RED HERRING PROSPECTUS
Please read Section 60B of the Companies Act, 1956
Dated December 5, 2007
(The Red Herring Prospectus will be updated upon RoC filing)
100% Book Built Public Issue

MANAKSIA LIMITED

Our Company was originally incorporated as Hindusthan Seals Limited in December 27, 1984.We subsequently changed the name of our Company to Manaksia Limited pursuant to a special resolution of the members passed at the shareholders' meeting held on May 2, 2000. The fresh certificate of incorporation consequent to change of name was granted to our Company on December 4, 2003 by the Registrar of Companies, West Bengal. (See "History and Certain Corporate Matters" on page 88 of this Red Herring Prospectus for further details.)

Registered Office: 8/1 Lalbazar Street, Kolkata 700001 (Our registered office was shifted from 95/1 Dharmatolla Street, Kolkata 700001 to 8/1 Lalbazar Street, Kolkata 700001 with effect from December 19, 1994 by a resolution passed by our Board). Tel: +91+33-2231-0050 (3 lines), Fax: +91-33-2230-0336/2242-8470, E-mail: - info@manaksia.com. Website: www.manaksia.com. Company Secretary and Compliance Officer: Mr. Sandeep Sultania.

PUBLIC ISSUE OF UP TO 15,500,000 EQUITY SHARES OF RS. 2 EACH ("EQUITY SHARES") FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE AGGREGATING RS. [•] MILLION (THE "ISSUE") BY MANAKSIA LIMITED ("OUR COMPANY" OR "THE ISSUER"). THE ISSUE COMPRISES A NET ISSUE TO THE PUBLIC OF UP TO 15,400,000 EQUITY SHARES ("THE NET ISSUE") AND A RESERVATION OF UP TO 100,000 EQUITY SHARES FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN) (THE "EMPLOYEE RESERVATION PORTION"). AT THE ISSUE PRICE THE ISSUE WOULD CONSTITUTE 22.29% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF OUR COMPANY. THE NET ISSUE WOULD CONSTITUTE 22.15% OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY CAPITAL OF OUR COMPANY.

PRICE BAND: RS. 140 TO RS. 160 PER EQUITY SHARE OF FACE VALUE RS. 2 EACH
THE FLOOR PRICE IS 70 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 80 TIMES OF THE FACE VALUE

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

This Public Issue is being made through the 100% Book Building Process wherein up to 50% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders, 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 QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Public Issue Price. Further, at least 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and at least 35% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Public Issue Price. Further, up to 100,000 Equity Shares shall be available for allocation on a proportionate basis to the Eligible Employees, subject to valid Bids being received at or above the Public Issue Price.

RISK IN RELATION TO THE PUBLIC ISSUE

The Public Issue Price (as determined by our Company in consultation with the 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 Allotted pursuant to the Public Issue are listed. The market price of the existing Equity Shares of our Company could affect the price discovery through book building and *vice versa*. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing of the Equity Shares Allotted pursuant to the Public Issue.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Public 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 Public Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Public Issue including the risks involved. The Equity Shares offered in the Public 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 Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page xiv of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Issuer and the Public Issue, which is material in the context of the Public Issue, that the information contained in this 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 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 of our Company are presently listed on the CSE. The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the BSE, NSE and the CSE. We have received in-principle approval from the BSE, NSE and the CSE for the listing of our Equity Shares pursuant to letters dated February 26, 2007, April 11, 2007 and April 16, 2007, respectively. BSE shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE PUBLIC ISSUE
ICICI Securities **ICICI SECURITIES LIMITED** ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, India. Tel: +91 22 2288 2460; Fax: +91 22 2282 6580 E-mail: manaksia_ipo@isecltd.com Contact Person: Mr. Sumit Pachisia Website: www.icicisecurities.com Registration Code : INM000011179	INTIME SPECTRUM REGISTRY LIMITED **INTIME SPECTRUM REGISTRY LIMITED** C-13 Pannalal Silk Mills Compound L.B.S. Marg, Bhandup, Mumbai 400 078 Phone +91 22 2596 0320 Fax +91 22 2596 0328/29 Email id : manaksia.ipo@intimespectrum.com Contact Person : Mr Sachin Achar Website : www.intimespectrum.com Registration Code :INR000003781

PUBLIC ISSUE PROGRAMME

BID / PUBLIC ISSUE OPENS ON	December 17, 2007	BID / PUBLIC ISSUE CLOSES ON	December 19, 2007

TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

General Terms

Term	Description
"Manaksia Limited" or "ML" or "the Company", or "our Company" or "the Issuer"	Manaksia Limited, a public limited company incorporated under the Companies Act, 1956
"we" or "us" or "our"	Refers to Manaksia Limited and, where the context requires, its subsidiaries namely, Mark Steels Limited, Crescent Industries Limited , Dynatech Industries Ghana Limited, MINL Limited Euroasian Ventures FZE and Jebba Paper Mills Limited

Company Related Terms

Term	Description
AIPL	Anmol Industries Private Limited
AMPISEN	Association of Metal Products, Iron & Steel Employers of Nigeria
Articles	Articles of Association of our Company
ASIL	Agrim Steel Industries Limited
ACML	AGR Capital Markets Limited
Board/Board of Directors	Board of Directors of our Company
CINPL	Crescent Industries (Nepal) Private Limited
DIGL	Dynatech Industries Ghana Limited
Directors	Directors of our Company unless otherwise specified
Eveready	Eveready Industries Limited
EVF	Euroasioan Ventures FZE
Firm	Howrah Sheet and Engineering
IRCTC	Indian Railway Catering Tourism Corporation
ISSSAN	Iron & Steel Senior Staff Association of Nigeria
HCCBPL	Hindustan Coca Cola Beverages Private Limited
JPML	Jebba Paper Mills Limited
JLL	Jyothy Laboratories Limited
MASL	Maxell Securities Limited
MCL	Manaksia Crowns Limited
MCLL	Manaksia Closures Limited
Memorandum/Memorandum of Association	Memorandum of Association of our Company
MEPROSSAN	Metal Products Senior Staff Association of Nigeria
MSL	Mark Steels Limited

Term	Description
MINL	MINL Limited
MSTL	Manaksia Steels Limited
MOU	Memorandum of Understanding
PCL	Paramount Containers Limited
SEWUN	Steel and Engineering Worker's Union of Nigeria
SEL	Spark Exports Limited
Subsidiary/Subsidiaries	Subsidiary shall mean (a) MINL Limited; (b) Dynatech Industries Ghana Limited; (c) Crescent Industries (Nepal) Limited; (d) Mark Steels Limited; (e) Euroasian Ventures FZE and (f) Jebba Paper Mills Limited individually and Subsidiaries shall mean all of them collectively
Transferor Company No.1	R.K. Aluminium Limited
Transferor Company No. 2	Manaksia Containers Limited
Transferor Company No. 3	Auro Enterprises Limited
Transferor Company No. 4	Mandawara Polymer Chemie Limited

Public Issue Related Terms

Term	Description
Allotment	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Public Issue.
Allottee(s)	The successful Bidder to whom the Equity Shares are/have been issued.
Articles/Articles of Association	Articles of Association of our Company.
Auditors	The statutory auditors of our Company, being, M/s SRB & Associates, Chartered Accountants.
Banker(s) to the Public Issue	ABN-AMRO Bank N.V., HDFC Bank Limited, Kotak Mahindra Bank Limited, ICICI Bank Limited, Standard Chartered Bank, Yes Bank Limited.
Bid	An indication to make an offer during the Bidding/Public Issue Period by a Bidder to subscribe to our 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 Public Issue.
Bid cum Application Form	The form in terms of which the Bidder shall make an indication to make an offer to subscribe to the Equity Shares and which will be considered as the application for the issuance of Equity Shares pursuant to the terms of the Red Herring Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form.

Term	Description
Bidding/ Public Issue Period	The period between the Bid/ Public Issue Opening Date and the Bid/ Public Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids, including any revisions thereof.
Bid/ Public Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Public Issue, which shall be the date notified in an English national newspaper, a Bengali newspaper and a Hindi national newspaper, all with wide circulation.
Bid/Public Issue Closing Date	The date after which the Syndicate shall not accept any Bids for the Public Issue, which shall be the date notified in an English national newspaper, a Bengali newspaper and a Hindi national newspaper, all with wide circulation.
Board of Directors/Board	The board of directors of our Company or a committee duly constituted thereof.
Book Building Process	Book building route as provided in Chapter XI of the SEBI Guidelines, in terms of which this Public Issue is being made.
BRLM/ Book Runners/Book Running Lead Manager	Book running lead manager to the Public Issue, being ICICI Securities Limited.
CAN/ Confirmation of Allocation Note	Means the notes or advice or intimations of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Public Issue Price in accordance with the Book Building Process.
Cap Price	The higher end of the Price Band, above which the Public Issue Price will not be finalised and above which no Bids will be accepted.
CDSL	Central Depository Services Limited.
Cut-off Price	Any price within the Price Band finalised by our Company in consultation with the BRLM. A Bid submitted at Cut-off Price is a valid Bid at all price levels within the Price Band.
Designated Date	The date on which the Escrow Collection Banks transfer the funds from the Escrow Account(s) to the Public Issue Account(s), which in no event shall be earlier than the date on which the Prospectus is filed with the RoC.
Designated Stock Exchange	BSE, for the purpose of this Public Issue.
Director(s)	Director(s) of our Company, unless otherwise specified.
DP ID	Depository Participant's Identity.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated January 29, 2007 issued in accordance with Section 60B of the Companies Act and SEBI Guidelines, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Public Issue. Upon filing with RoC at least three days before the Bid/Public Issue Opening Date it will become the Red Herring Prospectus. It will become a Prospectus upon filing with RoC after the determination of the Public Issue Price.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful

Term	Description
	to make a Bid in the Public Issue.
Eligible Employee(s)	All or any of the following: (a) a permanent employee of our Company present in India as on the date of submission of the Bid cum Application Form. (b) a Director of our Company, whether a whole time Director, excluding our Promoter, part time Director or otherwise, as of October 31, 2007 present in India as on the date of submission of the Bid cum Application Form.
Employee Reservation Portion	The portion of the Public Issue being upto 100,000 Equity Shares available for allocation to Eligible Employees.
Equity Shares	Equity shares of our Company of face value of Rs. 2 each.
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Bidders will issue cheques or drafts in respect of the Bid Amount when submitting a Bid.
Escrow Agreement	Agreement dated December 6, 2007, to be entered into among our Company, the Registrar, the Escrow Collection Bank(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, on the terms and conditions thereof.
Escrow Collection Bank(s)	The banks, which are clearing members and registered with SEBI, acting as Banker(s) to the Public Issue at which the Escrow Accounts will be opened, in this case being Kotak Mahindra Bank Limited, ABN-AMRO Bank N.V., HDFC Bank Limited, ICICI Bank Limited, Standard Chartered Bank and Yes Bank Limited.
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI under applicable laws in India.
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 Public Issue Price will not be finalised and below which no Bids will be accepted.
Issue	Shall mean the Public Issue.
Issue Price/Public Issue Price	The final price at which Equity Shares will be allotted in terms of this Red Herring Prospectus, as determined by the Company in consultation with the BRLM, on the Pricing Date.
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.
Memorandum / Memorandum of Association/MoA	The memorandum of association of our Company.
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
NEFT	National Electronic Funds Transfer.
Net Issue/Net Issue to the public	The Public Issue less the Employee Reservation Portion, aggregating up to 15,400,000 Equity Shares.
Non Institutional	Bidders that are neither Qualified Institutional Buyers nor Retail

Term	Description
Bidders	Individual Bidders and who have Bid for an amount more than Rs. 100,000.
Non-Institutional Portion	The portion of the Net Issue being at least 2,310,000 Equity Shares available for allocation to Non Institutional Bidders.
Non Residents	A person resident outside India, as defined under FEMA, as amended from time to time and the regulations framed there under.
NRI/ Non Resident Indian	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.
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000.
Pay-in Date	Bid/Public Issue Closing Date or the last date specified in the CAN sent to the Bidders, as applicable.
Pay-in-Period	(i) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/Public Issue Opening Date and extending until the Bid/Public 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/Public Issue Opening Date and extending until the closure of the Pay-in Date.
Preference Shares	Preference shares issued by our Company from time to time.
Pre- Offering Placement	Fresh issue of Equity Shares to certain investors prior to the Allotment of Equity Shares pursuant to the Issue.
Price Band	The price band with a minimum price (Floor Price) of Rs. 140 and the maximum price (Cap Price) of Rs. 160, including any revisions thereof. The Price Band will be announced at least one day prior to Bid/Public Issue Opening Date.
Pricing Date	The date on which our Company in consultation with the BRLM finalises the Public Issue Price
Promoter(s)	Mr. Basant Kumar Agrawal and Mr. Suresh Kumar Agrawal.
Prospectus	The prospectus, to be filed with the RoC after pricing containing among other things, the Public Issue Price that is determined at the end of the Book Building Process, the size of the Public Issue and certain other information.
Public Issue	Public issue of up to 15,500,000 Equity Shares at a price of Rs. [●] each for cash aggregating up to Rs. [●]. The public issue comprises a Net Issue to the public of up to 15,400,000 equity shares and a reservation of up to 100,000 Equity Shares for subscription by employees, at the Public Issue Price.
Public Issue Account	Account opened with the Banker(s) to the Public Issue to receive monies from the Escrow Account for the Public Issue on the Designated Date.

Term	Description
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, foreign institutional investors registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250 million and pension funds with minimum corpus of Rs. 250 million.
QIB Portion	The portion of the Net Issue being up to 7,700,000 Equity Shares available for allocation to QIBs.
Refund Account (s)	Account(s) opened with an Escrow Collection Bank(s), from which refunds of the whole or part of the Bid Amount, if any, shall be made.
Refund Banks	HDFC Bank Limited and Kotak Mahindra Bank Limited.
Registered Office of the Company	8/1 Lalbazar Street, Kolkata 700001.
Registrar/ Registrar to the Public Issue	Intime Spectrum Registry Limited.
Retail Individual Bidders	Individual Bidders (including HUFs applying through their *karta*) 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 Public Issue.
Retail Portion	The portion of the Net Issue being at least 5,390,000 Equity Shares 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 their Bid cum Application Forms or any previous Revision Form(s).
RHP or Red Herring Prospectus	The Red Herring Prospectus dated December 5, 2007 issued in accordance with Section 60B of the Companies Act, does not have complete particulars of the price at which the Equity Shares are offered and the size of the Public Issue, including any addenda or corrigendum thereof. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Public Issue Opening Date and will become a Prospectus after filing with the RoC after determination of the Public Issue Price.
RoC	Registrar of Companies, West Bengal.
Syndicate or members of the Syndicate	The BRLM and the Syndicate Members.
Syndicate Agreement	The agreement dated December 4, 2007 to be entered into among our Company and the members of the Syndicate, in relation to the collection of Bids in this Public Issue.
Syndicate Members	ICICI Securities Limited & Microsec Capital Limited.
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.
TRS/ Transaction Registration Slip	The slip or document issued by any of the members of the Syndicate to a Bidder as proof of registration of the Bid.
Underwriters	The BRLM and the Syndicate Members.

Term	Description
Underwriting Agreement	The agreement among the members of the Syndicate and our Company to be entered into on or after the Pricing Date.
VCF/Venture Capital Fund	Foreign Venture Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.

Industry Related Terms & Abbreviations

Term	Description
BALCO	Bharat Aluminium Company Limited
BF/BOF	Blast furnace/Basic Oxygen Furnace
BT Caps	Blood Transfusion Caps
Cable Wrap	Polyester aluminium sheet used as an insulating material for wrap around communication cables
CAD	Computer Aided Design
CARE	Credit Analysis and Research Limited
CIS	Commonwealth of Independent States
CPK	A statistical quality control term denoting the ratio between specification limits and tolerance limits
CPCB	Central Pollution Control Board
CRIS INFAC	CRIS INFAC Industry Information Service, a brand of CRISIL Research & Information Services Limited
DRI	Directly Reduced Iron
EAF	Electric Arc Furnace
EP	Expanded polyethylene
GEQC	General Engineering Quality Coil
GP/GC	Galvanised plain/Galvanised corrugated
HDPE	High Density Poly-Ethylene
IAF	Induction Arc Furnace
IISI	International Iron and Steel Institute
IMF	International Monetary Fund
ISC	Indian Standard Code
ISP	Integrated Steel Producers
JAZANZ	Joint Accreditation System of Australia and New Zealand
JISCO	Jindal Iron & Steel Company Limited
LME	London Metal Exchange
MALCO	Madras Aluminium Company Limited
MS Ingots	Mild Steel Ingots
Mt	Million tonnes
MTPA/TPA	Metric Tonnes Per Annum
NAAQS	National Ambient Air Quality Standards
NALCO	National Aluminium Company Limited
OECD	Organisation for Economic Co-operation and Development
PCRC	Pickled Cold Rolled Coils
PVC	Polyvinyl Chloride
SAIL	Steel Authority of India Limited
STT	Securities Transaction Tax

Term	Description
SPC	Statistical Process Control
SQC	Statistical Quality Control
TFS	Tin free steel
UTS	Ultimate Tensile Strength

Conventional and General Terms/Abbreviations

Term	Description
Act / Companies Act	Companies Act, 1956 and amendments thereto
AED	Arab Emirates Dirham, the official currency of United Arab Emirates
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BIFR	Board for Industrial and Financial Reconstruction
BPLR	Benchmark Prime Lending Rate
bps	Basis point
BSE	Bombay Stock Exchange Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
Cedi	Ghanaian Cedi, the official currency of the Republic of Ghana
CSE	The Calcutta Stock Exchange Association Limited
CY	Calendar Year
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996, as amended from time to time
DP/Depository Participant	A depository participant as defined under the Depositories Act
DTAA	Double Taxation Avoidance Agreement
EBIDTA	Earnings Before Interest, Depreciation, Tax And Amortisation
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPS	Earnings Per Share i.e., profit after tax for a fiscal year divided by the weighted average outstanding number of equity shares at the end of that Fiscal Year
ERP	Enterprise Resource Planning
FCNR Account	Foreign Currency Non Resident Account
FEMA	The Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIs	Financial Institutions
FIIs	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
Financial Year/Fiscal/FY/Fiscal Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
IFSC	Indian Financial System Code
I-Sec	ICICI Securities Limited having its registered office at ICICI

Term	Description
	Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, India
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian Rupees
I.T. Act	Income Tax Act, 1961, as amended from time to time
LIBOR	London Interbank Offered Rate
Ltd	Limited
MAT	Minimum Alternate Tax
MF	Mutual Fund
MICR	Magnetic Ink Character Recognition
MIS	Management Information System
MoF	Ministry of Finance
MOU	Memorandum of Understanding
Naira / N	Nigerian Niara, the official currency of the Republic of Nigeria
NAV	Net Asset Value
NRE Account	Non Resident External Account
NRO	Non Resident Ordinary Account
NRs	Nepalese Rupaiah, the official currency of the Kingdom of Nepal
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
RBI	Reserve Bank of India
RoNW	Return on net worth
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Guidelines	The SEBI (Disclosure and Investor Protection) Guidelines, 2000 issued by SEBI, as amended, including instructions and clarifications issued by SEBI from time to time
Stock Exchanges	BSE, NSE and CSE
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
USD/US$/U.S. Dollars	United States Dollars
US/ U.S.A.	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the USA

CERTAIN CONVENTIONS AND PRESENTATION OF FINANCIAL AND MARKET DATA

All references to “Rupees” or “Rs.” are to Indian Rupees, the official currency of the Republic of India. All references to “US$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America. All references to “Naira” are to the Nigerian Naira, the official currency of the Federal Republic of Nigeria. All references to “Cedi” are to the Ghanaian Cedi, the official currency of the Republic of Ghana. All references to “NRs” or “Nepalese Rupiah” are to the Nepalese rupee, the official currency of the Kingdom of Nepal. All references to “AED” or “Arab Emirates Dirham” are to the Arab Emirates Dirham, the official currency of the United Arab Emirates.

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our consolidated restated financial statements prepared in accordance with Indian GAAP and the SEBI Guidelines, which are included in this Red Herring Prospectus. Our Fiscal Year commences on April 1 and ends on March 31 of the next year, so all references to a particular Fiscal Year are to the twelve-month period ended on March 31 of that year.

There are significant differences between Indian GAAP and US GAAP. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

In this Red Herring Prospectus, any discrepancies in any table between the totals and the sum of the amounts listed are due to rounding. Market and industry data used in this Red Herring Prospectus has generally been obtained or derived from industry publications and sources. These publications typically state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful, depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in India for the industry in which our Company operates and methodologies and assumptions may vary widely among different industry sources.

