1336P, 1337P, 1338P, 1339P, 1340, 1341P, 1349P, 1353P, 1354P, 1355P, 1356P and 1349/3677.	Existing Unit	2.50 Acres
Mouza Basudevpur, J L No. 126, P.S. Durgachak, Dist. Purba Medinipur, Haldia, West Bengal - 721 602	Leased for 90 years by Haldia Development Authority vide possession letter dated March 27, 2006 (Lease Deed dated June 7, 2007) consisting of plot no.1291P, 1293P, 1294, 1295, 1296P, 1299P, 1300P, 1335P, 1339P, 1341P, 1342P, 1343P and 1349P.	Proposed Unit	2.63 Acres

Details of Indebtedness of the Company:

Name of the bank	Type of the Loan facility	Amount Sanctioned (Rs. In Lacs)	Amount o/s as on December 31, 2009 (Rs. in lacs)	Interest / Commission	Re-payment	Security
Axis Bank	Cash Credit	750.00	622.59	BPLR- 3.00% with monthly rest.	Cash Credit- On Demand.	Primary Security:- Over Raw Materials, Stocks, Debtors, spares & Stores & Other Current Assets, both present & future. Collateral: a). Extension of equitable mortgage on lease hold factory land of 2.50 Acres situated under Basudevpur Mouza, J L No. 126, P.S> Durgapur, Dist: Purba Medinipur. b). Extension of Hypothecation of all movable fixed assets of the company, both present & future.
	Export Packing Credit (EPC)	350.00	131.14	For upto 180 Days: At BPLR- 5.00% payable monthly Rests For EPC beyond 180 Days: Normal CC Rate	EPC allowed upto 180 Days or expiry of Contract whichever is earlier.	Same as Mentioned above.
	Foreign Bills Purchased/ Discounted (FBP/FBD)	350.00	NA	a).On Demand Bills: At BPLR - 5.00%. b). On Usance: Upto 90 Days: BPLR- 5.00%	On Due Dates	i) Primary: Export Bills with title to the goods duly endorsed in favour of Bank. And, Extension of Charge on all current assets, both present & future. ii) Collateral: As per Cash Credit above

				Beyond 90 Days: BPLR-2.5%		
	Letter of Credit	100.00 (Fully interchangeable with Bank Guarantee Limit)	68.26	Commission: As per Bank's extant standard rate.	NA	Same as for Cash Credit
	Bank Guarantee	100.00 (Fully interchangeable with Letter of Credit Limit)	NA	As per Bank's Standard Rates	NA	Same as for Cash Credit
	Loan Equivalent Risk (LER)	35.00	NA	NA	NA	Same as for Cash Credit.
	Term Loan	400.00	385.80	BPLR-1.75%	116 EMIs of Rs. 6,30,980/- each after a moratorium of 4 months	1. Equitable Mortgage of all that lease hold land admeasuring 17 decimals in the plot 1291P, 29 Decimals in the plot no. 1293p, 12 Decimals in the plot no. 1294P, 12 Decimals in the plot no. 1295P, 23 decimals in the plot no. 1296P, 15 decimals in the plot no. 1299P, 13 decimals in the plot no. 1300P, 2 decimals in the plot no. 1335P, 9 decimals in the plot no. 1339P, 23 decimals in the plot no. 1341P, 17 decimals in the plot no. 1342P, 68 decimals in the plot no. 1343P and 23 decimals in the plot no. 1349P aggregating 263 decimals and entire construction thereon in the form of sheds or RCC structure or otherwise located at Mouza-Basudevpur, J L No. 126, HPL Link Road, P.O. Khajanchak, PS Durgachak, Haldia 721602, presently owned under leasehold rights by RDB Rasayans Ltd. 2. Extension of Equitable Mortgage of all that lease hold land admeasuring 22 Decimals in plot no 1296P, 9 decimals in the plot no. 1299P, 5 decimals in the plot no. 1300P, 14 decimals in the plot no. 1366P, 11 decimals in the

						plot no. 1337P, 12 decimals in the plot no. 1338P, 43 decimals in the plot no. 1339P, 61 decimals in the plot no. 1340P, 17 decimals in the plot no. 1341P, 04 decimals in the plot no. 1349P, 01 decimals in the plot no. 1353P, 02 decimals in the plot no. 1354P, 08 decimals in the plot no. 1355P, 07 decimals in the plot no. 1356P, 34 decimals in the plot no. 1349/3677 aggregating 250 decimals in the name of RDB Rasayans Ltd. Situated at Mouza Basudevpur, JL No. 126, PS Durgachak in the District of Purba medinipur. Personal Guarantee: Shri S L Dugar, Director of the Company. Shri S L Baid, Director of the Company Security PDC: Security PDC for full loan amount and 6 security PDCs for instalment amount.
	Term Loan	200.00	75.75	BPLR-3.00%	16 Quarterly Instalments of Rs. 12.50 Lacs each	a). Extension of equitable mortgage on lease hold factory land of 2.50 Acres situated under Basudevpur Mouza, J L No. 126, P.S> Durgapur, Dist: Purba Medinipur, Plot No. 1296P, 1299P, 1300P, 1336P, 1337P, 1338P, 1339P, 1340P, 1341P, 1349P, 1353P, 1354P, 1355P, 1356P and 1349/3677 (Opposite of South Asian Petrochemicals Ltd). b). Hypothecation of all movable fixed assets of the Company, both present and future. c). Hypothecation of Raw Material, Stocks, Book Debts, Spares & Stores and all other Current Assets of the Company.
	Term Loan	40.00	40.00	BPLR-2.50%	110 EMIs of Rs. 60,690/-	1.Extension of Equitable Mortgage of all that lease hold land admeasuring 17 decimals in the plot no. 1291P, 29 Decimals in the plot no. 1293P, 12 Decimals in the plot no.

					1294P, 12 Decimals in the plot no. 1295P, 23 decimals in the plot no. 1296P, 15 decimals in the plot no. 1299P, 13 decimals in the plot no. 1300P, 2 decimals in the plot no. 1335P, 9 decimals in the plot no. 1339P, 23 decimals in the plot no. 1341, 17 decimals in the plot no. 1342P, 68 decimals in the plot no. 1343P and 23 decimals in the plot no. 1349P aggregating 263 decimals and entire constructions thereon in the form of sheds or RCC structure or otherwise located at Mouza-Basudevapur, J L No. 126, HPL Link Road, P.O. Khanjanchak, PS Durgachak, Haldia in the district of Purba Medinipur, West Bengal-721602, presently owned under leasehold rights by RDB Rasayans Ltd. 2. Extension of Equitable Mortgage of all that lease hold land admeasuring 22 Decimals in plot no 1296P, 9 decimals in the plot no. 1299P, 5 decimals in the plot no. 1300P, 14 decimals in the plot no. 1366P, 11 decimals in the plot no. 1337P, 12 decimals in the plot no. 1338P, 43 decimals in the plot no. 1339P, 61 decimals in the plot no. 1340P, 17 decimals in the plot no. 1341P, 04 decimals in the plot no. 1349P, 01 decimals in the plot no. 1353P, 02 decimals in the plot no. 1354P, 08 decimals in the plot no. 1355P, 07 decimals in the plot no. 1356P, 34 decimals in the plot no. 1349/3677 aggregating 250 decimals in the name of RDB Rasayans Ltd. Situated at Mouza Basudevapur, JL No. 126, PS Durgachak in the District of Purba medinipur. Personal Guarantee: Shri Sundar Lal Dugar, Director
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						of the Company. Shri Shanti Lal Baid, Director of the Company Security PDC: Security PDC for full loan amount and 6 security PDCs for instalment amount.
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Restrictive Covenants in Loan Agreements

As per the terms of the loan agreements, the company can not do the certain activities, during the Currency of the bank's credit facilities, without the bank's/lead arranger's prior permission in writing of the Banks, which amongst other, includes:

- Effect any change in the company's capital structure.
- Formulate any scheme of amalgamation / re-constitution.
- Invest by way of share capital in or lend or advance funds to or place deposits with any other concern. Normal trade credit or security deposits in the usual course of business or advance to employees, are, however, not covered by this covenant.
- Enter into borrowing arrangements either secured or unsecured with any other bank or financial institutions, company or otherwise.
- Undertake guarantee obligations on behalf of another firm/concern/company, subsidiary.
- Declare dividends (in case of companies) for any year except out of profits relating to that year.
- Grant loans to promoters/partners.
- Undertake any expansion or fresh project or acquire fixed assets, while normal capital expenditure, e.g. replacement of parts, can be incurred.
- Make any change in their management set-up.

In accordance with the loan agreements, the Company has received following consents for coming out with an IPO from the Bank:

Sr. No.	Name of the Lender	Ref. No and date of NOC
1	Axis Bank Limited	AXISB/KOL/EZO/SAG/2009-10/0672 dated December 16, 2009

Insurance Policies Details

The Company has insured its assets and stocks through various insurance policies, details of which are as under:

Sr. No.	Policy No.	Policy Type	Insurance details including properties covered	Sum Insured (Rs.in lacs)	Premium Paid (Rs.)	Date of Expiry of Policy
1	2009-V0279020-FPV (with Future Generali India Insurance Co Ltd)	Motor Four Wheeler Policy	TATA Indica Lxi	1.75	3,533.00	April 25, 2010
2	150100/46/09/7500 000572 with National Insurance Co Ltd	Burglary Insurance	PP Woven Sacks in Different Shape:- Finished, Semi Finished, Unfinished and Raw Materials.	300.00	2,250.00	May 11, 2010
3	150100/11/09/3100 000059 with National Insurance Co Ltd	Standard Fire & Special Perils Policy	As per Standard Fire & Special Perils Policy Covered PP Woven Sacks, Flexible Intermediate Bulk Container. Location: 126, Basudevapur, HPL Link Road, Haldia, Midnapore (E), PIN-721 602.	300.00	41,942.00	May 11, 2010
4	150100/46/09/7500 001492 with National Insurance Co Ltd	Burglary Insurance	Stock of Raw Materials and Semi-Finished Goods and Ingredients & Machineries	1100.00	8,250.00	June 22, 2010
5	150100/11/09/3100	Standard	Stock of PP Woven Bags,	1,660.00	1,51,060.	June 22,

	000117 with National Insurance Co Ltd	Fire and Special Peril Policy	Yarn, LDPE, Ink, Building with Plinth, Machinery etc. Location: 126, Basudevapur, HPL Link Road, Haldia, Midnapore (E), PIN-721 602. Special Peril: Earthquake		00	2010
6	VPC0196744000100 with Royal Sundaram Alliance Insurance Co Ltd	Motor Four Wheeler Policy	Maruti Omni	1.02	2,031.00	December 16, 2010

Intellectual Property Rights

Company does not have any registered trade mark or any other intellectual property rights. Currently Company is using the group Logo on all its advertisement materials and communications. The application for the trade mark of the logo has been made by Mr Vinod Dugar, one of the promoters of the company on January 18, 2008. There is no formal agreement between the company and the applicant of the trade mark of the logo for its use by the issuer company.

REGULATIONS AND POLICIES

There are several legislations, which apply to companies engaged in the packaging industry in India. The Company is subjected to all such laws and regulations. Under the provisions of various Central Government and State Government Statutes / Legislations, the Company is required to obtain and regularly renew certain licenses / registrations and / or to seek statutory permissions to conduct the business and operations.

The list set out below is by way of an illustration and is not an exhaustive list of all statutes applicable to the Company's operations. In addition to this, the Company is required to comply with various laws including labour laws and the rules framed thereunder.

A summary of the regulations and policies currently applicable / that would become applicable to the Company pursuant to the Project are as follows:

Central Sales Tax Act (CST)

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on inter -state sales and states the principles and restrictions as per the powers conferred by Constitution.

Standards of Weights and Measures Act, 1976

This legislation and the rules made there under apply to any packaged commodity that is sold or distributed. It provides for standardization of packages in specified quantities or numbers in which the manufacturer, packer or distributor shall sell, distribute or deliver some specified commodity to avoid undue proliferation of weights, measures or number in which such commodities may be packed. Any person intending to pre-pack or import any commodity for sale, distribution or delivery has to make an application to the Director of Legal Metrology for registration.

Standards of Weights and Measures Enforcement Act, 1985

The Standards of Weights and Measures Enforcement Act, 1985 regulates the classes of weights and measures manufactured, sold, distributed, marketed, transferred, repaired or used and the classes of users of weights and measures. The Act was passed with a view to regulating and modernizing the standards used in India based on the metric system. The units of weight which are sought to be used in day to day trade are required to be periodically inspected and certified by the designated authorities under this act for their accuracy

Electricity Act, 2003

The Electricity Act, 2003 has been recently introduced with a view to rationalise electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatisation of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

Value Added Tax ("VAT")

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under

which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

Industrial (Development and Regulation) Act, 1955

The Industrial (Development and Regulation) Act, 1951 has been liberalized under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defense equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Foreign Trade (Development and Regulation) Act, 1992

This statute seeks to increase foreign trade by regulating the imports and exports to and from India. This legislation read with the Indian Foreign Trade Policy provides that no export or import can be made by a person or company without an importer exporter code number unless such person or company is specifically exempt. An application for an importer exporter code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce. An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories.

The Factories Act, 1948

The Factories Act, 1948 is a social legislation which has been enacted to regulate the occupational safety, health and welfare of workers at work places. This legislation is being enforced by the Government through officers appointed under the Act i.e. Inspectors of Factories, Deputy Chief Inspectors of Factories who work under the control of the Chief Inspector of Factories and overall control of the Labour Commissioner. The ambit of operation of this Act includes the approval of Factory Building Plans before construction/extension, investigation of complaints with regard to health, safety, welfare and working conditions of the workers employed in a factory, the maintenance of registers and the submission of yearly and half-yearly returns.

Payment of Wages Act, 1936 ("Wages Act")

Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than Rs 10,000/-. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.

The Minimum Wages Act, 1948 ("Minimum Wages Act")

Minimum Wages Act was enacted to provide for minimum wages in certain employments. Under this Act, the Central and the State Governments are the authorities to stipulate the scheduled employment and to fix minimum wages. The Act contains list of Agricultural and Non Agricultural employment where the prescribed minimum rate of wages is to be paid to the workers. The minimum wages are calculated and fixed based on the basic requirement of food, clothing, housing required by an average Indian adult.

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952

The Act is applicable to factories employing more than 20 employees and may also apply to such establishments and industrial undertakings as notified by the Government from time to time. All the establishments under the Act are required to be registered with the Provident Fund Commissioners of the State. Also, in accordance with the provisions of the Act the employers are required to contribute to the Employees' Provident Fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. As per the provision of the Act, employers are to contribute 12% of the basic wages, dearness allowances and remaining allowances (if any) payable for the time being to the employees. A monthly return in Form 12 A is required to be submitted to the commissioner in addition to the maintenance of registers by the employers.

Payment of Gratuity Act, 1972

A terminal lump sum benefit paid to a worker when he or she leaves employment after having worked for the employer for a prescribed minimum number of years is referred to as "gratuity". The provisions of the Act are applicable to all the factories. The Act provides that within 30 days of opening of the establishment, it has to notify the controlling authority in Form A and thereafter whenever there is any change in the name, address or change in the nature of the business of the establishment a notice in Form B has to be filed with the authority. The Employer is also required to display an abstract of the Act and the rules made there-under in Form U to be affixed at the or near the main entrance. Further, every employer has to obtain insurance for his liability towards gratuity payment to be made under Payment of Gratuity Act 1972, with Life Insurance Corporation or any other approved insurance fund.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every establishment employing 20 or more employees. The said Act provides for payment of the minimum bonus to the employees specified under the Act. It further requires the maintenance of certain books and registers such as the register showing computation of the allocable surplus; the register showing the set on & set off of the allocable surplus and register showing the details of the amount of Bonus due to the employees. Further it also require for the submission of Annual Return in the prescribed form (FORM D) to be submitted by the employer within 30 days of payment of the bonus to the Inspector appointed under the Act.

Contract Labour (Regulation and Abolition) Act, 1970

The purpose of Contract Labour (Regulation and Abolition) Act 1970, is to regulate the employment and protect the interests of the workers who are hired on the basis of individual contracts in certain establishments. In the event that any activity is outsourced, and is carried out by labourers hired on contractual basis, then compliance with the Contract Labour (Regulation and Abolition) Act, including registration will be necessary and the principal employer will be held liable in the event of default by the contractor to make requisite payments towards provident fund etc.

Employment (Standing Orders) Act, 1950

The Industrial Employment (standing orders) Act requires employers in industrial establishments to formally define conditions of employment under them. It applies to every industrial establishment wherein 100 (reduced to 50 by the Central Government in respect of the establishments for which it is the Appropriate Government) or more workmen are employed. The Act calls for the submission of such conditions of work to the relevant authorities for their approval.

The Equal Remuneration Act, 1976 ("Equal Remuneration Act") and Equal Remuneration Rules, 1976

The Constitution of India provides for equal pay for equal work for both men and women. To give effect to this provision, the Equal Remuneration Act, 1976 was implemented. The Act provides that no discrimination shall be shown on the basis of sex for performing similar works and that equal remuneration shall be paid to both men and women when the same work is being done.

Employees State Insurance Act, 1948

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act applies to those establishments where 20 or more persons are employed. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the ESI department.

Registrations under the applicable Shops & Commercial Establishments Acts of the respective States in which the Company has an established place of business/ office ("Shops Act")

The Shops Act provides for the regulation of conditions of work in shops, commercial establishments, restaurants, theatres and other establishments. The Act is enforced by the Chief Inspector of Shops (CIS) and various inspectors under the supervision and control of Deputy/Assistant Labour Commissioners of the concerned District, who in turn functions under the supervision of Labour Commissioner.

HISTORY AND CERTAIN CORPORATE MATTERS

The Company was incorporated as RDB Rasayans Limited on October 13, 1995 under the Companies Act, 1956 as a public limited company by the Registrar of Companies, West Bengal. The Certificate of Commencement of Business was granted to the Company on October 27, 1995.

The Company was initially incorporated with the Registered Office situated at 8/1 Lal Bazar Street, Bikaner Building, 1st floor, Calcutta – 700 001. Thereafter, it was shifted to 35, American Street, Second floor, Calcutta – 700 007 w.e.f. January 24, 1997. Then on August 01, 2001, the Registered Office of the company was shifted to 18, Ezra Street, Kolkata – 700 001. Thereafter, it was shifted to 3A, Auckland Place, 8th floor, room No.- 8B, Kolkata – 700 017 w.e.f. January 01, 2003. Finally, Registered Office of the company was shifted to the present address i.e. Bikaner Building, 1st floor, Suite No. 10, 8/1, Lal Bazar Street, Kolkata – 700 001 w.e.f. May 20, 2005. The location of registered office was changed due to administrative convenience.

RDB Rasayans Ltd, an ISO 9001:2008 certified organization, is manufacturer of PP Tape, PP woven sacks, Woven fabrics, Industrial woven fabric, PP woven fabrics and PP woven bags. There is a growing demand for PP fabric for packing for different products in the fertilizers, cement, polymers, chemicals, textiles, machinery, automobiles and steel industry etc. The Company is engaged in manufacture and sale of FIBC (Jumbo Bags) and Woven Sacks and various woven polymer based products like Container Liners, Protective irrigation system, Canal Liners, etc. The Company has a track record of business in the field of woven sacks and Flexible Intermediate Bulk Container (FIBC) container liners, Canal Liners, Protective Irrigation Systems, which find large scale application in the segments like cement and fertilizer. The manufacturing facility of the Company is located at 126 Basudevapur, Haldia -721 602, Dist. Purba Medinipur, West Bengal.

In the year 1995, the company was incorporated as public limited company and the object clause of the Company was later on altered in 2003 to enable us to carry on the existing business. In June 2003, the company commissioned its Plant at Haldia with the manufacturing capacity of 1800 MTPA. Initially the Company started the manufacturing of small bags and later in the year 2004 the company entered into the segment of manufacturing FIBC (Jumbo Bags).

There are total 10 shareholders of the company as on the date of filing of the Draft Red Herring Prospectus.

Change in Registered Office:

The Company was initially incorporated with the Registered Office situated at 8/1 Lal Bazar Street, Bikaner Building, 1st floor, Calcutta – 700 001. Thereafter, it was shifted to 35, American Street, Second floor, Calcutta – 700 007 w.e.f. January 24, 1997. Then on August 01, 2001, the Registered Office of the company was shifted to 18, Ezra Street, Kolkata – 700 001. Thereafter, it was shifted to 3A, Auckland Place, 8th floor, room No.- 8B, Kolkata – 700 017 w.e.f. January 01, 2003. Finally, Registered Office of the company was shifted to the present address i.e. Bikaner Building, 1st floor, Suite No. 10, 8/1, Lal Bazar Street, Kolkata – 700 001 w.e.f. May 20, 2005.

Major Events

Following are the key events and milestones achieved by us:

Financial Year	Events
1995-96	• Incorporation of the Company
1996-97	• Equity Share Capital of Rs.18.80 lacs raised by issuing 1,88,000 equity shares.
2001-02	• 2.50 acres of land allotted to the company by Haldia Development Authority for manufacturing of HDPE and PLB ducts at Haldia. • Equity Share Capital of Rs.20.50 lacs raised by issuing 2,05,000 equity shares.
2002-03	• Equity Share Capital of Rs.141 lacs raised by issuing 14,10,000 equity shares.
2003-04	• The Company had commissioned the plant for manufacturing Woven Sack with production capacity of 1800 MT.

2005-06	• 2.63 acres of land allotted to the company by Haldia Development Authority for manufacturing woven sacks. • Equity Share Capital of Rs.630 lacs raised by issuing 15,00,000 equity shares at a premium of Rs.32 per share.
2006-07	• Received ISO 9001:2000 Certification from Moody International Certification Ltd.
2007-08	• Received Award of Excellence from Federation of Small & Medium Industries, West Bengal for Outstanding Export Performance.
2008-09	• Company had increased its installed capacity for manufacturing woven sacks from 1800 MT to 6050 MT.
2009-10	• There was a strike in the factory during June 23, 2009 to July 28, 2009 by the labour union for the demand of the increase in the rate of the wages. Work at manufacturing unit was resumed w.e.f. July 29, 2009. • 99,11,100 bonus equity shares were issued in the ratio of 3:1.

For details regarding Capacity/facility creation, location of plant, products, marketing, competition etc. please refer “**Business Overview**” on page no 45 of DRHP. For details regarding raising of Capital in the form of Equity please refer “**Capital Structure**” on page no 13 of DRHP. For details regarding raising of Capital in the form of Debt please refer “**Business Overview**” on page no 45 of DRHP. For details regarding Corporate profile of the issuer regarding its history, the description of the activities, services, products, market of each segment, the growth of the issuer, exports, Competition, management, the technology, market, managerial competence and capacity built-up etc., please refer to “**Business Overview**” and “**Our Management**” on page no 45 & 63 respectively of DRHP.

MAIN OBJECTS OF OUR COMPANY:

The main objects of our Company as contained in our Memorandum of Association are as set forth below:

1. To carry on in India or elsewhere the business to manufacture, produce, process, compound, mix, pack, formulate, condense, distill, rectify, sterilize, pasteurize, steam, evaporate, vapourise, cool, filter, commercialise, develop, treat, cure, refine, extract, operate, manipulate, prepare, purify, protect, preserve, disinfect, turn to account, and to act as broker, agent, stockists, distributors, consultants, collaborator, buyer, seller, export, import, job worker, vendor, contractor, supplier or otherwise to deal all type of organic, inorganic, industrial, laboratory, photographic, fine biological, pathological, pharmaceutical and other chemical, compounds, drug formulation, preparation, acids, solvents, oils, solution, derivatives, fluids, products by products, residues, catalyst, regents, mixture concentrates, lumps, powders, granules, tobacco, tobacco products, pan masala, betal nuts and there allied products.
2. To carry on in India or else where the business of manufacturers, fabricators, processors, products, growers, markers, importer, exporters, buyers, sellers, suppliers, stockists, agents, merchants, distributor and concessionaries of and dealers in flour, cakes, pastry, corn flakes, bread, biscuits, chocolates, confectionery, sweet, fruit drops, dry snack fruits, sugar, glucose, chewing gums, milk, ice, ice cream, aerated or mineral water, synthetic soft drinks, fruit juice, wines, liquors and other alcoholic drinks and fermentation products, canned fruit products, milk and malted food, maize product, butter, ghee, cheese, and anther dairy products, pulse, spices, oils, power and condensed milk, honey, fresh and dehydrated vegetables coffee, tea, coca seeds and all type of seeds processed foods as well as materials required or used for preparation of food articles.
3. To carry the business as manufacturers, processors, importers, exporters, dealers, contractors, agents, suppliers, stockists, representatives, engineers, designers, consultants for any or all of plastics such as woven sacks, FIBC/Jumbo bags, monofilament yarn, ropes, twines, chair cane, house hold articles, industrial item and/ or rubber goods including the business of resins and moulding compounds such as ABS, acetal, acrylic, alkyd, cellulose, Acetate, C.A.B, crosslinked, thermoplastics, Epoxy, Melamine, Nylon, Polyamide, Polycarbonate, polyester, Polyethelene Low density & High density, Polypropylene, Fabric, polystyrene, P.V.C., Foamed plastics of all kinds, Reinforced plastics & composites, plastics Films, sheetings and laminates, chemicals, Additives, Fillers and Reinforcement, Thermoplastic/Elastomeric cable wires/ Flexible and wire drawing of copper/ Aluminum/ Iron, Galvanisation of Iron wire, ropes of Non- Ferrous/Ferrous metal and all other plastic material of all kinds that may be in existence or may be developed in future.
4. To manufacture, design, fabricate, assemble, deal, sell, import, exports, repair, recondition, service, hire, install, maintain, contract all sorts of plastic machinery, parts of machinery and instruments.

CHANGES IN MEMORANDUM OF ASSOCIATION

Since the date of Incorporation the following changes have been made to the Memorandum of Association:

Date of Shareholders' Approval	Amendment
September 18, 2001	Increase in Authorised Share Capital from Rs. 25 Lacs to Rs. 100 Lacs.
December 19, 2001	Alteration of Main Object Clause of memorandum of Association by inserting clauses III(A)(3) and III(A)(4).
September 16, 2002	Increase in Authorised Share Capital from Rs. 100 Lacs to Rs. 200 Lacs.
February 15, 2006	Increase in Authorized Share Capital from Rs. 200 Lacs to Rs. 350 Lacs.
September 7, 2009	Increase in Authorized Share Capital from 350 Lacs to Rs. 1800 Lacs.

Subsidiaries

The company does not have any subsidiary company.

Joint Venture Agreements

As on date of filing this Draft Red Herring Prospectus with SEBI we have not entered into any joint venture agreements with any other company or entity.

Shareholders Agreements

There is no Shareholder agreement.

Other Agreements / Arrangements

Except the Agreements/Contracts entered in the ordinary course of business carried on and intended to be carried on by the Company, the Company has not entered into any other agreement/contract.

Strategic Partners

As on date of filing this Draft Red Herring Prospectus with SEBI there are no strategic partner agreements entered into by our Company.

Financial Partners

As on date of filing this Draft Red Herring Prospectus with SEBI there are no financial partnership agreements entered into by our Company.

OUR MANAGEMENT

Board of Directors

The following table sets forth the details regarding the Board of Directors.

Sr. No	Name, Father's Name, Age, Address, Occupation, Designation & DIN No.	Qualification	Date of Appointment and Term	Other Directorships
1.	Mr. Sunder Lal Dugar, S/o. Late Mr. Moti Lal Dugar Aged 55 Years Address: 63, Park Street, Kolkata-700016 Occupation :Business Designation: Chairman DIN No. 00007638		June 26, 2002	1. RDB Industries Limited. 2. Electrical Manufacturing Company Limited. 3. EMC Hardware Limited. 4. Bhagwati Builders and Development Private Limited. 5. RDB Realty & Infrastructure Limited. 6. MKN Investment Private Limited. 7. Metalind Private Limited. 8. Loka Properties Private Limited. 9. Ankur Constructions Private Limited. 10. Siddha PSIDL Township Private Limited. 11. Johri Towers Private Limited. 12. Regent Auto Trade Private Limited.
2.	Mr. Shanti Lal Baid, S/o. Late Mr. Sainskaran Baid Aged 59 Years Address: Shree Apartment, 138, G.T.Road (South), Howrah - 711 102 Occupation :Business Designation: Managing Director DIN No. 00056776		August 1, 2001. Five years from April 1, 2009.	1. Khatod Investments & Finance Company Limited. 2. Raj Construction Projects Private Limited. 3. RD Motors Private Limited. 4. Veekay Apartments Private Limited.
3.	Mr. Sandeep Baid S/o. Mr. Shanti Lal Baid Aged 31 Years Address: Basudebpur Dakshin Pally, 1 No purba Haldia, Mecheda Rasta, Haldia, Durachak, Purba Medinipur - 721602 Occupation :Business Designation: Whole Time Director DIN No. 00557018	B. Com.	April 10, 2008 From April 10, 2008 to March 31, 2010.	1. Superflex Cables Private Limited. 2. MKN Investment Private Limited.
4.	Mr. Mahendra Pratap Singh S/o Mr. D T K S Singh Aged 62 Years Address: 1003, Odyssey-I, Hiranandani Gardens, Powai, Mumbai – 400 076. Occupation : Business Designation: Independent Director DIN No. 01839950	MBA, MSc. (Geophysics) , B. Sc.	October 12, 2009	1. RDB Realty & Infrastructure Limited. 2. Aeroturbines India Limited 3. Alpen Stock Consulting Private Limited.
5.	Mr. Sachin Shridhar S/o. Mr. Sadhu Ram Sharma	B.A. in Economics	October 12, 2009	1. Starlit Infrastructure Limited

	Aged 47 Years Address: 176, Gulmohar Enclave, Delhi - 110049 Occupation : Business Designation: Independent Director DIN No. 00243186	(Honours course), MBA, LLB,		2. SKIL Himachal Infra & Tourism Limited 3. Starlit Finance Limited 4. Starlit Technologies Private Limited. 5. Starlit e-Recyclers Private Limited. 6. Marti India Private Limited. 7. Shobla Hydro Power Private Limited. 8. RDB Infrastructure Private Limited.
6.	Mr. Prabir Kumar Sarkar S/o: Mr. Profulla Chandra Sarkar Aged 67 years Address: 58/1 Pramathesh Barua Sarani, Ward No. 69, Ballyganj, Kolkata – 700019. Occupation: Professional Designation: Independent Director DIN No. 01855794	B.Com (Hons)	December 10, 2009	1. Pyramid Saimira Production International Limited

Mr. Shanti Lal Baid is a father of Mr. Sandeep Baid. Other than this, there is no relationship, in terms of the Companies Act, 1956, between any of the directors of the company.

Details of the compensation & benefits in kind granted during the last financial year to the executive directors:

Name of executive director	Compensation during last year	Benefits granted during last year
Mr. Shanti Lal Baid	Rs. 6,00,000	NIL
Mr. Sandeep Baid	Rs. 4,20,000	NIL

No service contracts have been entered into by the directors with the company except for providing provident fund and gratuity benefits to whole time directors, for benefits upon the termination of their employment.

Brief profile of the Directors

Please refer to the section on “Our Promoters And Promoter Group” for brief profile of Mr. Sunder Lal Dugar. Brief profile of other directors is given hereunder:

Mr. Sandeep Baid, son of Mr. Shanti Lal Baid, is a commerce graduate with experience of about 8 years in the field of manufacturing and marketing of Electrical goods, cables and packing materials & woven sack. He is currently looking after the production along with the full administration of the plant. He is a Whole Time Director in the company.

Mr. Shanti Lal Baid, son of Late Mr. Sainskaran Baid, an Industrialist having experience of about 38 years in Management and Administration in the field of Electrical Goods and Cables Industries. He was actively involved in setting up the Plant at Haldia and currently looking after the Marketing, Finance and sales of the company. He is a Managing Director of the company.

Mr. Mahendra Pratap Singh, aged about 62 years, got his master's degree in Geophysics from Banaras Hindu University. He was selected as Dy. Superintendent of Police in CRPF in 1970. He resigned in 1974 to pursue Master in Business Management Programme at Asian Institute of Management. Thereafter, he worked with many organizations at different managerial positions. His varied experience and exposure can immensely help the Board to take appropriate strategic decision in a competitive business era.

Mr. Sachin Shridhar, aged 43 is an Ex-Civil Servant. He is a graduate in Economics (Hons) from University of Delhi after which he did his Masters in Business Administration (MBA) & LLB from University of Delhi. He

joined the Indian Police Service (IPS) in 1985. After serving the Government for 13 years, he decided to carve out a career in enterprise and business. He is also Chairman & Managing Director of Starlit Group.

Mr Prabir Kumar Sarkar, son of Late Prafulla Chandra Sarkar, is a Commerce Graduate from Calcutta University. He has an experience of over 40 years in the field of Financial Management. He started his career with Erstwhile Union Carbide India Ltd and held various positions in the organization including CFO of the chemical and plastic division. He was also the president of one of the group companies of Nagarjuna Finance Ltd, where he dealt in various financial operations like lease, hire-purchase, loans etc. In the capacity of senior advisor/consultant he has been associated with Initial Public Offerings (IPO), acquisitions, mergers etc. of number of companies. His experience in the field of financial and organizational management will help the board in framing and executing policies to achieve their objectives.

Details of borrowing powers

The Company at its Extra Ordinary General Meeting held on February 15, 2006, passed a resolution authorizing the Board of Directors pursuant to the provisions of section 293(1)(d) for borrowing from time to time any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the moneys already borrowed by the Company, if any, (apart from the temporary loans to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money / moneys so borrowed by the Board shall not at any time exceed the limit of Rs.15 Crores (Rupees Fifteen Crores only).

Terms of Appointment and Compensation of Managing Director / Whole Time Director

Mr. Shanti Lal Baid

The Members of the Company have vide resolution passed in the meeting held on September 21, 2009 approved the appointment and remuneration of Mr. Shanti Lal Baid as Managing Director of the Company for a period of five years with effect from April 1, 2009. As per the Agreement dated September 21, 2009, Managing Director is appointed on the following terms and conditions:

1. The Managing Director shall throughout the said term devote his entire time, attention and abilities to the business of the company and shall obey the instructions, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the Company and use his utmost endeavors to promote the interest of the Company.
2. Salary: Rs. 60,000 per month.
3. Perquisites:
 - Medical Reimbursement – Actual expenditure incurred for self and dependent family members.
 - Leave Travel Concession – For self and family once in a year in accordance with any rules specified by the company.
 - Club fees – Fees of Clubs subject to maximum of two clubs except admission and life membership fees not being allowed.
 - Leave – One month pay leave p.a., the unavailed leave can be encashed at the end of the year or at the expiry of his tenure.
4. The Managing Director shall not, during the continuance of his employment with the Company or any time thereafter, divulge, or disclose to any person, firm, Company or Body Corporate whomsoever or make any use whatsoever of his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets of the Company and the Whole-Time Director shall, during the continuance of his employment hereunder, also use his best endeavors to prevent any other person, firm, Company or Body Corporate from doing so.
5. The Company shall be entitled to terminate the agreement in the event of the Managing Director being found guilty of misconduct or such inattention to or negligence in the discharge of his duties or in the conduct of Company's business or any other act or omission inconsistent with his duties as the Managing Director or found guilty on account of any breach of this agreement which, in the opinion of the Board, renders his retirement from the office of the Managing Director desirable.

Mr. Sandeep Baid

The Members of the Company have vide resolution passed in the meeting held on May 5, 2008 approved the appointment and remuneration of Mr. Sandeep Baid as a Whole Time Director of the Company with

effect from April 10, 2008 upto March 31, 2010. As per the Agreement dated April 10, 2008, Whole-time Director is appointed on the following terms and conditions:

1. The Whole-time Director shall throughout the said term devote his entire time, attention and abilities to the business of the company and shall obey the instructions, from time to time, of the Board and in all respects conform to and comply with the directions and regulations made by the Board, and shall faithfully serve the Company and use his utmost endeavors to promote the interest of the Company.
2. Salary: At the rate of Rs. 35,000 per month upto March 31, 2009 and Rs. 45,000 per month from April 1, 2009 to March 31, 2010.
3. Perquisites:
 - Medical Reimbursement – Actual expenditure incurred for self and dependent family members subject to one month salary per annum.
 - Leave Travel Concession – For self and family in accordance with the provisions of Income Tax Act, 1961.
 - Club fees – Club fees subject to maximum of two clubs except admission and life membership fees.
 - Leave – One month pay leave p.a., the unavailed leave can be encashed at the time of retirement or at the time of leaving the company.
4. The Whole-Time Director shall not, during the continuance of his employment with the Company or any time thereafter, divulge, or disclose to any person, firm, Company or Body Corporate whomsoever or make any use whatsoever of his own or for whatever purpose, of any confidential information or knowledge obtained by him during his employment as to the business or affairs of the Company or as to any trade secrets of the Company and the Whole-Time Director shall, during the continuance of his employment hereunder, also use his best endeavors to prevent any other person, firm, Company or Body Corporate from doing so.
5. The Company shall be entitled to terminate the agreement in the event of the Whole Time Director being found guilty of misconduct or such inattention to or negligence in the discharge of his duties or in the conduct of Company's business or any other act or omission inconsistent with his duties as the Whole Time Director or found guilty on account of any breach of this agreement which, in the opinion of the Board, renders his retirement from the office of the Whole Time Director desirable.

Payment or benefit to officers of the Company

Except as stated in the Draft Red Herring Prospectus, no amount or benefit has been paid or is intended to be paid or given to any of the officers of the Company except the normal remuneration for services rendered as Directors, officers or employees.

CORPORATE GOVERNANCE

Company has complied with the requirements of the applicable regulations, including the Listing Agreement to be entered into with Stock Exchanges and the SEBI Regulations, in respect of corporate governance, including constitution of the Board and Committees thereof. The corporate governance framework of the company is based on an effective independent Board, separation of the Board's supervisory role from the executive management and constitution of Board Committees.

Company has a Six-member Board with a Non-Executive Promoter Chairman constituted in compliance with the Companies Act and listing agreement with Stock Exchanges and in accordance with best practices in corporate governance i.e. having half of the Board's strengths as Independent. The Board of Directors functions either as a full Board or through various committees constituted to oversee specific operational areas.

Committees of the Board have been constituted in order to look into the matters in respect of compensation, shareholders grievance and audit etc., details of which are as follows:

Committees of the Board

Audit Committee

The terms of the Audit Committee comply with the requirements of Clause 49 of the listing agreement to be entered into with the Stock Exchanges. The Committee currently comprises following three directors. Mr. Sachin Shridhar is the Chairman of the Audit Committee.

Sr. No.	Name	Designation in the company	Position in Committee
---------	------	----------------------------	-----------------------

1.	Mr. Sachin Shridhar	Independent Director	Chairman
2.	Mr. Mahendra Pratap Singh	Independent Director	Member
3.	Mr. Sandeep Baid	Whole Time Director	Member

Powers

The Audit Committee shall have the following powers:

- a. To investigate any matter within its terms of reference or in relation to the compliance with the provisions of the Companies Act, 1956 or referred to it by the Board
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice.
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role

The role of the Audit Committee shall include the following:

- (i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- (ii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- (iv) Review with the management, of the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement forming part of the Board's report in terms of relevant provisions of the Companies Act, 1956 or any re-enactment thereof;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Qualifications in the draft audit report.
- (v) Review with the management, of the quarterly financial statements before submission to the board for approval
- (vi) Review with the management, of the performance of statutory and internal auditors, adequacy of the internal control systems.
- (vii) Review of the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (viii) Discussion with internal auditors any significant findings and follow up there on.
- (ix) Review of the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (x) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (xi) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- (xii) Review of the functioning of the Whistle Blower mechanism.
- (xiii) Carrying out any other function as may be assigned to the Committee by the Board from time to time.
- (xiv) Review of information relating to:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Statement of significant related party transactions, submitted by management;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports relating to internal control weaknesses; and
 - e. The appointment, removal and terms of remuneration of the Chief internal auditor.

Remuneration Committee

The Remuneration Committee of the Board comprises the following three directors.

Sr. No.	Name	Designation in the company	Position in Committee
1.	Mr. Mahendra Pratap Singh	Independent Director	Chairman
2.	Mr. Sachin Shridhar	Independent Director	Member
3.	Mr. Sunder Lal Dugar	Chairman	Member

The remuneration policy of the Company is based on several criterions which include responsibility, performance, potentials of the director and growth of the Company. The scope of remuneration Committee shall include, but shall not be restricted, to the following:

The Committee is Authorized to:

- Determine the compensation packages of Executive Directors and Senior Managers of the company. The committee will review recommendations made to it by the company and others.
- To act as the duly authorised committee of the Board.
- To determine the parameters and supervise the operation of the bonus schemes of the company.
- Investigate any activity within its terms of reference;
- Seek any information from any employee of the company. Employees are directed to cooperate with any relevant request made.
- Obtain outside legal or independent professional advice. Such advisors may attend meetings as necessary.
- Incur such reasonable expenditure, as it deems necessary.

Share Holders/Investors Grievances Committee

The Company has constituted a “Share Holders/Investors Grievances Committee” to redress the complaints of the share holders in respect of matters pertaining to transfer of shares, non-receipt of annual report, dematerialization of shares, non-receipt of dividend etc. The Committee currently comprises following persons:

Sr. No.	Name	Designation in the company	Position in Committee
1.	Mr. Sunder Lal Dugar	Chairman	Chairman
2.	Mr. Shanti Lal Baid	Managing Director	Member
3.	Mr. Sandeep Baid	Whole Time Director	Member

Functions and Powers of the Committee:

- To review statutory compliance regarding share and debenture holders (Investors).
- To review various reports related to Investors.
- To review grievances of Investors.
- To review transfer of shares.
- To review transmission of shares.
- To review deletion of names from share certificates.
- To review change of name of member on share certificates.
- To review issue of duplicate share certificates.
- To review dematerialization of shares and
- Any other matter relating to the above mentioned functions incidental to the shareholders/investors of the Company.

The provisions of the listing agreement to be entered into with the Stock Exchanges with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock Exchanges. We intend to comply with such provisions. We undertake to adopt the Corporate Governance in accordance with Clause 49 of the listing agreement to be entered into with the Stock Exchanges prior to obtaining the listing approval of the Stock Exchanges. We have complied with SEBI Guidelines/Regulations in respect of corporate governance, especially with respect to independency of the Board and constituting the Committees as required.

Shareholding of the Directors

The shareholding of the directors on the date of Draft Red Herring Prospectus is as follows:

Sr. No.	Name of Director	No. of Equity Shares
1.	Mr. Sunder Lal Dugar	400
2.	Mr. Shanti Lal Baid	380000
3.	Mr. Sandeep Baid	380000
4.	Mr. Mahendra Pratap Singh	Nil
5.	Mr. Sachin Shridhar	Nil
6.	Mr. Prabir Kumar Sarkar	Nil

Interests of Directors

All the non executive directors of the company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or Committee thereof as well as to the extent of other remuneration and/ or reimbursement of expenses payable to them as per the applicable laws.

The Directors may be regarded as interested in the shares & dividend payable thereon, if any, held by or that may be subscribed by and allotted/transferred to them or the companies, firms and trust, in which they are interested as Directors, Members, partners and or trustees. All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by RDB Rasayans Alloys Limited with any Company in which they hold Directorships or any partnership or proprietorship firm in which they are partners or proprietors as declared in their respective declarations.

The Managing Director and Whole Time Director of RDB Rasayans Limited are interested to the extent of remuneration paid to them for services rendered to the Company.

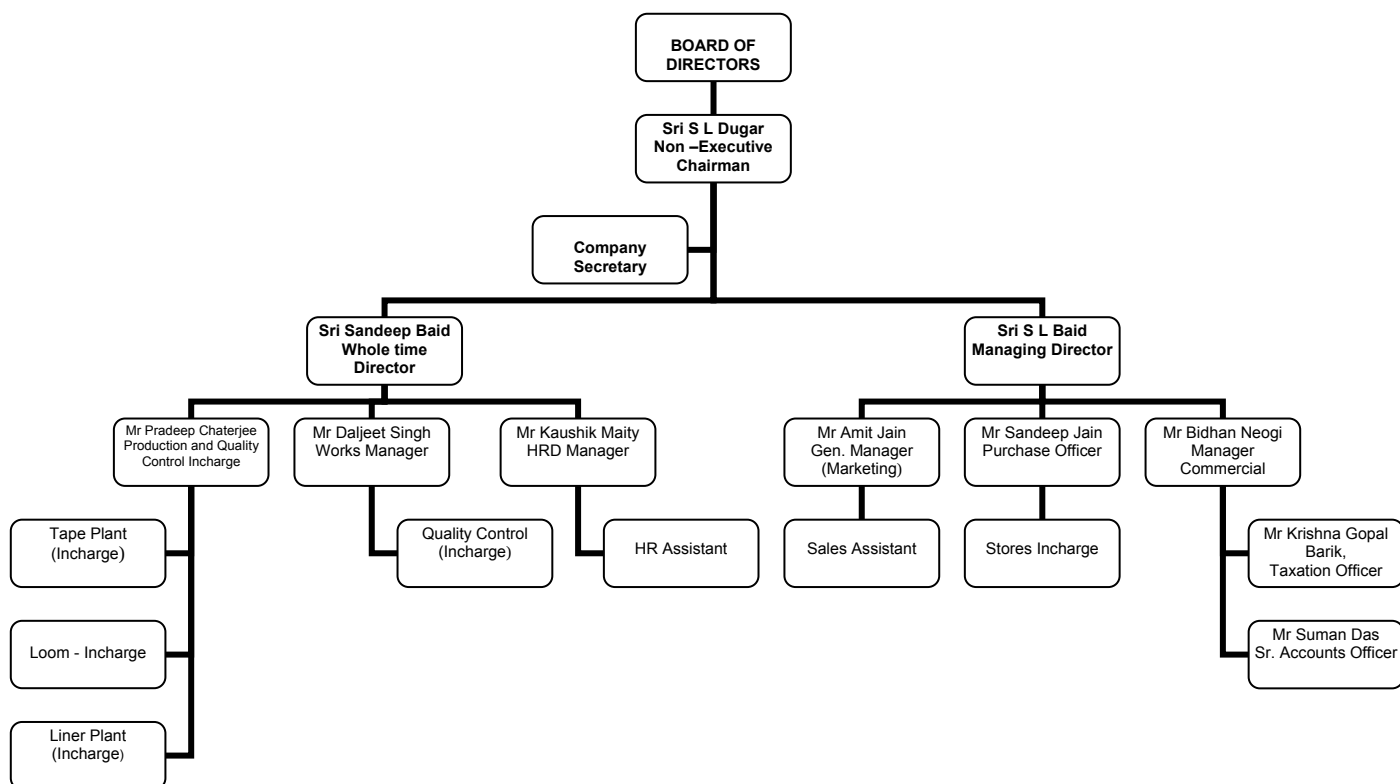
Except as stated under Related Party Transactions on page 107 of the Draft Red Herring Prospectus, the Company has not entered into any Contract, Agreements or Arrangements during the preceding two years from the date of the Draft Red Herring Prospectus in which the directors are interested directly or indirectly.

Changes in Directors during Last Three Years

Change in the composition of the Board of Director during the last 3 years from the date of filing of the Draft Red Herring Prospectus is as follows:

Name	Date of appointment	Date of resignation	Reason
Mr. Sandeep Baid	April 10, 2008	-	Appointed as Whole Time Director
Mr. Alok Jhabak	October 20, 2007	September 30 2009	Appointed / Resigned as Director
Mr. Prem Chand Khator	-	April 10, 2008	Resignation as Director
Mr. Mahendra Pratap Singh	October 12, 2009	-	Appointed as Independent Director
Mr. Sachin Shridhar	October 12, 2009	-	Appointed as Independent Director
Mr. Prabir Kumar Sarkar	December 10, 2009	-	Appointed as Independent Director

Organisation Chart:



Key-Managerial Personnel

The following key personnel assist the Management:

Name	Qualification	Designation	Date of Appointment	Experience in yrs	Last employment	Shareholding in the company	Amt. of compensation paid (in cash or kind) during the financial year 2008-09
Mr. Daljeet Singh	B. Tech (CT) Plastic Tech.	Works Manager	February 2, 2010	30 yrs	M/s. Eastern Synpacks Ltd	Nil	Nil
Mr. Pradeep Chatterjee	B.A.	Production & Quality Control Incharge	July 7, 2005	13 Yrs	Koushal Polytex Ltd	Nil	0.72 Lac
Mr. Amit Jain	B.Com MBA	GM-Marketing	June 1, 2009	5 Yrs	Flexitumm International	Nil	Nil
Mr. Koushik Maity	BSc & Dip. IT & MBA	HRD-Manager	February 1, 2008	5 Yrs	N.A.	Nil	0.90 Lac
Mr. Bidhan Neogi	B.Com (Hons) & P.G Dip in I.T.	Manager-Commercial	November 1, 2009	15 Yrs	RDB Industries Ltd	Nil	Nil
Mr. Suman Das	B.Com (Hons)	Sr. Accounts-Officer	April 5, 2004	14 Yrs	Bishnu Oil Co P Ltd	Nil	1.20 Lac
Mr. Krishna Gopal Barik	H.S.	Taxation-Officer	March 1, 2005	4 Yrs	N.A.	Nil	0.72 Lac

Mr. Sandeep Jain	H.S	Purchase-officer	November 1, 2003	6 Yrs	N.A	Nil	1.10 Lac
Mr. Himangshu Kedia	CS	Company Secretary & Compliance Officer	March 13, 2010	Nil	N.A.	Nil	Nil

All the above Key Managerial Personnel are the permanent employees of the Company.

There is no family relationship between any of the Key Managerial Personnels.

Bonus or Profit Sharing Plan for the Key Managerial Personnel

There is no Profit Sharing Plan for the Key Managerial Personnel.

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

Name	Designation	Joining Date	Resignation Date
Mr. Koushik Maity	HRD Manager	February 1, 2008	-
Mr. Amit Jain	Asst Manager-Marketing	June 1, 2009	-
Mr. Nikhil Ranjan Das	Works Manager	March 22, 2008	December 16, 2009
Mr. Bidhan Neogi	Manager –Commercial	November 1, 2009	-
Mr. Himangshu Kedia	Company Secretary & Compliance Officer	March 13, 2010	-
Mr. Nilkant Sharma	Taxation-Officer	-	November 30, 2009
Mr. Daljeet Singh	Works Manager	February 2, 2010	-

Disclosures Regarding Employees Stock Option Scheme / Employees Stock Purchase Scheme

Till date, the Company has not introduced any Employees Stock Option Scheme / Employees Stock Purchase Scheme.

Payment or Benefit to Officers of the Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his/her employment.

OUR PROMOTERS AND PROMOTER GROUP

PROMOTERS AND THEIR BACKGROUND

Mr. Sunder Lal Dugar, son of Late Mr. Moti Lal Dugar, aged about 55 Years, an Industrialist with experience over 30 years in Management and Administration in Real Estate, Cigarette Industry. During this period, he has also promoted several residential/ commercial real estate projects. He is Chairman and Managing Director of RDB Industries Limited.

Mr. Vinod Dugar, aged 36 years, started his career in infrastructure development by associating himself with the family business carried on under the banner of RDB Industries Ltd., under the guidance of Mr. Sunder Lal Dugar, the Chairman & Managing Director of that Company. He is actively involved in the expansion of the Group business since last 15 years. Beginning with the real estate development catering mainly to housing sectors, the Group has subsequently developed interests in the core sectors e.g. Power, Infrastructure, Petro-chemical, FMCG, Retail to name a few. In power sector the group was involved in Installation of Extra High Voltage Power transmission by acquiring Electrical Manufacturing Company Ltd. (EMC LTD). Mr. Vinod Dugar has also founded the Aryans School in Kolkata.

Ms. Sheetal Dugar, aged 33 years, is a wife of Mr. Vinod Dugar and daughter of Mr. Shanti Lal Baid who is Managing Director of the company. She is also the promoter of RDB Industries Limited.

Mr. Sunder Lal Dugar and Mr. Vinod Dugar have vast experience in various industries like tobacco industry, real estate industry, etc. The plant of the company was set up in the year 2003 under the guidance of the promoters along with Mr. Shanti Lal Baid, who is a Managing Director of the company. Mr. Shanti Lal Baid and his son Mr. Sandeep S. Baid are involved in the day-to-day operations of the company. Hence, though the promoters don't have the experience in the business activity of the company, company is being managed by Mr. Shanti Lal Baid and Mr. Sandeep Baid and also the experience of the promoters in different businesses activity is useful to the company.

Name of the Promoter	Mr. Sunder Lal Dugar	Mr. Vinod Dugar	Mrs. Sheetal Dugar
Address	63, Park Street, Kolkata-700 016	63, Park Street, Kolkata-700 016	63, Park Street, Kolkata-700 016
Photograph of the promoter			
Other Directorships	1. RDB Industries Limited. 2. Electrical Manufacturing Company Limited. 3. EMC Hardware Limited. 4. Bhagwati Builders and Development Private Limited. 5. RDB Realty & Infrastructure Limited. 6. MKN Investment Private Limited. 7. Metalind Private Limited.	1. Khatod Investments and Finance Company Limited 2. Ankur Constructions Private Limited 3. RD Motors Private Limited 4. Basudev Builders Private Limited 5. Loka Properties Private Limited 6. Regent Autotrader Private Limited 7. Regent Capital Private Limited 8. Regent Forex Private Limited	Nil

	8. Loka Properties Private Limited. 9. Ankur Constructions Private Limited. 10. Siddha PSIDL Township Private Limited. 11. Johri Towers Private Limited. 12. Regent Auto Trade Private Limited	9. Regent Finance Corporation Private Limited 10. RDB Insurance Broking Services Private Limited 11. Regent Commodities Broking Private Limited	
Passport No.	Not available	F 5973436	F 5973435
Permanent Account No.	ADRPD6905F	ADQPD7934H	ADEPD5870E
Voter's Identity No.	DWK1354109	DWK1354075	DWK1354091
Name of Bank & Branch	Oriental Bank of Commerce, Chowringhee Road, Kolkata	Oriental Bank of Commerce, Chowringhee Road, Kolkata	Oriental Bank of Commerce, Chowringhee Road, Kolkata
Bank Account No.	10492151002007	10492151001970	10492151001963

Declaration

The Company confirms that the Permanent Account Number, Bank Account Number and Passport No, wherever available, have been submitted to the NSE and BSE at the time of filing of this Draft Red Herring Prospectus with them.

Common Pursuits

There are no common pursuits between the company and its Group/ Associate companies.

Interest of Promoters & Directors

The Promoters of the Company are interested to the extent of their shareholding in the Company. Further, Promoters who are also the Directors of the Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them. Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and their relatives in the Company, or that may be subscribed for and allotted to them, out of the present Issue in terms of this Draft Red Herring Prospectus and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Further, the Promoters are also directors on the boards of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by the Company, if any, to these Promoter Group entities. For further details, see "Our Promoters and Promoter Group" beginning on page 72. For the payments that are made by the Company to certain Promoter Group entities, please refer to the section titled "Financial Information of the Company", beginning on page 110.

Except as stated otherwise in this Draft Red Herring Prospectus, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by the Company other than in the normal course of business.

Payment or Benefit to Promoters of the Company

Except as stated in "Financial Information of the Company - Related Party Transactions" on page 107, no amount or benefit has been paid or given to any Promoter within the two preceding years from the date of filing of this Draft Red Herring Prospectus or is intended to be paid.

PROMOTER GROUP

The natural persons who are part of the Promoter Group (Being immediate relative of our Promoters) are as follows:

Sr. No.	Sunder Lal Dugar		Vinod Dugar		Sheetal Dugar	
	Name	Relation with promoter	Name	Relation with promoter	Name	Relation with promoter
1.	Mrs. Kusum Devi Dugar	Spouse	Mrs. Sheetal Dugar	Spouse	Mr. Vinod Dugar	Spouse
2.	Late Mrs. Suraj Devi Dugar	Mother	Mrs. Kusum Devi Dugar	Mother	Mrs. Siddhi Baid	Mother
3.	Late Mr. Moti Lal Dugar	Father	Mr. Sunder Lal Dugar	Father	Mr. Shanti Lal Baid	Father
4.	• Mr. Sohan Lal Dugar • Mr. Punam Chand Dugar • Mr. Kaushal Dugar	Brothers	--	Brother	• Mr. Aditya Vikram Baid • Mr. Ravindra Baid • Mr. Sandeep Baid	Brothers
5.	• Mrs. Jasoda Devi Bothra • Mrs. Jhanwari Devi Sand • Mrs. Mahindra Devi Kochar • Mrs. Sunita Daga	Sisters	Mrs. Rekha Jhabak	Sister	--	Sister
6.	• Mr. Vinod Dugar • Mrs. Rekha Jhabak	Children	• Ms. Yashashwi Dugar • Ms. Manashwi Dugar • Ms. Suhashini Dugar	Children	• Ms. Yashashwi Dugar • Ms. Manashwi Dugar • Ms. Suhashini Dugar	Children
7.	Late Mrs. Kamla Devi Sethia	Mother-in-Law	Mrs. Siddhi Baid	Mother-in-Law	Mrs. Kusum Devi Dugar	Mother-in-Law
8.	Late Mr. Kewal Chand Sethia	Father-in-Law	Mr. Shanti Lal Baid	Father-in-Law	Mr. Sunder Lal Dugar	Father-in-Law
9.	• Mr. Narendra Kumar Sethia • Mr. Ashoke Kumar Sethia • Mr. Rabindra Sethia	Brothers-in-Law	• Mr. Aditya Vikram Baid • Mr. Ravindra Baid • Mr. Sandeep Baid	Brothers-in-Law	--	Brother-in-Law
10.	• Mrs. Snehlata Baid • Mrs. Chandanbala Sawansukha • Mrs. Neelam Kochar • Mrs. Shantidevi Surana • Mrs. Sushiladevi Doshi	Sisters-in-Law	--	Sister-in-Law	Mrs. Rekha Jhabak	Sister-in-Law

Promoter Group Companies and Entities

The companies that are part of the Promoter Group have been provided below. The Companies that form part of the Promoter Group includes:

- (a) any body corporate in which ten per cent or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or Hindu Undivided Family in which the promoter or any one or more of his immediate relative is a member;
- (b) any body corporate in which a body corporate as provided in (a) above holds ten per cent. or more, of the equity share capital;
- (c) any Hindu Undivided Family or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten per cent of the total; and
- (d) a company promoted by our Promoters.

FINANCIAL INFORMATION OF GROUP COMPANIES/ENTITIES

The information for the last 3 years based on the audited/unaudited statements in respect of all the Companies, firms, ventures, etc. promoted by the promoters irrespective of whether these are covered under section 370 (1)(B) of the Companies Act, 1956 or not.

1. RDB INDUSTRIES LIMITED

RDB Industries Limited was incorporated on November 15, 1991 as a Public Limited company in the name of R. D. Builders & Developers Limited and received its certificate of commencement of business on December 18, 1991. The name of the Company was changed to RDB Industries Limited and a fresh certificate of incorporation pursuant to such change in name was received on August 19, 1994. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the company is engaged in the Real Estate & Tobacco Manufacturing activities.

Shareholding Pattern

The following is the shareholding of the Company as on September 30, 2009:

Sr. No	Particulars	No. of Shares	% of Total
1.	Promoter & Promoter Group:		
	a. Individual	3930328	36.56
	b. Bodies Corporate	2389447	22.23
	Sub Total	6319775	58.79
2.	Public Shareholding:		
	a. Financial Institution/Bank	2500	0.02
	b. Bodies Corporates	2032275	18.90
	c. Individual (upto Rs. 1 Lacs)	1568796	14.59
	d. Individual (Excess of Rs. 1 Lacs)	595083	5.54
	e. NRIs/ OCBs	21900	0.20
	f. Clearing Member	209671	1.95
	Sub Total	4430225	41.20
	Total	10750000	100.00

Board of Directors

Sr. No.	Names	Designation
1.	Sunder Lal Dugar	Chairman & Managing Director
2.	Ravi Prakash Pincha	Executive Director
3.	Manish Kumar Jain	Independent Director
4.	Krishna Gopal Sinha	Independent Director
5.	Mahendra Pratap Singh	Independent Director
6.	Abhishek Satyarayan Rathi	Independent Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009

Equity capital	1202.50	1202.50	1075.00
Reserves & surplus (excluding Rev. reserves)	5161.65	6424.00	6757.54
Total revenue	3972.36	4021.23	4190.48
Profit after tax	946.57	1239.32	268.92
EPS (Rs.)	10.41	11.53	2.50
NAV per share (Rs.)	58.02	69.72	72.86

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

Information about Share Price

The securities of the Company as on date are listed on Bombay Stock Exchange. Monthly high and low of the market price of the shares on BSE for the last six months are as follows:

Month	High (Rs.)	Low (Rs.)
September, 2009	132.10	99.00
October, 2009	122.55	97.50
November, 2009	101.80	89.30
December, 2009	107.90	93.00
January, 2010	142.00	97.10
February 2009	124.00	105.00

(Source: Bombay Stock Exchange)

There has been no change in its capital structure in the last six months.

There has been no public issue of equity shares or rights issue in the three years preceding the date of this DRHP/DP.

Mechanism for redressal of investor grievances

The Board of Directors of RDB Industries Limited have constituted a shareholders/investors grievance committee comprising Mr. Manish Kumar Jain, Mr. Krishna Gopal Sinha and Mr. Abhishek Satyanarayan Rathi in accordance with Clause 49 of the Listing Agreement with the Stock Exchange to look into the redressal of complaints of investors such as transfer credit of shares to demat accounts and non-receipt of dividend/interest/annual reports. Mr. Purushottam Kejriwal, the Company Secretary, is the Compliance Officer.

RDB Industries Limited normally takes 15 days to dispose off investors' complaints. The company received 42 investor complaints in the last three years and all were disposed off in that period. As of December 31, 2009 there were 19 investor complaints and all were disposed off in that period.

2. KHATOD INVESTMENTS & FINANCE COMPANY LIMITED

Khatod Investments & Finance Company Limited was incorporated on April 19, 1990 as a Public Limited company and received its certificate of commencement of business on November 8, 1990. Its registered office is located at "Bikaner Building" 8/1, Lal Bazar Street, 1st Floor, Kolkata- 700 001. At present, the company is engaged in the Real Estate & Tobacco Manufacturing activities.

Shareholding Pattern

The following is the shareholding of the Company as on September 30, 2009:

Sr. No	Particulars	No. of Shares	% of Total
1.	Promoter & Promoter Group:		
	a. Individual	1069400	35.62
	b. Bodies Corporate	129100	4.30
	c. Others (Trusts)	407900	13.59
	Sub Total	1606400	53.51
2.	Public Shareholding:		
	a. Financial Institution/Bank	Nil	Nil
	b. Bodies Corporate	1055950	35.17
	c. Individual (upto Rs. 1 Lacs)	83950	2.80

	d. Individual (Excess of Rs. 1 Lacs)	255900	8.52
	e. NRIs/ OCBs	Nil	Nil
	f. Clearing Member	Nil	Nil
	Sub Total	1395800	46.49
	Total	3002200	100

Board of Directors

Names	Designation
Vinod Dugar	Whole Time Director
Shanti Lal Baid	Director
Alok Jhabak	Director
Madan Gopal Saha	Director
Manish Kumar Jain	Director
Pradeep Kumar Hirawat	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	300.22	300.22	300.22
Reserves & surplus (excluding Rev. reserves)	44.37	46.95	42.36
Total revenue	39.13	26.27	14.67
Profit after tax	10.81	2.56	(4.82)
EPS (Rs.)	0.35	0.09	(0.16)
NAV per share (Rs.)	11.48	11.56	11.41

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

Information about Share Price

The securities of the Company as on date are listed on Calcutta Stock Exchange Association Ltd. Monthly high and low of the market price of the shares on CSE for the last six months are as follows:

There was no trading in shares of the Company at The Calcutta Stock Exchange Association Ltd. during the last six months.

Current market price per Share- N.A.

There has been no change in its capital structure in the last six months.

There has been no public issue of equity shares or rights issue in the three years preceding the date of this DRHP/DP.

Mechanism for redressal of investor grievances

The Board of Directors of Khatod Investments & Finance Co. Ltd. have constituted a shareholders/investors grievance committee comprising Mr. Manish Kumar Jain, Mr. Vinod Dugar and Mr. Madan Gopal Saha, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges to look into the redressal of complaints of investors such as transfers or credit of shares to demat accounts and non receipt of dividend/interest/annual reports. Mr. Pradeep Kumar Hirawat, Director, is the Compliance Officer.

Khatod Investments & Finance Co. Ltd. normally takes 15 days to dispose off investor complaints. Khatod Investments & Finance Co. Ltd. received no investor complaints in the last three years. As of December 31, 2009, there was no investor complaint pending against Khatod Investments & Finance Co. Ltd.

3. ELECTRICAL MANUFACTURING LIMITED

Electrical Manufacturing Company Limited was incorporated on May 18, 1953 as a Public Limited company and received its certificate of commencement of business on May 18, 1953. Its registered office is located at 139-B, BT Road, P.O. Kamarhati, Kolkata- 700 058. At present, the company is engaged in the Electrical Machineries Manufacturers, Power Transmission etc. activities.

Shareholding Pattern

The following is the shareholding of the Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% to Total
1	Sunder Lal Dugar	199020	0.66
2	Vinod Dugar	3681998	12.27
3	Sheetal Dugar	229145	0.76
4	Kusum Devi Dugar	45962	0.15
5	MKN Investment Pvt Ltd	4836626	16.12
6	Pyramid Sales Pvt Ltd	5904305	19.68
7	Manoj Toshniwal	900000	3.00
8	Shree Kumar Toshniwal	600000	2.00
9	Trinetra Electronocs Ltd	2448528	8.16
10	Sharada Commerce Pvt Ltd	1100000	3.67
11	Tamkore Investment Pvt Ltd	2400000	8.00
12	Ramesh Chandra Bardia	1900000	6.33
13	Sunita Bardia	352473	1.17
14	Subhas Impex Pvt Ltd	3396056	11.32
15	Statefield Trade Link Pvt Ltd	1800000	6.00
16	Others (Public)	205887	0.69
	Total	30,000,000	100.00

Board of Directors

Names	Designation
Sunder Lal Dugar	Director
Manoj Toshniwal	Managing Director
Punyapriya Dasgupta	Whole time Director
Ramesh Chandra Bardia	Whole Time Director
Suraj Mall Singhi	Additional Director
Durga Prasad Sharma	Whole Time Director
Ashok Kumar Dutta	Nominee Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	1519.13	3,000.00	3,000.00
Reserves & Surplus (excluding Rev. Reserves)	2,370.26	1,478.64	15.03
Total Revenue	11,800.37	20,685.79	33,554.31
Profit after Tax	30.07	3,164.47	1,685.78
EPS (Rs.)	0.19	10.55	5.62
NAV per share (Rs.)	(38.60)	1.05	(1.21)

Note: Face Value of each equity share is Rs.10

(Source: Audited Financial Statements)

Information about Share Price

The securities of the Company as on date are listed on Calcutta Stock Exchange Association Ltd. Monthly high and low of the market price of the shares on CSE for the last six months are as follows:

There was no trading in shares of the Company at The Calcutta Stock Exchange Association Ltd. during the last six months.

Current market price per share - N.A.

There has been no change in its capital structure in the last six months.

There has been no public issue of equity shares or rights issue in the three years preceding the date of this DRHP/DP.

Mechanism for redressal of investor grievances

The Board of Directors of EMC Ltd. have constituted a Share Transfer Committee comprising Mr. Manoj Toshniwal, Mr. Ramesh Chandra Bardia and Mr. Punyapriya Dasgupta, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges to look into the redressal of complaints of investors such as transfers or credit of shares to demat accounts and non receipt of dividend/interest/annual reports. Mr. S.R. Laxminarayanan is the Compliance Officer.

EMC Ltd. normally takes 30 days to dispose off investor complaints. EMC Ltd. received no investor complaints in the last three years. As of December 31, 2009, there were no investor complaints pending against EMC Ltd.

4. BFM INDUSTRIES LIMITED

BFM Industries Limited was incorporated on November 22, 1894 as a Public Limited company in the name of Bengal Flour Mills Company Limited. Later on, it changed its name to BFM Industries Limited w.e.f. December 14, 1998. Its registered office is located at 32, Jagat Banerjee Road, Shibpur, Howrah- 711 102. At present, the company is engaged in the Flour & Corn Merchant activities.

Shareholding Pattern

The following is the shareholding of the Company as on September 30, 2009:

Sr. No	Particulars	No. of Shares	% of Total
1.	Central & State Govt.	415	0.14
2.	Public Financial Institution	20,461	6.82
3.	Nationalised Banks	282	0.09
4.	Foreign Holdings: NRIs etc	1,689	0.56
5.	Bodies Corporate	240,122	80.04
6.	Directors & Relatives	10,019	3.34
7.	Others	27,012	9.00

Board of Directors

Names	Designation
Rajendra Kumar Bardia	Director
Sumit Daga	Director
Raja Saha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	30.00	30.00	30.00
Reserves & surplus (excluding Rev. reserves)	838.51	862.51	862.51
Total revenue	32.86	81.94	0.46
Profit after tax	1.82	70.22	(1.43)

EPS (Rs.)	0.61	23.41	(0.48)
NAV per share (Rs.)	256.28	286.97	287.33

Note: Face Value of each equity share is Rs.10.

(Source: Audited Financial Statements)

Information about Share Price

The securities of the Company as on date are listed on Calcutta Stock Exchange Association Ltd. Monthly high and low of the market price of the shares on CSE for the last six months are as follows:

There was no trading in shares of the Company at The Calcutta Stock Exchange Association Ltd. during the last six months.

Current market price per Share- N.A.

There has been no change in its capital structure in the last six months.

There has been no public issue of equity shares or rights issue in the three years preceding the date of this DRHP/DP.

Mechanism for redressal of investor grievances

The Board of Directors of BFM Industries Ltd. have constituted a Share Transfer Committee comprising Mr. Rajendra Kumar Bardia and Mr. Sumit Daga & Raja Saha, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges to look into the redressal of complaints of investors such as transfers or credit of shares to demat accounts and non receipt of dividend/interest/annual reports.

BFM Industries Ltd. normally takes 30 days to dispose off investor complaints. BFM Industries Ltd. received no investor complaints in the last three years. As of December 31, 2009, there were no investor complaints pending against BFM Industries Ltd.

5. RD MOTORS PRIVATE LIMITED

RD Motors Pvt Ltd was incorporated on November 20, 2003 as a private company. Its registered office is located at 8/1, Bikaner Building, Lal Bazar Street, 1st Floor, Kolkata- 700 001, Room No.11. At present, the Company is engaged in Automobile Sales and Service.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of the Shareholder	No. of Shares	% of Total
1	Aashish Kumar Dugar	88,500	5.90
2	Vinod Kumar Dugar	2,000	0.13
3	Sujeet Nahar	50,000	3.33
4	Narendra Kumar Dugar	2,000	0.13
5	Vinod Dugar	117,500	7.83
6	Shanti Lal Baid	2,500	0.17
7	Sheetal Dugar	135,000	9.00
8	Rekha Benefit Trust	135,000	9.00
9	Pyramid Sales Pvt. Ltd.	372,500	24.83
10	Basudev Builders Pvt. Ltd.	115,000	7.67
11	Veekay Apartments Pvt. Ltd.	65,000	4.33
12	MKN Investment Pvt. Ltd.	415,000	27.67
	Total	1,500,000	100

Board of Directors

Name	Designation
Pradeep Kumar Jain	Director

Shanti Lal Baid	Director
Vinod Dugar	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	150.00	150.00	150.00
Reserves & surplus (excluding Rev. reserves)	33.25	99.81	165.11
Total revenue	10383.89	9218.95	8082.39
Profit after tax	40.31	66.56	65.30
EPS (Rs.)	2.69	4.44	4.35
NAV per share (Rs.)	12.17	16.65	21

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

6. RAJ CONSTRUCTION PROJECTS PRIVATE LIMITED

Raj Construction Projects Pvt Ltd was incorporated on February 23, 1987 as a private company. Its registered office is located at 8/1, Lal Bazar Street, 1st Floor, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in Construction Activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholders	No. of Shares	% of Total
1	Kusum Devi Dugar	50,700	2.73
2	Moti Lal dugar (HUF)	8,000	0.43
3	Rekha Jhabak	300	0.02
4	Sunder Lal Dugar	100	0.01
5	Sunder Lal Dugar (HUF)	185,000	9.98
6	Vinod Dugar	253200	13.65
7	Sunita Daga	1500	0.08
8	RDB Industries Limited	1207250	65.10
9	Pyramid Sales Pvt. Ltd.	40000	2.16
10	Tertiary Minerals Ltd.	8400	0.45
11	Namokar Duplicating (P) Ltd.	83300	4.49
12	Aryavrat Savings Pvt. Ltd.	16700	0.90
	Total	1,854,450	100

Board of Directors

Name	Designation
Pradeep Kumar Hirawat	Director
Shanti Lal Baid	Director
Abhishek Satyanarayan Rathi	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	185.44	185.44	185.44
Reserves & surplus (excluding Rev. reserves)	799.73	799.16	823.65
Total revenue	3.59	6.36	45.95
Profit after tax	(3.12)	(0.38)	24.51

EPS (Rs.)	(0.17)	(0.02)	1.32
NAV per share (Rs.)	53.12	53.09	54.41

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

7. VEEKAY APARTMENTS PRIVATE LIMITED

Veekay Apartments Pvt Ltd was incorporated on January 30, 1996 as a private limited company. Its registered office is located at 3A Aukland Palace, 10th Floor, Kolkata 700-017. At present, the Company is engaged in the business of Investments.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholders	No of Shares	% of Total
1	Vinod Dugar	76000	8.18
2	Sunder Lal Dugar (HUF)	4000	0.43
3	Narendra Kumar Sethia	4000	0.43
4	Prince Sethia	89250	9.61
5	Goldline Writing Instrument Ltd.	295500	31.81
6	Pyramid Sales Pvt. Ltd.	455250	49.00
7	Subh Suppliers Pvt. Ltd.	5000	0.54
	Total	929000	100

Board of Directors

Name	Designation
Pradeep Kumar Hirawat	Director
Shanti Lal Baid	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	92.90	92.90	92.90
Reserves & surplus (excluding Rev. reserves)	686.61	706.39	965.36
Total revenue	40.13	40.76	317.33
Profit after tax	18.65	18.97	259.05
EPS (Rs.)	2.01	2.04	27.88
NAV per share (Rs.)	83.91	86.04	113.91

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

8. SIDDHA PSIDL TOWNSHIP PRIVATE LIMITED

SIDDHA PSIDL Township Pvt. Ltd was incorporated on November 30, 2005 as a private limited company. Its registered office is located at Siddha Park, 99A, Park street, Kolkata- 700 016. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholders	No. of Shares	% of Total
1	Sunder Lal Dugar	30000	1.20
2	Vinod Dugar	768500	30.74

3	Sheetal Dugar	350000	14.00
4	Kusum Devi Dugar	30000	1.20
5	Yashaswi Dugar(Minor)	40000	1.60
6	Rekha Jhabak	10000	0.40
7	Pragati Social Infrastructure Development Limited	325000	13.00
8	Landmark Plaza Private Limited	25000	1.00
9	Landmarks Promoters Private Limited	32500	1.30
10	Unique Buildcom Private Limited	72500	2.90
11	Vision India Private Limited	32500	1.30
12	Landmarks Projects (I) Private Limited	12500	0.50
13	Rajeshree Promoters Private Limited	32500	1.30
14	Chandra Prakash Jain	50000	2.00
15	Vinita Jain	50000	2.00
16	Reena Jain	50000	2.00
17	Siddha Projects Private Limited	22500	0.90
18	Siddha Real Estate Development Private Limited	277500	11.10
19	Rajesh Traxim Private Limited	111500	4.46
20	Laxmipat Sethia	55700	2.23
21	Siddharth Sethia	56000	2.24
22	Shyam Sunder Mohta	10800	0.43
23	Radha Mohta	5000	0.20
24	Sanjay Jain	50000	2.00
	Total	2500000	100.00

Board of Directors

Name	Designation
Sunder Lal Dugar	Director
Sanjay Jain	Director
Partha Ghosh	Director
Shyam Sunder Mohta	Director
Chadra Prakash Jain	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	250.00	250.00	250.00
Reserves & surplus (excluding Rev. reserves)	0.00	0.00	0.00
Total revenue	0.00	0.080	0.00
Profit after tax	(7.52)	(13.34)	(4.37)
EPS (Rs.)	(0.30)	(0.53)	(0.17)
NAV per share (Rs.)	9.57	9.06	8.90

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

9. PYRAMID SALES PRIVATE LIMITED

Pyramid Sales Pvt Ltd was incorporated on March 2, 1994 as a private limited company. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in the Non Banking Financial Services activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
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1	MKN Investment Pvt Ltd	695,100	18.35
2	Vinod Dugar	651,567	17.20
3	Sheetal Dugar	549,117	14.50
4	Kusum Devi Dugar	311,247	8.22
5	Rajendra Kumar Barodia	15,900	0.42
6	Jitendra Barodia	28,500	0.75
7	Narendra Kumar Sethia	54,077	1.43
8	Prince Sethia	17,233	0.46
9	Urmila Sethia	27,667	0.73
10	Sunder Lal Dugar	1,215	0.03
11	Kaushal Kumar Dugar	6,533	0.17
12	Raunak Dugar	106	0.00
13	Sunita Daga	1,401	0.04
14	Rajendra Kumar Bhura	1,547	0.04
15	Veekay Apartments Pvt Ltd	157,685	4.16
16	Loka Properties Pvt Ltd	40,533	1.07
17	Ankur Construction Pvt Ltd	69,333	1.83
18	Moti Lal Dugar (HUF)	18,200	0.48
19	Suder Lal Dugar (HUF)	200	0.01
20	Goldstar Merchants Pvt Ltd	150,000	3.96
21	KPS Finance & Trade Pvt Ltd	190,000	5.02
22	Panchsheel Vyapar Pvt Ltd	150,000	3.96
23	Prudential Management Advisors Pvt Ltd	650,000	17.16
	Total	3,787,161	100.00

Board of Directors

Name	Designation
Anil Kumar Apat	Director
Pradeep Kumar Hirawat	Director
Alok Kumar Pincha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	189.50	264.72	378.72
Reserves & surplus (excluding Rev. reserves)	4850.91	10,312.76	11324.37
Total revenue	28.45	337.37	246.73
Profit after tax	0.09	16.86	(16.24)
EPS (Rs.)	0.01	0.637	(0.43)
NAV per share (Rs.)	265.95	399.60	309.02

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

10. LOKA PROPERTIES PRIVATE LIMITED

Loka Properties Pvt Ltd was incorporated on April 22, 1988 as a private limited company. Its registered office is located at 8/1, Lal Bazar Street, Kolkata- 700 001. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	2,600	0.23
2	Rekha Jhabak	100	0.01
3	Kusum Devi Dugar	300	0.03
4	Sunita Daga	10,000	0.88
5	Sheetal Dugar	103,500	9.06
6	Urmila Devi Sethia	46,100	4.04
7	Motilal Dugar (HUF)	88,000	7.70
8	Vinod Dugar	107,000	9.37
9	Pyramid Sales Pvt Ltd	564,900	49.44
10	Veekay Apartments Pvt Ltd	220,000	19.26
	Total	1,142,500	100.00

Board of Directors

Name	Designation
Sunder Lal Dugar	Director
Vinod Dugar	Director
Susanta Sarkar	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	114.25	114.25	114.25
Reserves & Surplus (excluding Rev. Reserves)	81.26	88.01	89.87
Total Revenue	110.96	12.87	7.18
Profit after Tax	11.10	6.75	1.86
EPS (Rs.)	0.97	0.59	0.16
NAV per share (Rs.)	17.11	17.70	17.87

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

11. BHAGWATI PLASTO WORKS PRIVATE LIMITED

Bhagwati Plasto Works Pvt Ltd was incorporated on October 08, 1998 as a private limited company. Its registered office is located at 8/1, Lal Bazar Street, Kolkata- 700 001. At present, the Company is engaged in the manufacturing of Woven Sacks.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sanjay Manpuria	100	0.01
2	Gyan Chand Manpuria	100	0.01
3	Blackpool Coal Pvt LTd	80,000	7.25
4	Chitrakoot Consultants Pvt Ltd	50,000	4.53
5	Chitrakoot Merchandise Pvt Ltd	54,000	4.89
6	Dokania Fin-Lea Pvt Ltd	120,000	10.87

7	Precision Packaging Pvt Ltd	61,000	5.53
8	Shyambaba Trexim Pvt Ltd	50,000	4.53
9	Naviplast Suppliers Pvt Ltd	34,000	3.08
10	Gajananda Kedia	2,000	0.18
11	Mahesh Kumar Saraf	2,000	0.18
12	Ramesh Agarwal	2,000	0.18
13	Kapil Agarwal	1,000	0.09
14	Gazebo Commercial Pvt LTd	40,000	3.62
15	Kailash Agarwal	2,000	0.18
16	Kashi Nath Agarwal	2,000	0.18
17	Dressier Commodities Pvt Ltd	4,500	0.41
18	Park Tradelinks Pvt Ltd	16,500	1.50
19	Suman Agarwal	4,000	0.36
20	Suralap Knitting Pvt Ltd	530	0.05
21	Top Ten Fashion Pvt LTd	8,000	0.72
22	Curio Trade & Holding Co. Pvt Ltd	5,000	0.45
23	Srivir Distributors Pvt Ltd	2,000	0.18
24	RDB Industries Limited	562,870	51.00
	Total	1,103,600	100.00

Board of Directors

Name	Designation
Pradeep Kumar Hirawat	Director
Madan Gopal Saha	Director
Sanjay Kumar Manpuria	Director
Gyan Chand Manpuria	Director
Raj Kumar Jaiswal	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	110.36	110.36	110.36
Reserves & Surplus (excluding Rev. Reserves)	102.72	151.28	100.79
Total Revenue	9.18	120.15	40.72
Profit after Tax	3.71	48.56	(50.96)
EPS (Rs.)	0.36	4.40	(4.62)
NAV per share (Rs.)	19.31	23.71	19.13

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

12. RD DEVCON PRIVATE LIMITED

RD Devcon Private Limited was incorporated on June 10, 2008 as a private limited company. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	RDB Industries Limited	9,900	99.00
2	Ravi Prakash Pincha	100	1.00
	Total	10,000	100.00

Board of Directors

Name	Designation
Ravi Prakash Pincha	Director
Lalit Kumar Giria	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	NA	NA	1.00
Reserves & Surplus (excluding Rev. Reserves)	NA	NA	NIL
Total Revenue	NA	NA	179.31
Profit after Tax	NA	NA	(14.24)
EPS (Rs.)	NA	NA	(142.39)
NAV per share (Rs.)	NA	NA	(132.50)

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

13. RDB REALTY & INFRASTRUCTURE LIMITED

RDB Realty & Infrastructure Limited was incorporated on June 23, 2006 as a public limited company. The company was originally formed as RDB Tobacco Limited and later on changed its name to present name on January 3, 2007. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	100	0.20
2	Vinod Dugar	100	0.20
3	Pradeep Kumar Hirawat	100	0.20
4	Anil Kumar Apat	100	0.20
5	Sushil Kumar Banthia	100	0.20
6	RDB Industries Limited	49,400	98.80
7	Ravi Prakash Pincha	100	0.20
	Total	50,000	100.00

Board of Directors

Name	Designation
Sunder Lal Dugar	Director
Ravi Prakash Pincha	Director
Abhishek Rathi	Director
Krishna Gopal Sinha	Director
M P Singh	Director

Manish Kumar Jain	Director
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Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	5.00	5.00	5.00
Reserves & Surplus (excluding Rev. Reserves)	NIL	NIL	NIL
Total Revenue	NIL	NIL	NIL
Profit after Tax	(1.84)	(0.13)	(0.09)
EPS (Rs.)	(3.67)	(0.25)	(0.18)
NAV per share (Rs.)	6.33	6.07	5.89