The following table sets forth, for each period indicated, information concerning the number of Rupees for which one U.S. Dollar could be exchanged at the noon buying rate in the City of New York on the last business day of the applicable period for cable transfers in Rupees as certified for customs purposes by the Federal Reserve Bank of New York. The row titled “Average” in the table below is the average of the daily noon buying rate for each day in the period.

Fiscal Year ended March 31,	Period End	Average	Low	High
	(Rs. per US$)			
2004	47.45	45.96	43.40	47.46
2005	43.40	44.86	43.27	46.45
2006	44.48	44.17	43.05	46.26
2007	43.44	45.25	42.75	46.94
Calendar month 2007				
April	41.11	42.27	40.72	43.59
May	40.87	40.87	40.36	41.44
June	40.74	40.81	40.46	41.21
July	40.55	40.45	40.23	40.73
August	41.17	40.79	40.33	41.35
September	39.81	40.38	39.62	41.06
October	39.46	39.55	39.30	39.90
November*	39.81	39.45	39.23	39.89

*For the period from 1st-29th November, 2007

Source: Bloomberg as on November 29, 2007

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will likely result","will pursue" "contemplate", "seek to", "future", "objective", "goal", "should", and similar expressions or variations of such expressions, that are "forward-looking statements". Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Volatility of metal prices;
- Foreign investment policies in Nigeria;
- The extent to which we can predict our revenues and profits;
- Our ability to manage our growth effectively;
- Our ability to finance our business and growth and obtain financing on favourable terms;
- Our ability to compete effectively, particularly in new markets and businesses;
- Our ability to anticipate trends in and suitably expand our current business lines;
- Raw material costs;
- The continued availability of applicable tax benefits / Government benefits in India and Nigeria;
- Our dependence on key personnel;
- The outcome of legal or regulatory proceedings in which we are or may become involved;
- Contingent liabilities, environmental problems and uninsured losses;
- Government approvals;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Developments affecting the Indian economy;
- Regulatory changes pertaining to the industries in India, Nigeria, Ghana, Nepal and Dubai, in which our Company operates;
- Our ability to successfully implement our strategy, our growth and expansion;

- Our ability to respond to technological changes;

- Our exposure to market risks, general economic and political conditions in India, Nigeria, Ghana, Nepal and Dubai, which have an impact on our business activities or investments, the monetary and fiscal policies of India, Nigeria, Ghana, Nepal and Dubai; and

- Inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India, Nigeria, Ghana, Nepal, Dubai and globally, changes in domestic laws, regulations and taxes.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors" and "Management's Discussion of Financial Condition and Results of Operations" beginning on page xiv and 200 respectively of this 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 our Company, nor the members of the Syndicate, 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, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the grant of trading permission by the Stock Exchanges for the Equity Shares Allotted pursuant to the Issue.

SECTION II: RISK FACTORS

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

Internal Risk Factors

1. ***A criminal case is pending against Mr. B.K. Agrawal, one of our Promoters, and in the event an order is passed against him, it will adversely affect the operations of our Company, the reputation of our Company and consequently our revenues and our financial condition.***

There is a criminal case pending against Mr. B.K. Agrawal. A case has been filed under section 30 of the Coal Mines (Nationalization) Act, 1973 and under sections 120B, 379, 411, 413, 414, 420, 468 and 471 of the Indian Penal Code, 1860, alleging that our Company had made transportation and sale of "steam coal" under the garb of rejected coal and thereby defrauded the government of duty. The matter is pending before the Sessions Judge, Burdwan. We cannot assure you that the matter will be decided in our favour. In the event an order is passed against Mr. B.K. Agrawal, it will adversely affect the operations of our Company, the reputation of our Company and consequently our revenues and our financial condition. For further details see section titled "Outstanding Litigation and Material Developments" beginning on page 223 of this Red Herring Prospectus.

2. ***We do not have long term contracts with customers in the metals division as well as in the packaging division and typically operate on the basis of purchase orders, which could negatively impact our revenues and profitability.***

We do not have long term contracts with our customers in the metals division and packaging division. Most of our agreements with our customers are without any commitment to future work orders. Our business is dependent on the decisions and actions of our customers. There are a number of factors relating to our customers outside our control that might result in the loss of a customer. Any of these factors could adversely affect our revenues and profitability and the same cannot be quantified. Moreover, because we typically operate on the basis of purchase orders, the terms governing our customer transactions may, as a legal matter, be unclear.

Management Perception:

We have been doing business on this basis for many years and do not believe that it has adversely affected us in the past.

3. ***A significant portion of our revenue in the packaging and mosquito coils segment is attributable to a few clients. Further, we have short term contracts with our customers and if the same is not renewed, it could have a material adverse effect on our business, results of operations and financial conditions, which cannot be quantified.***

Our revenues from the mosquito coils business as a percentage of the total revenues was 8.38%, 6.22%, 8.56% and 6.36% in Fiscal Year 2005, Fiscal Year 2006, Fiscal Year 2007 and for the 5 month period ending on August 31, 2007 respectively. Till Fiscal Year 2005, we had only two customers. In Fiscal Year 2006, we had entered into contracts with one more customer and in Fiscal Year 2007, we have entered into contracts with two more customers for manufacture of mosquito coils. Our revenues from the packaging division business as a percentage of the total revenues was 9.45%, 9.37%, 14.38% and 13.04% in Fiscal Year 2005, Fiscal Year 2006, Fiscal Year 2007 and for the 5 month period ending on August 31, 2007 respectively. Similarly, the revenue generated by our packaging division is attributable to a very few clients. In India, a major part of the crowns and caps produced by us is supplied to a single customer.

In the event, any of our customers stop taking supply of mosquito coils or packaging products, as the case may be, from us or reduce the quantum procured from us, it would have a material adverse effect on our business, results of operations and financial conditions.

Further, the contracts entered into by us with most of our customers for manufacture of mosquito coils is valid only for a period of one to two years. These contracts provide for renewal on terms and conditions to be mutually agreed between the parties. However, we cannot guarantee that the contracts will be renewed before their expiry. Similarly, supply of crowns was made by us to HCCBPL, our major customer, pursuant to an annual contract. The contract with HCCBPL expired on December 31, 2006 and has been replaced with an MOU, containing pricing and other terms and conditions. Such MOU is valid for one year, based on which supply orders have been placed on us. In the event such MOU is not entered into for the subsequent years, it could have a material adverse effect on our business, results of operations and financial conditions, which cannot be quantified. For further details, see section titled “Our History and Corporate Matters” on page 88 and “Our Business” on page 63.

Management Perception:

We are continuing to widen our customer base in the mosquito coils segment. We believe that the risk faced by us in the packaging segment is an industry wide phenomenon.

4. ***There are a number of legal proceedings against us and failure to defend these successfully may have a significant effect on our business prospects, financial condition and results of operations.***

In addition to the criminal case mentioned above in Risk factor 1, there are a number of legal proceedings outstanding against us. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals.

There are 46 excise cases, 7 service tax cases, 18 sales tax cases, 3 customs cases, 1 income tax case and 2 employee related cases pending against us before various courts and authorities in India. The aggregate amount claimed against us as on August 31, 2007 is approximately Rs.118.09 million. For further details see the section “Outstanding Litigation and Material Developments” beginning on page 223.

We can give no assurance that these legal proceedings will be decided in our favour. Should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may be materially and adversely affected. We can give no assurance that these legal proceedings will be decided in our favour. Further, we may also not be able to quantify all the claims in which we are involved. Any adverse decision may have a significant effect on our business, prospects, financial condition and results of operations.

There can be no assurance that further substantial litigation will not be brought against us in the future. If we fail to successfully defend these or other claims, our business, prospects, financial condition and results of operations could be adversely affected and the same cannot be quantified.

The following table quantifies the amount of contingent liability pertaining to each group of outstanding litigations as on August 31, 2007:

Litigations	Amount (Rs. In Million)
Excise Cases	88.33
Sales tax cases	11.42
Service tax cases	2.47
Custom cases	5.05
Income tax case	10.06
Employee related cases	0.76

5. ***Our indebtedness including the conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.***

As on August 31, 2007, as per consolidated restated financial statements, we had total secured and unsecured loans of Rs. 3,773.56 million.

We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards servicing and repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- the incurrence of additional debt by our Subsidiaries may restrict or prohibit the making of distributions, the payment of dividends by our Subsidiaries to us;
- increases in market interest rates may adversely affect the cost of our borrowings, as some of our loans are at variable interest rates; and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of these agreements contain certain restrictive covenants, such as requiring prior written lender consent, *inter alia*, for issuance of new shares, incurring further indebtedness, creating further encumbrances on our assets, disposing of our assets, effecting any scheme of amalgamation or restructuring, undertaking guarantee obligations, declaring dividends or incurring capital expenditures beyond certain limits. We cannot assure you that the lenders will grant the required consents in a timely manner or at all. The time required to secure consents may hinder us from taking advantage of a dynamic market environment. In the past, we have been able to obtain consents or otherwise proceed with transactions that, although discussed with our lenders could arguably give rise to technical, though not a substantive breach. However, should our lenders enforce their rights against us in this matter, our business, results of operations, financial condition and prospects could be negatively impacted.

In addition, certain of these borrowings contain financial covenants, which require us to maintain, among other matters, specified net worth to assets ratio, debt service coverage ratio and fixed asset cover ratio. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. In certain cases, a default under one debt instrument may also trigger cross-defaults under our other debt instruments. An event of default under any debt instrument, if not cured or waived, could have a material adverse effect on us and the same cannot be quantified.

6. We compete with other Indian and foreign companies in each of the metals and packaging business.

We face significant domestic and foreign competition in each of our metals and packaging business. For a list of our competitors, see section titled "Our Business" on page 63. Some of our competitors may have significantly greater resources and generate greater income than we do. Moreover, our competitor's success depends upon a number of factors that are beyond our control.

7. Our packaging division and mosquito coils division may be affected by seasonality of business.

The demand for crowns is seasonal. Principally due to the seasonal nature of the carbonated soft drink industries, in which demand is stronger during the summer months, sales of crowns may vary quarterly. Similarly, our mosquito coil business is also affected by seasonality. The sales of mosquito coils are lower in winter months in comparison to the rest of the year. The revenues generated by our packaging division and mosquito coils division would therefore depend significantly on the sales made during the peak season. The revenue generated by our packaging division and mosquito coil division, thus fluctuates throughout the year.

8. Our metal packaging business is subject to competition from substitute products, which could result in lower profits and reduced cash flows.

We are subject to substantial competition from producers of cheaper alternative packaging products. This includes competition from plastic caps which compete directly with our ROPP caps, and from plastic beverage containers for carbonated soft drinks, which use plastic caps instead of crowns. The market share for plastic beverage containers has grown substantially over the past several years. Our revenues from the metal packaging segment depend heavily on the volumes of sales of products with our packaging made by our customers in the beverage markets. Changes in preferences for products and packaging by consumers of pre-packaged beverage bottles will significantly influence the revenues of our packaging division. A decrease in the costs of or a further increase in consumer demand for alternative packaging could result in lower profits and reduced cash flows.

Management Perception

Our in-house research and development team consisting of 7 people continues to actively work on other viable alternatives. However, we cannot assure you that they will come up with viable alternatives.

9. Our crowns operation may be affected by adverse reports regarding purity of carbonated soft drinks.

Crown sales for carbonated soft drinks bottles were adversely affected in Fiscal Year 2004 when the purity of certain carbonated soft drinks was questioned by an independent research agency. Similarly, in Fiscal Year 2006, allegations were made regarding the presence of pesticides in carbonated soft drinks which resulted in the sales of these drinks being adversely affected and which caused a reduction in the volume of crowns supplied to our customers. Similar allegations in the future may materially and adversely affect our financial results and the same cannot be quantified.

10. We may be utilising more than 25% of the Issue proceeds towards general corporate purposes.

Of the total Issue proceeds, we shall be utilising Rs. 1155 million for expansion of metals business, Rs. 600 million for prepayment/repayment of debt and the balance for general corporate purposes. If the actual utilisation towards any of the objects is lower than as stated herein above or if there is any surplus left out of the Issue proceeds, such balance shall be used for future growth opportunities and general corporate purposes. We believe the amount that will be utilised for general corporate purposes shall be more than 25% of the Issue proceeds. We have not identified the purposes for which the amount earmarked as general corporate purposes shall be used.

11. A substantial portion of our assets are located outside India and we are dependent on the revenues generated by our Subsidiaries located outside India for a substantial part of our income.

Our international subsidiaries, Crescent Industries Limited, Dynatech Industries Ghana Limited, MINL Limited and Euroasian Ventures FZE, together generated 25%, 15%, 22%, 27%, 45% and 52% of our total revenues for the Fiscal Years 2003, 2004, 2005, 2006, 2007 and for the five months ended August 31, 2007 respectively. Based on the consolidated restated audited financial statements for the five months ended August 31, 2007, the combined net asset value of our international subsidiaries was Rs. 3888.08 million representing 39% of our net asset value. Any adverse effect on the operations in these subsidiaries could have an unquantifiable material adverse effect on our financial results.

12. If we are unable to implement our growth strategies in a timely manner, our business and results of operations could be adversely affected.

As a part of our growth strategy, we have made and will be making substantial investments in new production capacities. Our success will depend on, among other things, our ability to secure required financing, assess potential markets, time our capital investments, control input costs, attract new customers in India and in international markets, maintain and enhance our position with our current customers both in India and abroad and maintain sufficient operational and financial controls. Our growth strategy may place significant demands on our management and other resources. Our growth strategies involve risks and difficulties, many of which are beyond our control and accordingly there can be no assurance that we will be able to complete our plans on schedule or without incurring additional expenditures or at all. If market conditions change, if operations do not generate sufficient funds or for any other reasons, we may decide to delay, modify or forego some aspects of our growth strategies. Our future results of operations may be adversely affected if we are unable to implement our growth strategies successfully.

13. Expanding our market outside of India could increase costs and may decrease profits.

Our strategic objective of expanding our markets overseas carries certain significant risks. Our business strategy of expansion into foreign markets will require us to adapt our products and our marketing strategy to foreign markets. In many markets we may have to establish subsidiaries or affiliated companies using local partners or conclude co-operation agreements with companies. In the case of such joint ventures and other co-operation arrangements, there can be no assurance that we will be able to negotiate attractive terms or prevail in a potential disagreement with our business partners.

Our expansion into foreign markets will also expose us to risks associated with different legal and taxation regimes and economic conditions in each country and to different (and potentially more onerous) legal regimes with respect to product liability and warranty requirements. We will also increase our exposure to risks of fluctuation in foreign currency exchange rates. As a result, our strategy of expansion into markets outside India could increase our costs of operations and thereby could have an adverse effect on our future prospects, financial condition and results of operations and the same cannot be quantified.

14. We have expanded our capacities for certain products at certain occasions in the past without client agreements in place to utilize this capacity.

Historically, we have expanded our capacity ahead of signing contracts and we expect that we will continue to do so to meet any anticipated business growth. We have excess capacity available in some of our units. If we are unsuccessful in increasing the demand for our products to match our increased capacity, we will not be able to leverage these investments and expenses and this may adversely affect our profitability.

15. Our Promoters have given personal guarantees in relation to certain debt facilities provided to us by our lenders.

Some of the debt facilities provided to our Company by our lenders stipulate that the facility shall be secured by a personal guarantee of our promoters. In the event there is any default in any of these obligations, the personal guarantees given by our Promoters may be invoked which in turn may adversely affect their ability to manage the affairs of our Company and the same cannot be quantified.

16. Our funding requirements and the deployment of the proceeds of the Issue have not been appraised.

We intend to use the net proceeds of the Issue for the purposes described in the section titled “Objects of Issue” on page 32. Our funding requirements and the deployment of the proceeds of the Issue are based on management estimates and have not been appraised by any bank or financial institution. The deployment of funds as described in the section titled “Objects of the Issue” on page 32 is at the discretion of our Board. Moreover, in view of the highly competitive nature of the industry in which we operate, we may have to revise our management estimates from time to time and consequently our funding requirements may also change.

17. We have not entered into definitive agreements to utilise the net proceeds of the Issue.

We have not entered into any definitive agreements to utilise the net proceeds of the Issue including the identification of the vendors. There can be no assurance that we will be able to enter into such agreements on such terms favorable to us or to all. Accordingly, investors in this Issue will need to rely upon the judgment of our management, who will have considerable discretion, with respect to the use of proceeds. Pending utilization of the proceeds of the Issue, we intend to temporarily invest the proceeds in fixed deposit accounts with banks and short term financial instruments. Such investments would be in accordance with the investment policies approved by the Board from time to time. However, such investments could lose value or not produce expected income.

18. 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.

We currently conduct our operations from 18 manufacturing facilities in India, Nigeria and Ghana. Our 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, 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. We have also shut down plants for capacity expansions and equipment upgrades. The operations of our plants can also be affected by natural disasters. 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.

19. If we are unable to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business it may materially and adversely affect our business and operations.

In order to operate our various manufacturing facilities and offices, we are required to obtain certain licenses, registrations or approvals under the applicable laws of the various states in India in which our offices are located. We have made applications for renewal of or for obtaining the following consents/approvals:

a) Renewal of consent to operate under the Water (Prevention and Control of Pollution) Act, 1974 and under the Air (Prevention and Control of Pollution) Act, 1981 for our unit located in Assam pursuant to an application dated April 26, 2006, for our unit located at Bhuniya Raichak, Haldia pursuant to an application dated July 10, 2007, for our unit located at Brahamanpur, Haripal pursuant to an application dated March 28, 2007, for our unit located at 12 Duffer Street Liluah pursuant to an application dated October 24, 2007 and for our unit located in Kutch pursuant to an application dated June 8, 2007.

b) Issuance of duplicate registration certificate under the Employees State Insurance Act, 1948 for our unit located in Assam pursuant to an application dated December 22, 2006.

c) Renewal of certificate of registration under the West Bengal Shops and Establishment Act, 1963 for office at 8/1 Lalbazar Street, Kolkata pursuant to an application dated October 3, 2007.

d) Authorization for operating a facility for collection, storage and transportation of hazardous wastes under Hazardous Waste (Management and Handling Rules), 1989 for our unit located at Bankura pursuant to an application dated October 5, 2006.

e) Obtaining duplicate copies of the certificates of registration under the Employees State Insurance Act, 1948 for our unit located at 15 B.K Paul Temple Road, Belur pursuant to an application dated January 2, 2007, for our unit located at 12 Duffer Street, Liluah pursuant to an application dated January 2, 2007and for our office located at 8/1 Lalbazar Street, Kolkata pursuant to an application dated January 2, 2007.

f) Allotment of the code numbers under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 for our unit located at 15 B.K Paul Temple Road, Belur pursuant to an application dated January 4, 2007, for our unit located at 71/3 Dharamtala Road, Ghusuri pursuant to an application dated January 4, 2007, for our unit located at 12 Duffer Street, Liluah pursuant to an application dated January 4, 2007 and for our office located at 8/1 Lalbazar Street, Kolkata pursuant to an application dated January 4, 2007.

g) Application before the Directorate of Industries, Dadra and Nagar Haveli, Silvassa under the single window investor friendly time bound system (SWIFT) dated September 21, 2007 for consent to operate a unit under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974.

h) Application dated June 8, 2007 made for grant of authorisation for operating a facility for collection, storage and transportation of hazardous wastes under Hazardous Waste (Management and Handling Rules, 1989 for the Kutch unit.

If we are unable to obtain the requisite licenses in a timely manner, or at all, our operations may be affected. Moreover, we may be required to obtain, maintain and renew other statutory and regulatory licenses, permits and approvals in connection with the operation of our business, which licenses, permits and approvals may expire, pursuant to their terms, from time to time. We cannot assure you that we will be successful in our ability to procure and maintain each of these licenses, permits and approvals on a timely basis or at all. Any delay or absence of receipt of such licenses, permits or approvals may expose us to regulatory actions against us or significant costs and expenses or cause us to modify or cease our operations, which may materially and adversely affect our business, financial condition and results of operations and the same cannot be quantified.

For further details, see the section titled "Government and Other Approvals" beginning on page 244 of this Red Herring Prospectus.

20. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of our operations.

Some of our operations are subject to risks generally associated with the storage and transportation of fuels and waste materials, including the discharge of toxic or hazardous substances, which can cause personal injury, loss of life, environmental damage and severe damage to property. We are subject to environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business. These laws and regulations in India include the Environment Protection Act, 1986, the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution) Act, 1974 and other regulations promulgated by the Ministry of Environment and the Pollution Control Boards of the relevant states.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted. The costs and management time required to comply with these requirements could be significant. The measures we implement in order to comply with these new laws and regulations may not be deemed sufficient by governmental authorities and our compliance costs may significantly exceed our estimates. If we fail to meet environmental requirements, we may also be subject to administrative, civil and criminal proceedings by governmental authorities, as well as civil proceedings by environmental groups and other individuals, which could result in substantial fines and penalties against us as well as orders that could limit or halt our operations and could include us being required to incur substantial clean up costs.There can be no assurance that we will not become involved in future litigation or other proceedings or be held responsible in any such future litigation or proceedings relating to safety, health and environmental matters in the future, the costs of which could be material. Clean-up and remediation costs, as well as damages, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations and the same cannot be quantified.