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

14. BHAGWATI BUILDERS & DEVELOPMENT PRIVATE LIMITED

Bhagwati Builders & Development Private Limited was incorporated on August 28, 1995 as a Private Limited company. Its registered office is located at Bikaner Building, 8/1, Lal Bazar Street, Kolkata- 700 001. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	RDB Industries Limited	27,000	99.26
2	Ishwar Chand Parakh	10	0.04
3	Ravi Prakash Pincha	190	0.70
	Total	27,200	100.00

Board of Directors

Name	Designation
Ravi Prakash Pincha	Director
Sunder Lal Dugar	Director
Krishna Gopal Saha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	2.72	2.72	2.72
Reserves & Surplus (excluding Rev. Reserves)	4.17	4.08	116.30
Total Revenue	7.18	0.45	332.55
Profit after Tax	4.93	(0.09)	112.22
EPS (Rs.)	18.12	(0.35)	412.58
NAV per share (Rs.)	25.34	24.99	437.57

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

15. BASUDEV BUILDERS PRIVATE LIMITED

Basudev Builders Private Limited was incorporated on August 11, 2004 as a Private Limited company. Its registered office is located at 8/1, Lal Bazar Street, Kolkata- 700 001. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Vinod Dugar	392,100	51.25
2	Kusum Devi Dugar	110,000	14.38
3	Sheetal Dugar	262,900	34.37
	Total	765,000	100.00

Board of Directors

Name	Designation
Vinod Dugar	Director
Anil Kumar Apat	Director
Pradeep Kumar Hirawat	Director
Kusum Devi Dugar	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	76.50	76.50	76.50
Reserves & Surplus (excluding Rev. Reserves)	2.78	1.81	18.06
Total Revenue	109.00	131.67	153.73
Profit after Tax	(1.55)	(0.96)	16.56
EPS (Rs.)	(0.20)	(0.13)	2.16
NAV per share (Rs.)	10.34	10.22	12.36

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

16. BAHUBALI TIE UP PRIVATE LIMITED

Bahubali Tie Up Private Limited was incorporated on August 30, 2005 as a Private Limited company. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in the Construction & Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	100	1.00
2	Ravi Prakash Pincha	100	1.00
3	RDB Industries Limited	9800	98.00
	Total	10,000	100.00

Board of Directors

Name	Designation
Ravi Prakash Pincha	Director
Madan Gopal Saha	Director
Braja Kundu	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	1.00	1.00	1.00
Reserves & Surplus (excluding Rev. Reserves)	NIL	NIL	NIL
Total Revenue	NIL	NIL	NIL
Profit after Tax	(0.24)	(0.09)	(0.10)
EPS (Rs.)	(2.42)	(0.90)	(1.04)
NAV per share (Rs.)	7.23	6.33	5.29

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

17. MKN INVESTMENT PRIVATE LIMITED

MKN Investment Private Limited was incorporated on May 27, 1991 as a Private Limited company. Its registered office is located at 8/1, Lal Bazar Street, Kolkata- 700 001. At present, the Company is engaged in the Financial Services activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Namokar Duplicating Pvt Ltd	229000	15.83
2	Veekay Apartments Pvt Ltd	388000	26.82
3	Rekha Jhabak	1000	0.07
4	Vinod Dugar	20000	1.38
5	Pyramid Sales Pvt Ltd	701000	48.46
6	Basudev Builders Pvt Ltd	107500	7.43
	Total	1,446,500	100.00

Board of Directors

Name	Designation
Sunder Lal Dugar	Director
Manoj Toshniwala	Director
Sandeep Baid	Director
Ramesh Chandra Bardia	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	144.65	144.65	144.65
Reserves & Surplus (excluding Rev. Reserves)	1,422.90	1,455.73	1,719.23
Total Revenue	119.08	86.86	330.03
Profit after Tax	68.96	32.02	262.16
EPS (Rs.)	4.77	2.21	18.12
NAV per share (Rs.)	108.37	110.64	128.85

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

18. BENGAL REGENT INFRASTRUCTURE LIMITED

Bengal Regent Infrastructure Limited was incorporated on April 13, 2006 as a Public Limited company. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in the Real Estate & Infrastructure Development activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Ramesh Chandra Bardia	100	0.03
2	Lalit Kumar Gria	20900	5.74
3	Madan Gopal Saha	10800	2.97
4	Braja Kundu	10000	2.75
5	Susanta Sarkar	10000	2.75
6	Dhiman Mukherjee	9100	2.50
7	Gour Gopal Bhattacharjee	9100	2.50
8	Dr. Kavita Ajmera	26270	7.22
9	Sanjay Bavishi	3650	1.00
10	Gopi Iron & Steels Pvt Ltd	18730	5.15
11	Manoj Kumar Bhagat	18730	5.15
12	Piyush Kumar Bhagat	18730	5.15
13	Adit G Mehta	26270	7.22
14	Dhoot Developers Pvt Ltd	74930	20.59
15	Vinod Dugar	69230	19.02
16	Silver Cross Marketing Pvt Ltd	18730	5.15
17	Gopi Properties Pvt Ltd	18730	5.15
	Total	364,000	100.00

Board of Directors

Name	Designation
Dhiman Mukherjee	Director
Gour Gopal Bhattacharjee	Director
Sailesh Mehta	Director
Ranjeet Kumar Jhaharia	Director
Shyam Sunder Malani	Director
Ravi Prakash Pincha	Director
Sushil Kumar Banthia	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	36.40	36.40	36.40
Reserves & Surplus (excluding Rev. Reserves)	NIL	NIL	NIL
Total Revenue	4.09	0.51	NIL

Profit after Tax	(3.08)	(1.38)	(1.17)
EPS (Rs.)	(1.38)	(0.38)	(0.32)
NAV per share (Rs.)	9.15	8.77	6.90

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

19. BARON SUPPLIERS PRIVATE LIMITED

Baron Suppliers Private Limited was incorporated on August 30, 2005 as a private limited company. Its registered office is located at 8/1 Lal Bazar Street, Bikaner Building, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	100	1.00
2	Ravi Prakash Pincha	100	1.00
3	RDB Industries Limited	9,800	98.00
	Total	10,000	100.00

Board of Directors:

Name	Designation
Ravi Prakash Pincha	Director
Madan Gopal Saha	Director
Braja Kundu	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	1.00	1.00	1.00
Reserves & surplus (excluding Rev. reserves)	NIL	NIL	NIL
Total revenue	NIL	NIL	NIL
Profit after tax	(0.24)	(0.09)	(0.11)
EPS (Rs.)	(2.42)	(0.90)	(1.09)
NAV per share (Rs.)	7.23	6.33	5.24

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

20. TRITON COMMERCIAL PRIVATE LIMITED

Triton Commercial Private Limited was incorporated on August 03, 2005 as a private limited company. Its registered office is located at 8/1 Lal Bazar Street, Bikaner Building, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	RDB Industries Limited	9,800	98.00
2	Sunder Lal Dugar	100	1.00
3	Ravi Prakash Pincha	100	1.00
	Total	10,000	100.00

Board of Directors

Name	Designation
Pradeep Kumar Hirawat	Director
Madan Gopal Saha	Director
Braja Kundu	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	1.00	1.00	1.00
Reserves & surplus (excluding Rev. reserves)	NIL	NIL	NIL
Total revenue	NIL	NIL	NIL
Profit after tax	(0.22)	(0.09)	(0.14)
EPS (Rs.)	(2.20)	(0.94)	(1.43)
NAV per share (Rs.)	7.40	6.47	5.04

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

21. KASTURI TIE-UP PRIVATE LIMITED

Kasturi Tie-up Private Limited was incorporated on August 30, 2005 as a private limited company. Its registered office is located at 8/1 Lal Bazar Street, 3rd Floor Room No. 9, Bikaner Building, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	100	1.00
2	Ravi Prakash Pincha	100	1.00
3	RDB Industries Limited	9,800	98.00
	Total	10,000	100.00

Board of Directors

Name	Designation
Ravi Prakash Pincha	Director
Braja Kundu	Director
Madan Gopal Saha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	1.00	1.00	1.00
Reserves & surplus (excluding Rev. reserves)	NIL	NIL	NIL
Total revenue	NIL	NIL	NIL
Profit after tax	(0.24)	(0.11)	(0.13)
EPS (Rs.)	(2.42)	(1.07)	(1.26)
NAV per share (Rs.)	7.23	6.17	4.91

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

22. HEADMAN MERCANTILE PRIVATE LIMITED

Headman Mercantile Private Limited was incorporated on August 25, 2005 as a private limited company. Its registered office is located at 8/1, Lal Bazar Street 3rd Floor Room No. 9, Bikaner Building, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	100	1.00
2	Ravi Prakash Pincha	100	1.00
3	RDB Industries Limited	9,810	98.00
	Total	10,010	100.00

Board of Directors

Name	Designation
Ravi Prakash Pincha	Director
Madan Gopal Saha	Director
Braja Kundu	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	1.00	1.00	1.00
Reserves & surplus (excluding Rev. reserves)	NIL	NIL	NIL
Total revenue	NIL	NIL	NIL
Profit after tax	(0.22)	(0.09)	(0.11)
EPS (Rs.)	(2.26)	(0.90)	(1.10)
NAV per share (Rs.)	7.35	6.45	5.35

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

23. ANKUR CONSTRUCTIONS PRIVATE LIMITED

Ankur Constructions Private Limited was incorporated on January 5, 1981 as a private limited company. Its registered office is located at 8/1 Lal Bazar Street, 1ST Floor, Bikaner Building, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sunder Lal Dugar	2,800	0.15
2	Vinod Dugar	195,100	10.24
3	Sheetal Dugar	188,700	9.91
4	Veekay Apartment Pvt Ltd	469,000	24.62
5	Moti Lal Dugar (HUF)	85,000	4.46
6	Sunder Lal Dugar (HUF)	30,000	1.58
7	Pyramid Sales Private Limited	934,100	49.04
	Total	1,904,700	100.00

Board of Directors

Name	Designation
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Vinod Dugar	Director
Sunder Lal Dugar	Director
Braja Kundu	Director
Madan Gopal Saha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity capital	190.47	190.47	190.47
Reserves & surplus (excluding Rev. reserves)	36.48	36.61	48.68
Total revenue	44.30	22.44	1.30
Profit after tax	(5.33)	0.13	12.07
EPS (Rs.)	(0.28)	0.01	0.63
NAV per share (Rs.)	11.91	11.92	12.56

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

24. JOHRI TOWERS PRIVATE LIMITED

Johri Towers Private Limited was incorporated on February 18, 1998 as a private limited company. Its registered office is located at Bikaner Building 8/1 Lal Bazar Street, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Vinod Dugar	3,227	15.22
2	Sunder Lal Dugar (HUF)	1,373	6.48
3	Delta International Limited	3,000	14.15
4	Veekay Apartments Pvt. Ltd.	3,600	16.98
5	Pyramid sales Pvt. Ltd.	10,000	47.17
	Total	21,200	100.00

Board of Directors

Name	Designation
Sunder Lal Dugar	Director
Ravi Prakash Pincha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	21.20	21.20	21.20
Reserves & Surplus (excluding Rev. Reserves)	89.60	90.59	87.77
Total Revenue	98.57	80.35	13.86
Profit after Tax	4.18	1.40	(2.79)
EPS (Rs.)	29.36	14.44	(13.15)
NAV per share (Rs.)	522.64	527.33	513.99

Note: Face value of each equity share is Rs.100.

(Source: Audited Financial Statements)

25. ARROW VINIMAY PRIVATE LIMITED

Arrow Vinimay Private Limited was incorporated on March 24, 2007 as a private limited company. Its registered office is located at Bikaner Building, 8/1 Lal Bazar Street, Kolkata - 700001. At present, the Company is engaged in the Construction Business.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Vinod Dugar	20,000	3.79
2	Veekay Apartments Pvt. Ltd.	130,000	24.66
3	Kusum Devi Dugar	10,100	1.92
4	Rekha Jhabak	5,150	0.98
5	Goldline Writing Instruments Ltd.	125,000	23.71
6	Pyramid Sales Pvt. Ltd	229,500	43.54
7	Somani Estates Pvt. Ltd.	7,400	1.40
	Total	527,150	100.00

Board of Directors

Name	Designation
Pradeep Kumar Hirawat	Director
Pradeep Kumar Dubey	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	1.00	52.72	52.72
Reserves & Surplus (excluding Rev. Reserves)	(0.09)	276.16	284.85
Total Revenue	NIL	126.92	116.73
Profit after Tax	(0.09)	40.40	8.69
EPS (Rs.)	(0.93)	7.66	1.65
NAV per share (Rs.)	9.07	62.39	64.04

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

26. REGENT CAPITAL PRIVATE LIMITED

Regent Capital Private Limited was incorporated on April 04, 2008 as a private limited company. Its registered office is located at 60A, Chowringhee Road, 2nd Floor, Kolkata- 700 020. At present, the Company is engaged in the Financial Service activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Vinod Dugar	2,000	20.00
2	Arihant Baid	2,500	25.00
3	Kusum Devi Dugar	1,000	10.00
4	Sheetal Dugar	2,000	20.00
5	Usha Baid	2,500	25.00
	Total	10,000	100.00

Board of Directors

Name	Designation
Vinod Dugar	Director
Alok Kumar Pincha	Director
Arihant Baid	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	NA	NA	1.00
Reserves & Surplus (excluding Rev. Reserves)	NA	NA	NIL
Total Revenue	NA	NA	NIL
Profit after Tax	NA	NA	(0.05)
EPS (Rs.)	NA	NA	(0.57)
NAV per share (Rs.)	NA	NA	(11.36)

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

27. REGENT FINANCE CORPORATION PRIVATE LIMITED

Regent Finance Corporation Private Limited was incorporated on July 31, 1996 as a private limited company with Bhomiya Suppliers Private limited as its original name. Fresh Certificate of Incorporation received on 16/07/2008. Its registered office is located at 60A, Chowringhee Road, 2nd Floor, Kolkata- 700 020. At present, the Company is engaged in the Financial Service activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Vinod Dugar	123,150	15.00
2	Arihant Baid	369,450	45.00
3	Kusum Devi Dugar	123,150	15.00
4	Sheetal Dugar	123,150	15.00
5	Prabhu Dayal Chomal	82,100	10.00
	Total	821,000	100.00

Board of Directors

Name	Designation
Vinod Dugar	Director
Alok Kumar Pincha	Director
Arihant Baid	Director
Rajesh Kumar Agarawal	Director
Sanjay Shah	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	82.10	82.10	82.10

Reserves & Surplus (excluding Rev. Reserves)	996.14	996.13	996.23
Total Revenue	1,386.08	1,389.00	1,101.09
Profit after Tax	0.02	0.05	0.10
EPS (Rs.)	0.00	0.01	0.01
NAV per share (Rs.)	131.27	130.69	130.86

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

28. RDB INSURANCE BROKING SERVICES PRIVATE LIMITED

RDB Insurance Broking Services Private Limited was originally incorporated in Lehar Merchants Private Limited on June 03, 2005 as a private limited company. Thereafter its name was changed to RDB Insurance Private Limited on May 21, 2007. Subsequently on July 10, 2007, fresh Certificate of Incorporation was received in the name of RDB Insurance Broking Services Private Limited. Its registered office is located at 8/1, Lal Bazar Street, Bikaner Building, Kolkata- 700 001. At present, the Company is engaged in the Financial Service activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Sanjiv Agarwal	1,100	0.22
2	Vinod Dugar	151,100	30.22
3	Sheetal Dugar	150,000	30.00
4	Cetex Marketing Pvt Ltd	5,000	1.00
5	Abhiflax Tracon Pvt Ltd	2,800	0.56
6	Namokar Duplicating Pvt Ltd	40,000	8.00
7	Pyramid Sales Pvt Ltd	150,000	30.00
	Total	500,000	100.00

Board of Directors

Name	Designation
Vinod Dugar	Director
Alok Kumar Pincha	Director
Arihant Baid	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	1.00	50.00	50.00
Reserves & Surplus (excluding Rev. Reserves)	NIL	(14.31)	(13.99)
Total Revenue	4.50	2.37	11.42
Profit after Tax	(0.53)	(13.75)	0.33
EPS (Rs.)	(5.70)	(2.75)	0.07
NAV per share (Rs.)	3.65	6.97	7.07

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

29. BIG SPACE FASHION INDIA LIMITED

Big Space Fashion India Limited was incorporated on May 1, 2007 as a public limited company with. Its registered office is located at Bikaner Building, 8/1 Lal Bazar Street, Kolkata- 700 001. At present, the Company is engaged in the Retailing & Supermarket activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% of Total
1	Rajendra Kumar Malu	5000	0.49
2	Anant Kumar Malu	5000	0.49
3	Vaibhav Malu	20000	1.94
4	Shakuntala Malu	5000	0.49
5	Amar Kumar Jain	5000	0.49
6	Subhash Chand Jain	5000	0.49
7	Lalita Sethiya	5000	0.49
8	Pyramid Sales Pvt. Ltd.	434000	42.20
9	Green Valley Properties(I) Pvt. Ltd.	15000	1.46
10	Veekay Apartments Pvt. Ltd.	150000	14.58
11	Goldline Writing Instrument Ltd.	129500	12.59
12	Somani Estates Pvt. Ltd.	100000	9.72
13	Loka Properties Pvt. Ltd.	50000	4.86
14	Vitol Commercial Pvt. Ltd.	50000	4.86
15	Samspa Expo Private Ltd.	50000	4.86
	Total	1,028,500	100.00

Board of Directors

Name	Designation
Pradeep Kumar Hirawat	Director
Ravi Prakash Pincha	Director
Rajendra Kumar Malu	Director
Anant Kumar Malu	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	NA	5.00	102.85
Reserves & Surplus (excluding Rev. Reserves)	NA	NIL	880.65
Total Revenue	NA	46.88	1255.87
Profit after Tax	NA	(118.32)	(226.67)
EPS (Rs.)	NA	(236.65)	(28.51)
NAV per share (Rs.)	NA	(289.02)	53.05

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

30. RIMJHIM VANIJYA PRIVATE LIMITED

Rimjhim Vanijya Private Limited was incorporated on July 15, 2005 as a Private limited company with. Its registered office is located at Bikaner Building, 8/1 Lal Bazar Street, 3rd Floor, Kolkata- 700 001. At present, the Company is engaged in the Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% to Total
1	Ravi Praksh Pincha	100	1.00
2	RDB Industries Limited	4900	49.00
3	Regent Hirise Pvt Ltd	2500	25.00
4	P S Housing Finance Pvt Ltd	2500	25.00
	Total	10000	100.00%

Board of Directors

Name	Designation
Madan Gopal Saha	Director
Santosh Kumar Dugar	Director
Arun Kumar Sancheti	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	1.00	1.00	1.00
Reserves & Surplus (excluding Rev. Reserves)	NIL	NIL	NIL
Total Revenue	NIL	NIL	1.51
Profit after Tax	(0.24)	(0.27)	0.59
EPS (Rs.)	(2.41)	(2.71)	5.90
NAV per share (Rs.)	5.25	2.54	8.44

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

31. INFRA-VISION DEVELOPERS PRIVATE LIMITED

Infra-Vision Developers Private Limited was incorporated on July 6, 2006 as a Private limited company with. Its registered office is located at 25-27, Netaji Subhash Road, Kolkata- 700 001. At present, the Company is engaged in the Real Estate activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% to Total
1	Siddhartha Tania	5,000	0.50
2	Tantia Constructions Ltd	4,95,000	49.50
3	RDB Industries Ltd	5,00,000	50.00
	Total	10,00,000	100.00

Board of Directors

Name	Designation
Siddhartha Tania	Director
Madan Gopal Saha	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	100.00	100.00	100.00
Reserves & Surplus (excluding Rev. Reserves)	NIL	NIL	NIL
Total Revenue	0.20	0.54	8.77
Profit after Tax	(14.85)	(7.66)	(48.06)
EPS (Rs.)	(1.47)	(0.77)	(4.80)
NAV per share (Rs.)	8.51	7.75	2.90

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

32. INDIA SECURITIES BROKING PRIVATE LIMITED

India Securities Broking Private Limited was originally incorporated under the Companies Act, 1956 in the name of Khetawat Stock Broking Private Limited on March 04, 2004. Fresh Certificate of Incorporation with present name was received on September 13, 2007. Its registered office is located at 135A, Central Avenue, 3rd Floor, Kolkata -700007. At present, the Company is engaged in the Financial Service activities.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% to Total
1	Munni Devi Chomal	1,50,000	3.75
2	Prabhu Dayal Chomal	18,50,000	46.25
3	Regent Finance Corporation Pvt. Ltd.	18,00,000	45.00
4	Abhishek Chomal	2,00,000	5.00
	Total	40,00,000	100

Board of Directors

Name	Designation
Prabhu Dayal Chomal	Director
Abhishek Chomal	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	78.00	108.00	400.00
Reserves & Surplus (excluding Rev. Reserves)	75.00	75.00	75.00
Total Revenue	76.40	62.91	112.10
Profit after Tax	8.69	4.30	0.18
EPS (Rs.)	1.11	0.40	0.00
NAV per share (Rs.)	18.50	16.54	11.71

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

33. REGENT COMMODITIES BROKING PRIVATE LIMITED

Regent Commodities Broking Private Limited was originally incorporated under the Companies Act, 1956 in name PDC Rosin & Chemicals Private Limited on June 11, 1997. and subsequently name was changed to Bhagwati Commodity Private Limited on February 23, 2004. At present the name of the company has been changed to Regent Commodities Broking Private Limited and Fresh Certificate of Incorporation was received on July 11, 2008. Its registered office is located at 60A, Chowringhee road, 2nd Floor, Kolkata- 700020. At present the company is engaged in trading of commodities market.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Name of Shareholder	No of Shares	% to Total
1	Regent Finance Corporation Pvt Ltd	5,59,600	100
2.	Prabhu Dayal Chomal	100	0.00
	Total	5,59,700	100

Board of Directors

Name	Designation
Prabhu Dayal Chomal	Director
Abhishek Chomal	Director
Vinod Dugar	Director
Arihant Baid	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	55.97	55.97	55.97
Reserves & Surplus (excluding Rev. Reserves)	12.50	12.50	12.50
Total Revenue	7.39	7.91	13.09
Profit after Tax	(1.74)	0.85	1.18
EPS (Rs.)	(0.31)	0.15	0.21
NAV per share (Rs.)	10.91	11.09	10.82

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

34. REGENT FOREX PRIVATE LIMITED

Regent Forex Private Limited was incorporated on April 04, 2008. Its registered office is located at 60A, Chowringhee Road, 2nd Floor, Kolkata- 700 020. At present the company is engaged in trading of foreign currencies.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sl. No.	Shareholders' Name	No. of Shares	%age of Holding
1.	Usha Baid	2500	1.00
2.	Arihant Baid	2500	1.00
3.	Kusum Devi Dugar	1000	0.40
4.	Sheetal Dugar	2000	0.80
5.	Vinod Dugar	2000	0.80
6.	Regent Finance Corporation Pvt Ltd	240000	96.00
	Total	250000	100.00

BOARD OF DIRECTORS

Name	Designation
Vinod Dugar	Director
Alok Kumar Pincha	Director
Arihant Baid	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	NA	NA	25.00
Reserves & Surplus (excluding Rev. Reserves)	NA	NA	NIL
Total Revenue	NA	NA	0.01
Profit after Tax	NA	NA	(0.06)
EPS (Rs.)	NA	NA	(0.02)
NAV per share (Rs.)	NA	NA	9.54

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

35. REGENT AUTOTRADE PRIVATE LIMITED

Regent Autotrade Private Limited was originally incorporated under Companies Act, 1956 in name of RDB Automobiles Private Limited on May 18, 2006. Fresh Certificate of Incorporation received on 18th July, 2006. Currently, the Company is into automobile sector.

Shareholding Pattern

The following is the shareholding of this Company as on September 30, 2009:

Sr. No.	Shareholders' Name	No. of Shares	%age of Holding
1.	Sunder Lal Dugar	2500	25
2.	Vinod Dugar	2500	25
3.	Pradeep Kumar Jain	2500	25
4.	Aashish Kumar Dugar	2500	25
	Total	10000	100

Board of Directors

Name	Designation
Sunder Lal Dugar	Director
Vinod Dugar	Director
Pradeep Kumar Jain	Director

Financial Performance

(Rs in Lacs) (Except per share data)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Equity Share Capital	1.00	1.00	1.00
Reserves & Surplus (excluding Rev. Reserves)	NIL	NIL	NIL
Total Revenue	0.03	NIL	NIL
Profit after Tax	(0.09)	(0.33)	(0.08)
EPS (Rs.)	(0.88)	(3.26)	(0.79)
NAV per share (Rs.)	4.58	4.30	3.51

Note: Face value of each equity share is Rs.10.

(Source: Audited Financial Statements)

36. LOKENATH PROJECTS

Lokenath Projects, a partnership firm, having its principal office is located at 8/1, Lal Bazar Street, Kolkata-700 001 and is engaged in Real Estate activities. The firm was constituted vide a partnership deed dated April 10, 2001 under the Indian Partnership Act, 1932.

Partners as on September 30, 2009

Sr. No.	Name of the partner	Interest (%)
1	Madan Gopal Saha	17
2	Smt Nilima Sarkar	16
3	Smt Uma Kundu	17
4	Sri Vinod Dugar	50
	Total	100

Financial Performance

(Rs. in Lacs)

Particulars	For the Year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Partner's capital account	40.49	7.65	(15.05)
Sales/Income	0.31	162.39	222.28
Profit After Tax	(10.21)	1.99	2.16

37. S.L.DUGAR CHARITABLE TRUST

Date of Incorporation	Incorporated on July 2, 2001.
Nature of Activities	To open, establish or finance hospitals, schools, colleges, study centres, reading libraries, public places like community halls, dharmasalas, orphanage, etc.
Permanent Account Number	AACTS8589G
Registered office	Bikaner Building, 8/1, Lal Bazar Street, 1 st Floor, Room No. 10, Kolkata- 700 001
Registration Number	T-97 30072001

Board Trustees / Management

As on March 31, 2009, the list of Present Trustees / board of Management of S.L.Dugar Charitable Trust consisted of:

1. Mr. Sunder Lal Dugar
2. Mr. Vinod Dugar
3. Mr. Ashok Kumar Sethia
4. Mrs. Kusum Devi Dugar
5. Mrs. Sheetal Dugar

Financial Performance

(Rs. in Lacs)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Total Income	115.67	137.50	142.91
Corpus / trust fund	69.92	78.45	137.29
General Reserve fund	Nil	Nil	Nil
Income & Expenditure account balance surplus	0.23	(0.28)	(0.83)
Fixed Assets(Capital WIP)	12.70	19.71	19.71

38. REKHA BENEFIT TRUST

Date of Incorporation	N.A.
Nature of Activities	This trust is private established for the benefit of Mrs. Rekha Jhabak who is physically impaired, d/o. Mr. Sunder Lal Dugar.
Permanent Account Number	AAATR5060M
Registered office	Bikaner Building, 8/1, Lal Bazar Street, 1 st Floor, Room No. 10, Kolkata- 700 001
Registration Number	N.A.

Board Trustees / Management

As on March 31, 2009, the list of Present Trustees / board of Management of S.L.Dugar Charitable Trust consisted of:

1. Mr. Sunder Lal Dugar
2. Mr. Vinod Dugar
3. Mr. Ashok Kochar

Financial Performance

(Rs. in Lacs)

Particulars	For the year ending		
	March 31, 2007	March 31, 2008	March 31, 2009
Total Income	4.83	5.28	4.84
Corpus / trust fund	150.48	154.86	158.56
General Reserve fund	Nil	Nil	Nil
Income & Expenditure account balance surplus	4.83	5.28	4.74
Fixed Assets(Capital WIP)	16.83	16.83	16.83

39. REGENT EDUCATION AND RESEARCH FOUNDATION

Date of Incorporation	Incorporated on October 21, 2008
Nature of Activities	To impart, promote and spread education in Engineering Science, Technology, Management, Medical, Dental, Nursing, Research, etc. and to start, establish & run the schools and colleges.
Permanent Account Number	AABTR3825K
Registered office	88, Chowringhee Road, Kolkata- 700 020
Registration Number	N.A.

Board Trustees / Management

As on March 31, 2009, the list of Present Trustees / board of Management of S.L.Dugar Charitable Trust consisted of:

1. Mr. Vinod Dugar
2. Mr. Vinod Baid
3. Dr. Ashok Binaykia
4. Dr. Nandan Gupta

Financial Performance

(Rs. in Lacs)

Particulars	For the year ending		
	31-March-2007	31 March-2008	31 March-2009
Total Income	N.A	N.A	2.04
Corpus / trust fund	N.A	N.A	50.03
General Reserve fund	N.A	N.A	Nil
Income & Expenditure account balance surplus	N.A	N.A	(0.69)
Fixed Assets(Capital WIP)	N.A	N.A	250.32

40. Sunder Lal Dugar – HUF

Address	Room No. 10, 1 st floor, Bikaner Building, 8/1 Lal Bazaar Street, Kolkata - 700001
Name of the Karta & Members	Mr. Sunder Lal Dugar – Karta Mrs. Kusum Devi Dugar – Member Mr. Vinod Dugar – Member Mrs. Sheetal Dugar - Member Ms. Yashahvi Dugar – Member Ms. Manaswi Dugar – Member Ms. Suhashini Dugar – Member
Capital Details (as on March 31, 2009)	Rs. 79.20 lacs
PAN Card number	AALHS5309H

None of our Promoter Group companies, except Electrical Manufacturing Company Limited, is a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 or are under winding up or have any BIFR proceedings initiated against it.

None of the Promoter Group companies has been struck off as a defunct company by any Registrar of Companies in India and no application was made to the Registrar of Companies for striking off the name of any of the group company during the five years preceding the date of filing draft red herring prospectus with the Board except for the following companies, as the purpose of these companies was defeated and no more in existence:

1. Kusum Dugar Realty Company Private Limited
2. Sheetal Dugar Realty Company Private Limited
3. Vinod Dugar Realty Company Private Limited

There are no sales or purchases between our Company and any company in the Promoter Group exceeding 10% of the sales or purchases of our Company.

No Group Company has business interest in RDB Rasayans Limited except as disclosed in the section “Related Party Transactions”.

There are no companies/firms with which the promoters of the company have disassociated themselves during preceding three years except the following:

1. Gurukul Advisory Services Private Limited
2. Infield Traders Private Limited
3. Mansama Consultants Private Limited
4. Martel Vanijya Private Limited
5. Kusum Dugar Realty Company Private Limited
6. Sheetal Dugar Realty Company Private Limited
7. Vinod Dugar Realty Company Private Limited
8. Shree Properties,

Promoters transferred their shareholding in the Companies mentioned above at sr. no.1 to 4 which lead to disassociation which was part of their business strategy. Promoters disassociated from Companies mentioned above at sr. no.5 to 7 as the objective for which these companies were formed, were not achieved and their names were struck off by Registrar of Companies. Promoters disassociated from firm mentioned above at sr. no.8 as the project for which firm was formed was completed and the firm was dissolved.

For details on litigations and disputes pending against our group companies/concerns and defaults made, please refer to section titled “Outstanding Litigations” on page no.134 of this Draft Red Herring Prospectus.

RELATED PARTY TRANSACTIONS

For details on our related party transactions, please refer to the section titled “Financial Information of the Company” on page 110 of this Draft Red Herring Prospectus.

CURRENCY OF PRESENTATION

In this Draft Red Herring Prospectus, all references to “Rupees” and “Rs.” and “Indian Rupees” are to the legal currency of the Republic of India.

DIVIDEND POLICY

The declaration and payment of dividends on our equity shares will be recommended by our board of directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. However the Company has not paid any dividend till date.

SECTION V - FINANCIAL INFORMATION

FINANCIAL INFORMATION OF THE COMPANY

To
The Board of Directors
RDB Rasayans Limited
8/1 Lal Bazar Street,
Kolkata – 700001.

Dear Sir,

We have examined the financial information of RDB Rasayans Ltd. annexed to this report, for the purposes of inclusion in the Offer Document, which has been prepared in accordance with the requirements of:

1. a. paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ('the Act');
- b. the Securities and Exchange Board of India (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 ('the Regulations') issued by the Securities and Exchange Board of India ('SEBI') on August 26, 2009, as amended from time to time, in pursuance of Section 11 of the Securities and Exchange Board of India Act, 1992; and
- c. the terms of reference received from the Company, requesting us to carry out work, proposed to be included in the Offer Document of the Company in connection with its proposed Public Issue
- d. The Public Issue will be for a fresh issue by the Company of 45,00,000 equity shares of Rs. 10 each, at such premium, by way of book building process, as may be decided by the Board of Directors (referred to as 'the Issue'). The Offer is being made through the 100 percent book-building scheme
- e. Financial information as per the audited financial statements
 - We have examined the attached restated summary statement of assets and liabilities of the Company as at, Sept 30th 2009, March 31st, 2009, 2008, 2007, 2006, and 2005 the attached restated summary statement of profits and losses for each of the period/years ended on those dates and the attached restated summary statement of cash flows for the years ended March 31st, 2009, 2008, 2007, 2006 and 2005 ('summary statements') (see Annexure 1, 2 and 3) as prepared by the Company and approved by the Board of Directors. These profits have been arrived at after making such adjustments and regroupings as in our opinion are appropriate and more fully described in the notes appearing in Annexure 4 to this report.
 - The summary statements for the half year September, 30th 2009, year ended March 31st, 2009, 2008 and 2007 by M/s M.K Surana & Co, Chartered Accountants, year ended March, 31st 2006 by M/s. Suprasanna & Associates, Chartered Accountants and year ended March, 31st 2005 by M/s. Agarwal Shankar & Associates, Chartered Accountants, are based on the financial statements for those period/years which have been solely audited and reported by them as their statutory auditors and relied upon by us on their report,.
 - There are no extraordinary items, which need to be disclosed separately in the summary statements and
 - There are no qualifications in the auditors' reports, which require any adjustments to the summary statements.
2. The summary of significant accounting policies adopted by the Company pertaining to the audited financial statements as at March 31st, 2009, 2008, 2007, 2006 and 2005 are enclosed as Annexure 5 to this report.

Other financial information

3. We have examined the following financial information of the Company proposed to be included in the offer document as approved by the Board of Directors and annexed to this report:

- Details of rates of dividend as enclosed in Annexure 6;
 - Accounting ratios based on the restated profits relating to earnings per share (basic and diluted), net asset value and return on net worth as enclosed in Annexure 7;
 - Details of other income, as appearing in Annexure 8;
 - Details of unsecured loans, as appearing in Annexure 9;
 - Details of sundry debtors, as appearing in Annexure 10;
 - Details of secured loans, as appearing in Annexure 11;
 - Details of loans and advances, as appearing in Annexure 12;
 - Details of Investments in Annexure 13;
 - Capitalisation statement as at March 31st, 2009 as enclosed in Annexure 14;
 - Statement of tax shelters as enclosed in Annexure 15;
 - Details of related party transactions, as appearing in Annexure 16;
 - Details of Fixed Assets, as appearing in Annexure 17;
 - Details of Current Liabilities & Provisions, as appearing in Annexure 18 and
 - Details of contingent liabilities in Annexure 19
4. In our view, the 'Financial information as per the audited financial statements' and 'other financial information' mentioned above has been prepared in accordance with Part II of Schedule II of the Act and the Regulations.
 5. This report should not be in any way construed as a reassurance of any of the previous audit reports issued by us nor should this report be construed as a new opinion on any of the financial statements referred to herein.
 6. This report is intended solely for your information and for inclusion in the Offer Document in connection with the proposed IPO of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For M. K. Surana & Co
Chartered Accountants

Kirti Kumar Surana
(Partner)
Membership No 061605

Kolkata
The 29th day of January, 2010

SUMMARY STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30, 2009
A Fixed Assets						
Gross Block	748.52	815.23	861.73	1,354.68	1,805.18	1,925.21
Add: Capital WIP	4.72	0.00	253.34	14.94	16.84	0.82
Less: Depreciation	52.53	115.42	182.69	251.96	354.54	411.53
Net Block	700.71	699.81	932.38	1,117.66	1,467.48	1,514.50
Less: Revaluation Reserve	0.00	0.00	0.00	0.00	0.00	
Net Block after adjustment for Revaluation Reserve(A)	700.71	699.81	932.38	1,117.66	1,467.48	1,514.50
B Investment(B)	0.00	0.00	0.00	0.00	0.00	0.00
C Current assets, loans and advances						
Inventories	210.85	271.96	261.99	338.98	318.81	319.22
Sundry debtors	213.00	190.83	214.64	309.66	303.42	330.27
Cash and bank balances	11.68	261.55	409.42	7.40	50.39	21.71
Loans and advances	273.57	762.39	411.93	788.02	879.58	901.60
Total(C)	709.10	1,486.73	1,297.98	1,444.06	1,552.20	1,572.80
D Liabilities and Provisions						
Secured loans	374.82	856.97	699.69	876.98	1,117.90	1,206.25
Unsecured loans	621.68	47.20	-	-		-
Deferred tax liability	-	77.22	76.78	82.39	109.66	109.40
Current liabilities & Provisions	145.39	122.28	214.79	268.06	263.04	192.82
Total(D)	1,141.89	1,103.67	991.26	1,227.43	1,490.60	1,508.47
E Net Worth (A+B+C-D)	267.92	1,082.87	1,239.10	1,334.29	1,529.08	1,578.83
F Represented by:						
1 Share capital	180.37	330.37	330.37	330.37	330.37	330.37
Equity share capital						
2 Share application money	0.00	0.00	0.00	0.00	0.00	0.00
	0.00	0.00	0.00	0.00	0.00	0.00
3 Reserves and Surplus	87.95	753.20	908.73	1,003.92	1,198.71	1,248.46
4 Less: Miscellaneous expenditure	0.40	0.70				
Net Worth (1+2+3-4)	267.92	1,082.87	1,239.10	1,334.29	1,529.08	1,578.83

Note: The above statement should be read with the significant accounting policies appearing in annexure 4 and notes to the summary statements of Assets and Liabilities, Profit and Losses and Cash Flows, appearing in Annexure 5.

SUMMARY STATEMENT OF PROFIT & LOSS, AS RESTATED

(Rs in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30, 2009
Income						
Sales						
Of the Items manufactured by the Company	1,196.25	2,211.64	2,652.18	2,818.83	3,407.49	1,121.76
Of the items traded by the Company	0.00	0.00	0.00	0.00	0.00	0.00
Total Sales	1,196.25	2,211.64	2,652.18	2,818.83	3,407.49	1,121.76
Less :Excise Duty	107.15	244.70	255.73	312.08	346.67	76.83
Net Sales	1,089.10	1,966.94	2,396.45	2,506.75	3,060.82	1,044.93
Other Income	7.95	25.52	16.03	20.06	59.34	4.50
Increase (Decrease) in inventories	(5.22)	40.39	17.87	46.47	(125.37)	65.91
Total	1,091.83	2,032.85	2,430.35	2,573.28	2,994.79	1,115.34
Expenditure						
Material Consumed	753.16	1,293.94	1,678.03	1,742.60	1,968.59	683.78
Finished Goods Purchased						
Manufacturing & Other Expenses	187.21	314.75	428.21	516.31	573.37	237.91
Interest And Finance Charges	40.30	72.80	49.03	110.55	117.47	80.18
Total	980.67	1,681.49	2,155.27	2,369.46	2,659.43	1001.87
Profit/(Loss) before depreciation/ Amortisation and tax	111.16	351.36	275.08	203.82	335.36	113.47
Depreciation	30.50	62.89	67.27	72.91	102.58	56.99
Preliminary Exp. W/Off	0.00	0.00	0.00	0.00	0.00	0.00
Deferred Revenue Expenditure W/Off	0.00	0.00	0.00	0.00	0.00	0.00
Net Profit before tax and extra-ordinary items	80.66	288.47	207.81	130.91	232.78	56.48
Provisions for taxes on income						
Current Tax	5.00	25.00	52.00	27.50	37.50	7.00
Deferred tax Liabilities/ (Assets)	-	77.22	(0.43)	5.60	27.27	(0.26)
Fringe Benefit Tax	-	1.00	0.71	1.00	1.28	0.00
Net Profit before extra-ordinary items	75.66	185.25	155.53	96.81	166.73	49.74
Extra ordinary Items (net of tax)						
IT adjustment for earlier years				1.61	(28.06)	
Prior year Adjustments other than Income tax						
Profit/(Loss) for the year as restated	75.66	185.25	155.53	95.20	194.79	49.74

Note: The above statement should be read with the significant accounting policies appearing in annexure 4 and notes to the summary statements of Assets and Liabilities, Profit and Losses and Cash Flows, appearing in Annexure 5.

SUMMARY STATEMENT OF CASH FLOW OF THE COMPANY AS RESTATED

(Rs in Lacs)

Particulars	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30,2009
Cash Flow Provided (Required) by operating Activities						
Net Income (Loss)	80.66	288.47	207.81	130.91	232.78	56.48
Adjustment for:						
Depreciation	30.50	62.89	67.27	72.91	102.58	56.99
Share Issue Expenses W/off	0.32	0.45	0.70	-	-	-
Bad Debts expenses Written Off	0.43	3.41	25.36	79.38	13.98	0.55
(Profit) / Loss on Sale of Fixed Assets	-	-	-	(0.50)	(0.00)	-
Interest Paid	39.28	67.54	38.03	102.03	106.45	75.33
Liabilities no longer required written Back	(1.19)	(2.13)	(0.82)	(4.33)	(18.39)	(0.28)
Interest Received	(1.77)	(5.54)	(4.68)	(1.54)	(4.33)	(2.43)
Provision for Employee Benefits	-	-	-	3.98	0.84	(0.02)
Provision for Expenditure	-	-	-	-	-	45.67
Operating profit before working capital changes	148.24	415.09	333.66	382.84	433.91	232.29
(Increase) / Decrease in Inventories	(72.50)	(61.11)	9.98	(76.99)	20.17	(0.41)
(Increase) / Decrease in Trade and other receivables	(262.21)	(456.21)	342.89	(546.34)	(121.25)	(41.18)
Increase / (Decrease) in Trade Payables	85.90	(46.98)	40.63	56.11	54.62	(122.24)
Cash generated from operations	(100.57)	(149.21)	727.15	(184.37)	387.45	68.46
Less: Direct taxes paid/ Refunds including Interest (Net)	0.89	13.86	41.60	36.75	30.86	8.58
Cash Flow before Exceptional Items	(101.75)	(163.07)	685.55	(221.13)	356.59	59.88
Exceptional Items	76.95	-	-	-	-	-
Net cash Generated/(used) from operating activities	(24.50)	(163.07)	685.55	(221.13)	356.59	59.88
Cash flow from investing activities :						
Purchase of fixed assets	(134.70)	(61.99)	(299.84)	(289.17)	(452.68)	(104.00)
Sale of fixed assets	-	-	-	31.48	0.28	-
Interest Received	1.77	5.54	4.68	1.54	4.33	2.43
Net cash from investing activities	(132.93)	(56.45)	(295.15)	(256.15)	(448.07)	(101.58)
Cash flow from financing activities :						
Proceeds / (Repayment) of borrowings	143.76	(89.96)	(172.09)	177.56	235.35	87.96
Interest Paid	(2.53)	(69.90)	(70.43)	(102.30)	(100.89)	(74.94)
Issue of Share Capital	-	630.00	-	-	-	-
Preliminary Exp	-	(0.75)	-	-	-	-
Net cash generated/(used) in financing activities	141.22	469.39	(242.52)	75.26	134.46	13.02
Net increase/(decrease) in cash and cash equivalents	(16.21)	249.87	147.87	(402.02)	42.98	(28.68)

Cash and cash equivalents – Opening balance	27.89	11.68	261.55	409.42	7.40	50.39
	11.68	261.55	409.42	7.40	50.39	21.71
Cash and cash equivalents - Closing balance	11.68	261.55	409.42	7.40	50.39	21.71
CASH AND CASH EQUIVELANTS COMPRISE:						
Cash on hand	0.17	6.02	5.60	3.66	0.90	1.74
<u>Balances with Scheduled Banks on:</u>						
Current Accounts	9.49	253.43	401.63	1.45	1.31	1.23
Fixed Deposit Account	2.01	2.10	2.19	2.29	48.17	18.74
	11.68	261.55	409.42	7.40	50.39	21.71

Annexure – 4

(A) SIGNIFICATE ACCOUNTING POLICIES:

(i) Financial Statement

The financial statements are prepared as a going concern under historical cost convention on accrual basis except those with significant uncertainty and in accordance with the Companies Act, 1956. Accounting policies not stated explicitly otherwise are consistent with generally accepted accounting principles.

(ii) Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statement and amounts of income and expenses during the year of accounts. Examples of such estimates include contract costs expected to be incurred to complete construction contracts, provision for doubtful debts, income taxes and future obligation under employee retirement benefit plans. Management periodically assesses whether there is an indication that an asset may be impaired and makes provision in the accounts for any impairment losses estimated. Contingencies are recorded when it is probable that a liability will be incurred, and the amount can be reasonably estimated. Actual results could differ from those estimates. The effects of adjustment arising from revisions made to the estimates are included in the Profit and Loss statement of the year in which revisions are made.

(iii) Revenue Recognition

- Revenue from Sale of Goods is recognized on transfer of all significant risks and rewards of ownership to the buyer which generally coincides with dispatch of goods from factory.
- All other Income are accounted for an accrual basis except otherwise stated.

(iv) System of accounting.

The company is following the accrual system of accounting as per the provisions of sec. 209 (3)(b) of the companies Act, 1956 and its accounts are in compliance with the mandatory accounting standards notified under the Companies (Accounting Standards) Rules, 2006 as amended vide Companies (Accounting Standards) Amendment Rules, 2008.

(v) Fixed Assets

- Leasehold Land is stated at Cost
- Fixed Assets except leasehold land are stated at cost of acquisition inclusive of freight incurred, duties and taxes (net of CENVAT/VAT) and incidental expenses less accumulated depreciation.

(vi) Depreciation

Depreciation on fixed and movable assets except leasehold land has been provided on straight line method at rates and in manner specified in Schedule XIV of the Companies Act 1956.

(vii) Investments:

Investments are valued at cost of acquisition.

(viii) Inventory Valuation

- Raw Material are valued at lower of cost determined on FIFO basis or net realizable value. Cost comprises all cost of purchase including duties and taxes (other than those subsequently

recoverable from taxing authorities), freight inwards and other expenditure directly attributable to the acquisition.

- b) Work in progress is valued at cost computed on the basis of cost of raw material and appropriated share of employment cost and related factory overheads.
- c) Finished goods valued at cost determined on absorption costing method or net realizable value whichever is lower.
- d) Packing & Printing Materials and stores & spares are valued at lower of cost determined on weighted average basis or net realizable value.
- e) Wastage is valued at estimated realizable value.

(ix) Borrowing cost :

Borrowing Costs directly attributable to the acquisition or construction of fixed assets are capitalised as a part of the cost of the assets, up to the date the assets are put to use. Other borrowing costs are charged to the Profit and Loss Account in the year in which they are incurred.

(x) Preliminary expenses

Preliminary expenses are shown as miscellaneous expenditure in the balance sheet. Expenditure incurred for increase in authorised capital has also been included in this head as and when the same are incurred. The same are being amortised over a period of five years.

(xi) Impairment of Assets:

No asset whose carrying cost exceeds its recoverable value is held by the company as on 31.03.09.

(xii) Interest and Employment generation subsidy will be accounted for on receipt basis.

(xiii) Excise Duty

Excise duty has been accounted on the basis of payments made in respect of goods cleared and also provision on excise duty on finished goods lying as stock in factory has been considered for valuation.

(xiv) Foreign Currency Transaction

Foreign currency transaction are recorded in the reporting currency by applying to foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction. Foreign currency monetary items are reported using the closing rates. Exchange differences arising on reporting company's monetary items at rates different from those at which they were initially recorded during the year are recognized as income or as expense in the year in which they arise.

(xv) Sales

Sales represent invoice value of finish goods sold inclusive of Excise Duty and VAT net of sales return

(xvi) Subsidies

Interest and Employment Generation Subsidy will be accounted for on receipt basis.

(xvii) Claims / Refunds

Excise, Insurance and other claims / refunds are accounted for on acceptance / actual receipt / Payment basis.

(xviii) Employees Benefits

- a) Defined Contribution Plan: Employee benefits in the form of ESIC and Provident Fund are considered as defined contribution plan and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due.
- b) Defined Benefit Plan: Employee benefits in the form of Gratuity, Leave Encashment and Bonus are considered as defined benefit plan and are being accounted for on an accrual basis except for the fact that gratuity and leave encashment have been accounted for on cash basis upto the financial year 2006-07 and to that extent this is in variance with AS-15.

(xix) Export Benefits

Export entitlements in the form of Duty Drawback and/or Duty Entitlement Pass Book (DEPB) scheme are recognized in the profit and loss account when the right to receive credit as per the terms of the scheme is established in respect of exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

(B) NOTES OF ACCOUNTS:

- (i) In accordance with the West Bengal Incentive Scheme 2000, announced by the Govt. of West Bengal, the company has approved an action plan for availing the subsidy benefits based on the eligibility certificate issued by the West Bengal Industrial Development Corporation Ltd. In view of the reasonable uncertainty and the method of calculation of subsidies, such subsidies shall be accounted for as and when the disbursements are received.
- (ii) During the year under review, the management of the company has decided to write off an amount of Rs. 1,274,141.64 outstanding from M/s. Norpak (UAE) since Financial Year 2003-2004. Considering the amount as non-recoverable in nature, the same is considered as bad. A case against the party is filed by the Company for recovery of the same which is pending before the Hon'ble Calcutta High Court.
- (iii) In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realized in ordinary course of business. The provision for all known liabilities is adequate. There is no contingent liabilities except stated, as informed by the Management
- (iv) **Segment information**
The Company operates exclusively in the FIBC business segment and as such there is no reportable segment information as per Accounting Standard 17.
- (v) **Payments to Micro/Small Enterprises**
The Company is in communication with its suppliers to ascertain the applicability of "The Micro Small and Medium Enterprises Development Act, 2006". As on the date of this Balance Sheet the Company has not received any communication from any of its suppliers regarding the applicability of this Act to them. This has been relied upon by the Auditors.
- (vi) The previous year figures have been regrouped and reclassified and rearranged wherever necessary.
- (vii) Balances of Debtors, Creditors and Loans and advances are subject to confirmation.
- (viii) In the opinion of the management, current assets, Loans and Advances are realizable at the values at which they are stated in the balance sheet, if realized in the ordinary course of business. The provision for Depreciation and for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- (ix) **Reasons for restatement**
1. The prior period expenses which only consisted of the amount incurred on payment of income Tax dues for previous years have been adjusted to the relevant accounting years to which the income tax relates to, in the restated accounts.
 2. Earning per share had been calculated on the basis of closing Share capital upto the year 2009.
- (X) **DETAILS OF MATERIAL DEVELOPMENT AFTER THE DATE OF LAST BALANCE SHEET.**
No circumstances have arisen since the date of last financial statement until the date of filing of this offer document with SEBI, which materially and adversely affect or is likely to affect the operation or profitability of the Company, or value of its assets, or its ability to pay its liability within next twelve months. The company has allotted 9911100 Shares as bonus shares by way of capitalization of securities premium account and profit & Loss account by Rs. 480,00,000.00 and Rs. 511,11,000.00 respectively as per approval of the share holders in their meeting dated 21.09.2009 and the shares have allotted on dated 05.10.09.

STATEMENT OF DETAILS OF DIVIDEND

(Rs. in Lacs)

During the year ended March 31					
	2005	2006	2007	2008	2009
On Equity Share Capital					
Paid up share capital	180.37	330.37	330.37	330.37	330.37
Face Value (In Rupees)	10	10	10	10	10
Rate of dividend %	0%	0%	0%	0%	0%
Amount of dividend	-	-	-	-	-
Tax on dividend	-	-	-	-	-

ACCOUNTING RATIOS ON RESTATED FINANCIAL STATEMENTS**(Rs in Lacs)**

Particulars	As at					Sept 30,2009
	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	
Net Profit/ (loss) before extraordinary items but after tax (A)	75.66	185.25	155.53	96.81	166.73	49.74
Net Worth (B)	267.92	1,082.87	1,239.10	1,334.29	1,529.08	1,578.83
Less: Share Application money	0	0	0	0	0	0
Net Worth excluding share application and revaluation reserve at the end of the year (C)	267.92	1,082.87	1,239.10	1,334.29	1,529.08	1,578.83
Weighted average number of equity shares outstanding during the year (In Nos.) (D)	1,803,700	3,303,700	3,303,700	3,303,700	3,303,700	3,303,700
Add : Effect of share application money on equity shares (In Nos.)	0	0	0	0	0	0
Weighted average number of equity shares outstanding during the year (In Nos.)- Diluted (E)	1,803,700	3,303,700	3,303,700	3,303,700	3,303,700	3,303,700
Earning Per Share						
Basic (In Rupees) (A/D)	4.19	5.61	4.71	2.93	5.05	1.51
Diluted (A/E)	4.19	5.61	4.71	2.93	5.05	1.51
Return on Net Worth (%) (A/C)	28.24%	17.11%	12.55%	7.26%	10.90%	3.15%
Net Asset Value/ Book Value per share (In Rupees) (B/D)	14.85	32.78	37.51	40.39	46.28	47.78

Note:

1. Earning per share represents earning per share calculated on the basis of Adjusted profit divided by the weighted number of equity shares (Basic /Diluted) as at the end of year
2. Return on Net worth as a percentage represents Adjusted profit after tax divided by Net worth at the end of each financial year.
3. Net Asset value has been computed on the basis of Net Equity Method (Net worth at the end of each financial Year divided by the weighted average number of equity shares at the end of each financial year). Profit and loss as restated has been considered for calculation of the Network.

Annexure – 8

OTHER INCOME**(Rs in Lacs)**

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30,2009
Other Income	7.95	25.52	16.03	20.06	59.34	4.50
Net Profit/ (Loss) before tax, as restated	80.66	288.47	207.81	130.91	232.78	56.48
Percentage	10%	9%	8%	15%	25%	8%

Source of Other Income	NA – The other income has not exceeded 20% of the income in any of the past five years except 2009. The break up of which is as below: Sundry Balances / Liabilities written back (Net)- Rs. 18.39 Prior Period Income (Net) - Rs. 1.45 Foreign Currency Fluctuation Gain - Rs. 26.32 Miscellaneous Income - Rs. 13.18
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Note: The Classification of other income as recurring/non recurring and related/non related to business activity based on the current operations and business activity of the company, as determined by the management.

Annexure – 9

UNSECURED LOANS

(Rs in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30,2009
From Banks	0.00	0.00	0.00	0.00	0.00	0.00
From Directors & Share Holders	0.00	0.00	0.00	0.00	0.00	0.00
Inter-corporate Deposits	621.68	47.20	0.00	0.00	0.00	0.00
Trade Deposits	0.00	0.00	0.00	0.00	0.00	0.00
Total	621.68	47.20	0.00	0.00	0.00	0.00

Annexure – 10

SUNDRY DEBTORS

(Rs. in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30,2009
(Unsecured, considered good)						
Exceeding six months	33.70	39.23	28.26	12.74	0.32	0.32
Others	179.30	151.60	186.39	296.92	303.10	329.95
Due from related parties	Nil	Nil	Nil	Nil	Nil	Nil
Total	213.00	190.83	214.65	309.66	303.42	330.27

Note: There are no Sundry Debtors who are related to the directors or the promoters or the issuer in any way.

Annexure – 11

SECURED LOANS

(Rs in Lacs)

PARTICULARS	As at year ended March 31					30.09.2009
	2005	2006	2007	2008	2009	
From Banks						
Bank Overdraft	0.00	0.00	0.00	0.00	0.00	0.00
Vehicle Loan	0.62	4.66	11.39	8.73	3.74	1.93
Cash Credit Limit	0.00	587.86	486.34	716.56	606.90	717.13
Working capital Demand Loan	0.00	0.00	0.00	0.00	0.00	0.00
Term Loans (Project)	337.28	229.90	200.00	150.00	500.00	479.55
Total	337.90	822.41	697.73	875.29	1110.64	1198.61

Name of the bank	Type of the Loan facility	Amount Sanctioned (Rs. In Lacs)	Amount o/s as on Sept 30, 2009 (Rs. in lacs)	Interest / Commission	Re-payment	Security
Axis	Cash Credit	750.00	698.44	BPLR- 3.00%	Cash	Primary Security:-

Bank				with monthly rest.	Credit- On Demand.	Over Raw Materials, Stocks, Debtors, spares & Stores & Other Current Assets, both present & future. Collateral: a). Extension of equitable mortgage on lease hold factory land of 2.50 Acres situated under Basudevpur Mouza, J L No. 126, P.S> Durgapur, Dist: Purba Medinipur. b). Extension of Hypothecation of all movable fixed assets of the company, both present & future.
	Export Packing Credit (EPC)	350.00	18.69	For EPC upto 180 Days: At BPLR- 5.00% payable at monthly Rests For EPC beyond 180 Days: Normal CC Rate	EPC allowed upto 180 Days or expiry of Contract whichever is earlier.	Same as Mentioned above.
	Foreign Bills Purchas/ Discounted (FBP/FBD)ed	350.00	NA	a).On Demand Bills: At BPLR - 5.00%. b). On Usance: Upto 90 Days: BPLR-5.00% Beyond 90 Days: BPLR- 2.5%	On Due Dates	i) Primary: Export Bills with title to the goods duly endorsed in favour of Bank. And, Extension of Charge on all current assets, both present & future. ii) Collateral: As per Cash Credit above
	Letter of Credit	100.00 (Fully interchangeable with Bank Guarantee Limit)	39.57	Commission: As per Bank's extant standard rate.	NA	Same as for Cash Credit
	Bank Guarantee	100.00 (Fully interchangeable with Letter of Credit Limit)	NA	As per Bank's Standard Rates	NA	Same as for Cash Credit
	Loan Equivalent Risk (LER)	35.00	NA	NA	NA	Same as for Cash Credit.

	Term Loan	400.00	392.05	BPLR-1.75%	116 EMIs of Rs. 6,30,980/- each after a moratorium of 4 months	1. Equitable Mortgage of all that lease hold land admeasuring 17 decimals in the plot 1291P, 29 Decimals in the plot no. 1293P, 12 Decimals in the plot no. 1294P, 12 Decimals in the plot no. 1295P, 23 decimals in the plot no 1296P, 15 decimals in the plot no. 1299P, 13 decimals in the plot no. 1300P, 2 decimals in the plot no. 1335P, 9 decimals in the plot no. 1339P, 23 decimals in the plot no. 1341P, 17 decimals in the plot no. 1342P, 68 decimals in the plot no. 1343P and 23 decimals in the plot no. 1349P aggregating 263 decimals and entire construction thereon in the form of sheds or RCC structure or otherwise located at Mouza-Basudevpur, J L No. 126, HPL Link Road, P.O. Khajanchak, PS Durgachak, Haldia 721602, presently owned under leasehold rights by RDB Rasayans Ltd. 2. Extension of Equitable Mortgage of all that lease hold land admeasuring 22 Decimals in plot no 1296P, 9 decimals in the plot no. 1299P, 5 decimals in the plot no. 1300P, 14 decimals in the plot no. 1366P, 11 decimals in the plot no. 1337P, 12 decimals in the plot no. 1338P, 43 decimals in the plot no. 1339P, 61 decimals in the plot
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						no. 1340P, 17 decimals in the plot no. 1341P, 04 decimals in the plot no. 1349P, 01 decimals in the plot no. 1353P, 02 decimals in the plot no. 1354P, 08 decimals in the plot no. 1355P, 07 decimals in the plot no. 1356P, 34 decimals in the plot no. 1349/3677 aggregating 250 decimals in the name of RDB Rasayans Ltd. Situated at Mouza Basudevpur, JL No. 126, PS Durgachak in the District of Purba medinipur. Personal Guarantee: Shri S L Dugar, Director of the Company. Shri S L Baid, Director of the Company Security PDC: Security PDC for full loan amount and 6 security PDCs for instalment amount.
	Term Loan	200.00	87.50	BPLR-3.00%	16 Quarterly Instalments of Rs. 12.50 Lacs each	a). Extension of equitable mortgage on lease hold factory land of 2.50 Acres situated under Basudevpur Mouza, J L No. 126, P.S> Durgapur, Dist: Purba Medinipur, Plot No. 1296P, 1299P, 1300P, 1336P, 1337P, 1338P, 1339P, 1340P, 1341P, 1349P, 1353P, 1354P, 1355P, 1356P and 1349/3677 (Opposite of South Asian Petrochemicals Ltd). b). Hypothecation of all movable fixed assets of the Company, both present and future.

						c). Hypothecation of Raw Material, Stocks, Book Debts, Spares & Stores and all other Current Assets of the Company.
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Annexure – 12

LOANS AND ADVANCES AS RESTATED

(Rs in Lacs)

	As at					
	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30,2009
Loan to Party	-	441.30	-	-	-	-
Advances to Supplier	15.22	54.66	36.30	37.11	54.67	78.91
Advances to Staff	5.63	6.85	9.18	6.85	7.65	7.95
Advance for Capital expenditure	0.00	0.00	0.00	490.00	625.00	625.00
Advance for Expenses	0.00	1.07	1.05	0.50	0.49	0.49
Other Advances	1.10	1.35	5.51	2.99	4.75	5.14
Security Deposits	15.61	19.94	25.16	27.30	26.65	29.53
Tds/Advance tax/Vat/Excise	116.77	159.83	209.68	178.92	116.86	111.03
Export Incentives Subsidy receivables and interest	119.23	77.38	125.05	44.35	43.51	43.55
Total	273.56	762.38	411.93	788.02	879.58	901.60
The above includes following Loans and advances due from Related Party	Nil	Nil	Nil	Nil	Nil	Nil
Total	273.56	762.38	411.93	788.02	879.58	901.61

Note: There are no Loans or Advances given to the parties who are related to the directors or the promoters or the issuer in any way other than mentioned below:

Advance for capital expenditure include Rs. 194.00 Lacs paid to RDB Construction as on 30th September 2009.

Annexure – 13

INVESTMENTS

(Rs in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30,2009
Non-trade Quoted Investments (Valued at cost)	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00

Annexure – 14

CAPITALIZATION STATEMENT AS AT SEPTEMBER 30, 2009

(Rs. In Lacs)

Particulars	Pre issue	Post issue
Borrowings:		
Short term debt	717.13	*
Long term debt	481.48	*
Total Debts	1198.61	*

Shareholders Funds		
Equity share capital	330.37	*
Reserves and Surplus	1248.46	*
Less: Miscellaneous Expenditure	00	*
Total Shareholders Funds	1578.83	*
Total Capitalisation	2777.44	*
Total Debt/Shareholders' Funds	0.76	*

* Post issue figures can be calculated only on the conclusion of the book building process.

Annexure – 15

STATEMENT OF TAX SHELTERS

(Rs in Lacs)

		Year ended March 31, 2005	Year ended March 31, 2006	Year ended March 31, 2007	Year ended March 31, 2008	Year ended March 31, 2009
A	Net Profit/ (Loss) before current and deferred taxes	80.66	288.47	207.81	130.91	232.78
	Income Tax rates applicable	36.59%	33.66%	33.66%	30.90%	33.99%
	Tax at applicable rate (A)	29.51	97.10	69.95	40.45	79.12
	Adjustments					
B	Permanent Differences					
	Deduction under section 80IB	0	(152.07)	(66.12)	(36.18)	(43.51)
	Exempt Incomes			0	-	-
	Additions due to inadmissible expenses	0	0	0	-	-
	Total (B)	-	(152.07)	(66.12)	(36.18)	(43.51)
C	Timing Differences					
	Differences between Tax Depreciation and Book Depreciation (including loss on sale of depreciable asset)	(62.18)	(1.69)	5.18	(17.08)	(81.99)
	Short term loss on sale of Investment	0	0	0	-	-
	Expenses disallowed Under Income Tax provisions	0	0	2.72	1.03	0.95
	Carry Forward of Losses	(18.48)	(134.07)	0		-
	Setoff of unabsorbed Depreciation	0	0	0	-	-
	Total (C)	(80.66)	(135.76)	7.90	(16.04)	(81.05)
D	Net Adjustments (B+C)	(80.66)	(287.83)	(58.22)	(52.23)	(124.56)
E	Tax Savings thereon (E)	(29.51)	(96.89)	(19.60)	(16.14)	(42.34)
F	Total Taxation Charge / (Saving)- Current (A-E)	-	0.21	50.35	24.31	36.78
G	Incremental taxes due to MAT / (Set off of MAT credit)	4.60	24.27	0	-	-
	Interest on Taxes	-	1.23	-	-	0.46
H	Total current taxes	4.60	25.50	50.35	24.31	37.24
I	Deferred tax expenses/ (credit)	0	77.22	(0.43)	5.61	27.27

J	Fringe Benefit Taxes	0	0.88	0.71	0.97	1.28
K	Total taxation (H + I + J)	4.60	103.60	50.63	30.89	65.79

Note: 1. The information pertaining to the years March 2005 to 2009 is as per the return of income filed by the company

Annexure – 16

Related Party Transaction

A. List of related parties over which control of the company exists – None

B. Names of the related Parties with whom the transaction were carried out with the Company-

Names of the Related Parties	Relationship
1. Shanti Lal Baid	Key Personnel(KMP) Management
2. Sandeep Baid	Key Personnel(KMP) Management
3. Ajanta Trading Company	Control of KMP
4. RDB Constructions (A unit of RDB Industries Ltd.)	Relative & Associated of KMP

(Rs. in Lacs)

Particulars	Key Managerial Persons						Relatives & Associates of Key Managerial Persons					
	2004-05	2005-06	2006-07	2007-08	2008-09	As at Sept 30,2009	2004-05	2005-06	2006-07	2007-08	2008-09	As at Sept 30,2009
Directors' Remuneration	3.00	3.38	5.16	8.55	10.2	6.30	0.96	0.96	0.00	0.00	0.00	0.00
Purchase of Stores, Spares & Capital Item	0.00	0.00	6.96	0.00	0.00	0.00	7.11	0.56	0.00	11.73	16.38	12.18
Advance Given	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150.00	44.00
Balances at Year/ Period End												
Balance Payable	0.25	1.05	0.20	0.32	1.19	0.94	1.79	1.74	0.46	5.26	3.10	0.20
Balance Receivable	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance Advance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	150.00	194.00

Annexure – 17
(Rs. In Lacs)

Audited Fixed Asset Schedule As At 30.09.2009

Sl. No	DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT 01.04.09	ADDIT IONS UPTO 30.09.09	DED UCTION S UPTO 30.09.09	AS AT 30.09.09	UP TO 31.03.09	FOR THE PERIOD ENDED 30.09.09	DED UCTION S UPTO 30.09.09	UP TO 30.09.09	AS AT 30.09.09	AS AT 31.03.09
1	Leasehold		-	-							

	Land	130.13			130.13	-	-	-	-	130.13	130.13
2	Factory Building	552.41	4.40	-	556.81	44.48	9.29	-	53.77	503.04	507.93
3	Air Condition Machine	8.98		-	8.98	3.72	0.21	-	3.93	5.05	5.26
4	Plant & Machinery	996.65	86.00	-	1082.65	263.28	42.61	-	305.89	776.76	733.37
5	Electric Installation	43.57	22.25	-	65.82	24.34	1.35	-	25.69	40.13	19.24
6	Furniture & Fixture	25.30	4.56	-	29.86	4.04	0.88	-	4.92	24.94	21.26
7	Vehicles	33.00	-	-	33.00	7.74	1.57	-	9.31	23.69	25.26
8	Office Equipments	4.60	0.49	-	5.09	2.09	0.12	-	2.21	2.88	2.51
9	Computers	10.54	2.32	-	12.86	4.85	0.96	-	5.81	7.06	5.69
	TOTAL	1,805.18	120.02	-	1925.20	354.54	56.99	-	411.53	1513.68	1,450.65
	Previous Year	1,354.68	450.78	0.28	1,805.18	251.96	102.58	0.00	354.54	1,450.65	-
Capital Work In Progress										0.82	0.22
Capital Goods In Transit										-	16.62

Annexure – 18

Schedule of Current Liabilities & Provisions:

(Rs. in Lacs)

Particulars	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30, 2009
Current Liabilities:						
Sundry Creditors	117.96	57.92	85.61	164.36	213.62	116.35
Advance from customers	0.70	0.70	1.00	5.85	1.52	16.93
Advance against sale of Assets	7.00	12.00	27.00	-	-	-
Statutory Liabilities	14.73	20.66	17.46	16.63	3.95	8.96
Provisions:						
For Income Tax	5.00	30.00	82.00	79.50	37.82	44.50
For Fringe Benefit Tax	-	1.00	1.71	1.71	1.31	1.28
Retirement Benefits	-	-	-	-	4.82	4.80
Total	145.39	122.28	214.79	268.06	263.04	192.82

Annexure – 19

CONTINGENT LIABILITIES

(Rs. in Lacs)

	March 31,2005	March 31,2006	March 31,2007	March 31,2008	March 31,2009	Sept 30, 2009
a) Unexpired Bank Guarantees & Letters of Credit	Nil	2.00	2.00	2.00	2.00	2.00
b) Sales Tax Declaration Form Receivable from Customers	Nil	Nil	Nil	Nil	7.50	7.50
c) Estimated Amount of Contract Remaining	Nil	180.00	90.00	330.00	35.00	5.00
d) Corporate Guarantee given on behalf of one group company	Nil	Nil	Nil	Nil	Nil	650.00

CHANGES IN THE SHARE CAPITAL

There was a Bonus issue of 9911100 Equity Shares of Rs. 10 each to the existing shareholders of the company in the ratio of 3:1. The allotment was made on 5th October, 2009. The total number of equity shares forming part of the Equity Share Capital on report date stands out at 13214800.

For M. K. Surana & Co
Chartered Accountants

Kirti Kumar Surana
(Partner)
Membership No 061605

Kolkata
The 29th day of January, 2010

CHANGES IN ACCOUNTING POLICIES IN THE LAST THREE YEARS

There have been no significant changes in Accounting Policies in the past three years except change in accounting policy in recognition of retirement benefit, other employees' benefits which has been adopted on accrual basis instead of cash basis and in case of interest subsidy; accounting policy has been adopted on realization basis instead of accrual basis from F.Y 2007-2008. Consequent to these changes, the profit before tax for the year under review is lower by Rs. 180,358.00 by way of Retirement Benefits, Rs. 65,385.00 by way of Bonus and Rs 46,86,706.00 by way of interest subsidy during the year.

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

Business Overview of our Company

RDB Rasayans Ltd, an ISO 9001:2008 certified organization, is manufacturer of PP Tape, PP woven sacks, Woven fabrics, Industrial woven fabric, PP woven fabrics and PP woven bags. There is a growing demand for PP fabric for packing for different products in the fertilizers, cement, polymers, chemicals, textiles, machinery, automobiles and steel industry etc. The Company is engaged in manufacture and sale of FIBC (Jumbo Bags) and Woven Sacks and various woven polymer based products like Container Liners, Protective irrigation system, Canal Liners, etc. The Company has a track record of business in the field of woven sacks and Flexible Intermediate Bulk Container (FIBC) container liners, Canal Liners, Protective Irrigation Systems, which find large scale application in the segments like cement and fertilizer. The manufacturing facility of the Company is located at 126 Basudevapur, Haldia -721 602, Dist. Purba Medinipur, West Bengal.

In the year 1995, the company was incorporated as public limited company and the object clause of the Company was later on altered in 2003 to enable us to carry on the existing business. In June 2003, the company commissioned its Plant at Haldia with the manufacturing capacity of 1800 MTPA. Initially the Company started the manufacturing of small bags and later in the year 2004 the company entered into the segment of manufacturing FIBC (Jumbo Bags).

a. Significant Development Subsequent to Last Financial Period

The Directors confirm that there have been no events or circumstances since the date of the last financial statement which materially or adversely affect or is likely to affect the manufacturing or profitability of our company, or the value of our assets, or our ability to pay liabilities within next twelve months.

b. Factors affecting results of our operations

i. General economic and business conditions;

As a company operating in India, we are affected by the general economic conditions in the country. The Indian economy has grown steadily over the past several years. This improved performance was propelled by the growth in industrial activity and services sector. The overall economic growth will therefore impact the results of our operations. The growth prospects of the business of the Company and its ability to implement the strategies will be influenced by macroeconomic growth.

ii. Our ability to successfully implement our strategy and our growth and expansion plans;

Any delay in implementation of our strategy and our growth and expansion plans could impact the Company's roll out schedules and cause cost and time over runs.

iii. Factors affecting industrial activity;

Any change in the factors such as industrial policies, tariffs, excise duties etc which may affect the activities of the Plastic/polymer/FIBC industry, may also affect our results of operation.

iv. Increasing competition in the industry;

Some of Company's competitors in the domestic market includes Jumbo Bag Ltd, LTS Plastic (India) Private limited, Mittal Technopac Pvt Ltd, Royal Touch Fablon Pvt Ltd, Kushal Polysacks Pvt Ltd, Annapurna Packaging Industries Pvt Ltd, Bina Udyog pvt Ltd, Asansol Poly Fabs Pvt Ltd etc. The Company also faces competition in overseas market.

v. Changes in laws and regulations that apply to the industry;

There are some laws and regulations applicable to the industry in which we operate, which we have to comply/ follow. In case of a failure to comply with these laws and regulations or to obtain or renew the necessary permits and approvals, our business may be affected.

vi. Social or civil unrest or hostilities with neighboring countries or acts of international terrorism;

Factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil in many parts of the world could constrain our ability to do business, increase the costs and negatively affect our performance. These geopolitical, social and economic conditions could result in increased volatility in India and worldwide financial markets and economy, and such volatility could constrain our ability to do business.

vii. Changes in the foreign exchange control regulations, interest rates and tax laws in India.

Any change in the foreign exchange control regulation, mainly interest rates and tax laws pertaining to India affects the liquidity of cash in the market which in turn affects the purchasing power of the economy.

As a result of the various factors discussed above that affect the income and expenditure of the Company, results of operations may vary from period to period.

c. Overview of Our Results of Operations

The following table sets forth certain information with respect to the results of operations of the Company for the periods indicated read together with notes, accounting policies and report thereon in the section "Financial Information of The Company" in Draft Red Herring Prospectus:

(Rs. in lacs)

Particulars	Year Ended 31.03.06	Year Ended 31.03.07	Increase/ Decrease (%)	Year Ended 31.03.08	Increase/ Decrease (%)	Year Ended 31.03.09	Increase/ Decrease (%)	As on 30.09.09
Income								
Income from Operations	1,966.94	2,396.45	21.84	2,506.75	4.60	3,060.82	22.10	1,044.93
Other Income (Incl Interest Income)	25.52	16.03	(37.19)	20.06	25.14	59.34	195.86	4.50
Accretion/ (Depletion) of Stocks	40.39	17.87	(55.76)	46.47	160.04	(125.37)	(369.79)	65.91
Total	2,032.85	2,430.35	19.55	2,573.28	5.88	2,994.79	16.38	1,115.34
Expenditure								
Material Cost	1,293.94	1,678.03	29.68	1,742.61	3.85	1,968.59	12.97	683.78
Employee Compensation and Related Expenses	42.87	41.77	(2.54)	44.70	7.01	55.87	24.99	50.51
Manufacturing and other expenses	271.88	386.44	42.14	471.61	22.04	517.50	9.73	187.40
Interest & Financial Charges	72.80	49.03	(32.65)	110.55	125.47	117.47	6.26	80.18
Depreciation	62.89	67.27	6.96	72.91	8.38	102.58	40.69	56.99
Amortisation of Preliminary and Miscellaneous Expenses	-	-	-	-	-	-	-	-
Total	1,744.38	2,222.54	27.41	2,442.37	9.89	2,762.00	13.09	1058.86
Profit Before Tax	288.47	207.81	(27.96)	130.91	(37.00)	232.78	77.81	56.48
Provision for Tax	103.22	52.28	(49.35)	35.71	(31.69)	37.99	6.38	6.74
Profit after Tax	185.25	155.53	(16.04)	95.20	(38.79)	194.79	104.61	49.74

- **Analysis of Revenue**

Our revenues, referred to in our financial statements as total income comprises of income from operations and other income.

- **Expenditure**

Our expenditure mainly comprises of Material Cost, Employee Cost, Operation & Other Expenses and Depreciation. Material cost consists of Raw Material, Packing Materials. Employee Cost consists payments made to the employees at all levels of the hierarchy. Manufacturing and other cost comprises of expenditure incurred on power & fuel, repairs & maintenance, insurance, vehicle hiring charges, maintaining computer systems including development/maintenance expenses for software and hardware systems utilised, Communication Cost, Electricity Expenses, Advertisement, sales promotion, expenses incurred for day to day routine Office Expenses like Printing & Stationery, Professional Fees, Rent, Rates & Taxes and Sundry Expenses.

d. Comparison of Recent Financial Years / Periods with Previous Financial Years / Periods

Financial performance for FY 2008-09 vs. FY 2007-08

Net Sales:

The net sales of the Company increased from Rs.2,506.75 lacs in the Financial Year 2007-08 to Rs.3,060.82 lacs in the Financial Year 2008-09, i.e. increase of Rs.554.07 lacs (i.e. a growth of almost 22%) in the sales.

Material Cost

The material consumption increased from Rs.1742.61 lacs in 2007-08 to Rs. 1968.59 lacs in 2008-09 registering a 12.97% increase over the previous year which is in line with increase in sales volume. The Company also increased its manufacturing capacity during the year.

Employee compensation & other related expenses

Employee compensation & other related expenses increased from Rs.44.70 lacs for the year ended March 31, 2008 to Rs.55.87 lacs for the year ended March 31, 2009 this increase of 24.98% in employee cost was due to payment of salary & wages to the employees and Contract labours.

Manufacturing & other expenses

Operation & other expenses increased from Rs. 471.61 lacs for the year ended March 31, 2008 to Rs. 517.50 lacs for the year ended March 31, 2009. This increase of 9.73% was mainly due to increase in expenses.

Depreciation

The company charges depreciation on Straight Line Method. It has increased from Rs. 72.91 lacs in the financial year 2007-08 to Rs. 102.58 in the financial year 2008-09. The depreciation has increased on account of addition to fixed assets during the year.

Net Profit:

During the Financial year 2008-09, the company has reported a profit after tax of Rs. 194.79 lacs. The increase in profit for the period is 104.61 % as compared to the previous period under comparison, which is due to higher sales revenue as well as improved efficiency. As a percentage of Total Income also, net profit has increased from 3.76 % to 6.24%

Financial performance for the FY 2007-08 vs. Financial Year 2006-07

Net Sales:

The sales of the Company increased from Rs.2396.45 lacs in the Financial Year 2006-07 to Rs.2506.75 Lacs in the Financial Year 2007-08 i.e. the increase of Rs.110.3 lacs in the sales was on account of increase in domestic sales compared to the previous year under comparison.

Material Cost

The material consumption increased from Rs.1678.03 lacs in 2006-07 to Rs.1742.61 lacs in 2007-08 registering a marginal 3.85% increase over the previous year which is in line with increase in sales volume.

Employee compensation & other related expenses

Employee compensation & other related expenses increased from Rs.41.77 for the year ended March 31, 2007 to Rs.44.70 lacs for the year ended March 31, 2008 this increase of 7.01% in employee cost was due to increase in payment of salary & wages to the employees and Contract labours.

Manufacturing & other expenses

Operation & other expenses increased from Rs.386.44 lacs for the year ended March 31, 2007 to Rs.471.61 lacs for the year ended March 31, 2008 this increase of 22.04% was mainly due to increase in selling expenses.

Depreciation:

Depreciation has increased by 8.38 % in financial year 2007-08 over financial year 2006-07. The depreciation has increased on account of depreciation charged on the additional fixed assets bought by the Company during the year under comparison.

Net Profit:

The profit after tax has decreased from Rs.155.53 lacs for the financial year 2006-07 to Rs.95.20 lacs for the financial year 2007-08. The decline was mainly due to Interest Subsidy of Rs.55.78 lacs received in the year 2006-07 which was unavailable in the year 2007-08.

Financial performance for the FY 2006-07 vs. FY 2005-06

Net Sales:

Total sales of the Company increased from Rs.1966.94 lacs in the Financial Year 2005-06 to Rs.2396.45 lacs in the Financial Year 2006-07 i.e; an increase of Rs.429.51 lacs (i.e. a growth of almost 22%). This increase in sales was mainly due to the increase in export to European and other countries.

Material Cost

The material consumption increased from Rs.1293.94 lacs in 2005-06 to Rs.1678.03 lacs in 2006-07 registering 29.68% increase over the previous year which is in line with increase in sales volume and price of Raw material.

Employee compensation & other related expenses

Employee compensation & other related expenses decreased marginally from Rs.42.87 for the year ended March 31, 2006 to Rs.41.78 lacs for the year ended March 31, 2007 this decrease of 2.54% in employee cost was due to better man management.

Manufacturing & other expenses

Operation & other expenses increased from Rs.271.88 lacs for the year ended March 31, 2006 to Rs.386.44 lacs for the year ended March 31, 2007 this increase of 42.14% was mainly due to increase in marketing and selling expenses.

Depreciation:

Depreciation increased by almost 7 % in Financial year 2006-07 over Financial year 2005-06. The depreciation has increased on account of addition to fixed assets during the year.

Net Profit:

During the Financial year 2006-07, we reported a profit after tax of Rs.155.53 lacs. There was drop in net profit i.e. of 16.04 % as compared to the previous year ended March 31, 2006. This is on account of increase in selling & administrative Expenses.

An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:

1. Unusual or infrequent events or transactions

There have been no events, other than as described in this Draft Red Herring Prospectus, which may be called “unusual” or “infrequent”.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Any slowdown in the growth of Indian economy or future volatility in global commodity prices, could affect the business, including the future financial performance, shareholders’ funds and ability to implement strategy and the price of the Equity Shares.

3. Known trends or Uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

There are no known trends or uncertainties that may have material adverse impact on the income, costs and profits of the company from continuing operations.

4. Future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known

Increase in the cost of the products in which the Company deals, will affect the profitability of the company. Further, the company is not able to pass on the increase in prices of the product to the customers in full. This can be offset through cost reduction.

5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices

The increase / decrease in turnover is only on account of increase in sales prices and volume.

6. Status of any publicly announced new product

We have not publicly announced any new products. However, we are in the process of entering new Technical Textile applications consisting of geotextiles, pond liners, canal liners, flexi-tanks, etc. these value-added products offer good realizations and margins as compared to its PP-based woven packaging products. We believe there is a good potential for our concept products like rain water pond and woven PP canal liner in India, at the backdrop of water scarcity, drought etc.

7. The extent to which the business is Seasonal

Our business is not seasonal and no major cyclical trends are observed in this industry.

8. Total turnover of each major industry segment in which the Company operated

The Company operates in only one Industry Segment that is Packaging industry.

9. Any significant dependence on a single or few suppliers or customers

The Major Supplier for raw material is Haldia Petrochemical Ltd; however company does not foresee any difficulty in getting raw materials at reasonable price.

The Company is largely dependent on single and few customers, as the top one and top ten customers constitutes around 19% and 89% of the total income for the year 2008-09. In addition, company is also dependent on few suppliers as top one and top ten suppliers constitutes around 83% and 100% of the total purchases (other than capital goods) for the year 2008-09. Top one foreign customer constitutes around 18% of income for the year 2008-09.

10. Competitive conditions

The company will face competition from existing as well as new players in packaging industry in India.