21. Our success depends largely on our senior management and key personnel and our ability to attract and retain them.

Our performance and success depends largely on our ability to nurture and retain continued services and performance of the members of our management team and other key employees. The loss of the services of Mr. Basant Kumar Agrawal, our Managing Director and Mr. Suresh Agrawal, our Chief Operating Officer, could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition. We do not maintain 'keyman' insurance policies for our Promoters, senior members of our management team or other key personnel. We also face a continuing challenge to recruit a sufficient number of suitably skilled personnel, particularly as we continue to grow. If we fail to hire and retain sufficient numbers of qualified personnel for functions such as manufacturing and technical, finance, marketing and sales, operations and research and development, our day-to-day operations, our ability to implement strategy, operating results and financial condition could be adversely affected .

22. We have certain contingent liabilities which have not been provided for in the financial statement and our financial condition and profitability could be adversely affected if any of these contingent liabilities materialises.

Our total disputed liability (contingent liability) as disclosed in our audited consolidated financial statements as at August 31, 2007 was Rs. 118.09 million for which provisions have not been made. If any of these contingent liabilities materialise, our profitability may be adversely affected. The details of contingent liabilities not provided in the financial statements are set out in a tabular form below:

Rs. in Million

	Year Ended March					
	2003	**2004**	**2005**	**2006**	**2007**	**5 months ended Aug 31, 2007**
Contingent Liabilities not provided for in respect of :						
1) Guarantees in favour of banks against facilities granted to body corporate	7.06	72.89	78.82	-	-	-
2) Excise duty demands under appeal	20.14	20.94	21.15	30.13	88.33	88.33
3) Sales tax and Entry tax demand under appeal	14.02	10.66	22.12	22.00	11.42	11.42
4) Income tax demands under appeal	9.02	11.16	-	35.86	35.86	10.06
5) Excise duty liability on goods exported pending submission of proof of export.	0.18	0.77	0.20	0.87	-	-
6) Custom Duty	0.83	7.27	4.43	4.43	5.05	5.05

7) Letters of Credit	918.65	431.87	92.27	-		-
8) Bills discounted with scheduled banks	145.62	162.23	-	-		-
9) Service Tax					2.47	2.47
10) Civil					0.76	0.76

23. Our insurance coverage may not adequately protect us against certain operating hazards and this may have a material adverse effect on our business.

Our manufacturing facilities could suffer physical damage from fire or other causes, resulting in losses which may not be fully compensated by insurance. There are certain types of losses, such as those due to floods, hurricanes, terrorism or acts of war, which may be uninsurable or are not insurable at a reasonable premium. We have fire and theft insurance with respect to all our manufacturing facilities. In addition, we have transit insurance with respect to our products manufactured in our units in Bhopal and Hyderabad. We also maintain insurance policies for cash in transit between certain of our facilities and the bank. The total coverage under all our policies as of September 30, 2007 was Rs. 4696.40 million.

However, we do not maintain any insurance policies for our branch offices. We also do not maintain any group accident insurance policy or mediclaim policy for our employees. We have also not taken out workmen compensation policy, save and except for the workmen employed in our unit in Kutch**.** We have also not obtained key man insurance policies for any of our key managerial personnel. We do not maintain any product liability insurance or insurance for business interruption.

There can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operation and cash flows may be adversely affected and the same cannot be quantified.

24. We do not own the premises where our Registered Office and our branch offices are located.

At present we do not own the premises that we use as our Registered Office. The same has been taken on lease by certain directors of our Company. The landlord in respect of the premises has given us consent to use the premises. If the landlord revokes the consent granted to our Company or fails to renew the tenancy, we may suffer disruption in our operations. Further, we do not own any of the premises from where we operate our branch offices. If the terms of the lease are violated by us or if we are unable to renew the leases prior to the expiry of the term thereof on terms and conditions unfavourable to us, we may suffer a disruption in our operations which may adversely affect our operations. Further, the lease agreements in respect of some of our branch offices have not been registered and therefore may not be enforceable.

25. We do not have title deeds in relation to some of our properties and some of them are not registered in our name.

Our Company does not have any document evidencing creation of tenancy in respect of the premises located at 15 B.K. Pal Temple Road, Howrah. Some of the properties which we have acquired pursuant to the various schemes of amalgamation are still in the name of the companies which have merged with us and we have not taken steps for registration of the property in our name. This may affect our ability to assert our title in the event of dispute.

In respect of our unit located in Haldia, out of the 50 acres of land, our Company has title deeds for 15 acres of land. Only part of the consideration has been paid for the remaining 35 acres and a sum of Rs. 9.62 million remains unpaid pending resolution of certain infrastructure issues. If we are unable to resolve the issues, we may suffer a disruption in our operations which may adversely affect our operations and the same cannot be quantified.

26. ***Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As of August 31, 2007, we had 2,569 employees. The number of employees is expected to increase as our proposed expansion plans are implemented. The employees in our operations are represented by labour unions. There can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our workforce, which may adversely affect our business and results of operations.

27. ***We had ventured into an unrelated business in the past and may continue to do so in the future***.

In the past, we had ventured into the business of bullion import and trading through an agency approved by the Central Government. This was undertaken as a one-off opportunistic venture to avail of an arbitrage opportunity in interest rates. However, we started incurring losses in the said business in Fiscal 2006 and consequently discontinued it from September, 2005. In the future we may venture into other unrelated businesswhich may adversely affect our financial conditions and results of operations and the same cannot be quantified.

28. ***Equity shares of our Company are infrequently traded.***

The Equity Shares of our Company are listed on the Calcutta Stock Exchange (CSE) since 1986. However, during the last five years, the Equity Shares of our Company have not been traded on CSE. Hence we do not have a recent share price history and our last trading price cannot be taken as an indicator of our share price in the future. For more information see section titled, “Other Regulatory and Statutory Disclosures” in page 282.

29. ***Any future issuance of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares.***

Any future equity issuances by us, including in a primary offering may lead to the dilution of investors’ shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoters or other major shareholders may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

30. ***We will be controlled by our Promoters and Promoter group entities so long as they control a significant proportion of our Equity Shares.***

Immediately after the completion of the Issue, our Promoters along with the Promoter group entities will control, directly or indirectly, in excess of 58% of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our board of directors and determine decisions requiring simple majority voting and our other shareholders will be unable to affect the outcome of such shareholder voting. Our Promoters will also be in a position to influence any shareholder action or approval requiring a majority vote, except in circumstances where they are required by applicable laws to abstain from voting. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company, even if such an action may be beneficial to our other shareholders. Our Promoters therefore may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders, such as actions with respect to future capital raising or acquisitions.

31. The trademark Manaksia is owned by one of the promoter and director of our Company.

Our Company is not the registered proprietor of the trademark "Manaksia". Mr Suresh Kumar Agrawal, a promoter director of our Company, owns the trademark "*Manaksia"* in respect of products like furniture, mirrors, goods of woods, cork, bones, ivory, plastics, non metallic building materials and non metallic rigid pipes which are not manufactured by the Company and have no relation to the business undertaken by the Company. He has recently applied for the registration of the "Manaksia" trademark in respect of the products manufactured by Manaksia. We have not entered into any arrangements with Mr. Suresh Kumar Agrawal for using the said trademark and are not paying any royalty to him for the usage of the said trademark. Our inability to use this trademark in the future could adversely affect our business.

32. ***We have entered into, and will continue to enter into, related party transactions.***

We have entered into certain transactions with related parties, including our Promoters, Directors and Promoter group companies. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. For further details see "Interest of Directors" in the section titled "Our Management" and also the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations-Related Party Transactions", and "Financial Statements-" beginning on page 102 and page 200 respectively of this Red Herring Prospectus.

33. One of our Subsidiaries and one of the Promoter group companies have incurred losses in recent periods.

Crescent Industries (Nepal) Private Limited, one of our Subsidiaries has incurred loss in Fiscal 2006 and Fiscal 2007

NRs. in million

Particulars	FY2007	FY2006	FY 2005
Profit/(Loss) after tax	(26.29)	(48.84)	(17.64)

The following Promoter group companies have incurred losses in the past: -

A. Arena Machineries Limited

Rs. in million

Particulars	Year ended 2007☼	Year ended September 30, 2006	18 months ended 30.09.2005
Profit/(Loss) after tax	-	18.44	♀

☼ AML's financial year ends on September 30. Therefore, the accounts have not yet been prepared.

♀ The actual loss was Rs 4,512.

B. Manaksia Steels Limited

Rs.in million

Particulars	FY 2007	FY 2006	FY 2005
Profit/(Loss) after tax	(0.01)	♂	(0.06)

♂ The actual profit was Rs 1,990.

We cannot assure you that the operations of the aforesaid companies will become profitable in the future. For further details in relation to the same, see section titled "Our Promoter and Promoter Group" beginning on page 122 of this Red Herring Prospectus.

34. There may be conflicts of interest between us and certain of our Promoter group companies.

Manaksia Steels Limited, one of the Promoter group companies was incorporated with the object of carrying on the business of manufacture, dealing and exporting of all variety of steel and Ropp caps. Leistung Infrastructure and Technologies was also established to carry on *inter alia*, the business of manufacture of caps. Further, Arena Machineries Limited was incorporated to manufacture, buy, deal, sell, export and import plant and machinery. The objects of Agrim Steel Industries Limited is to trade in all varieties of steel, iron ore and allied minerals.The business of the aforesaid Promoter group companies is in direct conflict with that of our business. There can be no assurance that any of these Promoter group companies will not compete with us or that the business interests of these companies will not conflict with ours.

Management Perception

The aforesaid Promoter group companies are not carrying on any significant business activities.

35. We have not made any provision for decline of our investments

We have disclosed the aggregate book value of the quoted investments as well as the unquoted investments . However, we have not made any provision for decline in the value of the investments. We cannot assure that there will not be any decline in the value of the investments and any decline may adversely affect the financial condition of our Company, the impact of which cannot be quantified.

External Risk Factors

***1. A slowdown in economic growth in India could cause our business to suffer*.**

Most of our operations are located in India and our business operations and performance are dependent on the overall economy, the gross domestic product ("GDP") growth rate and the economic cycle in India. The Indian economy could be adversely affected by a number of factors. Any slowdown in the Indian economy or volatility in global commodity prices, in particular oil, steel and aluminium prices, could adversely affect the Indian economy. The Indian economy could also be adversely affected by a general rise in interest rates. A slowdown in the Indian economy could adversely affect our business and results of operations.

2. Political instability and significant changes in the Government's policy on liberalisation of the Indian economy and/or in the other economic and industrial policies, statutory rules and regulations of the State and Central Governments of India relating to

economic, industrial or labour affairs or the political situation in India could adversely affect our business.

The role of the Indian central and state governments in the Indian economy and their effect on producers, consumers and regulators has remained significant over the years. Since 1991, successive governments of India have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. The current coalition-led Government which was formed after the Indian parliamentary elections in April-May 2004 has announced policies and undertaken initiatives that continue the economic liberalisation policies pursued by previous governments.

However, there can be no assurance that these liberalisation policies and the political stability will continue in the future. The rate of economic liberalisation could change, and laws and policies affecting our businesses, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in liberalisation and deregulation policies could adversely affect business and economic conditions in India generally and our business in particular.

Since 1996, the Government of India has changed six times. The current Indian government is a coalition of many parties, some of which are communist and other far left parties in India. The withdrawal of one or more of these parties or any dispute between groups of these political parties could result in political instability. Any political instability could delay or otherwise adversely affect the reform of the Indian economy and could have a material adverse effect on the market for our Equity Shares and our results of operations.

Further, changes in the economic and industrial policies, statutory rules and regulations of the state and central governments of India relating to economic, industrial or labour affairs, including changes in licensing regulations, labour laws, interest rates, policy relating to foreign investment, and taxation laws, or the political situation in India could adversely affect our business.

3. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

Terrorist attacks and other acts of violence or war may adversely affect the global equity markets and economic growth. These acts may also result in a loss of business confidence, make travel and other services more difficult and have other consequences that could have an adverse effect on our business, results of operations and financial condition. In addition, any deterioration in international relations may result in investor concern regarding regional stability which could adversely affect the price of our Equity Shares. In addition, India has witnessed localized civil disturbances in recent years. It is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse impact on our business. Such incidents could also create an increased perception that investment in Indian companies involves a higher degree of risk and could have an adverse impact on our business and the market price of our Equity Shares.

4. Political, social, economic developments and changes in regulations in Nigeria, may adversely affect the operations of MINL in Nigeria.

MINL Limited, our Subsidiary, located in Nigeria had revenues equivalent to Rs.3872.66 million and Rs 2282.81 million representing 31% and 38% of our consolidated revenues in Fiscal 2007 and for the five month period ended August 31, 2007 respectively and had profit before tax equivalent to Rs. 592.34 million and Rs. 341.24 million representing 55% and 56% of our consolidated profit before tax in Fiscal 2007 and for the five month period ended August 31, 2007 respectively.

Nigeria has witnessed civil unrest since it became independent in 1960. Civilian rule was reinstated in Nigeria only in the year 1999. The country went through a particularly severe economic downturn in the early 1990's when its currency, the Naira depreciated against the dollar to one tenth of its value. Further, Nigeria also has a long history of international indebtedness which makes the possibility of procuring external commercial borrowing difficult. The country's debt had ballooned to billion dollars due to penalties and late fees during the 90s. The present Nigerian government however has formulated a debt repayment plan, which has been approved by the International Monetary Fund and is taking significant measures to boost the economy and encourage foreign investment. However, there can be no assurances that such policies shall continue. Any change in the economic and industrial policies, statutory rules and regulations framed by the Nigerian Government relating to economic, industrial or labour affairs, including changes in licensing regulations, labour laws, interest rates, commodity prices, policy relating to foreign investment, and taxation laws could adversely affect our subsidiary, MINL's business. For instance, export of aluminium scrap is banned in Nigeria. This enables MINL to source aluminium scrap which is a raw material for manufacture of aluminium alloy ingots at a comparatively low price. However, in the event, the ban is lifted, it may adversely affect the price at which scrap is procured and thereby affect the profits of MINL.

Kidnapping is still rampant in Nigeria. Attacks on foreign workers by armed robbers, kidnappers and militants demanding a greater share of the country's oil wealth is common. Although MINL has not witnessed any instance of kidnapping, such incidents create an increased perception that investment in Nigeria involves a higher degree of risk and could have an adverse impact on our business. Any future civil unrest as well as other adverse social, economic or political events in Nigeria could have an adverse impact on our business.

5. The metals industry is cyclical in nature and factors affecting the demand for, and production of, metal products affect our results of operations.

The steel and aluminium industry is cyclical in nature, sensitive to general economic conditions and the condition of certain other industries. Prices both for purchase of primary aluminium ingots as well as sales of aluminium rolled products are benchmarked to the prevailing LME spot price. Historically, the international market prices for aluminium ingots and rolled products and also steel products have been volatile. Because most of our costs are fixed and we maintain an inventory, an increasing price environment tends to be favourable to us, while the reverse is true in a falling price environment. We may not be able to respond quickly to any sudden decrease in aluminium prices and any significant fluctuation in international market prices could adversely affect our business, financial condition and operating performance.

Further, over the past few years, the demand for value added steel and aluminium products have fluctuated and may fluctuate in the future. Unfavourable changes in the demand for our products, due to changes in customer preferences, government policies and other factors may adversely affect the steel and aluminium industry and our business and results of operations.

6. Natural calamities could have a negative impact on the Indian economy and harm our business.

India has experienced natural calamities such as earthquakes, floods, drought and a tsunami in recent years. The extent and severity of these natural disasters determines their impact on the Indian economy. An adverse impact on the Indian economy could adversely affect our business and the price of our Equity Shares.

7. Exchange rate fluctuations may adversely affect our financial performance.

Exports constitute a substantial portion of our revenue. We also import substantial amount of raw materials for our manufacturing activities. We are therefore exposed to exchange rate fluctuation risks. We enter into foreign forward contracts to hedge a portion of our foreign exchange exposure in respect of our imports and exports. Adverse movements in foreign exchange rates may adversely affect our results of operations and financial conditions which cannot be quantified.

Further, we derive a substantial portion of our revenues from our Subsidiaries located outside India, therefore, any downturn in those markets, any adverse change in exchange rate movement, interest rates among other factors and adverse movements in foreign exchange rates may adversely affect our results of operations and financial condition.

8. We are subject to various Indian taxes and avail ourselves of tax benefits offered by various state governments. Our profitability would decrease due to any adverse change in general tax policies or if additional tax benefits were reduced or withdrawn.

Taxes and other levies imposed by the central or state governments in India that affect our industry include: (i) excise duty; (ii) customs duty; (iii) income tax; (iv) value added tax; (v) turnover tax; (vi) service tax; and (vii) other new or special taxes and surcharges that may be introduced on a permanent or temporary basis from time to time.

The central and state tax schemes in India are extensive and change from time to time. Any adverse changes in any of the taxes levied by the central or state governments may adversely affect our competitive position and profitability. We have a few disputes with central and state tax authorities where the authorities have made demands for payments of increased taxes. For further details see section titled See “Outstanding Litigation and Material Developments” beginning on page 223 of this Red Herring Prospectus.

The statutory corporate income tax rate inclusive of surcharge and education in India is currently 33.99%. We cannot assure you that the tax rate will not be increased in the future.

Accordingly, our effective tax rates (provision for taxation/profit before tax and exceptional items) for Fiscal Year 2007, Fiscal Year 2006 and Fiscal Year 2005 were 9.84 %, 11.40 % and 28.04%, respectively. For further details see also, see section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations- Taxes.” beginning on page 200 of this Red Herring Prospectus.

9. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced recent volatility, with the BSE index declining by almost 25% in the summer of 2006 before recovering. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

10. Any downgrading of India's debt rating by an independent agency may harm our ability to raise debt financing.

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. This could have a material adverse effect on our capital expenditure plans, business and financial performance and the price of our Equity Shares.

11. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue.

The Equity Shares are listed on the CSE and will also be listed on the NSE, and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or "demat", accounts with depository participants in India are expected to be credited within two working days of the date from the date of allotment is approved by BSE (Designated Stock Exchange). Thereafter, upon receipt of final approval from the NSE, the BSE and the CSE trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the BSE (Designated Stock Exchange). We cannot assure that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above.

12. Changes in rules promulgated by the SEBI, the various Indian stock exchanges and changes in the interpretation or enforcement of existing law and rules relating to the stock markets or investment in securities may adversely impact our business.

The securities industry in India is subject to extensive regulation. Our ability on being listed to comply with all the applicable laws, rulesand regulations of the SEBI and by-laws of the Indian stock exchanges is largely dependent on our internal compliance procedures, as well as our ability to attract and retain qualified compliance personnel. We could be subject to disciplinary or other actions in the future due to non-compliance, which could have an adverse effect on our business, financial condition and operating results.

13. The market price of our Equity Shares may be volatile and an active trading market for our Equity Shares may not develop.

The prices at which our Equity Shares will trade after this Issue may be influenced by many factors, some of which are beyond our control, including:

- volatility in the Indian and global securities markets;
- our results of operations and performance;
- the state of the Indian economy, significant developments in the Indian economic liberalization and changes in Indian laws and regulations;
- the history of, and the prospects for, us and the industry in which we compete;

- an assessment of our management, our past and present operations, and the prospects for, and timing of, our future revenues and cost structures; and

- the valuation of and general market sentiment regarding publicly traded companies that are engaged in business activities similar to ours.

Prior to this Issue, there has not been an active market for our Equity Shares. We cannot assure you that an active or liquid public market for our Equity Shares will develop or be sustained if developed. The public offering price of the Equity Shares may not necessarily be indicative of the market price of the Equity Shares after this Issue is complete. If you purchase Equity Shares in this Issue, you may not be able to resell your Equity Shares at or above the public Issue price and, as a result, you may lose all or part of your investment.

Risks Associated with Our Equity Shares and This Offering

1. As the Issue Price per Equity Share is substantially higher than our book value per Equity Share, purchasers in this offering will immediately experience a substantial dilution in net tangible book value.