SECTION VI - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

The Issuer Company certifies that except as stated herein, there is no:

- (a) Litigations against the issuer or against any other company whose outcome could have a materially adverse effect of the position of the issuer;
- (b) Litigations against the directors involving violation of statutory regulations or alleging criminal offence;
- (c) Any criminal/ civil prosecution against the directors for any litigation towards tax liabilities.
- (d) Pending proceedings initiated for economic offences against the issuer or its directors along with their present status;
- (e) Adverse findings, if any, in respect of the issuer as regards compliance with the securities laws.
- (f) The past cases in which penalties were imposed by the authorities concerned on the issuer or its directors;
- (g) Outstanding litigations, defaults, etc. pertaining to matters likely to affect operations and finances of the issuer, including disputed tax liabilities, prosecution under any enactment in respect of Schedule XIII to the Companies Act, 1956 (1 of 1956) etc.;
- (h) pending litigations, disputes, defaults, nonpayment of statutory dues, over dues to banks or financial institutions, defaults against banks or financial institutions, contingent liabilities not provided for, proceedings initiated for economic offences or civil offences (including the past cases, if found guilty), any disciplinary action taken by the Board or stock exchanges against the issuer or its directors;

1. Criminal Laws

- a) Cases filed by the Company - Nil
- b) Cases filed against the Company - Nil
- c) Cases filed by the Promoters-

Sri Sunder Lal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	CC 251 of 1998	1998	Commissioner of PF Vs S L Dugar	Additional Judicial First Class magistrate Ramchandrapuram	PF dues of Factory at Biccavolu Andhra Pradesh which was run by RDB for a short period. The factory has been sold to a third party by the Hon'ble Calcutta High Court.	3.94	Pending before the Additional Judicial First Class magistrate Ramchandrapuram	No adverse effect since the matter relates to a group company.

- d) Cases filed against the Promoters –

Sri Sunder Lal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Present Status	Likely adverse effect on the financials of issuer company

1	35/1999	1999	SB Singh- vs- Advance Sambad, SL Dugar	6 th Metropolitan magistrate, Kolkata	The present complaint is filed against the company by the supplier for offence under section 138 of the Negotiable Instruments Act as the Cheque issued to the said party was dishonored / returned unpaid. The said Cheque was issued to the said party towards the purchase of goods from them	4	Pending before 6 th Metropolitan magistrate, Kolkata.	No adverse effect since the matter relates to a group company.
2	C 6004/2009	2009	Hudco vs Siddha PSIDL and Others	12 th Metropolitan magistrate, Kolkata	The present complaint is filed against the company by HUDCO for offence under section 138 of the Negotiable Instruments Act as the Cheque issued to the said party was dishonored / returned unpaid. The said Cheque was issued to HUDCO towards repayment of loan taken by Siddha PSIDL	777.08	Pending before 12 th Metropolitan magistrate, Kolkata	No adverse effect since the matter relates to a group company
3	C 55390/2009	2009	Hudco vs Siddha PSIDL and Others	3 rd Metropolitan magistrate, Kolkata	The present complaint is filed against the company by HUDCO for offence under section 138 of the Negotiable Instruments Act as the Cheque issued to the said party was dishonored / returned unpaid. The said Cheque was issued to HUDCO towards repayment of loan taken by Siddha PSIDL	736.70	Pending before 3 rd Metropolitan magistrate, Kolkata	No adverse effect since the matter relates to a group company

e) Cases filed by the Directors- Nil

f) Cases filed against the Directors –

Prabir Kumar Sarkar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in Lacs)	Present Status	Likely adverse effect on the financials of issuer company

1.	C-2374/06	2006	Bishwanath Bose Vs Asia Pacific Investment Trust Ltd & Other	Chief Judicial Magistrate, Patna	Non- Repayment of FDR. U/S 403, 405, 406, 409, 420 etc of IPC	0.51	Pending for hearing	No adverse effect since the matter relates to personal capacity of the director.
2.	C-604/08	2008	Kishore Kr. Sinha Vs Asia Pacific Investment Trust Ltd & Others	Chief Judicial Magistrate, Ptna	Non- Repayment of FDR. U/S 402, 405, 406, 409, 420 and 120B etc of IPC	4.00	Pending for hearing	No adverse effect since the matter relates to personal capacity of the director

g) Cases filed by the Group Companies/associate concerns –

Siddha PSIDL Township Private Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter & Relief Sought	Amount Involved (Rs. in lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	39/07 T1216/07	31/07/2007	Paras Jain v/s Rajkumar Jain	ACJM 2	Police made Final Report against our complaint on dispute over land without any further investigation. We protested this FR by police in the Court. And sought relief that FR be not allowed.	Not Ascertainable	No notices issued till now.	No adverse effect since the matter relates to a group company

Electrical Manufacturing Company Limited

Sl.No.	Case No.(s)	Date of Institution	Parties	Authority	Subject Matter & Relief sought	Amount Involved (Rs. in lacs)	Present Status	Likely adverse effect on the financials of issuer Company
1	CC No.175 3/90	13/06/1990	EMC Vs Bajrang Electric Steel	Metropolitan Magistrate Court Calcutta	The present complaint was filed by the Co. against Bajrang Electric Steel for offence under Section 138 of Negotiable Instrument Act as the cheque issued by the said party was dishonoured/returned unpaid. The said cheque was issued by the said party towards purchase of M.S.Ingots.	2	Substitution application shall have to be made due to death of one accused.	No adverse effect since the matter relates to a group company.

h) Cases filed against the Group companies/associate concerns

Siddha PSIDL Township Private Limited

Sr.	Case	Institution	Parties	Authority	Subject Matter & Relief	Amount	Status as	Likely
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No.	No.(s)	n Date		y	sought	unt Invol ved (Rs. in lacs)	on date	adverse effect on the financial s of issuer compan y
1.	84/07	23/06/2007	Jagdish Bela (1b)	/ACJM 138 case 2	Complaint u/s 138 N.I. Act was filed by Jagdish as cheque issued by M/s Bela Property was bounced. Siddha PSIDL is also made a party in this case among others.	104	Bailable warrant not served to us	No adverse effect since the matter relates to a group company
2.	74/07	29/05/2007	Kajod Siddha PSDIL Township Private Ltd (1b)	/ACJM 138 case 2	Complaint u/s 138 N.I. Act was filed by Kajodmal as cheque issued by M/s Bela Property was bounced. Wrongly party has filed a case against Siddha PSIDL relief not applicable as case was filed by other party	26	Bailable warrant not served to us	No adverse effect since the matter relates to a group company
3.	74/07	29/05/2007	Prabhu Siddha PSDIL Township Private Ltd (1b)	/ACJM 138 case 2	Complaint u/s 138 N.I. Act was filed by Prabhu Narayan as cheque issued by M/s Bela Property was bounced. Wrongly party has filed a case against Siddha PSIDL Not Applicable as case was filed by other party	26	Bailable warrant not served to us	No adverse effect since the matter relates to a group company
4.	74/07	29/05/2007	Rajendra Siddha PSDIL Township Private Ltd (1b)	/ACJM 138 case 2	Complaint u/s 138 N.I. Act was filed by Rajendra as cheque issued by M/s Bela Property was bounced. Wrongly party has filed a case against Siddha PSIDL Not Applicable as case was filed by other party	35	Bailable warrant not served to us	No adverse effect since the matter relates to a group company

2. under securities Laws

- a) Cases filed by the Company - Nil
- b) Cases filed against the Company- Nil
- c) Cases filed by the Promoters- Nil
- d) Cases filed against the Promoters-

Sri Sunder Lal Dugar

Sr. No.	Cas e No.(s)	Institutio n Date	Parties	Authorit y	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1.	97	22 nd February, 2007	1. SEBI 2. Mr. SL Dugar 3. Mr. V Dugar 4. Ms. Rekha Jhabak 5. Mr. Kaushal Dugar 6. Khatod Investment & Finance Co. Ltd 7. Ms. Priya Dugar	Securities Appellate Tribunal	Violation of Regulation 11(1) of SEBI (SAST) Regulation, 1997	20	Case Dismissed by SAT. Penalty paid,	Nil

2.		22 nd February, 2007	1. SEBI 2. Mr. SL Dugar 3. Mr. V Dugar 4. Ms. Rekha Jhabak 5. Mr. Kaushal Dugar	SEBI Adjudicating Authority	Violation of Regulation 6(3) & 8(2) of SEBI (SAST) Regulation, 1997	3	Case Dismissed by SAT. Penalty paid,	Nil.
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- e) Cases filed by the Directors- Nil
f) Cases filed against the Directors- Nil
g) Cases filed by the Group Companies/associate concerns-

Bhagwati Plasto Works Private Limited

Sr. No	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	Not yet allotted	01.01.10	Bhagwati Plasto Works P. Ltd. & Income Tax Authority	CIT (Appeal) – V, Kolkata	Order U/S 143(3) Dt. 16.11.09 for the Assessment Year 2007-08 for certain additions during assessment proceedings	20.40	Date of hearing not yet fixed	No adverse effect since the matter relates to a group company.

- h) Cases filed against the Group companies/associate concerns

Khatod Investments & Finance Co. Ltd

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Present Status	Likely adverse effect on the financials of issuer company
1.	97	22 nd February, 2007	1. SEBI 2. Mr. SL Dugar 3. Mr. V Dugar 4. Ms. Rekha Jhabak 5. Mr. Kaushal Dugar 6. Khatod Investment & Finance Co. Ltd 7. Ms. Priya Dugar	Securities Appellate Tribunal	Violation of Regulation 11(1) of SEBI (SAST) Regulation, 1997	20	Case Dismissed by SAT. Penalty paid	Nil

3. under Tax Laws

- a) Cases filed by the Company - Nil
b) Cases filed against the Company- Nil
c) Cases filed by the Promoters- Nil
d) Cases filed against the Promoters-

Sunder Lal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1.	Search & Seizure Proceeding u/s 132 of Income Tax Act, 1961	27.09.2005	Income Tax Department Vs Sunder Lal Dugar	Hon'ble Settlement Commission u/s 245C (1) of the Income Tax Act, 1961	A search and seizure proceeding u/s 132 of the Income Tax Act, 1961 was conducted in on 27.09.2005 alleging undisclosed income	518.50	Settled before the settlement commission on 28/03/2008	No adverse effect since the matter relates to a group company.

- e) Cases filed by the Directors- Nil
f) Cases filed against the Directors- Nil
g) Cases filed by the Group Companies/associate concerns

Electrical Manufacturing Company Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	C.R.No.9 815/89	26.07.1989	EMC Vs State of West Bengal	High Court Calcutta	The present writ petition was filed by the Co. with prayer to restrain the Director of Entry Tax from charging octroi Tax @ 1%. under the Tariff Item 54(iii). Both the parties were heard and interim order of injunction was granted in favour of the Company	1.25	Out of the High Court List	No adverse effect since the matter relates to a group company.
2	Suit No.477/90	18.06.1990	EMC Vs Union of India	High Court Calcutta	The present suit was filed by the Company against Union of India before the Calcutta High Court for excise duty refund paid for the period from 01.03.75 to 28.02.86.		By virute of Supreme Court judgement, matter becomes infructuous.	No adverse effect since the matter relates to a group company.
3	W.P.No.8 20(w)/90	09.04.1990	EMC Vs Union	High Court Calcutta	The writ petition was filed by the Company claiming		By virute of Supreme Court	No adverse effect since the matter

			of India		refund of excise duty paid for the period from 01.03.1975 to 20.02.1986	765.66	judgement, matter becomes infructuous.	relates to a group company.
4	W.P.No.3334(w)/90	18.06.1990	Do	Do	The writ petition was filed by the Company claiming refund of excise duty paid for the period from 01.03.1986 to 31.07.1990		By virute of Supreme Court judgement, matter becomes infructuous.	No adverse effect since the matter relates to a group company.
5	T.A.No.150/03	20.01.2003	EMC Vs Commercial Tax Officers & Others	Andhra Pradesh Sales Tax Appellate Tribunal(A PSTAT)Hyderabad	EMC filed appeal against order passed by Commercial Tax Officers asking payment towards works contract tax in connection with Ramagundam-Hderabad Transmission Line Contract. The instant appeal has since been disposed of with a direction to rehear the matter by Assessing Officer(A.O.)	34	No notice received by the Co. so far from Assessing Officer	No adverse effect since the matter relates to a group company.
6	A.Y.2001-2002 (State)	14.03.2009	EMC Vs Asst. Commr. Allahabad	Joint Commnr. of Appeal	Appeal filed to eliminate penalty imposed by the Authority to the tune of Rs.3.70 Lac matter on scrap sale at Company's factory at Naini.	3.7	Next hearing date awaited.	No adverse effect since the matter relates to a group company.
7	A.Y.2004-2005 (Central)	15.05.2008	EMC Vs Asst. Commissioner Allahabad	Joint Commisioner of Appeal	Appeal filed by the Company as stock transfer to Maharashtra in respect of MSEB contract rejected in absence of Form -F by enhancing the value of Rs.18.49 Lac to Rs. 25 Lac. Tax imposed Rs.2.5 Lac	2.5	Form-F could not be submitted Next date-29.01.10	No adverse effect since the matter relates to a group company.
8	A.Y.2006-2007 (State & Central)	30.06.2009	EMC Vs Asst. Commissioner Allahabad	Joint Commisioner of Appeal	This appeal has been filed by the Company. It is an assessment case pertaining to its factory at Naini. Form-F could not be submit- tedfor	14.87	Form-F to be submitted on next date which is awaited.	No adverse effect since the matter relates to a group company.

					stock transfer valued Rs.14.87 Lac			
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RDB Industries Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	(R) 37 2008-09	22-12-2008	RDB Industries Ltd. V/s Assistant Commissioner, Service Tax, Division-1	Commissioner Of Service Tax (Appeals)	Refund of amount wrongly deposited	32.07	Appeal Pending	No adverse effect since the matter relates to a group company
2	167/ XVI/07-08	29.02.08	RDB Industries Ltd	CIT (Appeal) Central – II , Kolkata	Order U/S 143(3) Dt.31.12.07 for the Assessment Year 2002-03 for certain additions during assessment proceedings	42.69	Order is yet to received	No adverse effect since the matter relates to a group company
3	60 / CC- XVI / 09-10	06.07.09	RDB Industries Ltd	CIT (Appeal) Central – II , Kolkata	Order U/S 143(3) Dt.15.05.09 for the Assessment year 2007 -08 for certain additions during assessment proceedings	5.95	Hearing is pending.	No adverse effect since the matter relates to a group company
4	E/426- 427/09 & E/ST/ 291- 292/09	05.05.2009	RDB Industries Ltd. Vs. Commissioner of Central excise. Vishakhapatnam	CESTAT, Bangalore	Order no. 2/2009 (PVR) of Commissioner of Vishakhapatnam. Setting aside of Demand. Show Cause Notice issued in 1996 alleging clandestine removal and sale of Cigarette.	591	Stay granted and appeal Hearing date fixed for 13.05.2010	No adverse effect since the matter relates to a group company
5	E/852,85 3,857 &694/09 & E/ST/ 477- & 579- 581/09	2009	RDB Industries Ltd. Vs. Commissioner of Central excise. Vishakhapatnam	CESTAT, Bangalore	Order no. 06/2009(PVR) of Commissioner of Vishakhapatnam. Setting aside of Demand. Show Cause Notice issued in 1999 alleging clandestine manufacturing and removal of	3.37	Stay granted and appeal Hearing date fixed for 13.05.2010	No adverse effect since the matter relates to a group company

					packaging material of Cigarette on the basis of earlier SCN of 1996.			
6	Ex. Appeal no.165/2007	08.03.2007	New tobacco lessee RDB Industries Ltd. Vs. Commissioner of Central excise. Kolkata-III	Commissioner of central excise (Appeal-1) Kolkata	Tob.Refuse cleared at NIL Rate of Duty is objected by department. Set aside of demand raised in Show Cause Notice . Three Show Cause Notice issued in 2002 and 2003 on the basis of CA 2000 audit objection. Tobacco refuse are removed at nil rate of duty as per the Notification no 121/94 dt. 11.08.94. As per SCN clearing of duty as per notification not eligible.	51.63	Adjudication pending.	No adverse effect since the matter relates to a group company
7	C.EX.APEAL NO.3/2008 ITEM CODE NO 10104	2008	RDB INDUSTRIES LTD. VS UNION OF INDIA	High court of Gauhati.	Duty Demand as per retrospective withdrawal of exemption notification 32/99 as per which Cigarette cleared without payment of duty. Set aside of demand of duty as not collected from customer. Duty demand without issuing Notice under section 11A (Show Cause Notice), without giving personal hearing, Duty not collected/charged from buyer as per 32/99 in force at that time. Also prayed that cigarette sold at even less that duty amount as there was no duty impact. so our case is different from other	492.38	Final hearing awaited.	No adverse effect since the matter relates to a group company

					company.			
8	XAP-58/KOL-III/07	22.03.07	New Tobacco lessee RDB Industries Ltd. Vs Addl. Commissioner of Central excise.	Commissioner of Central excise (Appeal-1)	Alleged non payment of duty. Challenging the demand and prayer for refund of duty Deposited under protest. Duty paying documents were not readily available with transporter on the spot but submitted them later.	12.06	Order awaited.	No adverse effect since the matter relates to a group company

h) Cases filed against the Group companies/associate concerns – Nil

4. Under civil laws

a) Cases filed by the Company

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	C.S. 220 of 2004	16/08/2004	RDB Rasayans Ltd vs NOR Pak LLC	Calcutta High Court	Non Payment for supply of products	13.30	Pending Suit	If Case does not turnout in favour of the company then the financial will be affected by the amount of Case

b) Cases filed against the Company- Nil

c) Cases filed by the Promoters

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Present Status	Likely adverse effect on the financials of issuer company

1	WP 584 of 2008	August 2008	RDB Industries Ltd vs the commissioner if Central Excise	Calcutta High Court.	Adjudication order challenged by RDB since the excise department passed the order without complying with the directions passed by the High Court thereby directing the department to provide copies of documents relied upon by the department	Rs.3615.92 Lacs is duty demand plus Interest and Rs.3615.92 Lacs is penalty i.e. 100% of Duty Demand in aggregate Rs.7231.84 Lacs plus interest on Duty Demand	Bank Guarantee furnished as directed by the court. Interim order obtained and final hearing awaited.	No adverse effect since the matter relates to a group company.
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d) Cases filed against the Promoters

Sri Sunder Lal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	286 of 2006	2006	Jhima Sardar Vs Pranab Sardar And Others	Civil Judge (Senior Division) First Court, Barasat	Injunction and declaration in respect of a 20 Cottah property at Raghunathpur the dispute has been settled as the property has been purchased after compromise	Nil	Pending against the other defendants	No adverse effect since the main matter has been settled in court.

e) Cases filed by the Directors- Nil

f) Cases filed against the Directors- Nil

g) Cases filed by the Group Companies/associate concerns-

Electrical Manufacturing Company Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. in Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	Suit No.115/ 93	30.03.19 93	EMC Vs. Minerals & Metals Trading Corporation Ltd.	High Court Calcutta	The instant suit was filed by the Company against MMTC for claiming additional price variation and short payment of export benefits and interest thereon. The disputes arose from a contract	768.26	Initial order dated 30.03.1993 for maintaining status-quo qua. Bank Guarantees vacated vide order dated 12.7.2002	No adverse effect since the matter relates to a group company.

					entered into by and between EMC & MMTC where EMC as a link manufacturer was to arrange convert the raw material into Moose & Bersimis Conductor as per requirement of the agreed delivery schedule in connection with NTPC's 400KV Super Thermal Power Project-II		passed by Justice K.J.Sengupta who also directed suit be heard. Not listed in the High Court List.	
2	Suit No.147/93	24.04.1993	EMC Vs. Minerals & Metals Trading Corporation Ltd.	High Court Calcutta	The instant suit was filed by the Company against MMTC for claiming additional price variation and short payment of export benefits and interest thereon. The disputes arose from a contract entered into by and between EMC & MMTC where EMC as a link manufacturer was to arrange convert the raw material into Moose & Bersimis Conductor as per requirement of the agreed delivery schedule in connection with NTPC's 400KV Super Thermal Power Project-II		Interim order of injunction dated 30.03.1993 in respect of Bank Guarantees vacated vide order dated 12.7.2002 passed by Justice K.J.Sengupta. MMTC has not filed its Written Statement so far. Not listed in the High Court List.	No adverse effect since the matter relates to a group company.
3	Suit No.158/95	02.05.1995	EMC Vs Rusmet Commodities & Anr.	High Court Calcutta	This suit was filed by the Company against Rusmet Commodity and Kanchan Metals claiming damages suffered by the Company for their failure to supply 700 MT Aluminium ordered on them. M/s. Kanchan Metals have put in appearance and made a petition for deletion of its name as party Defendant	450	Defendant No.1 did not appear so far. Defendant No.2 filed one petition to delete its name from the array of parties. Affidavits are complete vide order dated 13.07.1995 passed by Justice R. Pal. Not listed in the list of High Court.	No adverse effect since the matter relates to a group company

4	Suit No.580/89	26.07.1989	EMC Vs General Electric (USA)	High Court Calcutta	This suit was filed by the Company against GE (USA) for non-fulfilment of contractual obligations and technology transfer in the Collaboration Agreement for XLPE Project The suit relates to monetary claim by the Company against GE (USA)	106.74	Defendant has not appeared so far. Justice Hazari passed an order on 12.10.1993 for publication of summons through Newspaper. Not Listed on the High Court List.	No adverse effect since the matter relates to a group company
5	Suit No.48/94	03.02.1994	EMC Vs National Insurance Company Ltd	High Court Calcutta	The present suit was filed by the Company against the Insurance Company for non-settlement of its various claims filed on behalf of West Bengal State Electricity Board for theft on Kolaghat-Durgapur Transmission Line Contract	274.00	Matter last listed on 28.06.01 before Justice G.C.De. Hearing postponed indefinitely vide order dated 14.08.2002 passed by Justice Justice A.K.Bisi.	No adverse effect since the matter relates to a group company
6	Suit No.399/2000	14.09.2000	EMC Vs National Insurance Company Ltd	High Court Calcutta	The present suit was filed by the Company against the Insurance Company for non-settlement of its various claims filed on behalf of West Bengal State Electricity Board for theft on Kolaghat-Durgapur Transmission Line Contract	Not Ascertainable	Matter remains out of List	No adverse effect since the matter relates to a group company
7	M.S.No. 32/90	30.08.1990	EMC Vs EMCO Rubber	2nd. Asstt. Dist. Judge Barasat	Suit filed by the Company for recovery of money due to non return of dies and moulds supplied to the party for rubberising various Aluminium components and for loss of business. Written Statement previously filed by the party subsequently amended by them claiming Rs.3.5 Lac against the	3.05	Out of the High Court List	No adverse effect since the matter relates to a group company

					Co.			
8	C.R. No.1994	1994	EMC Vs EMCO Rubber	High Court Calcutta	EMC filed civil revision before the Calcutta High Court and obtained stay of proceedings	7.07	Out of the High Court List	No adverse effect since the matter relates to a group company
9	SAT No.2702 /01	20.08.20 01	EMC Vs Uttar Pradesh State Electricity Board (UPSEB)	High Court Calcutta	The instant appeal was filed by the Company Against judgement passed by Alipore Court in a Title Appeal relating to a Purchase Order No.4353 dated 09.09.78 for supply of 2000 KM ANT Conductor. Full quantity could not be supplied due to various reasons. UPSEB invoked Bank guarantees against which the Company filed injunction suit.	5.78	Not listed on the High Court List	No adverse effect since the matter relates to a group company
10	SLP No.1747 5/08	29.07.20 08	EMC Vs Power grid Corpn. Of India Ltd	Supreme Court	EMC filed this Special Leave Petition by challenging Delhi High Court's order relating to a contract of 400 KV Kanput-Etah Transmission Line Arbitration Award passed in favour of the Company.	73	Stay order obtained by the Company on 01.08.08 by Justice S Chatterjee Powergrid is supposed to file additional documents before the Hon'ble Supreme Court as per its last direction.	No adverse effect since the matter relates to a group company
11	Suit No.1057 /99		EMC Vs Power grid	Delhi High Court	Award passed in favour of the Company in a Contract awarded to the Company by Powergrid Corporation relating to 500 +/- KV HVDC Transmission Line Contract	277.00	Disposed Off	No adverse effect since the matter relates to a group company
12	CMWP 10016/9 6	20.03.20 06	EMC Vs Gaon Sabha	Allahabad High Court	Case filed by the EMC against the order of against the order of the Board of Revenue, Allahabad pertaining to 3 plots of land inside Company's	This is not a monetary suit, amount cannot be quantified	No further order for listing	No adverse effect since the matter relates to a group company

					boundary wall at Naini Factory allegedly claimed by Gaon Sabha.			
13	M.C. No.28/08 T.S. No.46/2000	18.04.2008 17.02.2000	EMC Vs Uttar Pradesh State Electricity Board	1st. Civil Judge, (Junior Division) Sealdah	The instant suit was filed by the Company against UPSEB in connection with Srinagar-Moradabad Transmission Line Contract pertaining to invocation of Bank Guarantee amounting Rs.156 Lac. Besides, the Co. also claimed Rs.499 Lac towards outstanding bills	499	Suit having been dismissed for default, Misc. Case has been filed by the Company which is pending	No adverse effect since the matter relates to a group company
14	T.S. No.446/98	01.12.1998	EMC Vs Bihar State Electricity Board	1st. Civil Judge, (Junior Division) Sealdah	Suit filed by EMC relating to supply of transmission line towers and tower accessories ordered by Bihar State Electricity Board. Bank Guarantees amounting to Rs.28.03 Lac given in this contract are not in force. Co. claimed Rs.17.83 Lac towards outstanding bills	17.83	Last date for hearing was fixed on 17.02.2010. Next date is yet to be fixed	No adverse effect since the matter relates to a group company
15	T.S. No.152/93	03.05.1993	EMC Vs West Bengal State Electricity Board	3rd. Civil Judge (Junior Division) Sealdah	Suit filed by the Company against WBSEB in respect of order for supply of Conductor awarded to the Company by WBSEB. Bank Guarantee for Rs.3 Lac given by the Co. is not valid anymore.	3	Next date for hearing has been fixed on 22.07.10 as ex-parte hearing.	No adverse effect since the matter relates to a group company
16	T.S. No.99/06	12.05.2006	EMC Vs Sachin Maitra	3rd. Civil Judge (Junior Division) Sealdah	This suit has been filed by the Company against the Landlord for recovery of possession of rented flat of EMC at premises No. CA-96, Sector-I, Salt Lake, Kolkata which was forcefully occupied	This is not a monetary suit, amount cannot be quantified	The next date has been fixed on 22.07.10 for acceptance of Written Statement by the Court	No adverse effect since the matter relates to a group company

					by the Landlord.			
17	C.No.17 6/09	27.01.20 09	EMC Vs Kedar Nath & Others	Civil Judge Allahabad	The present case has been filed by the Co. against the Defendants in respect of boundary dispute pertaining to Plot No.574/2 at Co's Factory at Naini, Allahabad.	This is not a monetary suit, amount cannot be quantified	Company's stay petition rejected as the dispute is beyond the jurisdiction of Civil judge, Case to continue on merit fixed on 23.03.2010.	No adverse effect since the matter relates to a group company
18	M.C.No. 52/09	05.03.20 09	EMC Vs Kedar Nath & Others.	Dist. Judge Allahabad	The present case has been filed by the Co. against the Defendants in respect of boundary dispute at Co.'s factory at Naini at Allahabad.. Stay has been rejected, hence this present appeal.	This is not a monetary suit, amount cannot be quantified	Next date is yet to be fixed.	No adverse effect since the matter relates to a group company
19	M A No.563/ 85	19.12.19 85	EMC Vs Jyotiprakash Chunder	High Court	The instant appeal was filed by the Company against the Landlord in respect of plot of land at Company's Beliaghata Factory which is now under Thika Tenancy. This Appeal is against the decree in summary judgement for payment of rent After hearing, Court was pleased to pass order by allowing the appeal.	0.75	The stay order passed has been continuing against furnishing Bank Guarantee Rs.75,000/- . Matter remains out of list.	No adverse effect since the matter relates to a group company

Siddha PSIDL Township Private Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	170/07 T 194/07	16/08/2007	Siddha PSIDL Township Pvt Ltd / Rajkumar Jain (4a)	Munsif Court Sanganer	Siddha filed a case of Permanent Injunction regarding his land comprised in Khasra no's 765,770,781. Relief Sought Permanent Injunction against the party	Not Ascertainable	Order to maintain status quo position was passed by the court.	No adverse effect since the matter relates to a group company

BFM Industries Limited

Sr. No	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1.	W.P. No.1720 / 06	14.11.06	BFM Industries Ltd -Vs- Kolkata Port Trust & others	Kolkata Port Trust	Writ Petition filed against issue of notice to quit dated 01.11.06 in respect of Lease hold property in the name of the company.	Lease Rent	Interim order passed on 21.12.2006 . Pending for final disposal	Not related with financial issues of the company.
2.	G.A. No. 1370 / 07	26.04.07	BFM Industries Ltd -Vs- Kolkata Port Trust & others	Kolkata Port Trust	General Application filed for a direction to issue of rent bills in respect of the lease hold property and for Demarcation.	Nil	Pending for final disposal	Not related with financial issues of the company.
3.	C.C. 193 / 07	05.09.07	BFM Industries Ltd -Vs- Kolkata Port Trust & others	Kolkata Port Trust	Contempt application against Kolkata Port Trust Authorities for violation of the order dated 21.12.2006 passed by the Hon'ble Justice Dipankar Dutta in W.P. No. 1720 of 2007.	Nil	Dropped	Not related with financial issues of the company

RDB Industries Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company

1	CA 395 of 2009	2009	RDB Industries Ltd Vs The Official Liquidator and Others	Calcutta High Court.	Application under the provisions of the Estates Acquisition Act in connection with a reconnaissance proceeding initiated by the Land Authorities in respect of the land purchased in court auction	Not ascertainable	Interim order obtained/ granted by the High Court restraining the authorities from proceeding reply from state awaited. Pending before Calcutta High Court	No adverse effect since the matter relates to a group company.
2	CS 162 Of 2006	2006	RDB Industries Ltd vs Pelican Tobacco Limited.	Calcutta High Court.	Passing of action regarding brand "No10" in a trademark proceeding.	Not ascertainable	Injunction order passed on the respondent regarding the similar brand. Pending before Calcutta High Court	No adverse effect since the matter relates to a group company.
3	CS 41 of 2001	24.01.2001	RDB Industries Ltd -vs- Dr CL Arora and Others.	Calcutta High Court.	Money Suit filed against one of the former distributors	291	Final hearing awaited Pending before Calcutta High Court	No adverse effect since the matter relates to a group company.
4	CS 776 of 2005	May 2005	RDB Industries Ltd vs Howrah Textiles	4 th Bench .City Civil Court	Declaratory Suit in respect of claim arising out of an amount deposited under court orders . The main subject matter is a disputed tenancy of one godown at NTC Factory Premises	2	Final hearing awaited. Pending before Calcutta High Court	No adverse effect since the matter relates to a group company.

h) Cases filed against the Group companies/associate concerns.

RDB Industries Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief	Amount Involved	Status as on	Likely adverse
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					sought	(Rs. In Lacs)	date	effect on the financials of issuer company
1	CS 189 of 1999	1999	Duncans Industries Ltd Vs RDB Industries Ltd	Calcutta High Court.	Money Suit filed by Duncans Industries Ltd in respect of sums claimed to have lent advanced	200	Final hearing awaited. Pending before Calcutta High Court	No adverse effect since the matter relates to a group company.

Electrical Manufacturing Company Limited

Sl. No.	Case No.(s)	Date of Institution	Parties	Authority	Subject Matter & Relief sought	Amount Involved (Rs. In Lac)	Status as on date	Likely adverse effect on the financials of issuer Company
1	C.P.No .222/01	10.04.2001	Sunrise Transport Vs EMC	High Court	This Winding up application was filed against the Company for non-payment of dues against the transport services rendered by the party. The party is an unsecured creditor	1.29	Company is registered with BIFR. Application is adjourned sine die. Advocate for Company shall intimate Advocate for Petitioner as soon as the matter is released by BIFR vide order dated 13.02.2002 passed by Justice R K Mitra.	No adverse effect since the matter relates to a group company
2	C.P.No .367/01	22.06.2001	Usha Roadways Vs EMC	High Court	This Winding up application was filed against the Company for non-payment of dues against the transport services rendered by the party. The party is an unsecured creditor	1.18	Company is registered with BIFR. Application is adjourned sine die. Advocate for Company shall intimate Advocate for Petitioner as soon as the matter is released by BIFR vide order dated 12.02.2002 passed by Justice R K Mitra.	No adverse effect since the matter relates to a group company
3	C.P.No .383/02	29.06.2002	Sri Laxmi Trading Vs. EMC	High Court	This Winding up application was filed against the Company	0.56	Vide order dated 29.06.02	No adverse effect since the matter relates

					for non-payment of dues against the services rendered by the party the party. The party is an unsecured creditor		Justice G C Gupta Company was directed to file further Affidavit which was filed on 13.11.2002. Matter off High Court list.	to a group company
4	C.P.No .468/02	28.06.2002	Dipak Kr. Burman & Others. Vs. EMC	High Court	This Winding up application was filed by Land lords against the Company for recovery of arrear of rent in respect of flat at premises No. 32A/32, Suren Sarkar Road, Kolkata let out to the Company. The party is an unsecured creditor.	0.51	Matter to go out of list since the Company is registered under BIFR with liberty to the petitioning creditor to apply before BIFR to proceed vide order dated 12.11.2003 passed bt Justice P C Ghose	No adverse effect since the matter relates to a group company
5	C.P.No .68/03	29.01.2003	Manas Rasayan Udyog Vs. EMC	High Court	This Winding up application was filed against the Company for non-payment of dues against the services rendered by the party. The party is an unsecured creditor.	3.95	Company registered with BIFR Winding Up Petition is not maintainable and hence dismissed But Petitioner is not precluded from approaching BIFR for appropriate leave to initiate recovery proceedings vide order dated 13.7.04 passed by Justice AK Banerjee	No adverse effect since the matter relates to a group company
6	C.P.No .73/03	14.01.2003	Gupta Carriers Vs EMC	High Court	This Winding up application was filed against the Company for non-payment of dues against the transport services rendered by the party. The party is an	6.21	Company is under BIFR. Court can not proceed further until decided by BIFR vide order dated	No adverse effect since the matter relates to a group company

					unsecured creditor		06.11.2003 passed by Justice P C Ghose	
7	C.P.No .78/03	14.01.2003	Ajay Carriers Vs EMC	High Court	This Winding up application was filed against the Company for non-payment of dues against the transport services rendered by the party. The party is an unsecured creditor	12.28	Company is under BIFR. Court can not proceed further until decided by BIFR vide order dated 06.11.2003 passed by Justice P C Ghose	No adverse effect since the matter relates to a group company
8	Spl.CS No.561 /94	06.06.1994	Senthil Transport Co. Vs EMC	Chief Judge, Nagpur	M/s. Senthil transport, Nagpur filed the instant suit against the Company claiming Rs.3.77 Lac towards outstanding transport charges for transportation of steel including godown rent for storing 22.360 MT steel angles and interest charges. The Company had lodged a counter claim of Rs.40.62 Lac	3.77	Suit dismissed on 15.12.2005 EMC filed counter claim on 23.12.1994	No adverse effect since the matter relates to a group company
9	M.C.No .153/83	22.02.1983	Uttar Pradesh State Electricity Board Vs. EMC	Chief Judge Lucknow	Uttar Pradesh State Electricity Board placed an order for 1000 Kms.Ferret, 2000 Kms. Weassel and 1000 Kms. Raccoon Conductor Due to part supply and non supply by the Co. UPSEB claimed Rs.6 Lac towards damages and interest. Arbitration proceedings invoked by EMC in respect of the above Contract. Time for publication of award having been expired, UPSEB expired, UPSEB prayed for extension of time	6.00	No progress of the case	No adverse effect since the matter relates to a group company
10	T.S. No.180 /07	13.08.2007	Madhavi Saha Vs EMC	2nd. Civil Judge (Junior Division) Sealdah	This suit was filed by the Landlady against the Company for eviction from the rented flat at premises No.P-20, Darga Road, Kolkata on the ground of reasonable requirement of	This is not a monetary suit, amount cannot be quantified	04.03.10. Is fixed for giving evidence of the Company	No adverse effect since the matter relates to a group company

					Landlady. This is being contested by the Co.			
11	Suit No.99/87	18.02.1987	Eva Raha Vs EMC	High Court Calcutta	Winding up petition filed against the Company was denied. Thereafter appeal Court directed the Company to pay which was complied with.	1.8	Settlement papers filed by the Plaintiff Matter is out of the High Court List	No adverse effect since the matter relates to a group company
12	RAE Suit No 1044/1807 of 2001	26.11.2001	S.P.Shibdasni Vs. EMC	Small Causes Court, Mumbai	This suit was filed by the Landlady against the company for eviction from the rented flat at Sea Breeze, Phiroz Shah Mehta Road, at Mumbai on the ground of sub-letting and reasonable requirement. In the meantime, Official Liquidator has been made party to the suit.	0.75	Amendment of Plaint allowed vide order dated 20.09.2008 The last date was fixed on 15.02.10	No adverse effect since the matter relates to a group company
13	CS No15/08	24.06.2008	P.L. Saraf Vs EMC	City Civil Court	The instant suit filed by the Plaintiff against the Company relates to purchase of Enklo - 68 (Hydrolic Oil), Turgona-40. Sherol-B Cutting Oil and Gear Oil which was agreed to be sold by the Plaintiff. Initially, the Plaintiff filed one winding up application which failed. Followed by appeal preferred which was also not allowed. Hence the present suit.	4.3	Company filed application for stay of suit and other reliefs 10.06.10 has been fixed for hearing of the said application	No adverse effect since the matter relates to a group company
14	Suit No.12/09	11.06.2009	H.Tovito. Aye Vs EMC	Civil Judge, Dimapur Nagaland	This suit has been filed by the Local Contractor against EMC for wrongful recovery of dues which is not payable.	20	Disputes between the parties having been settled and compromised	No adverse effect since the matter relates to a group company
15	C.No.142/09	29.01.2009	Kedar Nath Vs D. Narain	SDM, Karchana	Matter relates to boundary disputes and encroachment in Naini Factory at Allahabad	This is not a monetary suit, amount cannot be quantified	Restoration petition filed against ex-parte order dated 05.11.08 for cancellation of Order .Next date - 08.01.10	No adverse effect since the matter relates to a group company
16	Arbt. Case No.1/06	26.05.2006	Orissa Power Transmission Co. Ltd. Vs.	Arbitral Tribunal comprised of	Arbitration proceedings invoked by Orissa Power Transmission Co. Ltd. in respect of off-	259	Both the parties have filed their respective written notes	No adverse effect since the matter relates to a group company

			EMC	Mr. D P Mohap atra, Mr.C R Pal & Mr. B Panigr ahi	loading of work and termination of 220 KV Power Transmission Line contract awarded by OPTCL in favour of the Company		of argument The next date has been fixed for hearing on 17.03.10 & 18.03.2010.	
17	Civil Revisio n no.51/2 006	02.02.20 06	S Swarun Singh vs EMC	High Court of Jammu & Kashmi r	The case filed by S.Swarun Singh against the Company was for reinstatement with full back wages which was contested by the Company and the decree passed in the suit was fully Subordinate Judge (Municipal Magistrate) Jammu, decided the execution petition	6.15	The Decree has been fully satisfied in law and spirit	No adverse effect since the matter relates to a group company

Siddha PSIDL Township Private Limited

Sr. No.	Case No.(s)	Institutio n Date	Parties	Author ity	Subject Matter	Amou nt Involv ed (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	37/07	16/05/2007	Devu/Siddh a PSIDL Township Private Limited (4b)	Collector /DM Jaipur	Appellant filed an appeal regarding cancellation of Mutation no 169 which is in the favour of Siddha, on grounds that Nayab Tehsildar has no right to verify the Mutation up to 45 days and another ground is, that Jagdish had no right to sale the whole land. Not Applicable as case was filed by other party	Not Ascertain able	Case was dismissed on 11/12/07	No adverse effect since the matter relates to a group company
2	39/07 T1216/07	31/07/2007	Rajkumar / Siddha PSIDL Township Private Limited (4b)	SDO Jaipur II	Raj Kumar Jain filed a case of Permanent Injunction regarding his land comprised in Khasra no's 766,769,783,767, 768,718,719, 720,721,722,723 & 724	Not Ascertain able	Record of case is called by RAA court.	No adverse effect since the matter relates to a group company

			Paras Jain v/s Rajkumar Jain (1a)	ACJM 2	Police made Final Report against our complaint on dispute over land without any further investigation. We protested this FR by police in the Court. And sought relief that FR be not allowed.	Not Ascertainable	No notices issued till now. Next date 12.2.10	No adverse effect since the matter relates to a group company
			Devu Siddha PSIDL Township Private Limited (4b)	/RAA Jaipur	Suit has been Rejected by deciding our application of Order 7 Rule 11 CPC on the ground that Revenue Court has no right to cancel the sale deed. This order was challenged in RAA court. Relief Not Applicable as case was filed by other party	Not Ascertainable	Next date is fixed for service of notices on other parties.	No adverse effect since the matter relates to a group company
			DG Stamps (4b)	ADM 2 Mudrank	Stamp duty demand raised by the deptt saying that there is a wall of about 1000 mtr long on this land hence duty on this is to be paid whereas actually there is no wall nor there was any wall hence we are fighting that the report given by Tehsildar was wrong. Now the report from Nayab Tehsildar is sought by the DG, Stamp which is awaited. Relief Sought Demand be withdrawn	0.86	Moka report of Sub Registrar, Sanganer is awaited	No adverse effect since the matter relates to a group company

			Rajkumar / Siddha PSIDL Township Private Limited (4b)	RAA Jaipur	SDO II decided T.I. application by admitting our pleadings on 17/09/07. Aggrieved from the order Raj Kumar Jain filed an appeal challenging this order.	Not Ascertainable	Next date is fixed for final arguments.	No adverse effect since the matter relates to a group company
			Devu v/s Jagdish (4b)	RAA Ajmer/Jaipur	RAA rejected the case hence appeal was filed in RAB.	Not Ascertainable	Appeal rejected.	No adverse effect since the matter relates to a group company
3	7/08	05/01/2008	Narendra / Ganpatsing (4b)	ADJ Fast Track 2	Declaration and Cancellation suit filed by Narendra Singh for land comprises in Khasra nos 541,542,543 Bagru Khurd	Not Ascertainable	7/11 application pending	No adverse effect since the matter relates to a group company

Lokenath Projects

Sr. No	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	TS 171 of 2007	09.08.2007	Binode Sen & Others - vs- The Kolkata Municipal Corporation	Civil Judge Junior Division 1st Court Sealdah	Premises no 22 Beerpara lane, Declaration of ownership	Suit for declaration	Next hearing date not fixed.	NIL

RDB Industries Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	CS 414 of 1997	September 1997	Howrah Textiles vs RDB Industries Ltd	Sealdah Court	Declaratory Suit in respect of a disputed tenancy one godown at NTC Factory Premises	Not ascertainable	Pending before the learned Sealdah Court.	- No adverse effect since the matter relates to a group company.

2	CS 273 of 2004	2004	Pelican Tobacco Limited Vs gaurav Dubey, RDB Industries Ltd.	Additional civil Judge (i)(sr. Div.) Faridabad	Suit for Injunction in respect of One Cigarette manufacturing Machine given on rent to Pelican Tobacco Ltd.	Not ascertainable.	Pending before the Additional civil Judge (i)(sr. Div.) Faridabad	No adverse effect since the matter relates to a group company.
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5. Under Labour laws

- a) Cases filed by the Company - Nil
- b) Cases filed against the Company- Nil
- c) Cases filed by the Promoters- Nil
- d) Cases filed against the Promoters-

Sri Sunder Lal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	1424 /1996	1996	State -vs- NTC , SL Dugar	17 th Metropolitan magistrate, Kolkata	ESIC, Penalty The matter has been filed by the Employees State Insurance Corporation towards alleged non payment of ESIC dues	1.60	Pending before 17 th Metropolitan magistrate, Kolkata	No adverse effect since the matter relates to a group company

- e) Cases filed by the Directors- Nil
- f) Cases filed against the Directors- Nil
- g) Cases filed by the Group Companies/associate concerns-

• Electrical Manufacturing Company Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	C.R.No .7806/76	1976	EMC Vs RPF Commissioner	High Court Calcutta	This is a petition under Article -226 of The Constitution of India against notice issued by the Petitioner.F. Commissioner to show cause why damages amount to Rs.0.55 Lac be not imposed on company for alleged late payment of PF dues during 1966-71	0.55	Out of the High Court List	No adverse effect since the matter relates to a group company
2	ESI	1988	EMC Vs	Chief	Wrong demand made by	0.33	Next	No adverse

	Case 14/88		ESI	Judge, Allahabad	ESI has been contested by the EMC. Stay order obtained against furnishing Bank Guarantee		hearing date is awaited	effect since the matter relates to a group company
3	ESI Case No.22/07	26.09.2007	EMC Vs. Employees State Insurance Co.	ESI Court, West Bengal	Company filed injunction petition against the alleged claim of ESI for Rs.6.22 Lac	6.22	Co's petition u/s. 75(2B) disposed off by the Court directing Co. to keep an amt.	No adverse effect since the matter relates to a group company

h) Cases filed against the Group companies/associate concerns

Electrical Manufacturing Company Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	WP No.197 47/00	20.11.2000	Gora Chand Mukerjee Vs EMC	High Court Calcutta	Writ Petition filed against EMC challenging Award dated 11.04.2000 passed by XIIIth. Industrial Tribunal, West Bengal	1.18	Last listed on 27.11.2000. Out of the High Court List	No adverse effect since the matter relates to a group company
2	FMA 2812/02	2002	Asim Kumar Gupta Vs. EMC	High Court Calcutta	Matter relating to dismissal of an employee who urged for reinstatement with full back wages. Being aggrieved by the order, hence the present appeal against the Company	2.00	Appeal dismissed . Restoration application filed . Matter is not listed	No adverse effect since the matter relates to a group company
3	C.No.VI II-28/90	29.12.1990	Manas Chakraborty Vs. EMC	5th. Industrial Tribunal, W.B.	Matter relating to dismissal of an employee challenging "No Dispute Award" dated 04.08.90 passed by Industrial Tribunal, West Bengal. This is as per High Court direction.	This is not a monetary suit, amount cannot be quantified	Evidence is being going on. Next date of hearing is awaited.	No adverse effect since the matter relates to a group company
4	Case No.12/08	12.08.2008	B N Verma Vs.GM, EMC	Labour Court, Alld	This case was filed by an ex-employee at Naini against the Company for the benefits not paid for the closed period	0.5	Next hearing date is awaited	No adverse effect since the matter relates to a group company
5	Case No.1/09	20.10.2008	Nandlal Vs EMC	Labour Court, Alld	VDA, wages claimed by the 39 heads of employees against the Company for the	112	Next hearing date is awaited	No adverse effect since the matter relates to a

					period 2002-2007			group company
6	Case No.2/09	20.10.2008	R.N.Singh Vs EMC	Labour Court, Alld	Bonus claimed by the 48 Head of employees against the Company for the period 2001 & 2001-2002	3.77	Next hearing date is awaited	No adverse effect since the matter relates to a group company
7	Case No.3/09	20.10.2008	R. Gaur Vs EMC	Labour Court, Alld	Misc. dues claimed by the 38 Head of employees claiming uniform, shoes etc against the Company	13.34	Next hearing date is awaited	No adverse effect since the matter relates to a group company

6. under various statutory laws

- a) Cases filed by the Company - Nil
- b) Cases filed against the Company- Nil
- c) Cases filed by the Promoters-

Ms Sheetal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs.in Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	CAN 1378 of 2009 WP No 13572(W) of 2008	26/02/2009	Shoppers Stop Ltd. vs Union of India & Others	Calcutta High Court	Constitutional Validity of Service Tax has been challenged in this writ petition in respect of service tax on rented premises	Not ascertainable	Stay Granted by the high court and matter pending before Calcutta High Court	- No adverse effect since the matter relates to a group company

- d) Cases filed against the Promoters-

Mr. Vinod Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Present Status	Likely adverse effect on the financials of issuer company
1	SCN of C.No., V-Seizure (15) 90-CE/Cal-II/Adjn/97/131-143	21-04-1997	Commissioner of Central Excise v. New Tobacco	Commissioner of Central Excise	Imposition of penalty on the grounds of evasion of central excise	20	Adjudication Order dated 29/01/2008 stayed by High Court in WP 554 of 2008.	- No adverse effect since the matter relates to a group company

Sri Sunder Lal Dugar

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and	Amount Involved	Present Status	Likely adverse
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					Relief sought	(Rs. In Lacs)		effect on the financials of issuer company
1	CP 466 Of 2000	2000	Official Liquidator Vs KG sinha and Others	High Court	Misfeasance proceedings against the directors in respect of a company in Liquidation i	3.36	Pending High Court	No adverse effect since the matter relates to a group company
2	SCN of C.No., V-Seizure (15) 90-CE/Cal-II/Adjn/97 /131-143	21-04-1997	Commissioner of Central Excise v. New Tobacco	Commission of Central Excise	Imposition of penalty	100	Adjudication Order dated 29/01/2008 stayed by High Court in WP 554 of 2008.	No adverse effect since the matter relates to a group company

- e) Cases filed by the Directors- Nil
f) Cases filed against the Directors- Nil
g) Cases filed by the Group Companies/associate concerns-

RDB Realty & Infrastructure Limited

Sr. No	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	CP 447 of 2009	12.11.2009	RDB Industries Ltd. Vs RDB Realty and Infrastructure Ltd.	Calcutta High Court	Scheme application under Sec 391 and 393 of Companies Act 1956 for demerger of real estate division and Tobacco division	Not ascertainable	To be listed	No adverse effect since the matter relates to a group company

RDB Industries Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company

1	WP 584 of 2008	August 2008	RDB Industries Ltd vs the commissioner of Central Excise	Calcutta High Court.	Adjudication order challenged by RDB since the excise department passed the order without complying with the directions passed by the High Court thereby directing the department to provide copies of documents relied upon by the department	Rs 3615.92 Lacs is duty demand plus Interest and Rs 3615.92 Lacs is penalty i.e. 100% of Duty Demand in aggregate Rs 7231.84 Lacs plus interest on Duty Demand	Bank Guarantee furnished as directed by the court. Interim order obtained and final hearing awaited.	- No adverse effect since the matter relates to a group company
2	CS 5656	06.11.2009	RDB Industries Ltd -vs- Pelican Tobacco India (Pvt) Limited.	Calcutta High Court.	Passing of action regarding brand "cool" in a trademark proceeding since the defendant was closely copying one of brand.	Not ascertainable	Injunction order passed on the respondent regarding the similar brand.	- No adverse effect since the matter relates to a group company
3	CP 447 of 2009	12/11/2009	RDB Industries Ltd Vs RDB Realty and Infrastructure Ltd	Calcutta High Court.	Scheme application under Sec 391 and 393 of Companies Act 1956 for demerger of real estate division and Tobacco division	Not ascertainable	Shareholder approval received in first application, application for approval of scheme filed before the Calcutta High Court, yet be listed	No adverse effect since the matter relates to a group company
4	CEA 71 of 2008	2008	Commissioner of Central excise	Andhra Pradesh High Court	RDB appeal for refund of central excise deposit which was deposited for the filing of appeal and wrongfully appropriated by the department.	50	Appeal filed by dept. against refund order as opposed by RDB Pending.	- No adverse effect since the matter relates to a group company
5	E/426-427/09 & E/ST/291-292/09	05.05.2009	RDB Industries Ltd. Vs. Commissioner of Central excise. Vishakhapatnam	CESTAT, Bangalore	Order no. 2/2009 (PVR) of Commissioner of Vishakhapatnam. Set aside of Demand.	591	Stay granted and appeal Hearing date fixed for 13.05.2010	- No adverse effect since the matter relates to a group company

6	E/852,853,857 & 694/09 & E/ST/477- & 579-581/09	2009	RDB Industries Ltd. Vs. Commissioner of Central excise. Vishakhapatnam	CESTAT, Bangalore	Order no. 06/2009(PVR) of Commissioner of Vishakhapatnam. Setting aside of Demand.	3.37	Stay granted and appeal Hearing date fixed for 13.05.2010	- No adverse effect since the matter relates to a group company
7	Ex. Appeal no.165/2007	08.03.2007	New tobacco co lesse RDB Industries Ltd. Vs. Commissioner of Central excise. Kolkata-III	Commissioner of central excise (Appeal-1) kolkata	Tob.Refuse cleared at NIL Rate of Duty is objected by department. Set aside of demand raised in SCN.	51.63	Adjudication pending.	- No adverse effect since the matter relates to a group company
8	C.EX.APPEAL NO.3/2008 ITEM CODE NO 10104	2008	RDB INDUSTRIES LTD. VS UNION OF INDIA	High court of Gauhati.	Duty Demand as per retrospective withdrawal of exemption notification 32/99 as per which Cigarette cleared without payment of duty. Set aside of demand of duty as not collected from customer.	492.38	Final hearing awaited.	- No adverse effect since the matter relates to a group company
9	XAP-58/KOL-III/07	22.03.07	New Tobacco co lesse RDB Industries Ltd. Vs Addl. Commissioner of Central excise.	Commissioner of Central excise (Appeal-1)	Alleged non payment of duty.	12.06	Order awaited.	- No adverse effect since the matter relates to a group company
10	T 88 of 2006.	February 2006	RDB Industries Ltd -vs- Duncans Industries Ltd	Calcutta High Court.	Application against Duncans Industries to prevent them from wrongfully dealing with a property purchased in court auction./ Injunction on Duncans regarding the Vijayawada Property.	Not Ascertainable	Final hearing awaited. Pending before Calcutta High Court.	No adverse effect since the matter relates to a group company

h) Cases filed against the Group companies/associate concerns-

Bhagwati Plasto Works Private Limited

Sr. No	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1.	Writ petition being No.7694 (W) of 2008	24 th April 2008	Ashim Kr Das Vs State and Others	Calcutta High Court	Approx 100 sq ft tenancy right in a Shop room at the old dilapidated building	NA	Pending to be listed in usual course.	No adverse effect since the matter relates to a group company

RDB Industries Limited

Sr. No.	Case No.(s)	Institution Date	Parties	Authority	Subject Matter and Relief sought	Amount Involved (Rs. In Lacs)	Status as on date	Likely adverse effect on the financials of issuer company
1	CA 666 of 2006	December 2006	Duncans Industries Ltd Vs RDB Industries Ltd	Calcutta High Court.	Duncan claiming interest over a NTC property (Vijayawada Property) purchased by RDB in court Auction	Not ascertainable	Hearing Concluded Judgement awaited.	- No adverse effect since the matter relates to a group company
2	CA 351 Of 2008	2008	Commissioner of central excise (rajamundry)	Calcutta High Court.	Recalling Application. Old excise dues of Duncans not being the liability of RDB The department has filed to realize the same	6341.67	Final hearing awaited before Calcutta High Court.	No adverse effect since the matter relates to a group company
3	CA 253 Of 2008	2008	Commissioner of central excise (kolkata)	Calcutta High Court.	Recalling Application. Old excise dues of Duncans not being the liability of RDB. The department has filed to realize the same	5002.07	Final hearing awaited before Calcutta High Court.	No adverse effect since the matter relates to a group company
4	1379 of 2009	30/12/2009	Kuntal Debnath Vs RDB Industries Ltd	District consumer disputes redressal forum	Consumer dispute filed by a purchaser of an apartment as the amount was collected and paid to the Service Tax department.	1.43	Final hearing awaited before District consumer disputes redressal forum	No adverse effect since the matter relates to a group company

5	1382 of 2009	30/12/2009	Manish Kumar Lat Vs RDB Industries Ltd	District consumer disputes redressal forum	Consumer dispute filed by a purchaser of an apartment as the amount was collected and paid to the Service tax department	0.59	Final hearing awaited before District consumer disputes redressal forum	No adverse effect since the matter relates to a group company
6	1382 of 2009	30/12/2009	Satarupa Dutta Majumder Saha Vs RDB Industries Ltd	District consumer disputes redressal forum	Consumer dispute filed by a purchaser of an apartment as the amount was collected and paid to the Service Tax department	0.66	Final hearing awaited before District consumer disputes redressal forum	No adverse effect since the matter relates to a group company
7	1380 of 2009	30/12/2009	Kuntal Debnath Vs RDB Industries Ltd	District consumer disputes redressal forum	Consumer dispute filed by a purchaser of an apartment as the amount was collected and paid to the Service department	0.76	Final hearing awaited before District consumer disputes redressal forum	No adverse effect since the matter relates to a group company
8	1378 of 2009	30/12/2009	Kalyani Roy Vs RDB Industries Ltd	District consumer disputes redressal forum	Consumer dispute filed by a purchaser of an apartment as the amount was collected and paid to the Service Tax department	1.95	Final hearing awaited before District consumer disputes redressal forum	No adverse effect since the matter relates to a group company

Amount Outstanding to SSI Undertaking or other creditors

There are no SSI Undertakings or other creditors to whom the Company owes an amount exceeding Rs.1 Lac which is outstanding for more than 30 days from the due date.

Material Developments

There are no material developments after the date of the last audited balance sheet as on March 31, 2009, which may materially affect the performance, or prospects of the Company.

GOVERNMENT APPROVALS /LICENSING ARRANGEMENTS

Investment Approvals (FIPB/RBI, etc.)

As per Notification No. FEMA 20/2000 -RB dated May 3, 2000, as amended from time to time, under automatic route of Reserve Bank, the Company is not required to make an application for issue of equity shares to NRIs/FIIs with repatriation benefits. However, the allotment/transfer of the Equity Shares to NRIs/FIIs shall be subject to prevailing RBI Guidelines.

All Government and Other Approvals

The Company has received all the necessary licenses, permissions and approvals from the Central and State Government and other government agencies/certification bodies required for the business and except as mentioned below, no further approvals are required by the Company for carrying on the present as well as proposed business activities of the Company. It must, however, be distinctly understood that in granting the above approvals, the Central Government, State Government, RBI and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed.

In view of the approvals listed below, the Company can undertake the current as well as proposed business activities and other than as mentioned below, no further major approvals from any statutory authority are required to continue those activities.

The following statement sets out the details of licenses, permissions and approvals obtained by the Company under various Central and State Laws for carrying out its business.

(a) Incorporation:

Sr. No.	Authority granting approval	Approval/Registration Number	Applicable Law	Nature of approval	Validity
1.	Registrar of Companies	21-74860	Companies Act, 1956	Certificate of Incorporation	Valid till cancelled
2.	Registrar of Companies	21-74860	Companies Act, 1956	Certificate of Commencement of Business	Valid till cancelled

(b) Central Excise and Service Tax:

Sr. No.	Authority granting approval	Approval/Registration Number	Applicable Law	Nature of approval	Validity
1.	Assistant Commissioner of Central Excise, Haldia –II Div.	AABCR2313MXM 001	Central Excise Rules, 2002	Excise Registration	Valid till cancelled
2.	Assistant Commissioner of Central Excise, Haldia – II Div.	AABCR2313MST 001	Finance Act, 1994	Registration for services of goods transport	Valid till cancelled
3.	Foreign Trade Development Officer	0203017188		Certificate of Importer-Exporter Code (IEC)	Valid till cancelled

(c) Commercial / Sales Tax:

Sr. No.	Authority granting approval	Approval/Registration Number	Applicable Law	Nature of approval	Validity
1.	Directorate of Commercial Taxes	19413461079	West Bengal Value Added Tax	Registration of VAT, CST and	Valid till cancelled

			Rules, 2005; Central Sales Tax (Registration & Turnover) Rules, 1957.	TIN	
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(d) Income tax:

Sr. No.	Authority granting approval	Approval/Registration Number	Applicable Law	Nature of approval	Validity
1.	Commissioner of Income-tax, W.B. - XI	AABCR2313M	Income Tax Act, 1961	Permanent Account Number	Valid till cancelled
2.	Income Tax Department	CALR02511F	Income Tax Act, 1961	Tax Deduction Account Number	Valid till cancelled

(e) Industrial Approvals:

Sr. No.	Authority granting approval	Approval/Registration Number	Applicable Law	Nature of approval	Validity
1.	Registering Officer, Haldia	2/CON/R/2003	Contract Labour (Regulation and Abolition) Act, 1970	Registration	Valid till cancelled
2.	Haldia Municipality	Licence No. 286	West Bengal Municipal Act, 1993 (Section – 201)	License to use the plot no. 126, Basudevpur for the purpose of manufacturing Woven Sacks, (HDPE/PP, TARAPULIN & FIBC)	Valid till March 31, 2010.
3.	Haldia Municipality	Certificate No. 321	West Bengal Municipal Act, 1993 (Section – 118)	License to use the plot no. 126, Basudevpur for the purpose of manufacturing Woven Sacks, (HDPE/PP, TARAPULIN & FIBC)	Valid till March 31, 2010.
4.	Director of Industries, West Bengal	Memorandum number: 190191300001 Dated: July 7, 2008	MSMED Act, 2006	Acknowledgement for Industrial Entrepreneur Memorandum for 1800 MTPA.	Valid till cancelled
5.	Regional Provident Fund Commissioner, West Bengal	WB/CA/40950	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Registration	Valid till cancelled
6.	Chief Inspector of Factories, West Bengal	License No.: 15337	Factories Act, 1948	Licence To Work A Factory	Valid till December 31, 2009. Application for the renewal of the license

					for the year 2010 has been made.
7.	West Bengal Pollution Control Board	Memorandum Number: 185-1237/WPB(HRO)-K/03	Environmental (Protection) Act, 1986; Water (Prevention and Control of Pollution) Act, 1974; Air (Prevention and Control of Pollution) Act, 1981.	Consent to Operate the plant.	Valid till November 30, 2012

(f) SIA Registration:

Sr. No.	SIA Acknowledgement Number	Date	NIC Item Code	Item Description	Capacity MT/MW
1.	797/SIA/IMO/2009	27/03/2009	3132	Manufacture of Packaging Products of Plastics (Except Household) (Proposed item: HDPE/PP WOVEN SACKS/TARAPULIN)	5400 MTPA
2.	797/SIA/IMO/2009	27/03/2009	3132	Manufacture of Packaging Products of Plastics (Except Household) (Proposed Item: LDPE LINER)	1600 MTPA

LIST OF APPROVALS APPLIED FOR BUT NOT YET RECEIVED FOR THE EXISTING PROJECT

1. Consent to operate the industrial unit was received from West Bengal pollution Control Board for the manufacture of 36 M.T. per month on April 7, 2009. Application has been made to the Board for the enhancement of the production capacity from 36 MT per month to 360 MT per month.
2. Application for the extension of the factory license under the Factories Act, 1948 for the year 2010 has already been made but not yet received.

LIST OF APPROVALS NOT YET APPLIED FOR THE EXISTING PROJECT

1. Entrepreneurs Memorandum has been received only for 1800 MT from the Directorate of Industries, West Bengal. It needs to be taken for the remaining capacity of the existing project.
2. Consent to operate the industrial unit for the remaining production capacity of 1730 MTPA from West Bengal pollution Control Board.

LIST OF APPROVALS OBTAINED FOR THE PROPOSED NEW PROJECT

Nil

LIST OF APPROVALS APPLIED FOR BUT NOT YET RECEIVED FOR THE PROPOSED NEW PROJECT

Nil

LIST OF APPROVALS NOT YET APPLIED FOR THE PROPOSED NEW PROJECT

1. SIA acknowledgement for the production capacity of the proposed project.
2. Entrepreneurs Memorandum for the production capacity of the proposed project.
3. Consent to operate the new project from the West Bengal Pollution Control Board.

SECTION VII - OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Board has, pursuant to a resolution passed at its meeting held on October 1, 2009 authorized the Public Issue subject to the approval by the shareholders of the Company under Section 81(1A) of the Companies Act. The shareholders of the Company have authorized the Issue by a special resolution in accordance with Section 81(1A) of the Companies Act, passed at the Extra-Ordinary General Meeting of the Company held on October 26, 2009.

Prohibition by SEBI and RBI

Our Company, Promoters, Promoter Group, Directors and Group Companies have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authorities. None of our Promoters, Directors was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI.

Our Directors are not in any manner associated with the securities market and there has been no action taken by the SEBI against the Directors or any entity with which our Directors are involved as promoters or directors.

Neither our Company, our Promoters or their relatives (as defined in the Companies Act), Group Companies, nor our Directors have been detained as willful defaulters by the RBI or any other government authorities. There are no violations of securities laws committed by any of them in the past or pending against them.

Eligibility for the Issue

The Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations as explained under, with the eligibility criteria calculated in accordance with Restated Financial Statements:

- The company has net tangible assets of at least Rs 3 Crores in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in monetary assets;
- The Company has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least (3) out of immediately preceding five (5) years;
- The Company has a net worth of at least Rs.1 Crores in each of the preceding three (3) full years (of 12 months each);
- The Company has not changed its name within the last one year;
- The aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five (5) times its pre-issue net worth as per the audited balance sheet of the preceding financial year.

As per Regulation 26 (4), the Issuer shall not make an allotment pursuant to a public issue if the number of prospective allottees is less than one thousand (1000).

The pre-issue net worth, distributable profits and net tangible assets in terms of section 205 of the Companies Act, of the Company for the last 5 completed years are as under:

(Rs. in Lacs)

For the Financial year ending	March 31, 2005	March 31, 2006	March 31, 2007	March 31, 2008	March 31, 2009
Net Tangible Assets	1264.02	2063.56	2015.57	2293.66	2756.64
Monetary Assets	11.68	261.55	409.42	7.4	50.39
% of Monetary Assets to Net Tangible Assets	0.92%	12.67%	20.31%	0.32%	1.83%
Distributable Profits	10.99	185.25	155.53	95.20	194.79
Net worth	267.92	1082.87	1239.1	1334.29	1529.08

Source: Audited Annual Accounts of the Company for the respective financial years.

The aggregate of the proposed issue and all previous issues made in the same financial year in terms of issue size does not exceed five (5) times its pre-issue net worth as per the audited balance sheet of the preceding financial year. Based on the above data we hereby certify that the Company is fulfilling the criteria of eligibility norms for Public Issue by unlisted company as specified in the regulation 26(1) of SEBI (ICDR) Regulations, 2009 and amendments thereof.

Only Cash and Bank Debit balances have been taken as Monetary Assets.

'Net tangible assets' shall mean the sum of all net assets of the company, excluding 'intangible assets', as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.

Further, in accordance with Regulation 26 (4) of the SEBI ICDR Regulations, we undertake that the number of allottees, i.e., persons receiving allotment in the Issue shall be at least 1,000; otherwise, the entire application money will be refunded forthwith. In case of delay, if any, in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.

For a complete explanation of the above figures please refer to the section entitled "Financial Information of the Company" beginning on page 110 of this Draft Red Herring Prospectus.

Disclaimer Clause

AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE 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 IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 19, 2010 WHICH READS AS FOLLOWS:

- (1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE**

SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.

- (3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE
- (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 DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.
- (6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.
- (7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.- NOT APPLICABLE
- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
- (9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION.- NOTED FOR COMPLIANCE
- (10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.-NOT APPLICABLE
- (11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- (12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - (A) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - (B) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- (13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE

ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE ,ETC.

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

THE FILING OF THE DRAFT RED HERRING PROSPECTUS 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 AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE RED HERRING PROSPECTUS WITH THE REGISTRAR OF COMPANIES, WEST BENGAL IN TERMS OF 60B OF THE COMPANIES ACT. ALL LEGAL REQUIREMENTS PERTAINING TO THE ISSUE WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE REGISTRAR OF COMPANIES, WEST BENGAL IN TERMS OF SECTION 56, SECTION 60 AND SECTION 60B OF THE COMPANIES ACT.

Disclaimer from the Company and the BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our web site www.rdbgroup.in would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Memorandum of Understanding entered into between the BRLM and our Company dated January 7, 2010 and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by us and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centers or elsewhere.

Caution

Our Company, the BRLM and the Underwriters shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

The BRLM may engage in transactions with, and perform services for, our Company and our group companies, affiliates or associates in the ordinary course of business and may engage in future engage, in investment banking transactions with our Company and our group companies, affiliates or associates for which they have received, and may in future receive, compensation.

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

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial

institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, and any FII sub-account registered with SEBI which is a foreign corporate or foreign individual, permitted insurance companies and pension funds) and to FIIs and Eligible NRIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Kolkata, India only.

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for observations. Accordingly, our Company's Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

Disclaimer clause of the BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. BSE has given vide its letter dated [●], permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinised this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the exchange. 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 the Exchange 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

As required, a copy of this offer document has been submitted to NSE. NSE has given vide its letter ref. [●] dated [●] permission to the Issuer to use the Exchange's name in this offer document as one of the stock exchanges on which the Issuer's securities are proposed to be listed. The Exchange has scrutinised this Draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document 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 offer document, nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange 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.

Disclaimer clause of grading agency

[•]

Filing

A copy of this Draft Red Herring Prospectus has been filed with the Corporate Finance Department of SEBI at L&T Chambers, 3rd Floor, 16 Camac Street, Kolkata - 700 017. A copy of the Draft Red Herring Prospectus was also filed with the SEBI at Plot No. C-4A, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under section 60B of the Companies Act, will be delivered for registration to the RoC and a copy of the Prospectus required to be filed under section 60 of the Companies Act will be delivered for registration with RoC situated at Nizam Palace, 2nd MSO Building, 234/4, 2nd Floor, Acharya Jagdish Chandra Bose Road, Kolkata – 700 020.

Listing

Applications have been made to the BSE and the NSE for permission for listing of the Equity Shares being issued through this Draft Red Herring Prospectus. The BSE shall be the Designated Stock Exchange with which the basis of allocation will be finalized for the issue.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by any of the Stock Exchanges, the Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Draft Red Herring Prospectus. If such money is not repaid within eight days after the Company will become liable to repay it (i.e. from the date of refusal or within 15 days from the date of Bid/Issue Closing Date, whichever is earlier), then the Company along with every Director of the Company who is default shall, on and from expiry of eight days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under Section 73 of the Companies Act.

The Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within seven working days from finalisation of the basis of allotment for the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

“Any person who:

- (a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or**
- (b) otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name,**

Shall be punishable with imprisonment for a term which may extend to five years.

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the auditor, the Bankers to the Issue, the Bankers to the Company; and (b) the BRLM, the Syndicate Member, the Escrow Collection Banks and the Registrar to the Issue, to act in their respective capacities, have been obtained and would be filed along with a copy of the Red Herring Prospectus with the RoC as required under sections 60

and 60B of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 1956 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, M. K. Surana & Co., Chartered Accountants, our Auditors have given their written consent vide their letter dated January 29, 2010 to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for registration with the RoC.

M. K. Surana & Co., Chartered Accountants, our Auditors have given their written consent vide their letter dated January 29, 2010 to the inclusion of their Tax Benefits accruing to our Company and its shareholders in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for registration with the RoC.

[•], a SEBI registered credit rating agency engaged by us for the purpose of obtaining IPO grading in respect of this Issue, has given its written consent as experts to the inclusion of their report in the form and context in which they will appear in the Red Herring Prospectus and such consents and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the Registrar of Companies.

Expert Opinion

Except as stated elsewhere in this Draft Red Herring Prospectus, the Company has not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. [•] Lacs. The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, statutory advertisement expenses and listing fees. All expenses with respect to the Issue would be paid by our Company.

The estimated Issue expenses are as under:

(Rs. in Lacs)

Activity	Expenses *	Percentage of the Issue Expenses	Percentage of the Issue Size
Lead management fees, underwriting and selling commission*	[•]	[•]	[•]
Advertising and marketing expenses*	[•]	[•]	[•]
Printing and stationery, including transportation costs*	[•]	[•]	[•]
Others (Registrar's fee, Legal Advisor, listing fees etc.)*	[•]	[•]	[•]
Fees payable to Grading Agency*	[•]	[•]	[•]
Total estimated Issue expenses	[•]	[•]	[•]

* To be completed after finalization of issue price

Fees Payable to the BRLM and the Syndicate Member

The total fees payable to the Book Running Lead Manager and the Syndicate Member will be as per the MoU between our Company and the BRLM, a copy of which shall be available for inspection at our registered office.

Fees Payable to the Registrar to the Issue

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as the per the MoU between our Company and the Registrar to the Issue.

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

Previous Right and Public Issues

We have not made any public or Right issues in India or abroad in the five years preceding the date of this Draft Red Herring Prospectus.

Issues otherwise than for Cash

Except as stated in the section "Capital Structure" on page no. 13 of Draft Red Herring Prospectus, the Company has not issued any Equity Shares for consideration otherwise than for cash.

Commission and Brokerage paid on Previous Issues of the Company's Equity Shares

Since this is the initial public offer of the Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Company's Equity Shares since inception.

Issues Made By The Companies Under The Same Management Under Section 370(1B) Of The Companies Act, 1956.

Neither our Company nor any other company under the same management within the meaning of Section 370(1B) of the Companies Act, 1956, has made any capital issue during the last three years.

Promise vis-à-vis Performance

Since our Company has not made any public issue in past, Promise vis-à-vis Performance is not applicable to us. Since none of the Company under the same management has made any issue during last 10 years, Promise vis-à-vis Performance is not applicable.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by Our Company

Our Company has no outstanding debentures, bonds or redeemable preference shares.

Stock Market Data of the Company's Equity Shares

This being an initial public offer, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The Memorandum of Understanding between the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of three years from the last date of dispatch of the letters of Allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances by our Company

The Company estimates that the average time required by the Company or the Registrar to the Issue for the redressal of routine investor grievances shall be 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, the Company will seek to redress these complaints as expeditiously as possible.

The Company has appointed a Share Holders / Investors Grievance Committee comprising Mr. Sundar Lal Dugar, Mr. Shanti Lal Baid and Mr. Sandeep S Baid.

The Company has appointed Mr. Himangshu Kedia, Company Secretary, as the Compliance Officer and he may be contacted in case of any pre-Issue or post-Issue-related problems. He can be contacted at the following address:

Mr. Himangshu Kedia,
Company Secretary,
RDB Rasayans Limited
1st Floor, Suite No: 10, 8/1,
Lal Bazar Street,
Kolkata – 700 001
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Mechanism for Redressal of Investor Grievances by Companies under the same management

Please refer to the section “Our Promoter and Promoter Group” on page 72 of DRHP.

Changes in the Auditors during last three years

M/s M. K. Surana & Co., Chartered Accountants are the Statutory Auditor of the Company w.e.f. March 26, 2007. The change in auditor was due to resignation of the then existing auditor M/s S. M. Daga & Co, Chartered Accountants. Other than this, there is no change in the Statutory Auditors of the Company during last 3 years.

Capitalisation of reserves of profits since incorporation

We have not capitalized our reserves or profits since our incorporation, except in relation to the bonus issue as stated in “**Capital Structure**” on page 13.

Revaluation of assets since incorporation

There has been no revaluation of assets of the Company since its incorporation.

SECTION VIII: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, Government of India, the Stock Exchanges, the RBI, RoC and/ or other authorities, as in force on the date of the Issue and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being offered shall be subject to the provisions of our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees will be entitled to dividend or any other corporate benefits, if any, declared by the Company after the date of allotment. See “Main Provisions of the Articles of Association of the Company” beginning on page 219 for a description of the Articles of Association of the Company.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act, 1956.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Floor Price is Rs. [●] and the Cap Price is Rs. [●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares subject to the applicable laws.

Compliance with SEBI Regulations

We shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, regulations, rules and guidelines and the Memorandum and Articles of Association, the equity shareholders shall have the following rights:

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

For a detailed description of the main provisions of our Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association of the Company” on page 219.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares of the Company shall be allotted only in dematerialised form. In terms of existing SEBI Regulations, the trading in the Equity Shares of the Company shall only be in dematerialised form for all investors. **Since trading of our Equity Shares will be in dematerialized mode, the tradable lot is one equity share.**

Allocation and allotment of Equity Shares through this Issue will be done only in electronic form in multiples of [●] Equity Share to the successful Bidders subject to a minimum Allotment of [●] Equity Shares. For details of allocation and allotment, see "Issue Procedure" on page 185.

Nomination Facility to the Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidder(s), may nominate any one person in whom, in the event of death of the sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form available on request at the registered office of the Company or at the Registrar and Transfer Agent of the Company.

In accordance with Section 109B of the Companies Act, any person who becomes a nominee by virtue of the provisions of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by our Board, elect either:

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

Further, our 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 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue will be made only in dematerialised mode, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require to change the nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive the minimum subscription of 90% of the Issue, including devolvement on Underwriters, if any, within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act.

Further, in accordance with the regulation 26(4) of the SEBI Regulations, the Company shall ensure that the number of allottees under the Issue shall not be less than 1,000.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

There are no restrictions on transfers and transmission of shares or debentures and on their consolidation or splitting except as provided in our Articles. See the section "Main Provisions of the Articles of Association" beginning on page 219 of this Draft Red Herring Prospectus.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Kolkata, India.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in

Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act in reliance on Rule 144A under the Securities Act, and (ii) outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Application in Issue

Equity Shares being issued through this Draft Red Herring Prospectus can be applied for in the dematerialised form only.

Withdrawal of the Issue

The Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at anytime after the Bid/Issue Opening Date but before Allotment. If our Company withdraws from the Issue, it shall issue a public notice within two days of the closure of the Issue informing the reason. The notice shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an initial public offering of its Equity Shares, it shall file a fresh Draft Red Herring Prospectus with the SEBI.

ISSUE STRUCTURE

Public issue of 45,00,000 Equity Shares of Rs.10 each for cash at a price of Rs.[●] per Equity Share (including a share premium of Rs.[●] per Equity Share) aggregating Rs.[●] lacs by RDB Rasayans Limited. The Issue will constitute 25.40% of the fully diluted post issue paid up capital of the company. The Issue is being made through the 100% Book Building process.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Up to 22,50,000 Equity Shares or Issue less allocation to Non Institutional Bidders and Retail Individual Bidders.	At least 6,75,000 Equity Shares or Issue less allocation to QIBs and Retail Individual Bidders.	At least 15,75,000 Equity Shares or Issue less allocation to QIBs and Non-Institutional Bidders.
Percentage of Issue Size available for allocation	Up to 50% of Issue or Issue less allocation to Non Institutional Bidders and Retail Individual Bidders. However, 5% of the QIB Portion shall be available for allocation to mutual Funds only. Mutual funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	At least 15% of the Issue or Issue less allocation to QIBs and Retail Individual Bidders.	At least 35% of Issue or Issue less allocation to QIBs and Non Institutional Bidders.
Basis of Allocation if Respective category is oversubscribed	Proportionate (a) 1,12,500 Equity shares shall be allocated on a proportionate basis to Mutual Funds ; and (b) 21,37,500 Equity shares shall be allocated on a proportionate basis to all QIBs including Mutual funds receiving allocation as per (a) above	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs.100,000.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount exceeds Rs.100,000.	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares so that the bid does not exceed the Issue size, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares so that the bid does not exceed the Issue size, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.
Mode of Allotment	Compulsorily in dematerialised form	Compulsorily in dematerialised form	Compulsorily in dematerialised form
Trading Lot	One Equity Share	One Equity Share	One Equity Share
Who can apply **	(i) a mutual fund, venture capital fund and foreign venture capital investor registered with the Board; (ii) a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the Board; (iii) a public financial institution as defined in section 4A of the Companies Act, 1956; (iv) a scheduled commercial bank; (v) a multilateral and bilateral development	Resident Indian individuals, Eligible NRIs, HUF (in the name of Karta), companies, Corporate bodies, scientific institutions societies and trusts and any FII sub-account registered with SEBI which is a foreign corporate or foreign individual.	Resident Indian individuals, Eligible NRIs, HUF (in the name of Karta) applying for Equity Shares such that the Bid Amount does not exceed Rs.100,000 in value.

	financial institution; (vi) a state industrial development corporation; (vii) an insurance company registered with the Insurance Regulatory and Development Authority; (viii) a provident fund with minimum corpus of twenty five crore rupees; (ix) a pension fund with minimum corpus of twenty five crore rupees; (x) National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; (xi) insurance funds set up and managed by army, navy or air force of the Union of India;		
Terms of Payment	Margin Amount applicable to QIB Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate.	Margin Amount applicable to Non Institutional Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the ASBA Form.	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the ASBA Form.
Margin Amount	10% of Bid Amount on Bidding	100% of Bid amount on Bidding	100% of Bid amount on Bidding

** Subject to valid Bids being received at or above the Issue Price. Under subscription, if any, in any category would be met with spill over from any of the other categories or combination of categories at the discretion of our Company in consultation with the BRLM. However, if the aggregate demand by Mutual Fund is less than Mutual Fund Portion i.e. 1,12,500 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to QIB portion and be allocated proportionately to QIB bidders.*

*** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.*

Bidding Period / Issue Period

Bid / Issue Opens on	[●], 2010
Bid/ Issue Closes on	[●], 2010

1. Closure time of the Stock Exchange bidding platform for entry of bids is 5.00 P.M..
2. On the day of closing, extension of time will be granted by Stock Exchange only for uploading the bids received from Retail Investors after taking into account the total number of applications received upto the closure of timings for acceptance of application forms as stated in Offer Document and reported by BRLM to the Exchange within half an hour of such closure.
3. Bids not uploaded in the book, would be rejected.
4. In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.
5. Standardization of cut-off time for uploading of bids on the bid / issue closing date.
 - a) A standard cut-off time of 3.00 P.M. for acceptance of bids
 - b) A standard cut-off time of 4.00 P.M. for uploading of bids received from non retail applicants i.e. QIBs and HNIs.
 - c) A standard cut-off time of 5.00 P.M. for uploading of bids received from retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m and 5.00 p.m.** (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centers mentioned on the Bid cum Application Form **except that on the Bid/Issue Closing Date, when Bids shall be accepted only between 10.00 a.m and 3.00 p.m (Indian Standard Time).**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m (Indian Standard Time) on the Bid/Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday).

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band advertised at least one day prior to the Bid /Issue Opening Date.

In case of revision in the Price Band, the Issue Period will be extended for three additional working days after revision of the Price Band, subject to the Bidding Period/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bidding Period/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release, and also by indicating the change on the website of the BRLM and at the terminals of the syndicate.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein up to 50% of the Issue to the public shall be allocated on a proportionate basis to Qualified Institutional Buyers, out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue Price. Further, at least 15% of the Issue to the public shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Issue to the public shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate member. Further, QIB Bids can be submitted only through the BRLM and/ or their affiliates. Our Company, in consultation with the BRLM may reject any Bid procured from QIBs, by any or all members of the Syndicate, for reasons to be recorded in writing provided that such rejection shall be made at the time of acceptance of the Bid and the reasons thereof shall be disclosed to the Bidders. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that the Equity Shares would be allotted to all successful Bidders only in the dematerialised form. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form, bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Draft Red Herring Prospectus. The Bidders shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the filing of the Prospectus with the RoC, allocation of Equity Shares, and dispatch of the CAN, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorised our Company to make the necessary changes in the Draft Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians, Eligible NRIs applying on a non-repatriation basis	White
Non-residents, Eligible NRIs, or FIIs or Foreign Venture Capital Funds registered with SEBI, Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue

Note:

There will be a separate ASBA Form for ASBA Investor applying through ASBA process.

Who can Bid?

1. Persons eligible to invest under all applicable laws, rules, regulations and guidelines;
2. Indian nationals resident in India who are majors, in single or joint names (not more than three);
3. Hindu Undivided Families or HUFs in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;
4. Eligible NRIs on a repatriation basis or a non-repatriation basis, subject to compliance with applicable laws, rules, regulations, guidelines and approvals in the Issue;
5. a mutual fund, venture capital fund and foreign venture capital investor registered with the Board;
6. a foreign institutional investor and sub-account (other than a sub-account which is a foreign corporate or foreign individual), registered with the Board;

7. a public financial institution as defined in section 4A of the Companies Act, 1956;
8. a scheduled commercial bank;
9. a multilateral and bilateral development financial institution;
10. a state industrial development corporation;
11. an insurance company registered with the Insurance Regulatory and Development Authority;
12. a provident fund with minimum corpus of twenty five crore rupees;
13. a pension fund with minimum corpus of twenty five crore rupees;
14. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India;
15. insurance funds set up and managed by army, navy or air force of the Union of India;
16. Companies and corporate bodies registered under the applicable laws in India and authorised to invest in Equity Shares;
17. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts and who are authorised under their constitution to hold and invest in Equity Shares;
18. Scientific and/or industrial research organisations in India authorised under their constitution to invest in equity shares;
19. Any FII sub-account registered with SEBI which is a foreign corporate or foreign individual; and
20. Any other QIBs permitted to invest in the Issue under applicable law or regulation.