Purchasers of our Equity Shares will experience immediate and substantial dilution in net tangible book value per Equity Share from the Issue Price per Equity Share. Post the offering, after deducting underwriting discounts and commissions and estimated offering expenses payable by us, and the application of the net proceeds therefrom, our net tangible book value as of August 31, 2007, would have been Rs. [●] million, or Rs. [●] per Equity Share. This represents an immediate dilution in net tangible book value of Rs. [●] per Equity Share to new investors purchasing our Equity Shares in this offering.

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

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

Notes:

- Based on our restated consolidated financial statements, the net asset value per Equity Share based on our net worth of Rs. 4,363.75 million as of August 31, 2007 was Rs. 80.76;
- Issue of 15,500,000 Equity Shares of Rs. 2 each for cash at a price of Rs. [●] per Equity Share, including a share premium of Rs. [●] per Equity Share, aggregating Rs. [●] million. The Issue comprises a net issue to the public of up to 15,400,000 equity shares and a reservation of up to 100,000 equity shares for subscription by Eligible Employees (as

defined herein), at the Issue Price. The Issue will constitute 22.29% of our post Issue paid-up Equity Share capital and the Net Issue will constitute 22.15% of the fully diluted post issue paid up Equity Share capital of our Company;

- We were considering a Pre–Offering Placement at the time of filing of the Draft Red Herring Prospectus. The Pre–Offering Placement was at the discretion of our Company. However, we have not exercised such discretion to make a Pre-Offering Placement;
- Other than as stated in "Capital Structure", on page 21, we have not issued any Equity Shares for consideration other than cash;
- The average cost of acquisition of our Equity Shares by our Promoters is Rs. 0.21 per Equity Share (of face value of Rs. 2 each) for Mr. Basant Kumar Agrawal and Rs. 0.18 per Equity Share (of face value of Rs. 2 each) for Mr. Suresh Kumar Agrawal . The average cost of acquisition of our Equity Shares by our Promoters has been calculated by taking into account the amount paid by them to acquire the Equity Shares, including the issue of bonus shares to them. For more information, see the section titled "Capital Structure" on page 21;
- Except as disclosed in the sections titled "Our Promoters and Promoter Group " or "Our Management" beginning on pages 122 and 102, respectively, none of our Promoters, our Directors and our key managerial employees have any interest in the Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner or trustee and to the extent of the benefits arising out of such shareholding;
- Investors may contact the BRLM and other members of the Syndicate for any complaints, information or clarifications pertaining to the Issue;
- Any clarification or information relating to the Issue shall be made available by the BRLM and our Company to the investors at large and no selective or additional information would be available for a section of investors in any manner whatsoever. For any clarification or information relating to the Issue, investors may contact the BRLM, who shall be obliged to provide such clarification or information to the investors;
- Investors are advised to refer to the section titled "Basis for Issue Price" on page 39 of this Red Herring Prospectus;
- Refer to the notes to our financial statements relating to related party transactions in the section titled "Consolidated Restated Financial Statements - Related Party Transactions" on page 142 of this Red Herring Prospectus for related party transactions;
- 100,000 Equity Shares, i.e., 0.14% of our post-Issue share capital, have been reserved for Eligible Employees on a competitive basis. Any under-subscription in this portion shall spill over to other categories;
- Trading in Equity Shares of our Company for all investors shall be in dematerialised form only;
- Under-subscription, if any, in any category would be met with spill over from other categories at the sole discretion of our Company in consultation with the BRLM;
- Investors may note that in the event of over-subscription of the Issue, allotment to Qualified Institutional Buyers, Non-Institutional Bidders Retail Bidders and Employees shall be on a proportionate basis. For more information, see the section titled "Public Issue Procedure" on page 297.

SECTION III: INTRODUCTION
SUMMARY

We are a multi division and multi location Company focusing on manufacturing of value added metal products and metal packaging products. We commenced our operations as manufacturer of metal closures in 1984 but have diversified our business into metal products and mosquito coil. We have fifteen manufacturing units in India and three abroad; two in Nigeria and one in Ghana. Since our incorporation, we have responded to the challenges by redefining our core competencies and unleashing major restructuring process, as a result emerging into a stronger and more efficient entity. Moody International Certification Limited has assessed our quality management syatem and has certified us to be ISO 9001:2000 compliant for a period of three years from June 5, 2007 to June 04, 2010.

Our business can be categorized into (a) metal products; (b) packaging products; (c) mosquito coils; and (d) engineering and others. Our metal products include aluminium alloy ingots, rolled sheets/coils, galvanized steel sheets/coils, color coated metal sheets and Sponge Iron. Our packaging products comprise of ROPP caps, crown closures, plastic caps and metal containers. We are a third party manufacturer of mosquito coils for reputable brands.

We have vertically integrated certain parts of our operations across a number of products. This has resulted in a reduction in manufacturing costs, a reduction in dependence on external sources for supply of raw materials, greater control on quality and an expansion in the range of products.
The following table sets forth our total sales broken down by division

Rs. in million

Particulars	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	5 mon ended Aug 07	5 mon ended Aug 07%
Packaging Products	1,696.8	1,411.4	895.1	1,044.9	1190.50	591.26	13.04%
Mosquito Coils	666.2	665.8	793.4	693.4	708.97	288.63	6.37%
Metal Products	1,955.2	3,596.6	5,678.6	5,338.9	6005.45	3541.59	78.13%
Bullion@	-	835.4	1,734.3	3,587.0			-
Engineering & Others	363.7	509.6	370.5	478.1	372.90	111.33	2.46%
	4,681.9	**7,018.7**	**9,471.9**	**11,142.3**	**8277.82**	**4532.81**	**100%**

@ Bullion trading business has been discontinued since September 2005

The following table sets forth our Profit Before Interest and Taxation broken down by division

Rs in million

Particulars	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	5 mon ended Aug 07	5 mon ended Aug 07%
Packaging Products	252.7	212.3	158.3	110.3	134.44	77.82	10.42%
Mosquito Coils	99.2	69.3	75.8	57.0	58.51	37.03	4.96%
Metal Products	78.0	93.5	499.4	793.0	1189.96	612.45	82.01%
Bullion@		14.1	1.1	(34.2)		-	-
Engineering & Others	84.2	171.2	112.3	110.1	62.06	19.47	2.61%
	514.1	**560.4**	**846.8**	**1,036.2**	**1444.97**	**746.77**	**100%**

@ Bullion trading business has been discontinued since September 2005

Our Competitive Strengths

Our principal competitive strengths include the following:

Core values of human resource development, employee satisfaction and retention, promoter led and managed company

We believe that our qualified and experienced management and technical teams have contributed to the growth of our operations and the development of our in-house processes and competencies. Mr. Basant Kumar Agrawal, our Managing Director, has industry experience spanning over three decades. In fact it was due to his entrepreneurial skills that we have diversified from metal packaging into manufacture of aluminium alloy ingots, rolled products, value added steel products and mosquito coils and have thereby emerged as a multi-product company. Mr. Suresh Kumar Agrawal, Chief Operating Officer of our Company has pioneered the in-house development of various lacquers, paints and adhesives used in the manufacture of our packaging products. He heads our marketing division as well as our international operations.

Our well-trained and skilled workforce is a key competitive strength. Our ability to recruit, train and retain skilled labour and tradesmen is critical for us to meet our plans of growth and expansion. We also lay a strong emphasis on our in-house human resource initiatives, by focusing on hiring, training and retaining the best talent. As of August 31, 2007 we have 2,569 employees.

Integrated business model

We have vertically integrated certain parts of our operations across a number of products. From the manufacture of aluminium closures we have established a backward integration to the production of aluminium rolled products. Our backward integration also extends to manufacturing certain machines and tools for our production facility. We have invested in the manufacture of expanded polyethylene ("EP") liners used in the manufacturing of ROPP caps. We have also invested in the manufacture of paints, adhesives and lacquers used in the printing of metal sheets for caps and crowns. Our aluminum rolling unit has been integrated with the front end manufacture of aluminium profiled and corrugated sheets. Our unit at Jeedimethla in Hyderabad manufactures corrugated boxes which are used for packing mosquito coils. This business model of vertical integration has resulted in reduction in manufacturing costs, reduction in dependence on external sources for supply of raw materials, greater control on quality and expansion in range of products.

Focus on innovation and development of quality products

Our ability to leverage conventional engineering methods to simplify manufacturing processes has proved beneficial by allowing us to produce quality products at a low cost. We have used our metal management skills to manufacture advanced metal packaging products. We have leveraged on our engineering insight to construct a low cost but high quality furnace to produce alloy ingots and on our trading experience in aluminium roofing sheets and galvanised sheets to manufacture metal products and alloy ingots. We use non-conventional energy sources (bio-mass gasifiers and solar panels) replacing the use of conventional fuel in the manufacture of mosquito coils.

These various innovations in manufacturing and product enhancement have resulted in us turning some of the industry's most coveted brands into our customers. We have successfully retained customers like Hindusthan Coca Cola Beverages Private Limited, Reckitt Benckiser (India) Limited, Dabur India Limited, Jyothy Laboratories Limited, McDowell Group while adding new customers such as Eveready Industries Limited. Our aluminium division has attracted reputed alloy ingot users like TVS Motor Company Limited, Orient Fans and Toyota Tsusho Corporation as our customers.

Multiple production sites allow for efficient delivery in various geographical locations to our customers

We have fifteen manufacturing units in India across our product range with multiple manufacturing units for certain of our products. These facilities are located in various states viz. West Bengal, Andhra Pradesh, Madhya Pradesh, Assam, Gujarat, Dadra and Nagar Haveli (union territory), and sales and service offices in Mumbai, New Delhi, Chennai and Bangalore. Our various manufacturing units provide multiple distribution points for our products, helping us in catering to the needs of the customers all over India and delivering products in accordance with the time and location schedule prescribed by the customer. We have also leveraged our multi locational presence to reduce distribution and inventory costs and delivery times. We have undertaken various new projects during the last two years which are at different stages of completion, and the financial / operational benefits of which should arise in the coming years. These projects include (i) 12,000 MTPA Aluminum Color coating line in Kutch (commercial production started in May 2006); (ii) 12,000 MTPA Aluminum Color coating in Ota, Nigeria (commercial production started in November 2006); (iii) Lead and Copper Alloy Ingots plant in Nigeria (commercial production started in November 2006); (iv) 50,000 MTPA Cold Rolled Coils plan at Haldia (scheduled date of commercial production: December 2007); and (v) 24,000 MTPA Steel Galvanizing plant in Nigeria (Scheduled date of commercial production: December 2007) – plant being shifted from our subsidiary in Nepal.

International operations and their contribution to overall growth

We have established our manufacturing and marketing presence outside India. We have commissioned three international manufacturing facilities: a ROPP caps crown manufacturing plant in Lagos, Nigeria; aluminium alloy ingots, metal color coating line, continuous galvanising line and corrugating, profiling & embossing of aluminium roofing plant in Ota, Nigeria; and a corrugating line for roofing sheets in Ghana. We have recently opened a subsidiary in Dubai which we believe is very important for our operations as it is an integral part of the supply chain management for procurement of non-ferrous scrap for our aluminium business. The Dubai subsidiary, Euroasian Ventures FZE, provides marketing support for all our products in the Middle East, East Africa, CIS countries and Europe.

Our Strategy

Our corporate vision is to: (a) achieve a lasting partnership with our customers through an unwavering commitment to excellence in everything we do, (b) to trust, respect and empower our employees to help them achieve their goals, (c) to work with concern and well being for our various stakeholders by sharing responsibilities for their economic, social and physical environments.

We have adopted the following strategies to achieve our corporate vision:

Increase production capabilities in India

In focus areas, especially metal products, we have constantly enhanced our production capabilities. The complete commissioning of our Haldia unit will add another 36,000 tons capacity to our aluminium rolled products. We propose to add certain equipments to our aluminium rolling line at

Haldia so as to be able to produce higher value added products as well as improve the efficiency of our present production by adding certain equipment to de-bottleneck. The capacity for aluminium alloy ingots at Haldia is being expanded with the addition of two more reverbatory furnaces to cater to the increasing demand.

Focus on further vertical integration

We strive to manufacture the most essential raw materials required to manufacture our products, ranging from basic metals to finishing paints with an intention to reduce our reliance on external suppliers. We are also focusing on greater quality control. We intend to further vertically integrate our business and towards this end, we are in the process of setting up a steel cold rolling plant at Haldia, West Bengal. Once functional, the plant will provide the raw materials required for our galvanising operation at Bankura and Nigeria.

Leverage low cost manufacturing model

Our packaging products and mosquito coils divisions operate on a low cost manufacturing model by designing and building the machines used by these divisions. We design and manufacture the stamping machines and gas oven burners. We also utilise our in house facilities to manufacture ROPP cap paints and lacquers. We strive to operate out of smaller units to reduce our overhead production costs. Further, our vertical integration model also helps in reducing our dependence on external suppliers and consequently reduce our cost of production. We strive to leverage our low cost manufacturing model to achieve profit maximisation.

Continued focus on innovation and product development

Our growth has been derived from our understanding and exploration of business opportunities and developing new products to meet the needs of the customer. We have introduced a colour coating line in Kutch, Gujarat for roofing sheets and white goods. Some of the polyethylene based paints used in the coating process have been developed by our in house research and development team. A colour coating line for colouring both aluminium and steel galvanised sheets has been installed in Nigeria and it has become operational in November, 2006. MINL is in the process of setting up facilities to manufacture copper alloys and lead alloys from scrap. We have introduced the manufacture of zinc alloy used in making zip fasteners and carburettors. We have recently added a new aluminium roll forming line in Nigeria to manufacture 25-30 wide feet popular ranges of corrugated sheets.

Industry Overview

Steel is one of the most widely used metals in the world. It forms a key constituent of all major economies. Accordingly, the growth in steel consumption is a function of the growth pattern of its various end-use sectors viz. manufacturing, infrastructure, automobile, housing etc. which ultimately guide the country's economy. The apparent domestic consumption of finished steel (i.e. production + imports - exports +/- variation in stocks) increased from 14.84 MT in 1991-92 to 43.47 MT in 2006-07 (Provisional estimated) . The steel industry showed signs of recovery in the beginning of 2002 from the recessionary trend. The signs of revival were due to the increased demand for the steel products. The demand has increased due to increased demand from China.. As per International Iron and Steel Institute (IISI) estimates, global steel demand has increased by around 8.5 per cent in 2006. The strongest increase in steel consumption was recorded in North America (+11.12%). Till 1990, the Indian steel industry was characterized by large-scale capacities reserved for the public sector, insulated markets and operated under a regulated environment.

Production and prices were determined and regulated by Government of India. Capacity and price controls were abolished and quantitative trade restrictions done away with post the deregulation of the steel sector in 1991-92. Import tariffs were also brought down substantially. In 2000-01, the Indian steel industry operated at finished steel production level of 26.7 MT with apparent finished steel consumption at 26.9 MT. However, with the onset of liberalization, the Indian steel sector experienced capacity expansion with the entry of several domestic private players and large private investments flows into the sector. In 2004-05, the indigenous production of finished steel was 49.39 MT against apparent finished steel consumption of 43.1 MT. Today, India produces steel of international standards conforming to almost all grades and varieties and has been a net exporter for the past few years. (Source: www.steel.nic.in,IISI)

Aluminium is a durable, corrosion resistant lightweight metal that can be extruded, rolled, formed and painted for application in diverse fields. According to the International Aluminium Institute, approximately 66% of global consumption is used in the construction, transportation and packaging sectors while the remaining 34% is used in consumer, capital goods and electricity transmission. (Source: http://www.world-aluminium.org/applications/use.html)

Aluminium is produced from aluminium ore or bauxite. There are several types of bauxite with alumina content ranging from 35% to 60%. Bauxite is refined into alumina through what is known as the Bayer process and then electrolytically reduced to metallic aluminium.

In the period between 1999 to 2004, global production of primary aluminium has grown consistently at a compounded annual growth rate of 4.3% to 29.2 mt per annum due to an increase in demand in the end use markets as well as a large build up of smelter capacity in China. Consolidation in the global aluminium industry has also contributed to the increase in production. Global primary aluminium consumption was approximately 29.7 mt per annum in 2004 as compared to 23.5 mt per annum in 1997, a CAGR of 4.8% (Source: CRIS INFAC: Aluminium Annual Review, 2006).

For further details refer to "Industry" page 51.

THE ISSUE

Public Issue of Equity Shares by our Company

Which comprises:	
Issue:	Up to 15,500,000 Equity Shares.
of which	
Employees Reservation Portion	Upto 100,000 Equity Shares
Net Issue	Up to 15,400,000 Equity Shares
Of which:	
QIB Portion:	Up to 7,700,000 Equity Shares (allocation on proportionate basis) out of which 5% of the QIB Portion or up to 385,000. Equity Shares (assuming the QIB Portion is 50% of the Net Issue) shall be available for allocation on a proportionate basis to Mutual Funds only (Mutual Funds Portion), and at least 7,315,000 Equity Shares (assuming the QIB Portion is 50% of the Net Issue) shall be available for allocation to all QIBs, including Mutual Funds.
Non-Institutional Portion:	At least 2,310,000 Equity Shares (allocation on proportionate basis).
Retail Portion:	At least 5,390,000 Equity Shares (allocation on proportionate basis).
Equity Shares outstanding prior to the Public Issue:	54,034,050 Equity Shares
Equity Shares outstanding post the Public Issue:	69,534,050 Equity Shares
Objects of the Issue:	For details of the Objects of the Issue, see the section titled "Objects of the Issue" beginning on page 32 of this Red Herring Prospectus.

SUMMARY FINANCIAL AND OPERATING INFORMATION

The following summary financial information is derived from our consolidated and unconsolidated restated financial statements as of and for the Fiscal Years ended March 31, 2003, 2004, 2005,2006 and 2007 and as of and for the 5 months ended August 31, 2007, each as described in the Auditor's Reports in the section titled "Financial Statements" beginning on page 136 of this Red Herring Prospectus. The consolidated and unconsolidated restated financial statements have been prepared in accordance with Indian GAAP and restated in accordance with SEBI DIP Guidelines. The summary financial performance information presented below should be read in conjunction with the financial statements, the notes thereto included in "Financial Statements", and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 136 and 200 of this Red Herring Prospectus respectively.

Summary Consolidated Profit and Loss Account

Rs. in Million

Particulars	Year Ended March 31,					Five months
	2003	2004	2005	2006$	2007$	Aug '07
Income						
Sales (Net of Excise Duty & Tax)						
Of Products manufactured by the Company	4336.61	5629.53	5990.64	6793.61	7273.15	3820.01
Of Products traded in by the Company	345.32	1389.14	3481.25	4348.67	1004.67	712.8
Total	**4681.93**	**7018.67**	**9471.89**	**11142.28**	**8277.82**	**4532.81**
Other Income	19.17	111.54	9.75	26.87	63.98	4.15
	4701.10	**7130.21**	**9481.64**	**11169.15**	**8341.80**	**4536.96**
Expenditure						
Raw Materials Consumed	2643.81	3930.70	3510.44	3644.98	3865.31	2231.77
Material Cost of Trade Goods Sold	359.58	1351.21	3403.04	4518.26	964.48	645.52
Staff Costs	139.15	166.74	191.20	238.06	287.18	113.45
Other Manufacturing Expenses	580.83	586.05	804.89	897.22	821.41	419.16
Administration Expenses and Selling & Distribution Expenses	379.51	403.65	527.32	573.07	620.37	239.84
	4102.88	**6438.35**	**8436.89**	**9871.59**	**6558.75**	**3649.74**
Earning Before Depreciation Interest & Tax	**598.22**	**691.86**	**1044.75**	**1297.56**	**1783.05**	**887.22**
Depreciation	84.12	131.49	197.93	261.41	338.08	140.45
Finance Cost & Interest	180.72	70.30	87.81	274.62	433.20	202.41
Net Profit before tax	**333.38**	**490.07**	**759.01**	**761.53**	**1011.77**	**544.36**
Taxation	63.03	83.23	212.82	89.36	91.15	36.12
Current tax	24.56	36.50	75.00	57.47	66.86	24.81
Deferred tax	38.47	46.73	137.82	31.89	24.28	11.31
Net Profit after tax (as per audited Financial Statements)	**270.35**	**406.84**	**546.19**	**672.17**	**920.62**	**508.24**
Adjustment on Restatement	**(12.72)**	**(7.53)**	**0.08**	**(0.27)**	**-**	**-**
Net Profit as Restated	**257.63**	**399.31**	**546.27**	**671.90**	**920.62**	**508.24**

$ In terms of the Scheme of Amalgamation approved by the High Court of Kolkata, Spark Exports Limited ("SEL") and Paramount Containers Limited ("PCL") have been amalgamated with our Company with effect from the appointed date of

April 1, 2005 and therefore the financial performance of Fiscal 2006 and 2007 is not directly comparable with financial performance of Fiscal 2003, 2004 and 2005.