As per existing regulations, OCBs cannot Bid in the Issue.

Note: The BRLM and Syndicate Member shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and Syndicate Member may subscribe for Equity Shares in the Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis.

Bidders are advised to ensure that any single Bid from them does not exceed the investments limits or maximum number of Equity Shares that can be held by them under applicable laws, rules, regulations, guidelines and approvals.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than 1,12,500 Equity Shares, Allocation shall be made to Mutual Funds on proportionate basis to the extent of the Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Funds Portion.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

In accordance with the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments by index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up capital carrying voting rights.

5% of the QIB Portion shall be available for allocation to Mutual Funds. Mutual Funds participating in the 5% share of the QIB Portion will also be eligible for allocation in the remaining QIB Portion.

Bids by Eligible NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs at the registered office of the Company and Members of the Syndicate.
2. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for allotment under the NRI category. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (white in colour).

Bids by FIIs

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

The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue issued capital i.e. 10% of 1,77,14,800 Equity Shares. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital. Under the current foreign investment policy applicable to us foreign equity participation up to 100% is permissible under the automatic route. As of now, the aggregate FII holding in us cannot exceed 24% of our total issued capital. With the approval of the Board of Directors and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the Company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII or its sub-account may issue, deal in, or hold, offshore derivative instruments such as Participatory Notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed on any stock exchange in India, only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment, subject to compliance of "know your client" requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

In accordance with the current regulations, the following provisions are applicable for investments by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund. Further, Venture Capital Funds can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. The Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. The Company and the BRLM are not liable to inform the investors of any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Bid Size

(a) For Retail Individual Bidders:

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the total Bid Amount (including revision of Bids, if any) payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 100,000. In case the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of option to bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The option to Bid at Cut-off Price is an option given only to the Retail Individual Bidders indicating their agreement to Bid and subscribe to Equity Shares at the final Issue Price as determined at the end of the Book Building Process.

(b) For Non-Institutional Bidders and QIB Bidders:

The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares. A Bid cannot be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by the regulatory and statutory authorities governing them. **Under the existing SEBI Regulations, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay QIB Margin upon submission of Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs.100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs.100,000 or less due to a revision in Bids or revision of the Price Band,

Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIB Bidders do not have the option of bidding at Cut-off Price.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Information for the Bidder:

1. The Company will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.
2. The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.
3. Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus along with the Bid cum Application Form can obtain the same from our registered office or from any of the members of the Syndicate.
4. Eligible investors who are interested in subscribing for the Equity Shares should approach any of the BRLM or Syndicate Member or their authorised agent(s) to register their Bids.
5. The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the member of the Syndicate/SCSB. Bid cum Application Forms, which do not bear the stamp of a member of the Syndicate/SCSB, will be rejected.

Method and Process of Bidding

1. Our Company and the BRLM shall declare the Bid/Issue Opening Date, the Bid/Issue Closing Date and Price Band in the Red Herring Prospectus to be filed with RoC and publish the same in two widely circulated newspapers (one each in English and Hindi) and in a regional newspaper. This advertisement shall contain the disclosures as prescribed under the SEBI Regulations. This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the form prescribed in Schedule XIII of the SEBI Regulations. The BRLM and Syndicate Member shall accept Bids from the Bidders during the Bidding/Issue Period.
2. The Bidding/Issue Period shall be a minimum of three working days and shall not exceed seven working days. In case the Price Band is revised, the revised Price Band and Bidding/Issue Period will be published in two national newspapers (one each in English and Hindi) and in a regional newspaper and also by indicating the change on the website of the BRLM and at the terminals of the members of the Syndicate and the Bidding/Issue Period may be extended, if required, by an additional three working days, subject to the total Bidding/Issue Period not exceeding 10 working days.
3. During the Bidding/Issue Period, investors who are interested in subscribing to our Equity Shares should approach the members of Syndicate or their authorised agents to register their Bid.
4. Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels" on page 189) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.
5. The Bidder cannot Bid on another Bid cum Application Form after Bid(s) on one Bid cum Application Form has been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple bidding and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Build up of the Book and Revision of Bids" on page 191.
6. The members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS, for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.
7. Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph "Terms of Payment and Payment into the Escrow Account" on page 190.
8. During the Bidding/Issue Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients/investors who place orders through them and shall have the right to vet the Bids subject to the terms of the Syndicate Agreement and the Draft Red Herring Prospectus.

Bids at Different Price Levels

1. The Price Band has been fixed at Rs. [●] to Rs. [●] per Equity Share, Rs. [●] being the floor of the Price Band and Rs. [●] being the cap of the Price Band. The Bidders can Bid at any price within the Price Band in multiples of Re. 1.
2. Our Company in consultation with the BRLM can revise the Price Band during the Bidding/Issue Period, in which case the Bidding/Issue Period shall be extended further for a period of three additional working days, subject to the total Bidding/Issue Period being a maximum of 10 working days. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus.
3. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and in a regional newspaper, and also by indicating the change on the website of the BRLM and at the terminals of the members of the Syndicate.
4. Our Company, in consultation with the BRLM can finalize the Issue Price within the Price Band without the prior approval of, or intimation to, the Bidders.
5. The Bidder has to Bid for the desired number of Equity Shares at a specific price. The Bidder can Bid at any price within the Price Band in multiples of Re.1. Retail Individual Bidders may Bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB Bidders or Non-Institutional Bidders and such Bids from QIBs and Non-Institutional Bidders shall be rejected.
6. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at Cut-Off Price shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Payment Method based on the cap of the Price Band with the members of the Syndicate. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the respective Refund Account.
7. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had bid at Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to bid at Cut-off Price), with the member of the Syndicate to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds Rs. 100,000, the Bid by a Retail Individual Bidder will be considered for allocation under the Non-Institutional Portion in terms of this Draft Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares bid for shall be adjusted downwards for the purpose of allotment, such that no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.
8. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the respective Refund Account.
9. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain [●] Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.

Escrow Mechanism

Our Company and the members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the Bidders make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Accounts. The Escrow Collection Banks will act in terms of this Draft Red Herring Prospectus and the Escrow Agreement. The monies in the Escrow Accounts shall be maintained by the Escrow Collection Banks for and on behalf of the Bidders. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the monies from the Escrow Accounts to the Public Issue Account and the Refund Account as per the terms of the Escrow Agreement and this Draft Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between us, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Account

Each Bidder, shall pay the applicable Margin Amount, along with the submission of the Bid-cum-Application Form by way of a cheque or demand draft in favour of the Escrow Account (for details please see the section titled "Payment Instructions" beginning on page 197 of this Draft Red Herring Prospectus) and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid-cum-Application Forms accompanied by cash shall not be accepted.

The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders till the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Issue Account. The balance amount after transfer to the Issue Account shall be transferred to the Refund Account.

On the Designated Date and no later than 15 (fifteen) days from the Bid/Issue Closing Date, the Escrow Collection Bank(s) shall dispatch all refund amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment to the Bidders

Each category of Bidders i.e., QIB Bidders, Non-Institutional Bidders and Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of the submission of the Bid-cum-Application Form. The Margin Amount payable by each category of Bidders is mentioned under the section titled "Issue Structure" on page 182 of this Draft Red Herring Prospectus. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated/allotted at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay in-Date. QIBs will be required to deposit a margin of 10% at the time of submitting of their Bids.

If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled. However, if the applicable Margin Amount for Bidders is 100%, the full amount of payment has to be made at the time of submission of the Bid-cum- Application Form.

Where the Bidder has been allocated lesser number of Equity Shares than he or she had bid for, the excess amount paid on bidding, if any, after adjustment for allotment, will be refunded to such Bidder within 15 days from the Bid /Issue Closing Date, failing which we shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Electronic Registration of Bids

1. The members of the Syndicate will register the Bids using the on-line facilities of NSE and BSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being accepted.
2. NSE and BSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorised agents during the Bidding/Issue Period. The members of the Syndicate can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/Issue Closing Date, the members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges.
3. BSE and NSE will aggregate demand and price for Bids registered on their electronic facilities on a regular basis and display graphically the consolidated demand at various price levels. This information can be accessed on BSE's website at "www.bseindia.com" or on NSE's website at "www.nseindia.com".
4. At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:
 - Name of the investor (Investors should ensure that the name given in the Bid cum application form is exactly the same as the Name in which the Depository Account is held. In case the Bid cum Application Form is submitted in joint names, investors should ensure that the Depository Account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form);
 - Investor category –Individual, Corporate, QIBs, Eligible NRI, FII or Mutual Fund, etc;
 - Numbers of Equity Shares bid for;
 - Bid price;
 - Bid cum Application Form number;
 - Whether payment is made upon submission of Bid cum Application Form; and

- Depository participant identification number and client identification number of the beneficiary account of the Bidder.
5. A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. **It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate.** The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate or our Company.
 6. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
 7. In case of QIB bidders, members of the syndicate also have the right to accept the bid or reject it. However, such rejection should be made at the time of receiving the bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders who Bid, Bids would not be rejected except on the technical grounds listed on page 199.
 8. It is to be distinctly understood that the permission given by NSE and BSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLM are cleared or approved by NSE and BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Promoter, the management or any scheme or project of our Company.
 9. It is also to be distinctly understood that the approval given by NSE and BSE should not in any way be deemed or construed that this Draft Red Herring Prospectus has been cleared or approved by NSE or BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus; nor does it warrant that our Equity Shares will be listed or will continue to be listed on NSE and BSE.

Build Up of the Book and Revision of Bids

1. Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to NSE or BSE mainframe on a regular basis in accordance with market practice.
2. The book gets built up at various price levels. This information will be available with the BRLM on a regular basis.
3. During the Bidding/Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.
4. Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. Apart from mentioning the revised options in the revision form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.
5. The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. **Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.**
6. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of this Draft Red Herring Prospectus.
7. When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**
8. Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation/allotment. In the event of discrepancy of data between the Bids registered on the online IPO system and the physical Bid cum Application Form, the decision of the Company in consultation with the BRLM, based on the physical records of Bid/cum Application Forms, shall be final and binding on all concerned.

Price Discovery and Allocation

1. After the Bid /Issue Closing Date, the BRLM will analyse the demand generated at various price levels.
2. The Company in consultation with the BRLM, shall finalise the "Issue Price" and the number of Equity Shares to be allocated in each investor category.

3. QIB Bidders will be required to deposit the QIB Margin Amount at the time of submitting of their Bids. After the closure of bidding, the level of subscription in the various categories shall be determined. Based on the level of subscription, additional margin money, if any, shall be called for from the QIB Bidders. The QIB Bidders shall pay such additional Margin Amount within a period of two days from the date of the letter communicating the request for such additional margin money.
4. Under-subscription, if any, in any category would be met with spill over from other categories or combination of other categories at the sole discretion of our Company in consultation with the BRLM. In case of inadequate demands from the Mutual Funds, the Equity Shares would be made available to QIBs other than Mutual Funds.
5. The allocation under the Issue shall be on proportionate basis, in the manner specified in the SEBI Regulations and this DRHP and in consultation with Designated Stock Exchange.
6. The BRLM, in consultation with us, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.
7. The Company, in consultation with the BRLM, reserves the right not to proceed with the Issue at anytime after the Bid/Issue Opening Date but before Allotment. If our Company withdraws from the Issue, it shall issue a public notice within two days of the closure of the Issue informing the reason. The notice shall be issued in the same newspapers where the pre-Issue advertisements have appeared and our Company shall also promptly inform the Stock Exchanges. If our Company withdraws the Issue after the Bid/Issue Closing Date and thereafter determines that it will proceed with an initial public offering of its Equity Shares, it shall file a fresh Draft Red Herring Prospectus with the SEBI.
8. Allocation to FIIs and eligible NRIs on repatriation basis will be subject to the applicable law.
9. In terms of the SEBI Regulations, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

Signing of Underwriting Agreement and RoC Filing

- (a) We, the BRLM and the Syndicate Member shall enter into an Underwriting Agreement on finalisation of the Issue Price.
- (b) After signing the Underwriting Agreement, we would update and file the updated Red Herring Prospectus with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.

Announcement of Pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall, after receiving final observations, if any, on the Draft Red Herring Prospectus, publish an advertisement in the form prescribed by the SEBI Regulations, in two widely circulated national newspapers (one each in English and Hindi) and a regional newspaper.

Advertisement regarding Price Band and Red Herring Prospectus

A statutory advertisement will be issued by the Company after the filing of the Red Herring Prospectus with the RoC. This advertisement in addition to the information that has to be set out in the statutory advertisement shall indicate the Price Band along with a table showing the number of Equity Shares and the amount payable by an investor. Any material updates between the date of Red Herring Prospectus and the Prospectus shall be included in the advertisement.

Issuance of Confirmation of Allocation Note ("CAN")

Subject to "Allotment Reconciliation and Revised CANs" as set forth below:

- (a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLM or the Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated Equity Shares in the Issue. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders. However, the investor should note that the Company shall ensure that the date of Allotment of the Equity Shares to all investors in this Issue shall be done on the same date.
- (b) The BRLM and/ or their affiliates or the members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the Balance Amount Payable for all the Equity Shares allocated to such Bidder. Those QIB Bidders who have not paid the Bid Amount in full into

the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.

- (c) Bidders who have been allocated Equity Shares and who have already paid into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of their cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed as a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares to be allotted to such Bidder.

Notice to QIBs: Allotment Reconciliation and Revised CANs

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE system. Based on the electronic book, QIBs may be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the reconciled book prepared by the Registrar. Subject to SEBI Regulations, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange. As a result, a revised CAN may be sent to QIBs, and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

- (a) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bidding /Issue Closing Date. After the funds are transferred from the Escrow Accounts to the Public Issue Account on the Designated Date, we would ensure the credit to the successful Bidders depository account within 15 days of the closure of the issue.
- (b) As per SEBI Regulations, **Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the allottees.**
- (c) After the funds are transferred from the Escrow Accounts to the Public Issue Account on the Designated Date, the Company will allot the Equity Shares to the Allottees.
- (d) Successful Bidders will have the option to rematerialize the Equity Shares so allotted/transferred if they so desire as per the provisions of the Companies Act and the Depositories Act, rules, regulations and bye laws of the Depositories.

Investors are advised to instruct their depository participant to accept the Equity Shares that may be allocated to them pursuant to this Issue.

GENERAL INSTRUCTIONS

Do's:

- (a) Check if you are eligible to apply having regard to applicable law, rules, regulations, guidelines and approvals and the terms of the Draft Red Herring Prospectus;
- (b) Ensure that your bid is within the Price Band;
- (c) Read all the instructions carefully and complete the Bid cum Application Form (white or blue in colour) as the case may be.
- (d) 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.
- (e) Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate/SCSB.
- (f) Ensure that you have been given a TRS for all your Bid options.
- (g) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS.
- (h) Each of the Bidders should mention their Permanent Account Number (PAN) allotted under the IT Act. (See the section "Issue Procedure – Permanent Account Number" on page 199 of this Draft Red Herring Prospectus);
- (i) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application

Form 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 Bid cum Application Form

- (j) Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

- (a) Do not Bid for lower than the minimum Bid size;
- (b) Do not Bid/revise Bid to a price that is less than the Floor Price or higher than the Cap Price;
- (c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;
- (d) Do not pay the Bid amount in cash;
- (e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only;
- (f) Do not Bid at Cut-off Price (for QIB Bidders and Non-Institutional Bidders);
- (g) Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
- (h) Do not bid at Bid Amount exceeding Rs. 100,000 (for Retail Individual Bidders);
- (i) Do not submit the Bid without the QIB Margin Amount, in case of a Bid by a QIB;
- (j) Do not submit Bids accompanied by Stockinvest or postal order or money order; and
- (k) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

Bidders can obtain Bid cum Application Forms and/or Revision Forms from the members of the Syndicate.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

1. Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (white colour for Resident Indians and Eligible NRIs applying on non-repatriation basis and blue colour for Non Residents including, Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI, applying on repatriation basis.
2. Made in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
3. Completed in full, in BLOCK LETTERS in English and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum application Forms or Revision Forms are liable to be rejected.
4. The Bids from the Retail Individual Bidders must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.
5. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [●] Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws and regulations.
6. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Depository Account and Bank Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant-Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These bank account details would be used for giving refunds (including through physical refund warrants, direct credit, ECS, NEFT and RTGS) to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLM or the Registrar or the Escrow Collection Banks nor the Company shall have any responsibility and

undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM 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 BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder 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.

In case of Bidders receiving refunds through electronic transfer of funds, delivery of refund orders/allocation advice/CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither the Company, nor the Registrar, Escrow Collection Bank(s) nor the BRLM shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

The Company in its absolute discretion, reserve the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Equity Shares in Dematerialised form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two tripartite agreements have been signed among us, the respective Depositories and the Registrar to the Issue:

- (a) an agreement dated [●] between NSDL, us and Registrar to the Issue;
- (b) an agreement dated [●] between CDSL, us and Registrar to the Issue.

Bidders will be allotted Equity Shares only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

1. A Bidder applying for Equity Shares must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the Bid.
2. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.
3. Equity Shares Allotted to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

4. Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.
5. If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.
6. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.
7. It may be noted that Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.
8. The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

Bids by Eligible NRIs, FIIs, Foreign Venture Capital Funds registered with SEBI and multilateral and bilateral development financial institutions on a repatriation basis

Bids and revision to Bids must be made:

1. On the Bid cum Application Form or the Revision Form, as applicable (blue in colour), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.
2. By FIIs for a minimum of such number of Equity Shares and in multiples of [●] thereafter that the Bid Amount exceeds Rs. 100,000. For further details see "Issue Procedure-Maximum and Minimum Bid Size" on page 187.
3. In the names of individuals, or in the names of FIIs or Foreign Venture Capital Funds registered with SEBI and multilateral and bilateral development financial institutions but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.
4. In a single name or joint names (not more than three).

Bids by Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids by Eligible NRIs for a Bid Amount of more than Rs. 100,000 would be considered under the Non-Institutional Portion for the purposes of allocation;

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. Our Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

It is to be distinctly understood that there is no reservation for Eligible NRIs and FIIs, and all such Bidders will be treated on the same basis with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Bids under Power of Attorney

1. In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, we reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.
2. In case of Bids made pursuant to a Power of Attorney by FIIs, a certified copy of the Power of Attorney or the relevant resolution or authority as the case may be, along with a certified copy of their SEBI registration certificate must be submitted with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.
3. In case of the Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, we reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

4. In case of the Bids made by provident funds, subject to applicable law, with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form. Failing this, we reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.
5. In case of Bids made by Mutual Funds, venture capital funds registered with SEBI and FVCIs registered with SEBI, a certified copy of their SEBI registration certificate must be submitted with the Bid cum Application Form. Failing this, we reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.
6. We, in our absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that we and the BRLM may deem fit.

Payment Instructions

We shall open Escrow Accounts with the Escrow Collection Banks for the collection of the Bid Amounts payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation in the Issue. Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation as per the following terms:

Payment into Escrow Accounts

Each Bidder shall pay the applicable Margin Amount at the time of submission of the Bid cum Application Form by way of a cheque or demand draft in favour of the Escrow Account as per the below terms.

- (a) The members of the Syndicate shall deposit the cheque or demand draft with the Escrow Collection Bank(s), which will hold the monies for the benefit of the Bidders till the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account.
- (b) Each category of Bidders i.e. QIB Bidders, Non Institutional Bidders and Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of the submission of the Bid cum Application Form by way of a cheque or demand draft for the maximum amount of his/ her Bid in favour of the Escrow Account of the Escrow Collection Bank(s). (For details please see the section titled "Issue Procedure" beginning on page 185) and submit the same to the member of the Syndicate to whom the Bid is being submitted. The Margin Amount payable by each category of Bidders is mentioned in the section titled "Issue Structure" beginning on page 182. Bid cum Application Forms accompanied by cash shall not be accepted. The maximum Bid Price has to be paid at the time of submission of the Bid cum Application Form based on the highest bidding option of the Bidder.
- (c) Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled.
- (d) Where the Bidder has been allocated lesser number of Equity Shares than he or she had bid for, the excess amount paid on bidding, if any, after adjustment for Allotment, will be refunded to such Bidder in terms of the Draft Red Herring Prospectus.
- (e) The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - (i) In case of Resident QIB Bidders: **"Escrow Account – RRL IPO – QIB – R"**
 - (ii) In case of non resident QIB Bidders: **"Escrow Account – RRL IPO – QIB – NR"**
 - (iii) In case of Resident Retail and Non-Institutional Bidders: **"Escrow Account – RRL IPO – R"**
 - (iv) In case of Non-Resident Retail and Non-Institutional Bidders: **"Escrow Account – RRL IPO – NR"**
- (f) In case of Bids by Eligible NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in NRE accounts or Foreign Currency Non-Resident (FCNR) accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE or FCNR account.

- (g) In case of Bids by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to a Special Rupee Account.
- (h) On the Designated Date and not later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/Stockinvest/money orders/postal orders will not be accepted.

Submission of Bid cum Application Form

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid. Separate receipts shall not be issued for the money payable on the submission of Bid cum Application Form or Revision Form. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid cum Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid cum Application Form for the records of the Bidder.

Payment by Stockinvest

In terms of the Reserve Bank of India Circular No. DBOD.No.FSC.BC.42/24.47.001/2003-04 dated November 5, 2003, the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Accordingly, payment through Stockinvest will not be accepted in the Issue.

OTHER INSTRUCTIONS

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communication will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name and age will be accumulated and taken to a separate process file which will serve as a multiple master document.
2. In this master, a check will be carried out for the same PAN numbers. In cases where the PAN numbers are different, the same will be deleted from this master.
3. The addresses of all these applications from the multiple master will be strung from the address master. This involves including the addresses in a single line after deleting non-alpha and non-numeric characters, i.e., commas, full stops, hashes etc. Sometimes, the name, the first line of the address and pin code will be converted into a string for each application received and a photo match will be carried out among all the applications processed. A print-out of the addresses will be made to check for common names. Applications with the same name and same address will be treated as multiple applications.
4. The applications will be scanned for similar Depository Participant's identity (DP ID) and client identity numbers. If applications bear the same numbers, these will be treated as multiple applications.

5. After the aforesaid procedures, a print-out of the multiple master will be taken and the applications physically verified to tally signatures and also father's/husband's names. Upon completion of this exercise, the applications will be identified as multiple applications.

In case of a mutual fund, a separate Bid can be made in respect of each scheme of the mutual fund registered with SEBI and such Bids in respect of more than one scheme of the mutual fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

We, in consultation with the BRLM, reserve the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

'PAN' Number

The Bidders or in the case of a Bid in joint names, each of the Bidders, should mention his/her Permanent Account Number (PAN) allotted under the I.T. Act.. Applications without this information will be considered incomplete and are liable to be rejected. **It is to be specifically noted that Bidders should not furnish the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

Unique Identification Number ("UIN") - MAPIN

Pursuant to circulars dated April 27, 2007 (No. MRD/DoP/Cir-05/2007) and June 25, 2007 (No. MRD/DoP/Cir-08/2007) issued by SEBI, the requirement of UIN under the SEBI (Central database of Market Participants) Regulations, 2003 has been discontinued and irrespective of the amount of transaction, PAN has been made the sole identification number for all participants in the securities market.

Rejection of Bids

In case of QIB Bidders, the Company in consultation with the BRLM and/or their affiliates may reject Bids provided that the reason for rejecting the same shall be provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, we have the right to reject Bids based on technical grounds only. Consequent refunds shall be made by cheque or pay order or draft and will be sent to the Bidder's address at the Bidder's risk.

Grounds for Technical Rejections

Bidders are advised to note that Bids are liable to be rejected on, inter alia, the following technical grounds:

1. Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for;
2. Bank account details (for refund) not given;
3. Age of first Bidder not given;
4. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and insane persons;
6. Bidder's PAN number is not mentioned in the Bid. It is to be specifically noted that the Bidders should not submit the GIR number instead of the PAN;
7. Bids for lower number of Equity Shares than specified for that category of investors;
8. Bids at a price less than the lower end of the Price Band;
9. Bids at a price more than the higher end of the Price Band;
10. Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders;
11. Bids for a number of Equity Shares, which are not in multiples of [●];
12. Category not ticked;
13. Multiple Bids;
14. In the case of a Bid under power of attorney or by limited companies, corporates, trusts etc., relevant documents are not submitted;
15. Bids accompanied by Stockinvest/money order/postal order/cash;
16. Signature of sole and/or joint Bidders missing;
17. Bid-cum-Application Form does not have the stamp of the BRLM or the Syndicate Member;
18. Bid-cum-Application Form does not have the Bidder's depository account details;

19. Bid-cum-Application Form is not delivered by the Bidder within the time prescribed as per the Bid-cum-Application Form and the Draft Red Herring Prospectus and as per the instructions in the Draft Red Herring Prospectus and the Bid-cum-Application Form;
20. In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary account number;
21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
22. Bids by QIBs not submitted through members of the Syndicate;
23. Bids by OCBs;
24. Bids by U.S. residents or U.S. persons other than in reliance on Regulation S or Rule 144A under the Securities Act; and
25. Bids by persons who are not eligible to acquire Equity Shares of the Company under any applicable law, rule, regulation, guideline or approval, in India or outside India.
26. Bids through ASBA process by QIB Bidders

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional Bidders and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this portion is less than or equal to 15,75,000 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their demand.
- If the aggregate demand in this category is greater than 15,75,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate basis of allocation, refer below.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 6,75,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than 6,75,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of one Equity Share thereafter. For the method of proportionate basis of allocation refer below.

C. For QIB Bidders

- Up to 50% of the Issue Size shall be available for allocation to the QIB Bidders.
- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the QIB Bidders will be made at the Issue Price.
- The Issue size less allocation to Non-Institutional Portion and Retail Portion shall be available for proportionate allocation to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.
- However, eligible Bids by Mutual Funds only shall first be considered for allocation proportionately in the Mutual Funds Portion. After completing proportionate allocation to Mutual Funds for up to 1,12,500 Equity Shares (the Mutual Funds Portion), the remaining demand by Mutual Funds, if any, shall then be considered for allocation proportionately, together with Bids by other QIBs, in the remainder of the QIB Portion (i.e. after excluding the Mutual Funds Portion). For the method of allocation in the QIB Portion, see the paragraph titled "Illustration of Allotment to QIBs" appearing below. If the valid Bids by Mutual Funds are for less than 1,12,500 Equity Shares, the balance Equity Shares available for allocation in the

Mutual Funds Portion will first be added to the QIB Portion and allocated proportionately to the QIB Bidders.

- Allotment shall be undertaken in the following manner:
 - a. In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
 - i. In the event that Mutual Fund Bids exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.
 - ii. In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full allotment to the extent of valid bids received above the Issue Price.
 - iii. Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to all QIB Bidders as set out in (b) below;
 - b. In the second instance allocation to all QIBs shall be determined as follows:
 - i. In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids at or above the Issue Price shall be allotted Equity Shares on a proportionate basis for up to 95% of the QIB Portion.
 - ii. Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIB Bidders.
 - iii. Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis.

For the method of proportionate basis of allocation refer below.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue Details

Sr. No	Particulars	Issue details
1	Issue size	200 million Equity Shares
2	Allocation to QIB (not more than 50% of the Issue)	100 million Equity Shares
	Of which:	
	a. Reservation For Mutual Funds, (5%)	5 million Equity Shares
	b. Balance for all QIBs including Mutual Funds	95 million Equity Shares
3	Number of QIB applicants	10
4	Number of Equity Shares applied for	500 million Equity Shares

B. Details of QIB Bids

Sr. No	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	TOTAL	500

A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

(Number of equity shares in million)				
Type of QIB bidders	Shares bid for	Allocation of 5 million Equity Shares to MF proportionately (please see note 2 below)	Allocation of balance 95 million Equity Shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs

(I)	(II)	(III)	(IV)	(V)
A1	50	0	9.60	0
A2	20	0	3.84	0
A3	130	0	24.95	0
A4	50	0	9.60	0
A5	50	0	9.60	0
MF1	40	1	7.48	8.48
MF2	40	1	7.48	8.48
MF3	80	2	14.97	16.97
MF4	20	0.5	3.74	4.24
MF5	20	0.5	3.74	4.24
	500	5	95	42.42

Please note:

1. The illustration presumes compliance with the requirements specified in this Draft Red Herring Prospectus in the section titled "Issue Structure" beginning on page 182.
2. Out of 100 million Equity Shares allocated to QIBs, 5 million (i.e. 5%) will be allocated on proportionate basis among five Mutual Fund applicants who applied for 200 shares in the QIB Portion.
3. The balance 95 million Equity Shares [i.e. 100 - 5 (available for Mutual Funds only)] will be allocated on proportionate basis among 10 QIB Bidders who applied for 500 Equity Shares (including 5 Mutual Fund applicants who applied for 200 Equity Shares).
4. The figures in the fourth column titled "Allocation of balance 95 million Equity Shares to QIBs proportionately" in the above illustration are arrived as under:
 - (a) For QIBs other than Mutual Funds (A1 to A5)= Number of Equity Shares Bid for X 95 /495
 - (b) For Mutual Funds (MF1 to MF5)= [(No. of shares bid for (i.e., in column II of the table above) less Equity Shares allotted (i.e., column III of the table above)] X 95/495
 - (c) The numerator and denominator for arriving at allocation of 95 million Equity Shares to the 10 QIBs are reduced by 5 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Procedure and Time of Schedule for Allotment and Demat Credit of Equity

The Issue will be conducted through a "100% book building process" pursuant to which the members of the Syndicate will accept bids for the Equity Shares during the Bidding/Issue Period. The Bidding/Issue Period will commence on [●], 2010 and expire on [●], 2010. Following the expiration of the Bidding/Issue Period, the Company, in consultation with the BRLM, will determine the Issue Price, and in consultation with the BRLM, the basis of allocation and entitlement to Allotment based on the bids received and subject to confirmation by the BSE/NSE. Successful Bidders will be provided with a confirmation of their allocation (subject to a revised confirmation of allocation) and will be required to pay any unpaid amount for the Equity Shares within a prescribed time. The Equity Shares will then be credited and Allotted to the investors' demat accounts maintained with the relevant depository participant. The SEBI Regulations require the Company to complete the Allotment to successful Bidders including credit of shares to demand accounts, within 15 days of the expiration of the Bidding/Issue Period. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, the Company shall finalize the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalized in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

- a) Bidders will be categorized according to the number of Equity Shares applied for.
- b) The total number of Equity Shares to be allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

- c) Number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.
- d) In all Bids where the proportionate Allotment is less than [●] Equity Shares per Bidder, the Allotment shall be made as follows:
 - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
 - Each successful Bidder shall be allotted a minimum of [●] Equity Shares.
- e) If the proportionate Allotment to a Bidder is a number that is more than [●] but is not a multiple of 1 (which is the marketable lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. Allotment to all in such categories would be arrived at after such rounding off.
- f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

Letters of Allotment or Refund Orders or instructions to Self Certified Syndicate Banks in ASBA Process

Applicants residing at 68 centers where clearing houses are managed by the RBI, State Bank of India, Punjab National Bank, State Bank of Indore, Union Bank of India, Andhra Bank, Corporation Bank, Bank of Baroda, State Bank of Travancore, Central Bank of India, Canara Bank, Oriental Bank of Commerce, United Bank of India, State Bank of Hyderabad and State Bank of Bikaner and Jaipur, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit and RTGS. We shall ensure dispatch of refund orders, if any, of value up to Rs. 1,500, by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder's sole risk within 15 days of the Bid/Issue Closing Date. Applicants 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 fifteen days of closure of Bid / Issue.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialized form not later than 15 days of the Bid/Issue Closing Date;
- Refunds shall be made within 15 days of the Bid/Issue Closing Date at the sole or First Bidder's sole risk, except for Bidders who have opted to receive refunds through Direct Credit, NEFT, RTGS or ECS;
- The Company shall pay interest at 15% per annum if allotment letters/ refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT, RTGS or ECS, the refund instructions have not been given to the clearing system in the disclosed manner within 15 days of the Bid/Issue Closing Date.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by us, as Escrow Collection Banks and payable at par at places where Bids are received except where the refund or portion thereof is made in electronic mode/manner. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

PAYMENT OF REFUNDS

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid-cum-Application Form, the Registrar will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in despatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the BRLM shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Interest in Case of Delay in Dispatch of Allotment Letters/Refund Orders

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company undertakes that:

- Allotment shall be made only in dematerialized form within 15 days from the Bid/Issue Closing Date;
- Dispatch of refund orders shall be done within 15 days from the Bid/Issue Closing Date; and
- The Company shall pay interest at 15% per annum, if Allotment is not made, refund orders are not dispatched to the applicant or if, in a case where the refund or portion thereof is made in electronic mode/manner, the refund instructions have not been given to clearing members and/or demat credits are not made to investors within the 15 day time period prescribed above.

The Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar. Refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received, except where the refund or portion thereof is made in electronic mode/manner. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference:

1. ECS – Payment of refund shall be undertaken through ECS for applicants having an account at any of the following 68 centres: Ahmedabad, Bangalore, Bhubaneswar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, Jodhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non-MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakhpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). 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. One of the methods for payment of refund is through ECS for applicants having a bank account at any of the above mentioned 68 centres.
2. Direct Credit – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Bid cum Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
3. RTGS – Applicants having a bank account at any of the abovementioned 68 centres and whose refund amount exceeds Rs. 1 million, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid-cum-application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. NEFT (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value upto Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers will be payable by the Bidders.

Please note that applicants having a bank account at any of the 68 centres where the clearing houses for ECS are managed by the RBI, State Bank of India, Punjab National Bank, State Bank of Indore, Union Bank of India, Andhra Bank, Corporation Bank, Bank of Baroda, State Bank of Travancore, Central Bank of India, Canara Bank, Oriental Bank of Commerce, United Bank of India, State Bank of Hyderabad and State Bank of Bikaner and Jaipur are eligible to receive refunds through the modes detailed in I, II, III and IV above. For all the other applicants, including applicants who have not updated their bank particulars alongwith the nine digit MICR Code, prior to the Bid/Issue Opening Date, the refund orders would be dispatched under "Under Certificate of Posting" for refund orders less than Rs. 1,500 and through speed post/registered post for refund orders exceeding Rs. 1,500.

Disposal of applications and application moneys and interest in case of delay

The Company shall ensure dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within 15 days of date of closure of the issue.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 15 days of Bid/ Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within seven working days of finalization of Basis of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Regulations, the Company further undertake that:

- Allotment of Equity Shares shall be made only in dematerialized form not later than 15 days of the Bid/Issue Closing Date;
- Refunds shall be made within 15 days of the Bid/Issue Closing Date at the sole or First Bidder's sole risk, except for Bidders who have opted to receive refunds through Direct Credit, NEFT, RTGS or ECS;
- The Company shall pay interest at 15% per annum if allotment letters/ refund orders have not been dispatched to the applicants or if, in a case where the refund or portion thereof is made in electronic manner through Direct Credit, NEFT, RTGS or ECS, the refund instructions have not been given to the clearing system in the disclosed manner within 15 days of the Bid/Issue Closing Date.

Interest on refund of excess Bid Amount

The Company shall pay interest at the rate of 15% per annum on the excess Bid Amount received if refund orders are not dispatched within 15 working days from the Bid/Issue Closing Date.

Undertakings by the Company

We undertake as follows:

- that the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;
- that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;
- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of closure of the issue, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund
- that the refund orders or allotment advice to the Non Resident Indian shall be dispatched within specified time; and
- that no further issue of Equity Shares shall be made till the Equity Shares offered through this Draft Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under subscription etc.
- that adequate arrangements shall be made to collect all Applications Supported by Blocked Amount (ASBA) and to consider them similar to non-ASBA applications while finalizing the basis of allotment.

Utilisation of Issue proceeds

Our Board of Directors certifies that:

- all monies received out of issue of equity shares to public shall be transferred to separate bank account other than the bank account referred to in sub-section (3) of section 73 of the Companies Act, 1956;
- details of all monies utilised out of the issue referred to in sub-item (i) shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilised under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilised; and
- details of all unutilised monies out of the issue of equity shares referred to in sub-item (i) shall be disclosed under an appropriate separate head in the balance sheet of the issuer indicating the form in which such unutilised monies have been invested.

We shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Restrictions on Foreign Ownership of Indian Securities

Foreign investment in Indian securities is regulated through the Industrial Policy and FEMA. While the Industrial Policy prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investments. **As per current foreign investment policies, foreign direct investment in the Packaging sector is allowed up to 100% under the automatic route.**

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without prior RBI approval, so long as the price of equity shares to be issued is not less than the price at which equity shares are issued to residents. In our Company, as of date the aggregate FII holding cannot exceed 24% of the total issued share capital.

Subscription by Non-Residents

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an

exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States to certain persons in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

There is no reservation for any FIIs or Eligible NRIs and such FIIs or Eligible NRIs will be treated on the same basis with other categories for the purpose of allocation.

As per the current regulations, the following restrictions are applicable for investments by FIIs:

No single FII can hold more than 10% of our post-issue issued capital.

In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital. As of now, the aggregate FIIs holding in our Company cannot exceed 24% of the total issued capital of our Company.

As per the current regulations, the following restrictions are applicable for investments by SEBI registered VCFs and FVCIs:

The SEBI (Venture Capital Funds) Regulations, 1996, and the SEBI (Foreign Venture Capital Investor) Regulations, 2000, prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. Accordingly, the VCF or FVCI can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

As per the current regulations, OCBs cannot participate in this Issue.

The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares bid for do not exceed the applicable limits under laws or regulations. However, we shall update this Draft Red Herring Prospectus and keep the public informed of any material changes in matters concerning our business and operations till the listing and commencement of trading of the Equity Shares.

ISSUE PROCEDURE FOR ASBA BIDDERS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. The Company and the BRLM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.

The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Bidder (other than a QIB) shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder ("**ASBA Account**") is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the blocked amount of the ASBA Bidders within one day from the day of receipt of such notification.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the code of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Draft Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids. On submission of the ASBA Bid cum Application Form, the ASBA Bidders are deemed to have authorised (i) the SCSB to do all acts as are necessary to make the Application in the Offer, including uploading his/her Bid, blocking or unblocking of funds in the bank account maintained with the SCSB specified in the ASBA Bid cum Application Form, transfer of funds to the Public Issue Account on receipt of instruction from the Registrar to the Issue after finalisation of the basis of Allotment; and (ii) the Registrar to the Issue to issue instructions to the SCSB to remove the block on the funds in the bank account specified in the ASBA Bid cum Application Form, upon finalisation of the basis of Allotment.

Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application, the ASBA Bidder is deemed to have authorized the Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the ASBA Bid cum Application Form shall be white.

Who can Bid?

In accordance with the SEBI Regulations, a Bidder (other than a QIB) can submit their application through ASBA process to bid for the Equity Shares of the Company.

A QIB is not permitted to submit an application through the ASBA Process to Bid for the Equity Shares of our Company.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. ASBA Bidders who are Resident Individual Bidders (including HUFs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the Bidding options in the Issue, will be categorised as Retail Individual Bidders. ASBA Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs. 100,000 will be categorised as Non-Institutional Bidders.

Information for the ASBA Bidders:

- (a) The BRLM shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLM shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form. SCSBs shall make the same available on their websites.
- (b) ASBA Bidders, under the ASBA process, who would like to obtain the Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the SCSBs or the BRLM. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.
- (c) The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.
- (d) ASBA Bid cum Application Forms should bear the code of the Syndicate Member and/or Designated Branch of the SCSB.
- (e) ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch. In case the amount available in the bank account specified in the ASBA Bid cum Application Form is insufficient for blocking the amount equivalent to the Bid Amount, the SCSB shall reject the application.
- (f) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form. No more than five ASBA Bid cum Applications can be submitted per bank account in the Issue.
- (g) ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the demographic details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

Method and Process of Bidding

- (a) ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI Regulations and Draft Red Herring Prospectus.
- (b) The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares bid for shall be allocated to the ASBA Bidders.
- (c) Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available

in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

- (d) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.
- (e) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip ("**TRS**"). The TRS shall be furnished to the ASBA Bidder on request.
- (f) An ASBA Bidder cannot bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after bidding on one ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. Submission of a second ASBA Bid cum Application Form or a Non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be liable to be rejected
- (g) either before entering the Bid into the electronic bidding system, or at any point of time prior to the Allocation or Allotment of Equity Shares in this Issue.