Summary Consolidated Assets and Liabilities

Rs. in Million

	Particulars	As at March 31,					Five Months
		2003	2004	2005	2006	2007	Aug '07 ♀
A.	**Fixed Assets**						
	Gross Block and Capital Work in Progress	2254.17	4122.68	5206.07	5876.16	6628.67	6735.87
	Less Depreciation	316.86	426.69	623.66	894.53	1222.53	1348.33
	Net Block	1937.31	3695.99	4582.41	4981.63	5406.14	5387.54
	Less: Revaluation Reserve	-	-	-	-		
	Net Block after adjustment for Revaluation Reserve	**1937.31**	**3695.99**	**4582.41**	**4981.63**	**5406.14**	**5387.54**
B.	**Investments**	14.68	0.18	0.18	5.76	4.89	2.26
C.	**Current Assets, Loans and Advances**						
	Inventories	1172.35	1460.86	1541.14	2460.19	3148.92	2218.88
	Sundry Debtors	830.64	1079.30	1115.73	1053.56	1420.96	1283.45
	Cash and Bank Balances	33.95	59.45	28.26	71.07	90.99	124.47
	Loans and Advances	417.37	398.23	497.09	826.34	950.34	958.50
		2454.31	**2997.84**	**3182.22**	**4411.16**	**5611.21**	**4585.30**
D.	**Liabilities and Provisions:**						
	Secured Loans	1841.83	2329.36	3183.35	3347.10	3513.45	3381.70
	Unsecured Loans	478.59	992.51	608.26	762.42	760.57	391.86
	Current Liabilities and Provisions	555.20	1447.47	1326.45	1772.44	2430.88	1399.63
	Deferred Tax Liability	221.44	265.46	403.61	404.17	428.46	438.16
		3097.06	**5034.80**	**5521.67**	**6286.13**	**7133.36**	**5611.35**
E.	**Net Worth**	**1309.24**	**1659.21**	**2243.14**	**3112.42**	**3888.88**	**4363.75**
F.	**Represented by**						
	Equity share capital	105.46	105.46	105.46	72.05	108.07	108.07
	Preference share capital					23.74	23.74
	Capital Suspense account				23.74		
	Total Share Capital	105.46	105.46	105.46	95.79	131.81	131.81
	Reserves & Surplus	1217.98	1589.75	2186.10	3041.49	3836.51	4343.88
	Minority Interest	2.61	6.92	12.03	17.14	-	-
	Total	**1326.05**	**1702.13**	**2303.59**	**3154.42**	**3968.32**	**4475.69**
	Less : Misc. Expenditure to the extent not written off or adjusted	16.81	42.92	60.45	42.00	79.44	111.94
G.	**Net Worth**	**1309.24**	**1646.49**	**2235.60**	**3112.42**	**3888.88**	**4363.75**

♀ The reduction of equity share capital from Rs 105.46 million to Rs 72.05 million was due to the cancellation of 3,341,900 Equity Shares of Rs. 10 each held together by Paramount Containers Limited and Spark Exports Limited i.e. cross holdings consequent upon amalgamation of Paramount Containers Limited and Spark Exports Limited with our Company which was sanctioned by the High Court at Calcutta vide order dated August 2, 2006.

Statement Of Restated Unconsolidated Profit And Loss Account

Rs. in Million

Particulars	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
Income						
Sales (Net of Excise Duty & Tax) :						
Of Products manufactured by the Company	3617.07	5059.52	4722.53	5839.64	5759.22	2469.33
Of Products traded in by the Company	345.32	1389.14	3481.25	3846.82	608.69	209.67
Total	**3,962.39**	**6,448.66**	**8,203.78**	**9,686.46**	**6,367.91**	**2,679.00**
Other Income	22.27	78.72	8.56	36.28	85.98	3.84
	3984.66	**6527.38**	**8212.33**	**9722.74**	**6453.89**	**2682.84**
Expenditure						
Raw Materials Consumed	2376.47	3695.16	3057.85	3971.05	3896.95	1612.90
Material Cost of Trade Goods Sold	291.30	1292.15	3341.32	3963.70	560.13	199.25
Staff Costs	119.91	140.87	148.55	170.35	192.92	75.14
Other Manufacturing Expenses	396.26	454.24	595.14	544.79	567.42	259.98
Administration Expenses and						
Selling & Distribution Expenses	273.42	337.91	414.80	408.56	394.68	149.24
	3457.36	**5920.33**	**7557.66**	**9058.45**	**5612.10**	**2296.51**
Earning Before Depreciation Interest & Tax	**527.30**	**607.05**	**654.67**	**664.29**	**841.79**	**386.33**
Depreciation	66.10	76.99	91.21	138.35	160.94	69.30
Finance Cost & Interest	147.54	46.34	32.19	179.59	319.95	129.23
Net Profit before tax and Extraordinary items	**313.65**	**483.72**	**531.27**	**346.35**	**360.90**	**187.80**
Taxation	52.00	70.00	150.90	78.20	53.16	17.20
Current tax	22.00	32.00	62.50	48.20	42.70	13.20
Deferred tax	30.00	38.00	88.40	30.00	10.46	4.00
Net Profit after tax (as per audited Financial Statements)	**261.65**	**413.72**	**380.37**	**268.15**	**307.74**	**170.60**
Adjustment on Restatement	**(12.72)**	**(5.13)**	**0.08**	**(0.27)**		
Net Profit as Restated	**248.93**	**408.59**	**380.45**	**267.88**	**307.74**	**170.60**

Statement Of Restated Unconsolidated Assets And Liabilities

Rs. in Million

	Particulars	As at March 31,					
		2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
A.	**Fixed Assets**						
	Gross Block & Capital Work in Progress	1951.01	3083.99	3733.17	4109.76	4189.36	4247.45
	Less Depreciation	270.14	326.10	416.58	564.93	716.09	786.05
	Net Block	1680.87	2757.89	3316.59	3544.83	3473.27	3461.40
	Less: Revaluation Reserve						
	Net Block after adjustment for Revaluation Reserve	**1680.87**	**2757.89**	**3316.59**	**3544.83**	**3473.27**	**3461.40**
B.	**Investments**	125.95	246.94	434.53	489.02	549.35	548.34
C.	**Current Assets, Loans and Advances**						
	Inventories	725.69	929.52	852.65	990.78	1150.70	1102.20
	Sundry Debtors	1057.77	1404.24	1289.31	1521.60	1299.86	1377.94
	Cash and Bank Balances	20.16	21.39	12.16	8.36	19.46	26.81
	Loans and Advances	412.12	345.14	390.16	545.64	463.38	472.42
		2215.74	**2700.29**	**2544.28**	**3066.38**	**2933.40**	**2979.37**
D.	**Liabilities and Provisions:**						
	Secured Loans	1690.97	1993.48	2346.03	2218.15	2327.74	2604.67
	Unsecured Loans	290.87	890.39	474.57	625.67	625.08	256.41
	Current Liabilities and Provisions	565.19	921.37	1146.09	1490.50	1024.05	984.52
	Deferred Tax Liability	200.00	238.00	326.40	366.14	376.60	380.60
		2747.03	**4043.24**	**4293.09**	**4700.46**	**4353.47**	**4226.20**
E.	**Net Worth**	**1275.53**	**1661.88**	**2002.31**	**2399.77**	**2602.55**	**2762.91**
F.	**Represented by**						
	Share Capital						
	Equity Shares	105.46	105.46	105.46	72.05	108.07	108.07
	Preference Shares	-	-	-	-	23.74	23.74
	Capital Suspense A/c	-	-	-	23.74	-	-
	Reserves & Surplus	1178.81	1593.40	1954.21	2341.93	2541.13	2710.91
	Total	**1284.27**	**1698.86**	**2059.67**	**2437.72**	**2672.94**	**2842.72**
	Less : Misc. Expenditure to the extent not written off or adjusted	8.74	36.98	57.36	37.95	70.39	79.81
G.	**Net Worth (F-G)**	**1275.53**	**1661.88**	**2002.31**	**2399.77**	**2602.55**	**2762.91**

Recent Developments

Announcement of Unconsolidated Results of the Issuer for the Period Ended September 30, 2007

Information is required to be given vide Ministry of Finance Circular No.S2/SE/76 dated February 5, 1977 read with circular of even number dated March 8, 1977 is given below:

On October 29, 2007, the Issuer announced its unaudited unconsolidated financial results for the quarter and half year ended September 30, 2007, which were subject to a limited review by its auditors. We set forth below a summary of such results that were released.

Summary Unconsolidated Profit and Loss Account

Rs. in million

Particulars	*Quarter Ended September 30, 2007*	*Quarter Ended September 30, 2006*	*Half Year Ended September 30, 2007*	*Half Year Ended September 30, 2006*
	(UNAUDITED)		*(UNAUDITED)*	
Income				
Net Sales / Income from Operations	2057.65	1669.87	3469.21	2942.97
Other Income	(1.29)	42.73	6.07	62.19
Total	**2056.36**	**1712.60**	**3475.28**	**3005.16**
Expenditure				
Material Consumption	1504.82	1172.81	2436.34	2004.49
Staff Cost	45.70	54.48	92.27	97.07
Manufacturing & Maintenance	129.23	158.30	273.92	286.77
Other Expenditure	121.08	102.38	214.88	199.16
Earnings before Depreciation, Interest & Tax	**255.53**	**224.64**	**457.88**	**417.67**
Interest	81.29	79.44	148.71	148.16
Depreciation	41.31	39.51	83.05	79.35
Net Profit before tax	**132.93**	**105.69**	**226.12**	**190.16**
Provision for Current Tax	14.30	17.25	20.30	21.50
Provision for Deferred Tax	4.50		4.50	
Net Profit after tax	**114.13**	**88.44**	**201.32**	**168.66**

GENERAL INFORMATION

Registered Office

The registered office of our Company is at 8/1 Lalbazar Street, 3rd floor, Kolkata 700001 and our registration number is 21-38336 of 1984.

Address of Registrar of Companies

The Registrar of Companies,
Office of the Registrar of Companies, West Bengal
Nizam Palace
IInd MSO Building
Kolkata 700020

Board of Directors

The following persons constitute our Board of Directors:

Name	Designation	Type
Mr. Rabindra Nath Sengupta	Chairman and Non-Executive Director	Independent Director
Mr. Mahabir Prasad Agrawal	Non-executive director	Non-Independent Director
Mr. Basant Kumar Agrawal	Managing Director	Non-Independent Director
Mr. Suresh Kumar Agrawal	Executive Director	Non-Independent Director
Mr. Sushil Kumar Agrawal	Executive Director	Non-Independent Director
Mr. Sunil Kumar Agrawal	Executive Director	Non-Independent Director
Mr. Debabrata Guha	Executive Director	Non-Independent Director
Mr. Nadia Basak	Executive Director	Non-Independent Director
Mr. Alak Ghosh	Non- Executive Director	Independent Director
Mr. Ajay Chakraborty	Non- Executive Director	Independent Director
Mr. Kali Kumar Chaudhuri	Non- Executive Director	Independent Director
Ms. Smita Khaitan	Non- Executive Director	Independent Director

For further details of our Directors, please see the section titled "Our Management" beginning on page 102 of this Red Herring Prospectus.

Company Secretary and Compliance Officer

Mr. Sandeep Sultania
Manaksia Limited
3rd Floor
8/1 Lal Bazar Street
Kolkata 700001
Ph: (91 33) 2231-0050 (3 lines), (91 33) 2243 5053/5054/5556
Fax: (91 33) 2230-0336/2242-8470

E-mail: info@manaksia.com
Website: www.manaksia.com

Investors can contact the Compliance Officer in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment and credit of allotted shares in the respective beneficiary account or refund orders.

Book Running Lead Manager

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg,
Churchgate,
Mumbai 400 020
India
Tel: (91 22) 2288 2460
Fax: (91 22) 2283 7045
Contact Person: Sumit Pachisia
E-mail: manaksia_ipo@isecltd.com
Website: www.icicisecurities.com
Registration Code: INM000011179

Syndicate Members

Microsec Capital Limited
Shivam Chambers, First Floor
53, Syed Amir Ali Avenue
Kolkata 700 019
India
Tel: (91 33) 30512137
Fax: (91 33) 30512020
Contact Person: Mr. Vishal Poddar
E-mail: vpoddar@microsec.in
Website: www.microsec.in
Registration Number: INM000010791

Legal Advisors to the Issue

Amarchand & Mangaldas & Suresh A. Shroff & Co.,
Anandlok Building,
3rd Floor
227 A.J.C. Bose Road,
Kolkata 700020
Tel: (91 33) 2865 0268
Fax: (91 33) 2247 2349
E-mail: manaksiaipo@amarchand.com

International Legal Counsel to the Book Running Lead Manager

Baker & McKenzie.Wong & Leow
27-01 Millenia Tower
1 Temasek Avenue

Singapore 039192
Tel: (65 6338 1888)
Fax: (65 6337 5100)
Email: manaksiaipo@BAKERNET.com

Registrar to the Issue

Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West)
Mumbai 400078
Tel: (91 22) 25960320
Fax: (91 22) 25960328
Contact person: Mr. Sachin Achar
Email: Manaksia.ipo@intimespectrum.com
Registration Code:INR000003781

Bankers to the Issue and Escrow Collection Banks

1. Kotak Mahindra Bank Limited
Kotak Mahindra Bank CMS Dept
4th Floor, Dani Corporate Park
C.S.T. Road Kalina
Santacruz (E) Mumbai-98
India
Tel No. (91 22) 67594876
Fax No. (91 22) 56482710
Contact person**:** Mr Mahendra Rao/ Mr Ibrahim Shariff
Email**:** Mahendra.rao@kotak.com
Website:www.kotak.com
Registration Code: INBI00000927

2. Yes Bank Limited
4th floor Nehru Centre
Discovery of India, Dr A.B. Road
Worli, Mumbai-400018
India
Tel No. (91 22) 66699029
Fax No. (91 22) 24900314
Contact Person**:**Mr Shreejit Nair
Email: shreejit.nair@yesbank.com
Website: www.yesbank.com
Registration Code: INBI00000935

3. ABN- AMRO BANK N.V.
Brady House
14, Veer Nariman Road Horniman Circle , Fort
Mumbai- 400001
India
Tel No. (91 22) 66585858
Fax No. (91 22) 22823158

Contact Person: Mr Malay Akhouri
Email**:** akhouri.malay@in.abnamro.com
Website: www.abnamro.co.in
Registration Code: INBI00000034

4. HDFC BANK Limited
Old Building, II Floor Chandivali
26A, Narayan Properties Off Saki Vihar road
Saki Naka, Chandivali
Andheri East
Mumbai- 400072
India
Tel No. (91 22) 28569212
Fax No. (91 22) 28569256
Contact Person: Mr Rakesh Watal
Email**:** Rakesh.watal@hdfcbank.com
Website:www.hdfcbank.com
Registration Code:INBI00000063

5. ICICI Bank Limited
Capital Market division
30,Mumbai Samachar Marg
Mumbai- 400001
India
Tel No. (91 22) 22627600
Fax No. (91 22) 22611138
Contact Person: Mr. Venkataraghavan T A
Email: venkataraghavan.t@icicibank.com
Website:www.icicibank.com
Registration Code: INBI00000004

6. Standard Chartered Bank
Cash Management Dept
90, MG Road
Mumbai-400001
India
Tel No. (91 22) 22092213
Fax No. (91 22) 22092216
Contact Person**:** Mr Rajesh Malwade
Email**:** rajesh.malwade@in.standardchartered.com
Website:www.standardchartered.com
Registration Code: INBI00000885

Auditors

M/s. SRB & Associates
Chartered Accountant
A-3/7 Gillander House
8 N.S. Road
Kolkata 700001
Tel: (91 33 221 37036) (91 33 3093 0975)

Fax: (91 33 2546414)
E-mail: srbbbsr@vsnl.net

Bankers to our Company

Our Company has accounts with several banks in India. Set forth below are the details of the banks in Kolkata (place of our Registered Office) with which we have an account:

ABN Amro Bank N.V. Unit No. 3,4,5,Ajimganj House 7, Camac Street, Kolkata 700017 Tel: (91 33) 22820990 Fax: (91 33) 22823158	UTI Bank Limited 7, Shakespeare Sarani Kolkata 700020 Tel: (91 33) 2282 7611 Fax: (91 33) 2282 2933
HDFC Bank Limited Central Plaza 2/6 Sarat Bose Road, Kolkata 700020 Tel: (91 33) 24742142 Fax: (91 33) 24559306	ICICI Bank Limited Rasoi Court Branch 20, R.N. Mukherjee Road, Kolkata 700001 Tel: (91 33) 2283 2209 Fax: (91 33) 2283 2613
Yes Bank Limited 19, Camac Street Kolkata 700017 Tel: (91 33) 3987 9000 Fax: (91 33) 3987 9124	State Bank of India Commercial Branch 24 Park Street Kolkata 700016 Tel: (91 33) 2229 4335 Fax: (91 33) 2229 3555
UCO Bank 3& 4 Nelli Sengupta Sarani New Market Branch Kolkata 700087 Tel: (91 33) 22499484/86 Fax: (91 33) 2249 9477	Citi Bank N.V. 41, Chowringhee Road, Kolkata 700071 Tel: (91 33) 2288 2807 Fax: (91 33) 2288 2811

Statement of Inter-Se Allocation of Responsibilities for the Issue

Activity	Responsibility	Co-ordination
Capital structuring with the relative components and formalities such as type of instruments etc.	I-Sec	I-Sec
Due diligence of our Company's operations/management/business plans/ legal etc. Drafting and design of Red Herring Prospectus and the Prospectus and of statutory and non-statutory advertisement including memorandum containing salient features of the Prospectus and any other publicity material. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of the prospectus and filing with the Stock Exchanges/ RoC.	I-Sec	I-Sec

Activity	Responsibility	Co-ordination
Appointment of other intermediaries viz. Registrar to the Issue, printers, advertising agency and Bankers to the Issue.	I-Sec	I-Sec
Retail and Non-Institutional marketing strategy, which will cover *inter alia*: • Formulating marketing strategies, preparation of publicity budget; • Finalise media and public relations strategy; • Finalise centers for holding conferences for press and brokers; • Finalise collection centers; • Follow-up on distribution of publicity and Issue material; • Including form, prospectus and deciding on the quantum of the Issue material.	I-Sec	I-Sec
Institutional marketing strategy, which will cover inter alia: • Finalize the list and division of investors for one-on-one meetings and managing the book and pricing. • Finalize road show presentations	I-Sec	I-Sec
The post bidding activities including management of Escrow Accounts, co-ordination with Stock Exchanges, coordination of non-institutional allocation, intimation of allocation and dispatch of refunds to Bidders etc.	I-Sec	I-Sec
The post Issue activities will involve essential follow up steps, including finalization of trading and dealing instruments and dispatch of certificates and demat delivery of Equity Shares, with the various agencies connected with the work such as the Registrar to the Issue and Bankers to the Issue and the banks handling refund business. The BRLM shall be responsible for ensuring that these agencies fulfill their functions and enable them to discharge this responsibility through suitable agreements with our Company.	I-Sec	I-Sec

Credit Rating

As this is an offer of Equity Shares there is no credit rating for this Issue.

IPO Grading

This being a listed company, we are not required to obtain any grading for this Issue.

Trustees

As this is an issue of Equity Shares, the appointment of Trustees is not required.

Book Building Process

Book Building Process, with reference to the Issue, refers to the process of collection of Bids, on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is finalised after the Bid/ Issue Closing Date.

The principal parties involved in the Book Building Process are:

1. Our Company;
2. The BRLM;
3. Syndicate Members, who are intermediaries registered with SEBI or registered as a broker with BSE/NSE/CSE and eligible to act as underwriters. The Syndicate Members are appointed by the BRLM; and
4. Registrar to the Issue.

SEBI, through its guidelines, has permitted an issue of securities to the public through the 100% Book Building Process, wherein: (i) up to 50% of the Net Issue shall be allocated on a proportionate basis to QIBs, including up to 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; (ii) at least 15% of the Net Issue shall be available for allocation on a proportionate basis to the Non-Institutional Bidders and (iii) at least 35% of the Net 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. Further, the Issue comprises of a reservation of up to 100,000 Equity Shares for subscription by Eligible Employees at the Issue Price.

QIBs are not allowed to withdraw their Bid(s) after the Bid/Public Issue Closing Date. For further details, see the section titled "Terms of the Issue" beginning on page 37 of this Red Herring Prospectus.

Our Company shall comply with guidelines issued by SEBI for this Issue. In this regard, our Company has appointed ICICI Securities Limited, as the BRLM to manage the Issue and to procure subscription for the Issue.

While the process of Book Building under the SEBI Guidelines is not new, investors are advised to make their own judgments about investment through this process prior to making a Bid or Application in the Issue.

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

Bidders can bid at any price within the price band. For instance, assuming a price band of Rs. 40 to Rs. 48 per share, issue size of 6,000 equity shares and receipt of nine 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 websites of the BSE (www.bseindia.com) and the NSE (www.nseindia.com).The illustrative book, as shown below, shows the demand for the shares of a 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	Subscription (%)
500	48	500	8.33
700	47	1,200	20.00
1,000	46	2,200	36.67
400	45	2,600	43.33
500	44	3,100	51.67
200	43	3,300	55.00
2,800	42	6,100	101.67
800	41	6,900	115.00
1,200	40	8,100	135.00

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 Rs. 42 in the above example. The issuer, in consultation with the book running lead manager, will finalise the issue price at or below such price i.e. at or below Rs. 42. All bids at or above this issue price and bids at cut-off are valid bids and are considered for allocation in respective category.

Steps to be taken for Bidding:

1) Check eligibility for making a Bid (see the section titled "Public Issue Procedure - Who Can Bid?" beginning on page 297 of this Red Herring Prospectus);
2) Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3) For every Bid, ensure that you have mentioned your PAN and have attached copies of your PAN card to the Bid cum Application Form (see section titled "Public Issue Procedure - 'PAN' " beginning on page 315 of this Red Herring Prospectus);
4) Ensure that the Bid cum Application Form is duly completed as per instructions given in the Red Herring Prospectus and in the Bid cum Application Form.

Withdrawal of the Issue

Our 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, without assigning any reasons therefore.

Bidding Period/ Issue Period

BID/ ISSUE OPENS ON	**Monday, December 17, 2007**
BID/ ISSUE CLOSES ON	**Wednesday,December 19, 2007**

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form and uploaded till such time as permitted by the Stock Exchanges.

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. 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.

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

Underwriting Agreement

After the determination of the Issue Price and allocation of the Equity Shares but prior to filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through this 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 Syndicate Members 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	**Indicative Number of Equity Shares to be Underwritten**	**Amount Underwritten (Rs. in million)**
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020	[●]	[●]
Microsec Capital Limited Shivam Chambers, First Floor 53, Syed Amir Ali Avenue Kolkata 700 019	[●]	[●]

The above-mentioned amount is indicative and this would be finalized after determination of the Issue Price and actual allocation of the Equity Shares. The above Underwriting Agreement is dated [•].

In the opinion of the Board of Directors (based on certificates given to them by the BRLM and the Syndicate Members) dated November 30, 2007, the resources of the 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 Exchanges. The above Underwriting Agreement, described above has been accepted by the Board of Directors and our Company has issued letters of acceptance to the Underwriters.

Allocation among Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to the investors procured by them. In the event of any default, the respective Underwriter, in addition to other obligations to be defined in the Underwriting Agreement, will also be required to procure/subscribe to the extent of the defaulted amount.

CAPITAL STRUCTURE

Our share capital as at the date of this Red Herring Prospectus is set forth below:

Rs. in million

		Aggregate nominal value	Aggregate Value at Issue Price
A.	**Authorised Capital**		
	70,000,000 Equity Shares of Rs. 2 each	140.00	
	1,250,000 Preference Shares of Rs. 20 each	25.00	
B.	**Issued, Subscribed and Paid-Up Equity Share Capital prior to Issue**		
	54,034,050 Equity Shares of Rs. 2 each fully paid up	108.07	
C.	**Issued , Subscribed and Paid-Up Preference Share Capital prior to Issue**		
	1,187,000, 5% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 20 each♀	23.74	
D.	**Present Issue to the Public in terms of the Red Herring Prospectus#**		
	15,500,000 Equity Shares at Rs. 2 each	31.00	[●]
E.	**Employee Reservation Portion**		
	100,000 Equity Shares at Rs. 2 each	0.20	[●]
F.	**Net Issue to the Public**		
	15,400,000 Equity Shares at Rs.2 each	30.80	[●]
G.	**Issued, Subscribed and Paid-Up Equity Share Capital post the Issue:**		
	After Allotment of Equity Shares under this Issue and assuming full allotment of Equity Shares 69,534,050 Equity Shares of Rs. 2 each	139.07	[●]
H.	**Issued, Subscribed and Paid-Up Preference Share Capital post the Issue:**		

		Aggregate nominal value	Aggregate Value at Issue Price
	1,187,000 5% Optionally Convertible Non-Cumulative Redeemable Preference Shares of Rs. 20 each♀	23.74	
I.	**Share Premium Account**		
	Prior to the Issue		NIL
	Post the Issue		[●]

\# The present Issue has been authorised by the Board of Directors in their meeting dated April 29, 2006, and by the shareholders of our Company at the AGM dated September 28, 2006.

♀ The preference share holders had to exercise their option to convert the preference shares into equity shares within a period of 15 days from the date of allotment i.e. September 16, 2006. The preference share holders have not exercised their option of conversion and the same has expired.

a) The authorised share capital of our Company at the time of incorporation was Rs. 5,000,000 divided into 500,000 Equity Shares of Rs. 10 each.

b) The authorised capital was increased from Rs. 5,000,000 to Rs 10,000,000/- divided into 1,000,000 Equity Shares of Rs. 10 each pursuant to a resolution passed by the shareholders at an EGM dated February 7, 2000.

c) The authorised share capital of our Company was further increased from Rs. 10,000,000 to Rs. 110,000,000 by creation of 11,000,000 Equity Shares of Rs. 10 each pursuant to a resolution passed by the shareholders at an EGM dated December 26, 2002.

d) The authorised share capital of our Company was further increased from Rs. 110,000,000 to Rs. 165,000,000 by creation of 14,000,000 Equity Shares of Rs.10 each and 1,250,000 Preference Shares of Rs. 20 each pursuant to the amalgamation of Spark Exports Limited and Paramount Containers Limited with Manaksia Limited which was sanctioned by the Hon'ble High Court at Calcutta on August 2, 2006.

e) The authorised share capital of our Company was further divided into 70,000,000 Equity Shares of Rs. 2 each and 1,250,000 Preference Shares of Rs. 20 each pursuant to a resolution passed by the shareholders at the AGM dated September 28, 2006.

Notes to the Capital Structure

1. Share Capital history of our Company:

a) Equity Share Capital

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative Paid-up share capital (Rs.)	Cumulative Share Premium (Rs.)
December 27, 1984	700	10	10	Cash	Subscribers to the Memorandum[1]	700	7,000	NIL
July 12, 1985	79,300	10	10	71,800 Equity Shares were issued for cash and 7,500 Equity Shares were allotted for consideration other than cash	71,800 Equity Shares were allotted to directors, their friends, relatives, associates for expanding the business and enhancing the share capital of our Company and 7,500 Equity Shares were allotted in consideration of purchase of assets of M/s Hindusthan Seals[2]	80,000	800,000	NIL
April 12, 1986	120,000	10	10	Cash	Public issue	200,000	2,000,000	NIL

[1] 100 shares of Rs. 10 each were allotted to Mr. Basant Kumar Agrawal, Mr. Suresh Kumar Agrawal, Mr. Basudeo Agrawal, Mr. Mahabir Prasad Agrawal, Mr. Devi Narain Arora, Mr. Sushil Kumar Agrawal and Mr. Amitava Ghosh.

[2] 7,500 shares of Rs. 10 each were allotted to Mr. Basant Kumar Agrawal in consideration of sale by him of his proprietorship concern, Hindusthan Seals to our Company. The assets of the proprietorship firm were valued at Rs. 66,108 and the goodwill was valued at Rs. 8,991.49. 36,800 shares were allotted to Mr. Basant Kumar Agrawal, 5,000 shares were allotted to Mr. Basudeo Agrawal, 5,000 shares was allotted to Mr. Mahabir Prasad Agrawal, 5,000 shares each were allotted to Mr. Suresh Kumar Agrawal, Mr. Sunil Kumar Agrawal and Sushil Kumar Agrawal respectively, 1,000 shares were allotted to Ms. Kanta Devi Agrawal, 1,000 shares were allotted to Chandrakala Agrawal, 500 shares were allotted to Ms. Draupadi Agrawal and 7,500 shares were allotted to Manaksia (India) Private Limited.

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative Paid-up share capital (Rs.)	Cumulative Share Premium (Rs.)
September 30, 1995	90,196	10	10	For consideration other than cash	On the implementation of the scheme amalgamation of R.K. Aluminium Ltd, Auro Enterprises Ltd, Manaksia Containers Limited, Mandwara Polymers Chemie Limited with our Company approved by the High Court at Calcutta vide order dated May 18, 1995	290,196	2,901,960	NIL
March 31, 2000	418,200	10	10	For consideration other than cash	On implementation of the scheme of amalgamation of Manaksia Closures Limited, Manaksia Crowns Limited and Kunststoff Polymers Limited with our Company approved by the High Court at Calcutta vide its order dated August 3, 1999 and order of the High Court vide its order dated Jabalpur July 30, 1999.	708,396	7,083,960	NIL

Date of allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Cumulative No. of Equity Shares	Cumulative Paid-up share capital (Rs.)	Cumulative Share Premium (Rs.)
March 31, 2000	(-) 5,300	10	10	Cancellation of 5,300 Equity Shares of Rs. 10 each held together by Manaksia Crowns Limited and Manaksia Closures Limited in our Company i.e. cross holdings consequent upon amalgamation of Manaksia Crowns Limited and Manaksia Closures Limited with our Company		703,096	10	NIL
March 11, 2003	9,843,344	10		Bonus	Allotment by way of bonus issue in the ratio of 14:1	10,546,440	1,05,464,40 0	NIL
September 16, 2006	(-) 3,341900	10	10	Cancellation of 3,341,900 Equity Shares of Rs. 10 each held together by Paramount Containers Limited and Spark Exports Limited i.e. cross holdings consequent upon amalgamation of Paramount Containers Limited and Spark Exports Limited with our Company which was sanctioned by the High Court at Calcutta vide order dated August 2, 2006		7,204,540	72,045,400	NIL
September 28, 2006	3,602,270	10		Bonus	Allotment by way of bonus issue in the ratio of 1: 2	10,806,810	108,068,100	NIL
September 28, 2006	10,806,81 0	2		Split	Split of Equity Shares of face value of Rs. 10/- each into Equity Shares of face value of Rs. 2/- each	54,034,050	108,068,100	NIL

b) Preference Share Capital

Date of Allotment	No. of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of consideration	Reasons for allotment	Cumulative No. of Preference Shares	Cumulative Preference Share Capital (Rs.)
September 16, 2006*	1,187,000	20	NA	For consideration other than cash	On the implementation of the scheme of amalgamation of Paramount Containers Limited and Spark Exports Limited with our Company which was sanctioned by the High Court at Calcutta vide order dated August 2, 2006	1,187, 200	23,740,000

* Redeemable after two (2) years from the date of allotment

3. Promoter's Contribution and Lock-in

Our Company has been listed for more than three years and has a track record of payment of dividends for the last three immediately preceding years. Therefore, under clause 4.10.1(a) of the SEBI Guidelines the requirement of promoter's contribution and lock in for three years and one year, respectively, is not applicable to our Company. However the Promoters and Promoter Group have voluntarily agreed to lock-in their entire shareholding for a period of one (1) year from the date of allotment of shares in this Issue.

The locked in Equity Shares held by the Promoters, as specified above, can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

In accordance with Clause 4.16.1 (b) of the SEBI Guidelines, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter group or to new promoters or persons in control of our Company subject to continuation of the lock- in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as applicable.

In accordance with Clause 4.16.1(a) of the SEBI Guidelines, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other persons holding the Equity Shares that are locked- in as per Clause 4.14 of the SEBI Guidelines, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, as applicable.

In addition, the Equity Shares subject to lock-in will be transferable subject to compliance with the SEBI Guidelines, as amended from time to time.

4. Shareholding of our Promoter group in our Company:

a) Shareholding of our Promoter and Promoter group as of November 30, 2007 in our Company is as below:

Name of the shareholder	Number of shares	% of pre issue share capital	Number of shares	% of pre issue share capital
Promoter				
Suresh Kumar Agrawal	5643000	10.44	5643000	8.12
Basant Kumar Agrawal	5432060	10.05	5432060	7.81
Sub Total (A)	**11075060**	**20.50**	**11075060**	**15.93**
Promoter Group				
Basudeo Agrawal	5774625	10.69	5774625	8.30
Navneet Manaksia	4181060	7.74	4181060	6.01
Mahabir Prasad Agrawal	1964925	3.64	1964925	2.83
Vineet Agrawal	1923745	3.56	1923745	2.77
Karan Agrawal	1797185	3.33	1797185	2.58
Sunil Kumar Agrawal	1616060	2.99	1616060	2.32
Vishakha Agrawal	1409060	2.61	1409060	2.03
Shobha Devi Agrawal	1305560	2.42	1305560	1.88
Chandrakala Agrawal	1244810	2.30	1244810	1.79
Prachi Agrawal	1026560	1.90	1026560	1.48
Varun Agrawal	1018120	1.88	1018120	1.46
Sushil Kumar Agrawal	826875	1.53	826875	1.19
Shailaja Agrawal	497810	0.92	497810	0.72
Saroj Devi Agrawal	493310	0.91	493310	0.71
Manju Agrawal	487125	0.90	487125	0.70
Kanta Devi Agrawal	482060	0.89	482060	0.69
Aditya Agrawal	464060	0.86	464060	0.67
B.K.Agrawal	464060	0.86	464060	0.67
B.D.Agrawal	464060	0.86	464060	0.67
M.P.Agrawal	464060	0.86	464060	0.67
Sunil K.Agrawal	393750	0.73	393750	0.57
Aniruddah Agrawal	348000	0.64	348000	0.50
Sushil K. Agrawal	338250	0.63	338250	0.49
S.K.Agrawal	337500	0.62	337500	0.49
Sub Total (B)	**29322630**	**54.27**	**29322630**	**42.17**
Total (A) + (B)	**40397690**	**74.76**	**40397690**	**58.10**

5. **Shareholding Pattern of our Company**

Shareholding pattern of our Company prior to and post the Public Issue:

Shareholder category	Equity shares before the issue		Equity shares after the issue	
	No. of shares	%	No. of shares	%
Promoter Holding				
Mr. Basant Kumar Agrawal	5432060	10.05	5432060	7.81
Mr. Suresh Kumar Agrawal	5643000	10.44	5643000	8.12
Sub Total (A)	**11075060**	**20.50**	**11075060**	**15.93**
Promoter Group (B)	29322630	54.27	29322630	42.17
Sub-Total(B)	**29322630**	**54.27**	**29322630**	**42.17**
Total Promoter and Promoter Group (A) + (B)	**40397690**	**74.76**	**40397690**	**58.10**
Non Promoter Holding				
Employees (C) *	**86250**	**0.16**	**186250**	**0.27**
Public (D)	13550110	25.08	28950110	41.63
Total Non Promoter Holding (C) + (D)	**13636360**	**25.24**	**29136360**	**41.90**
TOTAL (A)+(B)+(C)+(D)	**54034050**	**100.00**	**69534050**	**100.00**

***** Assuming Employee Reservation Portion is fully subscribed by the Eligible Employees of the Company

6. Our Promoter and members of our Promoter group will not participate in the Public Issue.

7. The Promoter, the Promoter group and our Directors have not purchased or sold any Equity Shares, directly or indirectly, during the period of six months preceding the date on which this Red Herring Prospectus is filed with SEBI except as stated herein below:

Transferor	Transferee	Number of Equity Shares	Price Per Equity Share (Rs.)	Date Of Transfer
Ms. Sumitra Devi Agrawal	Ms. Karuna Agrawal	37500	2	January 20, 2007♀

♀ Transfer form was signed on January 20, 2007, the transfer was complete on September 28, 2007.

8. Our Company, our Directors and the BRLM have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares of our Company from any person, other than as disclosed in this Red Herring Prospectus.

9. The list of top 10 shareholders of our Company and the number of Equity Shares held by them is as under:

(a) Top 10 shareholders of our Company as on November 30, 2005 i.e. two years prior to the date of filing of this Red Herring Prospectus with the RoC are as follows:

S. No.	Name of shareholder	Number of Equity Shares of Rs.10/- each	% of Equity Share capital
1	Paramount Containers Limited	1883400	17.86
2	Spark Exports Ltd	1558500	14.78
3	Basudeo Agrawal	769950	7.30
4	Suresh Kumar Agrawal	752400	7.13
5	Basant Kumar Agrawal	724275	6.87
6	Navneet Agrawal	557475	5.29
7	Manaksia (India) Pvt Ltd	442650	4.20
8	Kalitara Glass Moulding Works Pvt Ltd	340425	3.23
9	Mahabir Prasad Agrawal	261990	2.48
10	Karan Agrawal	239625	2.27

(b) Top 10 shareholders of our Company as on November 20, 2007 i.e. 10 days prior to the date of filing of this Red Herring Prospectus with the RoC are as follows:

S. No.	Name of shareholder	Number of Equity shares of Rs. 2/ - each	% of Equity Share capital
1	Basudeo Agrawal	5774625	10.69
2	Suresh Kumar Agrawal	5643000	10.44
3	Basant Kumar Agrawal	5432060	10.05
4	Navneet Manaksia	4181060	7.74
5	Accolade Traders Pvt Ltd	3319875	6.14
6	Kalitara Glass Moulding Works Pvt Ltd	2553185	4.73
7	Mahabir Prasad Agrawal	1964925	3.64
8	Vineet Agrawal	1923745	3.56
9	Karan Agrawal	1797185	3.33
10	Sunil Kumar Agrawal	1616060	2.99

(c) Top 10 shareholders as on November 30, 2007 i.e., the date of filing of this Red Herring Prospectus are as follows:

S. No.	Name of shareholder	Number of Equity shares of Rs.2/- each	% of Equity Share capital
1	Basudeo Agrawal	5774625	10.69
2	Suresh Kumar Agrawal	5643000	10.44
3	Basant Kumar Agrawal	5432060	10.05
4	Navneet Manaksia	4181060	7.74
5	Accolade Traders Pvt Ltd	3319875	6.14
6	Kalitara Glass Moulding Works Pvt Ltd	2028185	3.75
7	Mahabir Prasad Agrawal	1964925	3.64
8	Vineet Agrawal	1923745	3.56
9	Karan Agrawal	1797185	3.33
10	Sunil Kumar Agrawal	1616060	2.99

10. As on the date of filing of this Red Herring Prospectus the total number of holders of our Equity Shares was one hundred and fifty.

11. Our Company has not granted any options or issued any shares under any employees stock option or employees stock purchase scheme.

12. Up to 50% of the Net Issue shall be available for allocation on a proportionate basis 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. Upto 15% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and upto 35% of the Net Issue shall be available for allocation on a proportional basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, upto 100,000 Equity Shares shall be available for allocation on a proportional basis to Eligible Employees subject to valid Bids being received at or above the Issue Price. Undersubscription, if any, in any category of the Issue would be allowed to be met with spill over from any of the other categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.

13. An investor 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.

14. An oversubscription to the extent of 10% of the Issue can be retained for the purposes of rounding off to the nearest multiple of one (1) Equity Share while finalising the Basis of Allotment.

15. Except as disclosed in the section titled "Our Management" on page 102 of this Red Herring Prospectus, none of our Directors and key managerial employees hold any Equity Shares.

16. 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 Red Herring Prospectus with SEBI until the Equity Shares to be issued pursuant to the Issue have been listed.

17. We presently do not intend or propose to alter our capital structure for a period of six months from the date of opening of the Public Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise except that if we enter into acquisitions or joint ventures, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisition or participation in such joint ventures.

18. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

19. We have not issued any Equity Shares for consideration other than cash except those stated in the notes to capital structure.

20. We have not raised any bridge loans against the proceeds of the Issue.

21. As per RBI regulations, OCBs are not allowed to participate in this Issue.

22. The Equity Shares held by Promoters are not subject to any pledge.

23. Up to 100,000 Equity Shares, has been reserved for allocation to the Eligible Employees on a proportionate basis, subject to valid Bids being received at or above the Issue Price. Only Eligible Employees, as defined, would be eligible to apply in this issue under the Employee Reservation Portion. Employees that do not fall under the definition of Eligible Employee are not eligible to participate in the Employee Reservation Portion. If the aggregate demand in the Employee Reservation Portion is greater than 100,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis subject to maximum Allotment to any Employee of 400 Equity Shares. Each Eligible Employee can apply for a maximum of 400 Equity Shares in this Issue.

OBJECTS OF ISSUE

Our Company intends to use the proceeds of the Issue for (a) expansion of metals business by purchase of capital equipment, (b) prepayment of certain term debt and (c) for general corporate purposes. The net proceeds of the Issue, after deducting Issue related expenses, are estimated to be Rs. [•] million.