Bidding

- (a) Our Company and the BRLM shall declare the Bid/Issue Opening Date, the Bid/Issue Closing Date and Price Band in the Red Herring Prospectus to be filed with RoC and publish the same in two widely circulated newspapers (one each in English and Hindi) and in a regional newspaper. This advertisement shall contain the disclosures as prescribed under the SEBI Regulations. This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the form prescribed in Schedule XIII of the SEBI Regulations. The ASBA Bidders can submit only one Bid in the ASBA Bid cum Application Form.
- (b) Our Company in consultation with the BRLM can revise the Price Band during the Bidding/Issue Period, in which case the Bidding/issue Period shall be extended further for a period of three additional working days, subject to the total Bidding/Issue Period being a maximum of 10 working days. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and in a regional newspaper, and also by indicating the change on the website of the BRLM and at the terminals of the members of the Syndicate.
- (c) The Company in consultation with the BRLM can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.
- (d) ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable, the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.
- (e) In case of an upward revision in the Price Band, announced as above, the ASBA Bidders who had Bid at Cut-off Price could either (i) revise their ASBA Bid or (ii) instruct to block additional amount based on the revised Cap Price (such that the total amount i.e., original Bid Amount plus additional payment does not exceed Rs. 100,000 for Retail Individual Bidders bidding at the Cut-off Price, if the Bidder wants to continue to Bid at Cut-off Price), with the CB or DB of the SCSBs to whom the original ASBA Bid was submitted. In case the total amount (i.e., original Bid Amount plus additional amount blocked) exceeds Rs. 100,000 for Retail Individual Bidders bidding at the Cut-off Price the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Draft Red Herring Prospectus. If, however, the ASBA Bidder does not either revise the ASBA Bid or instruct to block additional amount and the Issue Price is higher than the Cap Price prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of Allotment, such that the no additional amount would be required to be blocked from the ASBA Bidder and the ASBA Bidder is deemed to have approved such revised Bid.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Bid Amount, as per the ASBA Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

- (a) In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Application Form in the electronic bidding system of the Stock Exchange(s) unless
 - (i) it has received the ASBA in a physical or electronic form; and
 - (ii) it has blocked the application money in the ASBA Account specified in the ASBA or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.
- (b) The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bid/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of Bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that are not uploaded may not be considered for allocation.
- (c) The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available on the websites of the Stock Exchanges during the Bidding Period.
- (d) At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:
 - Name of the Bidder(s);
 - Application Number;
 - Permanent Account Number;
 - Number of Equity Shares Bid for;
 - Details of bid options, (a) number of equity shares for each Bid, (b) Bid rate for each Bid;
 - Depository Participant identification No.; and
 - Client identification No. of the Bidder's beneficiary account.

In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchange(s).

- (e) A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares bid for shall be allocated to the ASBA Bidders.
- (f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (g) It is to be distinctly understood that the permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by the Company or the BRLM or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of the Company, its management or any scheme or project of the Company.
- (h) The SCSB may reject the ASBA Bid, if the ASBA Account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, the Company would have a right to reject the Bids only on technical grounds.
- (i) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/Allotment. In case of discrepancy of data between the BSE or NSE and the Designated Branches of the SCSBs, the decision of the Registrar, based on the physical records of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

- (a) Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.
- (b) The book gets built up at various price levels. This information will be available with the BRLM and the Stock Exchanges on a regular basis.
- (c) During the Bid/Issue Period, any ASBA Bidder who has registered his/ her or its interest in the Equity Shares at a particular price level is free to revise his/ her or its Bid within the Price Band using the printed ASBA Revision Form, which is a part of the ASBA Bid cum Application Form. Revisions can be made in both the desired number of Equity Shares and the Bid Amount (including the price per Equity Share) by using the ASBA Revision Form. Apart from mentioning the revised options in the revision form, the ASBA Bidder must also mention the details of all the options in his/ her or its ASBA Bid cum Application Form or earlier ASBA Revision Form. For example, if an ASBA Bidder has Bid for three options in the ASBA Bid cum Application Form and he is changing only one of the options in the ASBA Revision Form, he is required to fill in the details of the remaining two options that are not being revised, in the ASBA Revision Form. The SCSB will not accept incomplete or inaccurate Revision Forms.
- (d) The ASBA Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the ASBA Bidders will have to use the services of the same Designated Branch of the SCSB with whom he/she or it holds the bank account. ASBA Bidders are advised to retain copies of the ASBA Revision Form and the revised Bid must be made only in such ASBA Revision Form or copies thereof.
- (e) Any revision of the Bid shall be accompanied by an instruction to block the incremental amount on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be unblocked by the SCSB.
- (f) When an ASBA Bidder revises his/her or its Bid, he/she or it shall surrender the earlier TRS and get a revised TRS from the SCSBs. **It is the responsibility of the ASBA Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

- (g) The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue.
- (h) Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/Allotment.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process and which details are provided to them by the SCSBs to determine the demand generated at different price levels. For further details, refer to the section titled "Issue Procedure" on page 185.

Advertisement regarding Price Band and Red Herring Prospectus

A statutory advertisement will be issued by the Company after the filing of the Red Herring Prospectus with the RoC. This advertisement in addition to the information that has to be set out in the statutory advertisement shall indicate the Price Band along with a table showing the number of Equity Shares and the amount payable by an investor. Any material updates between the date of Red Herring Prospectus and the Prospectus shall be included in the advertisement.

Issuance of CAN

- (a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that the Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and
- (b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

Unblocking of ASBA Account

Once the basis of allotment is approved by the Designated Stock Exchange, the Registrar to the Issue shall provide the following details to the Controlling Branches of each SCSB, along with instructions to unblock the relevant bank accounts and transfer the requisite money to the Public Issue Account, within the timelines specified in the ASBA facility: (a) the number of Equity Shares to be Allotted against each valid ASBA Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each valid ASBA Bid, (iii) the date by which funds referred to in sub para(ii) above, shall be transferred to the Public Issue Account, (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn/unsuccessful ASBA Bids, if any, to enable SCSBs to unblock the respective bank accounts. The SCSBs shall then unblock the relevant bank accounts for, (a) the transfer of the requisite money to the Public Issue Account against each valid ASBA, (b) the withdrawn/rejected/unsuccessful ASBA Bids, (c) the excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

- (a) The Company will ensure that the allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date.
- (b) Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the applicable law.

GENERAL INSTRUCTIONS

Do's:

- (a) Check if you are eligible to Bid under ASBA process.
- (b) Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.
- (c) Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in colour).
- (d) Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be allotted in dematerialised form only.
- (e) Ensure that your Bid is submitted at a Designated Branch of an SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to the Company or Registrar or BRLM.
- (f) Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.
- (g) Ensure that you have mentioned the correct bank account No. in the ASBA Bid cum Application Form.
- (h) Ensure that you have funds equal to Bid Amount available in the ASBA Account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.
- (i) Ensure that you have correctly checked the authorisation box in the ASBA Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.
- (j) Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.
- (k) Ensure that you have mentioned your Permanent Account Number ("PAN") allotted under the I.T. Act.
- (l) Ensure that the name(s) and PAN given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid 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 ASBA Bid cum Application Form.
- (m) Ensure that the demographic details are updated, true and correct, in all respects.

Don'ts:

- (a) Do not submit an ASBA Bid if you are a QIB.
- (b) Do not Bid for lower than the minimum Bid size.
- (c) Do not Bid on another ASBA or Non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.
- (d) Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.
- (e) Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.
- (f) Do not more than five ASBA Bid cum Application Forms per bank account for the Issue.
- (g) Do not submit the GIR number instead of the PAN Number.
- (h) Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

- (a) Made only in the prescribed ASBA Bid cum Application Form, which is white in colour if submitted in physical mode, or electronic mode.
- (b) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).
- (c) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Bid cum Application Form.
- (d) The Bids must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter subject to a Bid such that the Bid Amount does not exceed the maximum investments limits prescribed under law.
- (e) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY ACCOUNT NUMBER AND PAN IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, PAN IN THE ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED WHILE DEPOSITORY ACCOUNT. IN CASE THE ASBA BID CUM APPLICATION FORM 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 ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders, they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is 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.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the Members of the Syndicate, or the Company shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be allotted in dematerialised form only.

Payment mechanism under ASBA

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the application money in the relevant bank account within one day of receipt of such instructions. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, the Company, in consultation with the BRLM, reserves the right to reject such ASBA Bids.

The Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Bid cum Application Form, subject to such terms and conditions that the Company, in consultation with the BRLM may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall ensure deletion of the withdrawn ASBA Bid from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account.

In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of Basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB on finalization of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one ASBA Bid cum Application Form. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in "Issue Procedure - Multiple Bids" on page 198.

Permanent Account Number

For details, see the section titled "Permanent Account Number or PAN" on page 199.

Right to Reject ASBA Bids

The Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, the Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the depository's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUNDINGS FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under "Grounds for Technical Rejections" on page 199, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;
2. Submission of more than five ASBA Bid cum Application Forms per account;
3. Age of first Bidder not given;
4. Bid made by QIBs;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;

6. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;
7. ASBA Bids accompanied by stockinvest/ money order/ postal order/ cash;
8. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;
9. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or a member of the Syndicate;
10. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Red Herring Prospectus;
11. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account; and
12. ASBA Bid cum Application Forms not being signed by the account holder, if the account holder is different from the Bidder.

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid was submitted, bank account number in which the amount equivalent to the Bid amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or willful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLM, the Syndicate Member and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations.

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre- or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, refer para titled "Impersonation" on page 175.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

The Company undertakes that:

- Allotment and transfer shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date; and
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date.

Basis of Allocation

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders/Non-institutional Bidders. For details, see section titled "Issue Procedure- Basis of Allotment" on page 200.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders, who are Resident Individual Bidders (including HUFs) who have Bid for Equity Shares for an amount less than or equal to Rs. 100,000 in any of the Bidding options in the Issue will be categorized as Retail Individual Bidders. ASBA Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount over Rs. 100,000 will be categorised as Non-Institutional Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by the Company

In addition to the undertakings described under “Issue Procedure - Undertaking by the Company”, with respect to the ASBA Bidders, the Company undertakes that adequate arrangement shall be made to consider ASBA Bidders similar to other Bidders while finalizing the basis of allocation.

Utilisation of Issue Proceeds

The Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see the section titled “Issue Procedure- Utilisation of Issue Proceeds” on page 206.

SECTION IX – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Main provisions of the articles of association of the company are as under:

Table “A”

1. The regulation contained in Table “A” in First Schedule to the Companies Act, 1956, shall, in so far as they are not excluded or modified by these Articles, apply to the Company.

Capital

5. The Authorised Share Capital of the company shall be the capital as specified in Clause V of the Memorandum of Association of the Company from time to time.

Preference Shares

6. Subject to the provisions of Section 80 of the Act, any Preference Shares may be issued on such terms and conditions as approved by an ordinary resolution. At the option of the Company, the Preference Shares may be liable to be redeemed in such manner as the Company before the issue of the shares may determine.

Power to modify rights

7. If at any time share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of shares of that class) may, in accordance with the provisions of sections 106 and 107 of the Act be varied.

Provided that the rights conferred upon the holders of the shares of any class issued with preferential or other rights shall not, unless otherwise expressly provided by the terms of issue of shares of that class, be deemed to be varied by the creation of issue of further shares ranking *pari passu* therewith.

CERTIFICATES

Certificates

12. i) “Every person whose name is entered as a member in the register shall be entitled to receive without payment.
 - a) one certificate for all the shares of each class or
 - b) where the shares so allotted at any time exceed the number of shares fixed as marketable lot in accordance with usage of the Stock Exchange or at the request of the shareholders several certificates one each per marketable lot and one for the balance.
- ii) “Every certificate shall be under the common seal of the Company and issued in the manner and form required by the Companies (issue of Share Certificates) Rules, 1960 or any statutory modification thereof for the time being in force”.

“Provided however that no Share Certificate(s) shall be issued for shares held with a Depository.

Registration of Joint Holders

13. Whereas two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-holders with benefit of survivorship subject to the following provisions and to other provisions of these Articles relating to joint holders:
 - a) The Company shall not be bound to register more than three persons as the joint holders of any share.
 - b) The Joint Holders of a share shall be liable severally as well as jointly in respect of all payments which ought to be made in respect of such share.
 - c) On the death of any one of such joint-holders the survivor/survivors shall be the only person recognized by the Company as having title to or interest in such share but the Board may require such evidence of death as it may deem fit.
 - d) Only the person whose name stands first in the Register as one of the Joint-holders of any share shall be entitled to delivery of the certificates relating to such share.

Register and Index of Members

- 13A. The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors a Register and index of Members in accordance with Sections 150 and 151 and other applicable provisions of the Companies Act, 1956 and the Depositories Act, 1996 with the

details of shares held in physical and dematerialized form in any media as may be permitted by law including in any form of electronic media; The Register and index of Beneficial Owner maintained by a Depository under section 11 of the Depositories Act, 1996 shall also be deemed to be the Register and Index of Members for the purpose of the Companies Act, 1956 and any amendment or any re-enactment thereof. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.

CALL ON SHARES

Calls

18. The Board may from time to time, subject to the terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such call as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the person or persons and at the times date and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board authorizing such call was passed.

Interest on Calls

22. If the sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment, at eighteen percent per annum or at such lower rate, as the Board may determine. The Board shall be at liberty to waive payment of any such interest wholly or in part.

TRANSFER OF SHARES

Form of transfer

25. (a) The instrument of transfer shall be in writing and all provision of section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Provided that nothing in this Article shall prejudice any power of the Company to register as shareholder or debenture holder any person to whom the right to any shares in, or debenture of the Company has been transmitted by operation of law.
- (b) The transfer shall be deemed to remain a holder of the share until the name of the transferee is entered in the registered of members in respect thereof.
- (c) Subject to the provisions of Section 154 of the Act, the registration may be suspended at such time and for such periods as the Board may determine.

Board's right to refuse registration

26. The Board of Directors may, without assigning any reason, decline to register any transfer of a Share and in particular the transfer of a share to a person whom they do not approve of or any transfer on which the Company has lien but in such case it shall within one month from the date of which the instrument of transfer was lodged with the Company, send to the transferee and the transferor or to the person giving intimation of such transfer, as the case may be notice of its refusal to register such transfer.

"Provided that registration of a transfer of shares shall not be refused on the ground of a transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except in lien on the Shares and also subject to the provisions of Section 22A of the Securities Contract (Regulation) Act and Section 11 of the Companies Act, 1956."

TRANSMISSION OF SHARES

Transmission on death

27. The executor or administrators of the holders of succession certificate to the estate of a deceased member (not being a joint holder) shall be the only person(s) recognized by the Company as having title to the share registered in the name of such member and in case of the death of any one or more of the joint registered holders of any shares, the survivor or survivors shall be the only person(s) recognized by the Company as having any title to or any interest in such share. Nothing herein contained shall release the estate of a deceased joint holder from any liability in respect of any share jointly held by him; provided nevertheless that in special case it shall be lawful for the Board to dispense with the production of

probate or letters of administration or succession certificate or other legal representation upon such items as to indemnity or otherwise as the Board may seem proper.

Transmission of shares of deceased members etc.

28. Any person entitled to share in consequence of the death or insolvency of a member may upon producing such evidence as the Board thinks sufficient be registered as a holder of the share.

Boards right to refuse registration

29. Subject to Section 111 of the Act and Section 22A OF THE Securities Contracts (Regulation) Act, 1956, the Board shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if he were the transferee named in and ordinary transfer presented for registration.

NOMINATION

Nomination

- 29A. (i) Notwithstanding anything contained in these Articles and subject to the provisions of section 109A and 109B of the Companies Act, 1956 every member of the Company may at any time nominate in the prescribed manner, a person to whom his shares of the Company shall vest in the event of his death.
- (ii) In case of more than one holder, the joint holders may together nominate, in the prescribed manner a person to whom all the rights in the shares of the Company shall vest in the event of death of all the joint holders.
- (iii) The nominee shall, on the death of the holder of shares of the Company or all the joint holders thereof as the case may be, become entitled to all the rights in such shares of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- (iv) Where nominee is a minor, the holder of shares of the Company may appoint a person to become entitled to such shares, in the event of his death during the minority of nominee.
- (v) Only individual holders of shares can make nominations, Non-individuals including society, Trust, Body Corporate, Partnership Firm, Karta of Hindu Undivided Family (HUF), Holder of Power of Attorney cannot nominate and none of these can be appointed as a nominee.
- (vi) Transfer of shares in favour of a nominee and payment of amount of debentures on redemption to nominee shall be valid discharge by the Company against the legal heirs.

TRANSMISSION OF SECURITIES BY NOMINEE

29B. Transmission of Securities by Nominee- A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

to be registered himself as holder of the shares as the case may be ; or

to make such transfer of the shares, as the case may be, as the deceased shareholder, could have made;

If the nominee elects to be registered as holder of the shares himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder, as the case may be;

A nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the shares or debentures except that he shall not, before being registered as a member in respect of his shares or debentures, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:

Provided further that the Board may at any time, give notice requiring any such person to elect either to be registered himself or to transfer the shares or debentures and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends bonuses or other moneys payable or rights accruing in respect of the shares or debentures, until the requirements of the notice have been complied with.

DEMATERIALIZATION OF SECURITIES

Dematerialization of Securities-

29C. Notwithstanding anything contained in these Articles, The Company shall be entitled to dematerialize or dematerialize its shares, debentures and other securities(both existing and future) held by it with the Depositor and to offer its shares, debentures and other securities for subscription in a dematerialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any;

Option for Investors

Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities.

Where a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the Security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the Security.

Security in Depositories to be in fungible form

All securities held by a Depository shall be dematerialized and be in fungible form.

Nothing contained in Sections 153, 153A, 153B, 187A, 187B, 187C and 372A of the Companies Act, 1956 shall apply to a depository in respect of the securities held by on behalf of the beneficial owners.

Rights of Depositories and Beneficial Owners

Notwithstanding anything to the contrary contained in the Companies Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of securities of the Company on behalf of the beneficial owner.

Save as otherwise provided in (I) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

Every person holding securities of the Company and whose name is entered as the beneficial owner of securities in the record of the depository shall be deemed to be a member of the Company. The beneficial owner of the Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository.

Depository to furnish information

Notwithstanding anything contrary contained in the Companies Act, 1956 or these Articles to the contrary, where the securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.

Option to opt out in respect of any security

If a beneficial owner seeks to opt out of the depository in respect of any security the beneficial owner shall inform the Depository accordingly. The Depository shall on receipt of the intimation as above make appropriate entries in records and shall inform the Company accordingly. The Company shall within thirty (30) days of the receipt of intimation from the Depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.

Section 83 and 108 of the Companies Act, 1956 not to apply

Nothing anything to the contrary contained in the Articles-

Section 83 of the Companies Act, 1956 shall not apply to the shares with a Depository.

Section 108 of the Companies Act, 1956 shall not apply to transfer of security effected by the transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

Distinctive numbers of securities held in the depository mode

Nothing contained in the Companies Act, 1956 or these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held in a depository mode.

Register and index of Beneficial Owners

The Register and Index of beneficial owners maintained by a depository under section 11 of the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders as the case may be for the purposes of these Articles.

Buy-back of shares

29D. The Company may, by special resolution purchase its own shares/securities subject to the provisions of Section 77A, 77AA and 77B of the Act.

ALTERATION OF CAPITAL

Power to increase share capital

38. The Company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

39. The Company may, by ordinary resolution:

Power to consolidate shares

- (a) Consolidate and divide all, or any of its share capital into shares of larger amount than its existing shares;

Power to subdivide shares

- (b) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum of Associations of the Company subject, nevertheless, to the provisions of Section 94(1) (d) of the Act.
- (c) Cancel any share which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of its share capital by the amount of the shares so cancelled.

(d)

Power to reduce capital

40. The Company may, by special resolution, reduce in any manner and with the subject to any incident authorized and consent required by law:

- (a) its share capital,
- (b) any capital redemption reserve account, or
- (c) any share premium account

Power to modify rights

41. Whenever the capital (by reason of the issue of preference shares or otherwise) is divided into different classes of shares all or any of the rights and privileges attached to each class may be varied in the manner provided in Section 106 of the Act and all the provisions hereinafter contained as to General Meeting shall, mutatis mutandis apply as regard class meetings. Provided that the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied under this Article by the creation or issue of further shares and such new shares may be decided at the time of issue thereof.

BORROWING POWERS

Power to borrow

43. Subject to the Provisions of Section 58A, 292, and 293 of the Act, the Directors may, from time to time, at their discretion, raise or borrow and secure the payment of any sum or sums of money for the purpose of the Company.

Conditions on which money can be borrowed

44. The Directors may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and, and particularly by the issue of bonds, perpetual or redeemable debentures or convertible debentures or debenture stock, promissory notes, accepting deposits from public and shareholders or guarantees by creation of mortgage, charge or other security on the undertaking of the whole or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Issue of securities

45. Any debentures, debenture stock, bonds and other securities may be issued at a discount; premium or otherwise and with any special privileges as to redemption, surrender drawing and appointment of Directors and otherwise. Debentures, debenture stocks, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that debentures with the right to allotment of or conversion into shares shall not be issued except in conformity with section 81(3) of the Act.

Personal Liability for payment

46. If the Directors or any of them or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability. If any Directors of the Company or any person guarantees any debt, he shall be entitled to such guarantee commission as may be agreed by the Board.

GENERAL MEETINGS

Extra-ordinary General Meeting

47. All general meetings other than Annual General Meeting shall be called Extra-ordinary General Meeting.

When Extra-ordinary General Meeting to be called

48. The Directors may, whenever they think fit, call an Extra-ordinary General Meeting of the Company. The Directors shall on the requisition of such members of the Company as is specified in Section 169(4) of the Act forthwith proceed to call an Extra-ordinary General Meeting of the Company and the provisions of Section 169 of the Act shall apply to such meeting.
49. If at any time there are not within India Directors capable of acting who are sufficient in number to form quorum, any Director may call an Extra-ordinary General Meeting in the same manner as nearly as possible as that in which such a meeting may be called by the Directors.

PROCEEDINGS AT GENERAL MEETING

Quorum at General Meeting

50. Five members entitled to vote and present in person shall be a quorum at a general meeting and no business shall be transacted at a general meeting unless the quorum requisite be present at commencement of the business.

Dissolution and adjournment of meeting in absence of quorum

51. If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called upon the requisition of members, shall stand dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting the members present shall be a quorum.

Chairman

52. The Chairman, if any, of the Directors shall preside as Chairman at every general meeting of the Company.
53. If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as the Chairman of the meeting the Directors present shall choose one of them to be the Chairman of the meeting and in default of their so doing the members present, in person or by proxy, shall choose one of the Directors to be the Chairman of the meeting.
54. If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be the Chairman of the meeting

Adjournment of meeting

55. The Chairman, may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.

56. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
57. When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
58. Same as aforesaid, it shall not be necessary to give any notice of an adjournment.
59. Any business other than that upon which a poll has been demanded as hereinafter provided may be proceeded with pending the taking of the poll.
60. In the case of an equality of votes, whether on a show of hands or on poll, the Chairman of the meeting at which the show of hands take place or at which the poll is demanded, shall be entitled to a second or casting vote.

VOTES OF MEMBERS

Votes of members

61. Subject to any rights or restrictions for the time being attached to any class or classes of shares:

- (a) on a show of hands, every member present in person shall have one vote; and
- (b) on a poll, the voting rights of members shall be as laid down in Section 87 of the Act

Voting in case of joint holders

62. In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, senior shall be determined by the order in which the names stand in the register.

Voting in case of lunatics

63. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may on a poll, vote by proxy.

Restriction on Voting

64. No member shall be entitled to vote at any general meeting unless all calls of other sums presently payable by him in respect of shares in the Company have been paid.

Objections to vote

65. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purpose.
- (ii) Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive

Instrument of proxy to be deposited at the Office

66. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or notarially certified copy of that power or authority, shall be deposited at the registered office of the Company, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Form of Instrument of proxy

67. An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or in a form as near thereto as circumstances admit.

Proxy valid through authority revoked

68. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy executed or the transfer of the shares in respect of which the proxy is given. Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received: by the

Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is issued.

Inspection of Proxies

69. Every member entitled to vote at a meeting of the company or any resolution to be moved there at shall be entitled, during the period beginning 24 hours before the time fixed for the commencement of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company provided not less than 3 days notice in writing of the intention so to inspect is given to the Company.

Polls

70. If a poll is demanded, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs and other at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. In case of any dispute as to the admission or rejection of a vote, the Chairman shall determine the same and such determination made in good faith shall be final and conclusive.

Who may demand poll

71. Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by one member present in person or by proxy and holding shares in the Company:

- (i) Which confer a power to on the resolution not being less than one tenth of the total voting power in respect of the resolution, or
- (ii) On which an aggregate sum of not less than fifty thousand rupees has been paid.

Demand for poll may be withdrawn

- 72.A Demand for poll may be withdrawn at any time by the person or persons who made the demand.

Time for taking poll

73. A poll demanded on question of adjournment shall be taken forthwith. A poll demanded on any other question (not being a question relating to election of Chairman) shall be taken immediately or at such time not later than 48 hours from the time when the demand was made, as the Chairman may direct.

Postal Ballot

- 73A. The Board may, as required under Section 192A of the Companies Act, 1956, read with the Companies (Passing of Resolutions by postal Ballot) Rules 2001, pass Resolution through Postal Ballot for such Businesses as specified under Rule 4 of the Companies (passing of the Resolutions by the Postal Ballot) Rules 2001.

Election of Chairman

74. A poll demanded on the election of the Chairman shall be taken forthwith. The Chairman elected on a show of hands shall exercise all the powers of a Chairman under these Articles. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting.

What is to be evidence of passing a resolution

75. A declaration by the Chairman that on a show of hands a resolution has or has not been carried whether unanimously or by a particular majority and an entry to that effect contained in the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number of proportion of votes cast in favour or against such resolution.

BOARD OF DIRECTORS

Number of Directors

76. Unless otherwise determined by the Company in general meeting the number of Directors shall not be less than three and not more than twelve.

Directors' fee remuneration and expenses

79. The fees payable to Directors (other than the Managing Director or whole-time Director, if any) attending each of the Board of Committee Meeting thereof, shall be such sum as may be prescribed by the Act or the Central Government from time to time. Subject to the provisions of the act, the Director may be paid commission not exceeding 1% of the net profit of the Company which shall be divided amongst the Directors in such proportion and manner as the Board may determine from time

to time. The Directors shall be entitled to be paid their reasonable traveling and hotel and other expenses incurred for attending a Board or Committee Meeting or otherwise incurred in the execution of their duties as Directors.

Continuing Directors may act

81. The continuing Directors may act notwithstanding any vacancy in their body but if the number falls below the minimum above fixed the Directors shall not, except for the purpose of filling up vacancies, act so long as the number is below the minimum.

Alternate Director

82. The Board may appoint any person to act as an Alternate Director to act for a Director during the absence of the latter from India for a period of not less than three months.

Additional Director

83. The Board shall have power to appoint Additional Directors, provided that such Additional Directors shall hold office only up to the date of the following Annual General Meeting of the Company.

Chairman of the Board

84. The Board may appoint a Chairman of its meetings, and determine the period for which he is to hold office. If no such Chairman is appointed or if at any meeting of the Board the Chairman is not present within fifteen minutes after the time appointed for holding the meeting, the Directors present shall elect one of them to be the Chairman of such meeting.

The Board shall have no power to remove from office the Nominee Director(s). At the option of the Corporation, such Nominee Director(s) shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director(s) shall not be liable to retirement by rotation or Directors. Subject as aforesaid, the Nominee Director(s) shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Debentures in the Company as a result of direct subscription or private placement or so long as the Corporation holds shares in the Company as a result of underwriting or direct subscription or the liability of the Company arising out of the Guarantee is outstanding and the Nominee Director(s) so appointed in exercise of the said power shall ipso facto vacate such office immediately the moneys owing by the Company to the Corporation are paid of or on the satisfaction of the liability of the Company arising out of the Guarantee furnished by the Corporation.

The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and to attend all General Meetings, Board Meetings and Meetings of the Committee of which the Nominee Director(s), is/are member(s), as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

The Company shall pay to the Nominee Director(s) sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission, monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s) in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or, as the case may be to such Nominee Director(s).

Provided that if any such Nominee Director(s) is an officer of the Corporation, the sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by, the Company directly to the Corporation.

In the event of the Nominee Director(s) being appointed as whole time Director(s), such Director(s) shall exercise such powers and have such rights as are usually exercised or available to a whole time Director in the management of the affairs of the Company. Such whole time Director(s) shall be entitled to receive such remuneration, fees, commission and monies as may be approved by the Corporation.

Qualification share

85. The Directors are not required to hold any qualification shares.

Managing Director

86. (i) Subject to the Provisions of the Act, the Board may from time to time appoint one or more Directors to be Managing Director or Managing Directors of the Company, with such designations as the Board may consider fit and may, from time to time, remove or dismiss him or them from office and appoint another or others in his place or their places.
- (ii) Operation of the Company shall vest in the Managing Director with such powers and functions as would be necessary to provide effective and efficient management and smooth running of the Company subject to the superintendence, control and direction of the Board.

Whole-time Directors

87. Subject to the provisions of the Act, whole-time Directors may be appointed by the Board on such terms, remuneration and upon such conditions, including retirement by rotation, as it may think fit and any or all of them appointed may be removed or replaced by the Board.

ROTATION OF DIRECTORS

Power to increase number of Directors

88. The Company in general meeting may subject to the provisions of these Articles from time to time appoint new Directors and may increase or reduce the number of Directors in office.

Rotation and retirement of Directors

89. At the Annual General Meeting in every year one-third of such of the Directors for the time being as are liable to retire by rotation (any fraction contained in that one third being rounded off as one) shall retire from office in accordance with the provisions of Section 255 of the Act. A retiring Director shall be eligible for re-election.

When Directors to retire

90. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who become Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lots.

Notice of candidate as a Director to be given

91. No person, not being a retiring Director shall, unless recommended by the Directors for election, be eligible to the office of Director at any general meeting, unless, he or some other member, intending to propose him, has, at least fourteen clear days before the meeting, sent to the registered office, a notice, in writing duly signed, signifying his candidature to the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a director.

PROCEEDINGS OF DIRECTORS

Meetings of Directors

92. Meetings of the Directors shall be held for the dispatch of business at least once in every three calendar months and the Directors may adjourn and otherwise regulate their meetings and proceedings as they think fit.

Quorum

93. The quorum for a meeting of the Board shall be one-third of its total strength (any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.

Provided that where at any time the number of interested Directors is equal to two-thirds of the total strength the number of the remaining Directors, that is to say, the number of Directors who are not interested, shall be the quorum during such time.

For the purpose of this clause:-

- (i) ``total strength`` means the total strength of the Board as determined in pursuance of the Act, after deducting there from the number of Directors, if any, whose place may be vacate at the time, and
- (ii) ``interested Directors`` means any Director whose presence cannot by reason of Section 300 of the Act, counted for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote at any meeting.

Meeting how convened

94. Notice of every meeting of the Board shall be given in writing to every Director, for the time being in India and at his usual address in India.

Summoning a meeting of Directors

95. A Director may, and the Manager or Secretary of the Company, if any, on the requisition of a director, shall, at any time, summon a meeting of the Board.

Voting at meetings

- 96. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of equality of votes, the Chairman of the Board, if any, shall have a second or casting vote.

Continuing Director

97. The continuing Director may act notwithstanding any vacancy in the Board, but if and so long as their number is reduced below the quorum for a meeting of the Board, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed for the quorum or of summoning a general meeting of the Company but for no other purpose.

Delegation to committees

- 98 (i) The Board may, subject to the provisions of the Act , delegate any of its powers to one or more Committees consisting of such number of members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, regulates its meetings subject to any regulation that may be imposed on it by the Board.

Chairman of Committee

- 99. (i) A Committee may meet and adjourn as it thinks proper.
- (ii) If no such Chairman is elected or if at any meeting the Chairman is not present within thirty minutes after the time appointed for holding the meeting, the members present may choose one of themselves to be the Chairman of the meeting.

Meeting of Committees

- 100. (i) A Committee may meet and adjourn as it thinks proper
- (ii) Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present.

POWERS OF DIRECTORS

Powers of Directors

101. Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers and to do any such act and things as the Company is authorized to exercise and do, provided that the Board shall not exercise any power or do any act and things that are required to be exercised by the Company in general meeting, subject nevertheless to any regulations being not inconsistent with the aforesaid regulations or provisions as may be prescribed by the Company in general meeting but no such regulation made by the Company in general meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

THE SEAL

Custody of seal

102. The Board shall provide a Common Seal for its safe custody .The seal shall not be affixed to any instrument except by the authority of a Resolution of the Board or a Committee of Directors authorized by the Board in that behalf and except in the presence of at least one Director and the Secretary or such other person as the Board may appoint for the purpose and such Director and the Secretary or other person as aforesaid shall sign every instrument to which the Seal of the Company is so affixed in their presence.

DIVIDEND AND RESERVE

Dividend

103. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

Interim Dividends

104. The Directors may from time to time pay to the members such interim dividends as appear to them to be justified by the profits of the Company.

Dividend and call

105. The Directors may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

Payment by post

106. (i) Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post prepaid and directed to the registered address of the holder or in the case of joint holders, to the registered address of that one of the joint holders, who is first named on the register of members or to such person and to such address as the holder or joint holders may in writing direct.
- (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

Dividend not to carry Interest

107. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provisions of Section 205.A of i.e. Act in respect of unclaimed or unpaid dividend.

ACCOUNTS

Accounts to be kept and when Inspection may be had

108. The Directors shall Cause to be kept proper books of account with respect to: (a) all sums of money received and expended by the Company and the matter in respect of which the receipts and expenditures take place, (b) all sales and purchases of goods by the Company, (c) the assets and liabilities of the Company. The Board shall, from time to time, determine whether, to what extent, at what times and under what conditions or regulations the accounts and books of the Company, or any of them, shall be open to the inspection of members not being Directors.

Restriction on Inspection

109. No member (not being a Director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the Company in general meeting.

CAPITALISATION OF PROFITS

Capitalization of Profits

110. (1) The Company in general meeting may, upon the recommendation of the Directors, resolve:
- (a) that it is desirable to capitalise any part of the amount of the time being standing to the credit of any of the Company's reserve account or to the credit of the profit and loss account, or otherwise availability for distribution, and,
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions
- (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in Sub clause (3) either in or towards;
- (a) paying up any amounts for the time being unpaid on any shares held by such members respectively.
 - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as

- fully paid-up bonus shares, to and among such members in the proportion aforesaid: or
- (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b)

- (3) A share premium account and a capital redemption reserve fund may for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares

- (4) The Directors shall give effect to the resolution passed by the Company in pursuance of this Article

Powers of the Directors in regard to capitalisation of profits

111. (1) whenever such a resolution as aforesaid shall have been passed, the Directors shall:

- (a) Make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments; and issues of fully paid shares, if any, and
- (b) Generally do all acts and things required to give effect thereof.

(2) The Directors shall have full power:

- (a) To make such provision, by the issue of fractional certificates or by payment in cash or otherwise, as they think fit, for the case of shares becoming distribute in fraction, and
- (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effective and binding on all such members.

Audit

112. (i) Once at least in every year the books of account of the Company shall be examined by one or more Auditor or Auditors.
- (ii) The Company shall, at each Annual General Meeting, appoint an Auditor or Auditors to hold office from the conclusion of that meeting until the conclusion of the next Annual General Meeting.

NOTICE

How documents to be serviced on member

113. A notice may be served by the Company on any member either personally or by sending it by post to him to his registered address

Service by post

114. Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the notice and unless contrary is provided, such service shall be deemed to have been effected in the case of the notice of a meeting, at the expiration of forty-eight hours after the letter containing the same is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.

Notice of general meeting

117. Notice of every General Meeting of the Company shall be given (a) in any manner herein-before authorised to every member of the Company, (b) in the manner authorised in the preceeding Article, to every person entitled to a share in consequence of the death or insolvency of a member, and (c) in any manner herein-before authorised for service of documents on any member or the Auditor or Auditors for the time being of the Company. No other person shall be entitled to receive notice of general meeting, unless under an agreement.

When notice may be given by advertisement

118. Any notice required to be given by the Company to the members or any of them and not expressly

provided for by these presents shall be sufficiently given by advertisement.

How notice to be advertised

119. Any notice, required to be or which may be given by advertisement, shall be advertised once in one or more newspaper circulating in the neighbourhood of the registered office. When notice by advertisement deemed to be served.
120. Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

Transferee etc. bound by prior notices

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

Notices valid though member deceased

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

How notice to be signed

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

SECRECY CLAUSE

Secrecy Clause

124. Every Director, Manager, Auditor, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the Company shall, before entering upon his duties, sign, if so required, a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of accounts with individuals and in the matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties, except when required so to do by the Directors or by any meeting or by a Court of law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these Articles.

WINDING UP

Distribution of assets in specie or kind

126. (1) In the Company shall be wound up, the liquidator, may with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in special or in kind, the whole or any part of the Assets of the Company, Whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the member or different classes of members.
- (3) The liquidator may, with the like sanction vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

INDEMNITY

Indemnity

127. Subject to the provisions of the Act, every Director and other Officer or Servant of the Company

shall be indemnified by the Company against and it shall be the duty of the Directors to indemnify them out of assets of the Company to pay all costs, losses, damages and expenses which any such Director, Officer or Servant may incur or become liable to be reason of any contract entered into or act or thing done by him as such Director, or other officer or servant or any way in the discharge of his duties, including travelling expenses and in particular and so as not to limit the generally of the foregoing provisions against all liabilities, incurred by him as such Director, other Officer or Servant in defending any proceeding whether civil or criminal in which Judgement is given to his favour or in which he is acquitted or in connection with any application under the Act in which relief is granted by the Court.

Individual responsibility of Directors or Officers

128. Subject to the provisions of the Act, no Director or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer or for joining in any receipt, or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Directors for on or behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the monies of the company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person with whom any moneys, securities, or effect shall be deposited for any loss or damage occasioned by any error of judgment or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own negligence, default, breach of duty or breach of trust.

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and agreements referred to in paragraph 'A' below (not being entered into the ordinary course of business carried on or intended to be carried on by the company or contracts entered into more than two years before the date of this DRHP) which are or may be deemed to be material have been entered into by or on behalf of the company. Copies of these contracts together with copies of the documents referred to in Para (B) below have been attached with the offer document and delivered to the Registrar of Companies, West Bengal, Kolkata for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company at Bikaner Building, 1st Floor, Suite No: 10, 8/1, Lal Bazar Street, Kolkata – 700 001 between 10.00 a.m. and 4.00 p.m. on any working day until the Bid/Issue Closing Date.

A. MATERIAL CONTRACTS

1. MOU dated January 7, 2010 between the Company and Chartered Capital And Investment Ltd to act as Book Running Lead Manager to the Issue.
2. MOU dated February 11, 2010 between the company and Link Intime India Private Limited to act as the Registrar to the Issue.
3. Escrow Agreement dated [●] between the Company, the BRLM, the Escrow Collection Bank(s) and the Registrar to the Issue.
4. Syndicate Agreement dated [●] between the Company, BRLM and the Syndicate Members.
5. Underwriting Agreement dated [●] between the Company, BRLM and other Syndicate Members.
6. Due Diligence Certificate dated March 19, 2010 form the Book Running Lead Manager.
7. Tripartite Agreement dated [●] between the Company, NSDL and Registrar to the Issue.
8. Tripartite Agreement dated [●] between the Company, CDSL and Registrar to the Issue.

B. DOCUMENTS OF INSPECTION

1. Memorandum and Articles of Association of the issuer company.
2. Certificate of Incorporation of the Issuer Company.
3. Copies of the special resolution passed by the shareholders at their meeting held on October 26, 2009 under section 81(1A) of the Companies Act, 1956.
4. Resolution passed by the Board of Directors dated October 1, 2009 for going for Initial Public Offer.
5. Resolution passed by the Board of Directors dated March 20, 2010, [●] and [●] approving the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus respectively .
6. Consents from the Directors, Book Running Lead Manager, Registrars, Bankers to the issue, Bankers to the company, Legal Advisor, Auditors, and Company Secretary & Compliance Officer to act in their respective capacities.
7. Consent of [●] dated [●], a SEBI registered credit rating agency, for inclusion of its grading of the Issue in the Red Herring Prospectus.
8. Auditors Certificate dated December 23, 2009 regarding tax benefits available to the Company and their consent to include the same in the offer document.
9. Auditors certificate dated January 29, 2010 regarding Sources and Deployment of the Funds incurred on the project and their consent to include the same in the offer document.
10. Auditor's Report of the company dated January 29, 2010 referred in the offer document and their consent to include the same in the offer document.
11. Resolution of the Board of Directors of the Company dated November 16, 2009 regarding formation of various committees
12. Copies of the Annual Reports of the Company for the year ended March 31, 2009, March 31, 2008, March 31, 2007, March 31, 2006 and March 31, 2005 and for period ended September 30, 2009.
13. Agreement dated September 21, 2009 between Company and Mr. Shanti Lal Baid regarding his appointment as Managing Director.
14. Agreement dated April 10, 2008 between Company and Mr. Sandeep Baid regarding his appointment as Whole Time Director.

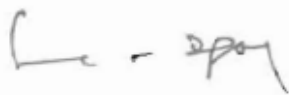
15. Lease Agreement dated June 7, 2007 for acquisition of land for the proposed unit
16. Copies of Initial Listing applications made to Bombay Stock Exchange Ltd and The National Stock Exchange Ltd for listing of the equity shares of the company dated [●] and [●] respectively.
17. Copies of the in principle approval received from BSE and NSE dated [●] and [●] respectively.
18. SEBI observation letter No [●] dated [●] and reply of BRLM to same dated [●].

DECLARATION

We declare that all the relevant provisions of the Companies Act, 1956 and the regulations/guidelines issued by the Government or the regulations/guidelines issued by the Securities and Exchange board of India established under section 3 of the Securities and Exchange board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956 or Securities and Exchange board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We, the directors of the Company declare and confirm that all statements in this Draft Red Herring Prospectus are true & correct.

We, the directors of the Company declare and confirm that no information / material likely to have a bearing on the decision of the investors in respect of the equity shares offered in terms of the Draft Red Herring Prospectus has been suppressed/withheld and/or incorporated in the manner that would amount to misstatement /misrepresentation and in the event of it transpiring at any point of time till allotment/refund as the case may be that any information / material has been suppressed/ withheld and or amounts to misstatement /misrepresentation we undertake to refund the entire application money to all the subscribers within seven days thereafter without prejudice to the provisions of the section 63 of the Act

The Issuer accepts no responsibility for statements made otherwise than in the Draft Red Herring Prospectus or in the advertisements or any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his/ her own risk



Mr. Sunder Lal Dugar
Chairman



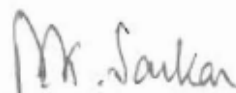
Mr. Shanti Lal Baid
Managing Director



Mr. Sandeep Baid
Whole-time Director



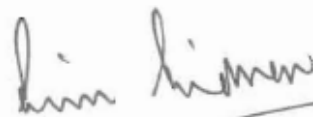
Mr. Himangshu Redia
Company Secretary &
Compliance officer



Mr. P K Sarkar
Independent Director



Mr. M P Singh
Independent Director



Mr. Sachin Shridhar
Independent Director

Place: Kolkata

Date: March 20, 2010

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