The main objects and objects incidental or ancillary to the main objects and other objects set out in our Memorandum of Association enable us to undertake our existing activities and the activities for which funds are being raised by us through this Issue.

The details of proceeds of the Issue are summarized in the following table:

Rs. in million

Particulars	Amount
Gross proceeds of the Issue	[●]
Issue related expenses	[●]
Net proceeds of the Issue	[●]

The following table summarizes the use of net proceeds from the Fresh Issue:

Rs. in million

Particulars	Amount
Expansion of metals business	1,155
Prepayment/repayment of debt	600
General corporate purposes	[●]
Total	[●]

The fund requirement in the table above is based on our current business plan. In view of the dynamic and competitive environment of the industries in which we operate, we may have to revise our business plan from time to time and consequently our capital requirements may also change. This may include rescheduling of our capital expenditure programs, increase or decrease in the capital expenditure for a particular purpose vis-à-vis current plans at the discretion of our management. In case of any increase in the actual utilization of funds earmarked for the above activities, such additional funds for a particular activity will be met from a combination of internal accruals of the Company or the issue of additional equity or debt infusion. If the actual utilization towards any of the aforesaid objectives is lower than what is stated above, such balance will be used for future growth opportunities and general corporate purposes. In the event any surplus is left out of the Issue proceeds after meeting all the aforesaid objectives, such surplus Issue proceeds will be used for general corporate purposes including for meeting future growth opportunities.

The break down of the use of the net proceeds from the Issue is as follows:

Rs . in million

Particulars	FY 2008	FY 2009
Expansion of metals business	-	1,155
Prepayment/repayment of debt	600	-
General corporate purposes	[●]	[●]

Means of Finance

The objects of the Issue are proposed to be financed entirely through the proceeds of the fresh Issue less the Issue expenses. Shortfall, if any, shall be financed through internal accruals.

While the actual working capital requirement for the increased business activity envisaged after implementation of the expansion program as mentioned herein has not been accurately estimated, we do not foresee any difficulty in meeting the requirements of the requisite working capital margin out of our internal resources. The balance working capital requirement would be met from the excess working capital limits available to us on the prepayment of some of our fund based facilities.

Expansion of Metals Business

We propose to invest Rs. 1,155 million, to purchase equipment for our aluminium and steel business. We propose to add certain equipments to our aluminium rolling line at Haldia so as to be able to produce higher value added products as well as improve the efficiency of our present production by adding certain equipment to de-bottleneck.

Summary of Investment in Metals Business:

Rs . in million

Particulars	Category	FY 2009
Capital Expenditure for De-bottlenecking – Haldia	Aluminium Rolling Mill	846
Equipments for Speciality Alloy Plant	Speciality Alloy Plant	174
Additional Machinery for Steel Cold Rolling Plant	Haldia Steel Plant	135
Total		**1,155**

Metals Business

The details of the equipment we intend to purchase and their estimated costs, including the estimated costs of associated spares, attachments and other accessories, are specified in the following capital expenditure plan:

(Rs . in million)

S. No.	Equipment	Qty.	Equivalent Rs. Amount (including duty and clearing charges)	Quotation date	Supplier Name
	Aluminium				
1.	Breakdown Mill	1	258.75	28.6.2006	Zhuoshen Non Ferrous Metals Plant & Equipment Co.,China

S. No.	Equipment	Qty.	Equivalent Rs. Amount (including duty and clearing charges)	Quotation date	Supplier Name
2.	Tension Leveller	1	77.63	27.3.2006	CNPT, China
3.	Edge Trimmer	1	41.40	19.6.2006	Zhejiang Jinggong Science & Technology, China
4.	Annealing Furnace	2	28.75	20.5.2007	Yixing City Huasheng Machinery Manufacturing Co. Ltd., China
5.	Continuous Strip Caster	2	103.50	17.3.2006	CNPT, China
6.	Cut to Length Line	1	20.70	13.4.2006	Xiamen Zheng Liming Metallurgical Machinery Co., Ltd, China
7.	Melting & Holding Furnace	2	34.50	20.5.2007	Yixing City Huasheng Machinery Manufacturing Co. Ltd., China
			565.23		
	Add : Civil Installation		167.73		
	Electrical Installation		113.05		
	Total		**846.00**		

For the speciality alloys plant, the following equipment will be added and necessary civil construction will be carried out at the existing Haldia factory premises:

Rs. in million

Particulars	Amount♀
Recycling and Speciality Alloy and Plant Upgradation	100.00
Miscellaneous Equipment	50.00
Extension of Factory Building (3,000 sq.m. @ Rs. 8,000 per sq.m.)	24.00
Total	**174.00**

♀ **Based on management estimates**

The upcoming steel cold rolling plant will require the following additional machinery so as to be able to meet customer specific requirements.

Rs. in million

Particulars	Qty.	Amount	Quotation date	Name of Supplier
H R Slitter	1	17.25	21.6.2006	Steelgroup, India

C R Slitter	1	17.25	21.6.2006	Steelgroup, India
Annealing Furnace♂	6	34.50	-	-
Roll Grinder♂	1	9.20	-	-
Miscellaneous Equipment		11.50		
Total (Equipment)		**89.70**		
Add : Civil Installation		26.91		
Electrical Installation		17.94		
Total		**135.00**		

♂ **Based on management estimates**

The total capital expenditure plan envisages an outlay of Rs. 1,155 million as detailed above.

The equipment and machinery as stated herein above has yet to be ordered and we have relied upon quotations (mentioned herein above) received by us over the past eighteen months and our past experience for the above estimates. We have not yet made a decision to finalize the suppliers for the above equipment.

Prepayment of Debt

Our Company has entered into various financing arrangements with a number of banks/ financial institutions and other lenders. For details please refer to the Chapter titled "Financial Indebtedness" in page 136 of the Red Herring Prospectus. The Company intends to utilize the proceeds of the fresh Issue towards prepayment/repayment of some of its fund based facilities. The Company will give preference to repaying high cost debts/advances in order to reduce the interest burden. The Company will approach the banks/financial institutions/lenders after the completion of this Issue for pre-payment of some of the above high-cost loans/advances. Some of the loan documents provide for payment of pre-payment penalties and the Company may have to pay such excess amounts. The Company will take these provisions into consideration in prepaying/repaying its debt/advances from the proceeds of the fresh Issue.

We have not deployed any funds towards the Objects of this Issue as on the date of this Red Herring Prospectus and we have not entered into any definitive agreements for the use of the net proceeds of this Issue.

General Corporate Expenses

We intend to continue to grow and strengthen our operations and control in metal processing and packaging sectors by exploring both organic and inorganic growth opportunities including acquisitions and strategic initiatives. Accordingly, we intend to use a part of the net proceeds from the Issue towards our other existing projects and such growth plans. We continue to evaluate various opportunities and may expand in new geographical regions. Our management will have the flexibility in utilizing these proceeds under the overall guidance and policies laid down by our Board.

We may have to revise our business plans from time to time and consequently our capital requirements may also change including revision of our capital expenditure programmes or changes in capital structure. We intend to use part of the net proceeds from this Issue in respect of such capital requirements. In addition, we also intend to use part of the net proceeds of the Issue for general corporate purposes including for working capital requirements, brand building exercise, strengthening of our marketing and distribution capabilities.

Issue Expenses

Issue expenses includes underwriting and management fees, selling commission, distribution expenses, legal fees, fees to advisors, stationery costs, advertising expenses, Book Building Software expenses, SEBI fees and listing fees payable to the Stock Exchanges, among others. The estimated Issue expenses are as follows:

Particulars	**Expense break down***		
	Amount *(Rs. in million)*	**% of total Issue expenses**	**% of total Issue size**
Lead management fee and underwriting commissions	[●]	[●]	[●]
Advertising and Marketing expenses	[●]	[●]	[●]
Printing and stationery	[●]	[●]	[●]
Others (Registrars fee, legal fee, listing fee etc.)	[●]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

** will be incorporated after finalization of Issue Price*

Monitoring and Interim Use of Funds

Our Board or any Committee thereof will monitor the utilization of the proceeds of the Issue. Also, we will disclose the utilization of proceeds of the Issue in the notes to the accounts of our financial statements. No part of the Issue proceeds will be paid by us as consideration to our Promoters, our Directors, key managerial personnel or companies promoted by our promoters, except in the usual course of business

Pending utilization of the proceeds of the Issue for the purposes described above, we intend to temporarily invest the funds in high quality interest/dividend bearing liquid instruments including money market mutual funds, deposits with banks for necessary duration and other investment grade interest bearing securities as may be approved by the Board. Such transactions would be at the prevailing commercial rates at the time of investment.

We may apply a part of the net proceeds of the Issue, pending utilization for the purposes described above, towards our working capital requirements. Should we utilize the funds towards our working capital requirements, we undertake that we would ensure consistent and timely availability of the Issue proceeds to timely meet the funding requirements of the objects of the Issue contained herein.

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, the terms of this Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, the Confirmation of Allocation Note 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. To the extent applicable, the issue of 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, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividends**.** The Allottees will be entitled to dividends or any other corporate benefits, if any, declared by our Company after the date of allotment.

Mode of Payment of Dividend

We shall pay dividend to our shareholders as per the provisions of the Companies Act.

Face Value and Public Issue Price

The Equity Shares with a face value of Rs. 2/- each are being issued pursuant to this Red Herring Prospectus at a price of Rs. [●] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares.

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability of shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and our Memorandum of Association 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 section titled “Main Provisions of Articles of Association of our Company” beginning on page 328 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of the existing SEBI Guidelines, the trading in the Equity Shares shall only be in dematerialised form for all investors. Since trading of our Equity Shares is in dematerialised mode, the tradable lot is one Equity Share. In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. Allotment through this Issue will be done only in electronic form in multiples of one Equity Shares subject to a minimum Allotment of 40 Equity Shares.

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 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 our Company or at the registrar and transfer agent of our 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 changing the nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

If we do not receive the minimum subscription of 90% of the Net Issue, including devolvement of the members of the Syndicate, if any, within 60 days from the Bid/ Issue Closing Date, we shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after we become liable to pay the amount, we shall pay interest as per Section 73 of the Companies Act.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by us in consultation with the BRLMs on the basis of assessment of market demand for the offered Equity Shares by the Book Building Process. The face value of the Equity Shares is Rs. 2 and the Issue Price is 70 times the face value of the Equity Shares at the lower end of the Price Band and 80 times the face value at the higher end of the Price Band.

Investors should read the following summary along with the sections titled "Risk Factors" and "Financial Statements" beginning on pages xiv and 136 of this Red Herring Prospectus, respectively and other details about us and our Subsidiaries included in the section entitled "History and Certain Corporate Matters" beginning on page 88 of this Red Herring Prospectus. The trading price of our Equity Shares could decline due to these risks and you may lose all or part of your investments.

Qualitative Factors

Factors Internal to our Company

The qualitative factors internal to our Company, which have been used as a basis for the Issue Price are as follows:

- Experienced management and technical competency contributing to development of our in-house processes and systems.
- Forward and backward integration resulting in reduction in manufacturing costs, reduction in dependence on external sources for supply of raw materials, greater control on quality and expansion in range of products.
- Leveraging conventional engineering methods to generate innovations in manufacturing and product enhancement resulting in better client acquisition.
- Multiple production sites resulting in us catering to the needs of the customers all over India.
- Manufacturing and marketing presence in global markets.

For a detailed discussion of these factors, see section titled "Our Business" beginning on page 63 of this Red Herring Prospectus.

Quantitative Factors

The information about us that has been presented in this section is derived from our restated consolidated financial statements prepared in accordance with Indian GAAP.

Some of the quantitative factors, which may form the basis for computing the Issue Price, are as follows:

1. **Adjusted Earning Per Share* (EPS) (adjusted for Bonus & Split in September 2006)**

Year	EPS (Rs.)	Weights
Year ended March 31, 2005	10.11	1
Year ended March 31, 2006	12.44	2
Year ended March 31, 2007	17.04	3
Weighted Average	14.35	

***** Earning Per Share represents basic earnings per share calculated as consolidated restated net profit after tax divided by weighted average number of equity shares outstanding during the year as adjusted for bonus issue and share split.

2. **Price/Earning (P/E) ratio in relation to Issue Price of Rs. [•]**

   a. Based on Fiscal 2007 diluted EPS of Rs. [•] - [•]
   b. P/E for Industry

Industry P/E *	Metal Processing	Packaging	Diversified
a) Lowest	6.6	5.6	9.4
b) Highest	45.7	68.6	32.8
c) Industry Average	15.05	22.75	17.92

* Source: Capital Markets Volume, dated November 05- November 18, 2007

3. **Return on Net Worth (RoNW)****

Year	RoNW (%)	Weights
Year ended March 31, 2005	24%	1
Year ended March 31, 2006	22%	2
Year ended March 31, 2007	24%	3
Weighted Average	**23%**	

****** Return on Net Worth is arrived at by dividing consolidated restated net profit after tax by restated net worth as at the year end.

4. Minimum return on increased Net Worth required to maintain pre-Issue EPS of Rs. [•] - [•]

   Net Asset Value per share (NAV) ***

Particulars	NAV (Rs per share)
a) As at September 30, 2006 (before Bonus & Split)	479.14
a) As at September 30, 2006 (after Bonus & Split)	63.89
b) Year ended March 31, 2007	71.97
c) As at August 31, 2007	80.76
d) After Issue	[•]
e) Issue Price	[•]

*** Net Asset Value per share, computed consolidated restated net worth as at the year by weighted average number of Equity Shares outstanding during the year as adjusted for bonus issue and share split

6. **Comparison with industry peers**

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

Companies	Sales* (Rs million)	Face Value* (Rs)	EPS* (Rs.)	P/E *	RONW * (%)	Book Value *(Rs.)
Our Company (Fiscal 2007)**	8,342	2	17.04**	[•]**	24%	71.97#
Metal Processing						
Madras Aluminium	4,039	10	80.6	12.1	66.4%	145.8
MUSCO	7,164	10	13.1	8.0	28.6%	52.3
Shah Alloys	12,487	10	19.6	45.7	17.9%	126.9
Southern Ispat	6,875	10	1.0	24.3	-	12.7
Parekh Aluminex	1,863	10	19.7	10.3	-	102.1

** Although our Company's Equity Shares are listed on the CSE, there has been no trading of our Equity Shares on CSE during the last three years.
# as per consolidated restated financial statements as at March 31, 2007 and adjusted for bonus and split
* All the figures are full year figures as reported in Capital Markets Volume, dated Nov 05-18, 2007 with price as on October 29, 2007.
There are no other listed comparables in the value added metal products and metals packaging industry.

Sales, EPS, RoNW and NAV are based on last audited financial results for the year ending 31st March, 2007

7. Issue Price 70 is times of the face value at the lower end of the Price Band and 80 times of the face value at the higher end of the Price Band. The Issue Price of Rs. [•] has been determined by us in consultation with the BRLMs on the basis of assessment of market demand for the Equity Shares by way of Book Building and is justified on the basis of the above factors.

8. The BRLMs believe that the Issue Price of Rs. [•] is justified in view of the above qualitative and quantitative parameters. See the section titled "Risk Factors" beginning on page xiv of this - Red Herring Prospectus and the financials of our Company including important profitability and return ratios, as set out in the Auditors Report in the section titled "Financial Statements" beginning on page 136 of this Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

November 29, 2007

To

Manaksia Limited
8/1, Lal Bazar Street
Kolkata 700001

Dear Sirs,

We hereby certify that the enclosed annexure states the possible tax benefits available to M/s Manaksia Limited (the "Company") and to the Shareholders of the Company under the provisions of the Income Tax Act, 1961 (Provisions of Finance Act 2007) and other direct and indirect tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its Shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The contents of this annexure are based on information, explanations and representatations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder 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 a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. We do not express any opinion or provide any assurance as to whether:

- The company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been / would be met with.

The contents of this annexure are based on information, explanations, and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This report is intended solely for your information and for the 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 SRB & Associates,Chartered Accountants
S. Patra
Partner
Membership No. 056121

TAX BENEFITS

The tax benefits listed below are the possible benefits available under the current tax laws in India. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the Company or its Shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may not choose to fulfill.

I. SPECIAL TAX BENEFITS

The following special tax benefits shall be available to the Company:

A. BENEFITS AVAILABLE UNDER THE INCOME TAX ACT, 1961

The Company will be entitled to deduction under the sections mentioned hereunder from its total income chargeable to Income Tax.

1. Depreciation under Section 32

Besides normal depreciation, the company, in terms of section 32(1)(iia), shall be entitled to claim depreciation @ 20% of actual cost on new plant and machinery acquired after 31^{st} March, 2005.

II. GENERAL TAX BENEFITS

As per the existing provisions of the I T Act and other laws, as applicable for the time being in force, the following general tax benefits and deductions are and will, inter alia, be available to the Company and its prospective shareholders:

A. BENEFITS AVAILABLE UNDER THE INCOME TAX ACT, 1961

(i) TO THE COMPANY:

1. Dividends exempt under Section 10(34)

Dividend income (whether interim or final), in the hands of the company as distributed or paid by any other Company, on or after April 1, 2003 is completely exempt from tax in the hands of the Company, under section 10(34) of the IT Act.

2. Income from units of Mutual Funds exempt under Section 10(35)

The Company will be eligible for exemption of income received from units of mutual funds specified under Section 10(23D) of the Act, income received in respect of units from the Administrator of specified undertaking and income received in respect of units from the specified company in accordance with and subject to the provisions of Section 10(35) of the Act.

3. Premium Paid on Health Insurance under Section 36(1)(ib)

In terms of section 36(1)(ib) of the Act, with effect from April 1, 2007, the amount of any premium paid by cheque by the assessee as an employer to effect or to keep in force an insurance on the health of his employees under a scheme framed in this behalf by:

a) the General Insurance Corporation of India formed under section 9 of the General Insurance Business (Nationalisation) Act,1972 and approved by the Central Government; or

b) any other insurer and approved by the Insurance Regulatory and Development Authority established under sub-section (1) of section 3 of the Insurance Regulatory and Development Authority Act, 1999 is deductible expenditure and will accordingly apply in relation to the assessment year 2007-08 and subsequent years.

4. Exemption of Long-Term Capital Gain under Section 10(38)

According to section 10(38) of the Act, long-term capital gains on sale of equity shares or units of an equity-oriented fund where the transaction of sale is chargeable to Securities Transaction Tax (STT) shall be exempt from tax. However, the aforesaid income shall be taken into account in computing the Book profit and income tax payable under section 115JB.

5. Preliminary Expenses under Section 35D

In accordance with and subject to the provisions of section 35D of the Income tax Act, the company will be entitled to amortise, 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.

6. Exemption of Long Term Capital Gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds, subject to a ceiling of Rs. 50 lakhs, within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

7. Lower Tax Rate under Section 111A on Short-Term Capital Gains

As per the provisions of section 111A of the Act, short-term capital gains on sale of equity shares or units of an equity oriented fund where the transaction of sale is chargeable to Securities Transaction tax (“STT”) shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

8. Lower Tax Rate under Section 112 on Long-Term Capital Gains

As per the provisions of Section 112 of the Act, long-term gains that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).

9. Benefits under Section 115JAA

Under Section 115JAA(1A) of the Act, tax credit shall be allowed of any tax paid (MAT) under Section 115JB 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 5 years succeeding the year in which the MAT becomes allowable.

11. Minimum Alternate Tax (MAT) under Section 115JB

Under Section 115JB of the Act, in case of a company, if the tax payable on the total income as computed under the Income-tax Act in respect of any previous year relevant to the assessment year commencing on or after the April 1, 2001 is less than seven and one half per cent of its book profit, such book profit shall be deemed to be the total income of the assessee and the tax payable for the relevant previous year shall be seven and one-half per cent of such book profit. However, with effect from April 1,2007 i.e., in relation to the Assessment Year 2007-08 and subsequent years, if the tax payable on the total income as computed under the Income-tax Act in respect of any previous year relevant to the assessment year commencing on or after the April 1, 2007 is less than ten per cent of its book profit, such book profit shall be deemed to be the total income of the assessee and the tax payable for the relevant previous year shall be ten per cent of such book profit.

(ii) BENEFITS AVAILABLE TO RESIDENT SHAREHOLDERS:

1. Exemption under Section 10(34)

Dividend (whether interim or final) declared, distributed or paid by the Company is completely exempt from tax in the hands of the shareholders of the Company as per the provisions of section 10(34) of the IT Act.

2. Exemption of Long-Term Capital Gain under Section 10(38)

Under Section 10(38) of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented mutual fund (i.e. capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.

3. Exemption of Long Term Capital Gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds, subject to a ceiling of Rs. 50 lakhs, within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

4. Exemption of Long term Capital Gain under Section 54F

According to the provisions of section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a Hindu Undivided Family (‘HUF’), gains arising on transfer of a long term capital asset ((not covered by sections 10(36) and 10(38)) and not being a residential house) are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If only a part of such net consideration is invested within the prescribed period in a residential house, the exemption shall be allowed proportionately. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

5. Rebate under Section 88E

Section 88E provides that where the total income of a person includes income chargeable under the head “Profits and gains of business or profession” arising from taxable securities transactions, he shall get rebate of Securities Transaction Tax paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

6. Lower Tax Rate under Section 111A on Short-Term Capital Gains

As per the provisions of section 111A of the Act, short-term capital gains on sale of equity shares where the transaction of sale is chargeable to Securities Transaction Tax shall be subject to tax at a rate of 10 per cent (plus applicable surcharge and education cess).

7. Lower Tax Rate under Section 112 on Long-Term Capital Gains

As per the provisions of Section 112 of the Act, long term gains that are not exempt under section 10(38) of the Act would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess). However, as per the proviso to Section 112(1), if the tax on long term capital gains resulting on transfer of listed securities or units or zero coupon bond, calculated at the rate of 20 percent with indexation benefit exceeds the tax on long term gains computed at the rate of 10 percent without indexation benefit, then such gains are chargeable to tax at a concessional rate of 10 percent (plus applicable surcharge and education cess).

(iii) BENEFITS AVAILABLE TO NON RESIDENTS/ NON-RESIDENT INDIAN SHAREHOLDERS (OTHER THAN MUTUAL FUNDS, FIIS AND FOREIGN VENTURE CAPITAL INVESTORS)

1. Exemption under Section 10(34)

Under Section 10(34) of the Act, income earned by way of dividend from domestic company referred to in Section 115-O of the Act is exempt from income tax in the hands of the shareholders.

2. Exemption under Section 10(38)

Under Section 10(38) of the Act, long term capital gains arising out of sale of equity shares or a unit of equity oriented fund will be exempt from tax provided that the transaction of sale of such equity shares or unit is chargeable to Securities Transaction Tax. However, the aforesaid income shall be taken into account in computing the Book profit and income tax payable under section 115JB.

3. Exemption of Long Term Capital Gain under Section 54EC

According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds, subject to a ceiling of Rs. 50 lakhs, within six months from the date of transfer. However, if the said bonds are transferred or converted into money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

4. Exemption of Long Term Capital Gain under Section 54F

According to the provisions of section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a Hindu Undivided Family ('HUF'), gains arising on transfer of a long term capital asset ((not covered by sections 10(36) and 10(38)) and not being a residential house) are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If only a part of such net consideration is invested within the prescribed period in a residential house, the exemption shall be allowed proportionately. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

5. Rebate under Section 88E

As per the provisions of section 88E, where the business income of an assessee includes profits and gains from sale of taxable securities, a rebate shall be allowed from the amount of income tax equal to the Securities Transaction Tax paid on such transactions. However, the amount of rebate shall be limited to the amount arrived at by applying the average rate of income tax on such business income.

6. Lower Tax Rate under Section 111A on Short-Term Capital Gains

Under section 111A of the Act and other relevant provisions of the Act, short-term capital gains (i.e., if shares are held for a period not exceeding 12 months) arising on transfer of equity share in the Company would be taxable at a rate of 10 percent (plus applicable surcharge and education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax. Short-term capital gains arising from transfer of shares in a Company, other than those covered by section 111A of the Act, would be subject to tax as calculated under the normal provisions of the Act.

7. Lower Tax Rate under Section 112 on Long-Term Capital Gains

Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, (other than those exempt under section 10(38) of the Act) arising on transfer of shares in the Company, would be subject to tax at a rate of 20 percent (plus applicable surcharge and education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

Where shares of the Company have been subscribed in convertible foreign exchange, Non- Resident Indians (i.e. an individual being a citizen of India or person of Indian origin who is not a resident) have the option of being governed by the provisions of Chapter XII-A of the Act, which inter alia entitles them to the following benefits:

8. Under section 115E, where the total income of a non-resident Indian includes any income from investment or income from capital gains of an asset other than a specified asset, such income shall be taxed at a concessional rate of 20 per cent (plus applicable surcharge and education cess). Also, where shares in the company are subscribed for in convertible foreign exchange by a Non-Resident India, long-term capital gains arising to the nonresident Indian shall be taxed at a concessional rate of 10 percent (plus applicable surcharge and education cess). The benefit of indexation of cost and the protection against risk of foreign exchange fluctuation would not be available.

9. Under provisions of section 115F of the Act, long term capital gains (in cases not covered under section 10(38) of the Act) arising to a non-resident Indian from the transfer of shares of the Company subscribed to in convertible Foreign Exchange (in cases not covered under section 115E of the Act) shall be exempt from Income tax, if the net consideration is reinvested in specified assets or in any savings certificates referred to in section 10(4B), within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets are transferred or converted into money within three years from the date of their acquisition.

10. Under provisions of section 115G of the Act, it shall not be necessary for a Non- Resident Indian to furnish his return of income under section 139(1) if his income chargeable under the Act consists of only investment income or long term capital gains or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per the provisions of Chapter XVII-B of the Act.

11. As per Section 90(2) of the Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the Non-Resident/ Non- Resident India would prevail over the provisions of the Act to the extent they are more beneficial to the Non- Resident/ Non-Resident India.

(iv) BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIs')

1. Under Section 10(34) of the Act, income earned by way of dividend from domestic company referred to in Section 115-O of the Act is exempt from income tax in the hands of the shareholders.

2. Under Section 10(38) of the Act, long term capital gains arising out of sale of equity shares or a unit of equity oriented fund will be exempt from tax provided that the transaction of sale of such equity shares or unit is chargeable to Securities Transaction Tax. However, the aforesaid income shall be taken into account in computing the Book profit and income tax payable under section 115JB.

3. According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains not exempt under section 10(38) and arising on transfer of a long term capital asset shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds, subject to a ceiling of Rs. 50 lakhs, within six months from the date of transfer. However, if the said bonds are transferred or converted into

money within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the bonds are transferred or converted into money.

4. The income by way of short term capital gains or long term capital gains [in cases not covered under section 10(38) of the Act] realized by FIIs on sale of shares of the company would be taxed at the following rates as per section 115 AD of the Act

- Short term capital gains, other than those referred to under section 111A of the Act shall be taxed @ 30% (plus applicable surcharge & education cess).
- Short term capital gains, referred to under section 111A of the Act shall be taxed @ 10% (plus applicable surcharge and education cess)
- Long Term capital gains @ 10% (plus applicable surcharge and education cess) (without cost indexation)

It may be noted here that the benefits of indexation and foreign currency fluctuation protection as provided by section 48 of the Act are not applicable.

5. Section 88E provides that where the total income of a person includes income chargeable under the head "Profits and gains of business or profession" arising from taxable securities transactions, he shall get rebate of STT paid by him in the course of his business. Such rebate is to be allowed from the amount of income tax in respect of such transactions calculated by applying average rate of income tax.

6. As per section 90(2) of the Act, provisions of the Double Taxation Avoidance Agreement between India and the country of residence of the FII would prevail over the provisions of the Act to the extent they are more beneficial to the FII.

(v) BENEFITS AVAILABLE TO MUTUAL FUNDS

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 or Regulations made there under, Mutual Funds set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India would be exempt from income tax. However, the Mutual Funds shall be liable to pay tax on distributed income to unit holders under Section 115R of the Act.

(vi) VENTURE CAPITAL COMPANIES / FUNDS

In terms of section 10(23FB) of the Act, all Venture capital companies/funds registered with Securities and Exchange of India, subject to the conditions specified, are eligible for exemption from income tax on all their income, including profit on sale of shares of the Company.

B. BENEFITS AVAILABLE UNDER THE WEALTH TAX ACT, 1957

Shares of the Company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957, hence no Wealth Tax will be payable on the market value of shares of the Company held by the shareholder of the Company.

C. BENEFITS AVAILABLE UNDER THE GIFT TAX ACT, 1958

As no Gift Tax is leviable in respect of any gifts made on or after October 1, 1998 any gift of shares will not attract Gift Tax.

Notes:

1. The above Statement of Possible Direct Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of equity shares;

2. The above Statement of Possible Direct Tax Benefits sets out the possible tax benefits available to the Company and its shareholders under the current tax laws as amended by the Finance Act, 2006 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws;

3. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue;

4. 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 Agreement, if any, between India and the country in which the non-resident has fiscal domicile; and

5. The stated benefits will be available only to the sole/first named holder in case the shares are held by joint shareholders.

6. 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 issue.

For SRB & Associates

Chartered Accountants

S. Patra
Partner
Membership No. 056121

Date: November 29, 2007
Place: Kolkata

SECTION IV: ABOUT THE COMPANY

INDUSTRY

Disclaimer

The information presented in this section relating to the global aluminium and steel industries has been extracted from industry reports and publicly available information, unless otherwise specified. These data have not been prepared or independently verified by us or the BRLM or any of their respective affiliates or advisors. All references to a particular Fiscal Year are to the 12-month period ended March 31 of that year.

Overview

Steel is one of the most widely used metals in the world. It forms a key constituent of all major economies. Accordingly, the growth in steel consumption is a function of the growth pattern of its various end-use sectors viz. manufacturing, infrastructure, automobile, housing etc. which ultimately guide the country's economy. The apparent domestic consumption of finished steel (i.e. production + imports - exports +/- variation in stocks) increased from 14.84 MT in 1991-92 to 43.47 MT in 2006-07 (Provisional estimated). The steel industry showed signs of recovery in the beginning of 2002 from the recessionary trend. The signs of revival were due to the increased demand for the steel products. The demand has increased due to increased demand from China. As per International Iron and Steel Institute (IISI) estimates, global steel demand has increased by around 8.5 per cent in 2006. The strongest increase in steel consumption was recorded in North America (+11.12%).

Till 1990, the Indian steel industry was characterized by large-scale capacities reserved for the public sector, insulated markets and operated under a regulated environment. Production and prices were determined and regulated by Government of India. Capacity and price controls were abolished and quantitative trade restrictions done away with post the deregulation of the steel sector in 1991-92. Import tariffs were also brought down substantially. In 2000-01, the Indian steel industry operated at finished steel production level of 26.7 MT with apparent finished steel consumption at 26.9 MT. However, with the onset of liberalization, the Indian steel sector experienced capacity expansion with the entry of several domestic private players and large private investments flows into the sector. In 2004-05, the indigenous production of finished steel was 49.39 MT against apparent finished steel consumption of 43.1 MT. Today, India produces steel of international standards conforming to almost all grades and varieties and has been a net exporter for the past few years. (Source: www.steel.nic.in, IISI)

TYPES OF STEEL

All steel products are made from semi-finished steel that comes in the form of slabs, billets and blooms. Though today there are over 3,500 varieties of regular and special steel available, steel products can be broadly classified into two basic types according to their shape:

Flat Products

These products are derived from slabs and mainly comprise of hot rolled (HR) plates, coils and sheets. HR plates are used for applications in shipbuilding, large diameter pipes, boilers, fabrication, industrial equipment, infrastructure, etc. We manufacture flat products and sponge iron.

Long Products

These products derive their name from their shape. Made using billets and blooms, they include rods, bars, pipes, ropes and wires which are largely used by the housing/construction sector.

Global Steel Market

Steel is the most widely-used metal globally. Global steel production has now crossed the 1.2 billion tonne mark (2006) due to an upturn in steel demand during the last two years on the back of recovery in the global economy. The world steel industry has entered a new phase. During 2001-06 global steel production increased by 394 Mt. This was 55% higher than the increase achieved during the period 1970-2000. (Source: IISI). Since 2001, finished steel consumption increased by 338.7 Mt at an average annual rate of around 7.5 percent. In the three decades prior to 2000 the average annual increase was 1.2%. According to IISI, the apparent steel use for the world in 2006 was 1,113.2 Mt. A summary of the global steel market is set forth in the table below:

Apparent Steel Use

(Figures in Mt)

	European Union (25)	**Other Europe**	**North America**	**Central and South America**	**Africa**	**India**
2006	179.3	33.3	154.9	36.0	21.6	43.1
2005	161.4	29.1	139.4	32.3	19.7	39.2
Growth % (05-06)	11.1%	14.4%	11.1%	11.5%	9.6%	9.9%

Source: IISI

Raw Materials

Consolidation among suppliers of key raw materials is expected to enhance price stability. High steel demand and prices have led to significant increases in prices of inputs. For example, the price of iron ore has risen to US$ 77.35 in December 2006 from US$ 38 in December, 2004. The prices of all steel inputs, especially coking coal, have increased significantly since 2002. The price of coking coal has risen to US$ 94.8 in September 2006 from US$68.9 in December, 2004. The primary factors affecting the price of coking coal are the availability of transport and suitable transportation infrastructure. (Source: www.steelonthnet.com)

Supply Scenario

Until a few years ago, Japan and USA were the leaders in crude steel production. China has overtaken Japan and USA in crude steel production. Steelmaking is now progressively relocating closer to raw material sources. Growth in global crude steel production has been concentrated in countries exhibiting highest GDP growth such as China and India. World crude steel production in 2006 stood at 1,244 Mt – an increase of 8.9% over that in the previous year. China continued to be the leader in producing crude steel in 2006 producing 422.7 Mt followed by Japan (116.2 Mt) and USA (98.6 Mt). (Source: IISI)

The global steel industry has witnessed significant consolidation in the past couple of years as more companies try to achieve global capacities and economies of scale in order to have a stronger position with supplier and customer industries, both of which are relatively more consolidated. The recent merger of Mittal Steel with Arcelor to produce the largest steel conglomerate in the world is a case in point. The global share of the top 5 steel producers has increased from approximately 15% in 2000 to approximately 19% in 2006. This is expected to continue to result in greater discipline in production levels and pricing patterns. (Source: IISI)

Demand Scenario

Demand for steel is a derived demand stemming from growth and development of the sectors that are end users of steel such as manufacturing, housing, infrastructure, automobile etc. Consequently GDP growth is a key determinant of steel demand. According to the IMF, global GDP is projected to grow at 5% in 2007. A recovery in the EU-15 and Japan, which have experienced slow economic growth in recent years, coupled with still-buoyant activity in emerging Asian countries and Russia, is expected to increase world output growth by up to 4.7% in 2007, according to the IMF World Economic Outlook report of 2006.

Global factors that have contributed to increasing steel demand are accelerated infrastructure activity in China, CIS and India, the housing boom in the USA, resurgence of the auto industry in the emerging markets and the resurgence of white goods in Europe.

Major ongoing projects in China include the mega Three Gorges dam project, the East-West pipeline project, preparation for the 2008 Beijing Olympics and preparation for the 2010 World Expo in Shanghai. According to the IMF Chinese Real GDP will grow by 9.0% in 2007. Economic expansion has brought with it a rapid increase in average incomes in China, leading to higher standards of living and stronger consumer purchasing power. Consequently, consumer spending on white goods and automobiles, both of which require the use of steel in their production, is expected to increase.

The other major consumers of steel include the EU, USA and Japan. Economic expansion in these developed economies particularly arising out the manufacturing and housing sectors have added to the increased steel demand globally.

Indian Steel Industry

According to the National Steel Policy, 2005, India produces 38 MT of steel making it the 9th largest steel producer in the world. In the last 15 years steel production in India has increased at a CAGR of about 7% p.a. The steel production is expected to grow from the current 38 Mt during FY2005 to 65 Mt by FY2012 and 110 Mt by FY2020, which implies a CAGR of 7.3% p.a. (Source: India’s National Steel Policy, 2005)

After facing difficult times in FY 2002 with depressed global steel prices and chronic excess capacities the industry has experienced a trend reversal on account of stronger global demand and firmer prices. The Indian steel industry’s resurgence started in FY 2003 and continued in FY 2004 and FY 2005 driven by sharp surge in international prices and an increase in both exports as well as domestic demand. (Source: India’s National Steel Policy, 2005)

Structure of the Indian Steel Industry

The Indian steel industry can be divided into two distinct producer groups:

- Major producers : Also known as Integrated Steel Producers (ISPs), this group includes large steel producers with high levels of backward integration and capacities exceeding 1 MT. Steel can be produced using the blast furnace/basic oxygen furnace (BF/BOF) route that uses iron ore, coal/coke as the basic input mix for producing finished steel, the Electric Arc Furnace (EAF) route that uses sponge iron, melting scrap or a mix of both as inputs or COREX technology for making steel using basically iron-ore and coal.

- Other producers: This group comprises smaller stand-alone steel plants that include producers and processors of steel.
  - Processors/Rerollers: Units producing small quantities of steel (flat/long products) from materials procured from the market or through their own backward integration system.
  - Stand alone units making pig iron and sponge iron.
  - Small producers using scrap-sponge iron-pig iron combination produce steel ingots (for long products) using Electric Arc Furnace (EAF) or Induction Arc Furnace (IAF) route.

(Source: www.indiansteelalliance.com)

Key Demand Drivers

Demand for steel is inextricably linked to the pace of economic development in the country. The Indian Economy is expected to continue on the high growth trajectory it has been experiencing in the recent past. Strong economic growth has improved the standard of living of the people and provided them with higher levels of disposable income available for spending on consumption expenditure. The Indian steel sector is expected to witness growth in next several years backed by domestic drivers such as infrastructure, in line with the global trend. Demand for steel has increased on account of the boom in the automobile / auto ancillary sector, construction and real estate. Over the period FY 2002 to FY 2007 the Indian automotive industry has been growing at a CAGR of 16% (Source: SIAM, http://www.siamindia.com/scripts/production-trend.aspx) producing over 294,000 medium and heavy commercial vehicles and over 1.5 million passenger cars in FY20 06.

According to CRIS INFAC India's construction industry is projected to grow by 11% over the Government's Tenth Five Year Plan (2002 - 2007), The Government estimates that upgrades of current infrastructure will cost in excess of US$150.0 billion by 2007, a significant portion of which will be spent on steel.

Steel Prices

The domestic prices of steel have been market-determined ever since the de-regulation of prices for integrated steel plants in India in 1991-92. Market prices in India remain closely related to international prices, though generally lower. The main policy instrument available to influence prices is the adjustment of the customs and excise duty structure. One of the main reasons for lack of price regulation in the steel sector is the dispersal of the supply chain in the steel industry. Currently, there are around three thousand units manufacturing steel and steel products, which are marketed by over 100,000 traders for ultimate consumers.

In the period between 1998 to 2002, the Indian steel industry experienced significant deterioration in prices which adversely affected the profitability of domestic steel mills. However, certain steel mills remained profitable during this period due to price control over key inputs, value addition in the production chain and product diversity. The cyclical nature of the steel industry deters fresh investments due to recessionary risks. The mismatch between demand and supply also leads to price volatility witnessed during recent times. The stagnation in steel prices for long periods followed by sudden spurt also affects the consumers and the infrastructure industry. To mitigate price risks inherent in the steel industry the National Steel Policy 2005 supports the efforts of various steel players to develop risk-hedging instruments like futures and derivatives.

In India, domestic prices of Hot Rolled Coil increased from Rs 32,500/tonne in October 2006 to Rs 33,700/tonne in October 2007 reflecting a 4.1% yearly growth. (Source: CRIS INFAC Steel Update, November, 2007). Domestic prices of Cold Rolled Sheets went up from Rs 34,800/ tonne in October 2006 to Rs 36,950/tonne in October 2007. The prices of Galvanized Plain Sheets went from Rs 39,500/ tonne in October 2006 to Rs 48,000/tonne in October 2007. The prices of Galvanized Corrugated Sheets went up from Rs 39,500/ tonne in October 2006 to Rs 48,000/tonne in October 2007 (Source: CRIS INFAC Steel Update, November, 2007).

Sponge Iron

Background

Also known as directly reduced iron (DRI), sponge iron is a high quality metallic product manufactured by reducing iron ore lumps/pellets. Two major raw materials required to produce sponge iron are iron ore and coal.

The sponge iron industry comprises two kinds of producers:
• Gas based
• Coal based

Since the distinction is drawn on the basis of fuel used, gas based sponge iron is purer compared to coal based sponge iron and therefore gets a premium.

The critical success factors in the sponge iron industry include access and proximity to raw materials like iron ore and coal and markets, extent of forward integration of the players in the industry and the extent of interest burden. The period 2003-06 was characterized by a surge in the input prices. Players having their own sources of inputs would be better positioned to control costs in the face of rising input prices. Key inputs like iron ore and coal are bulky to transport. Hence proximity to iron ore and coal mines would lower the inward freight costs and provide players who are located near the input sources a cost advantage. High operating margins in the sponge iron industry is determined by the extent of value addition to the basic raw materials. Players having a significant extent of forward integration would be able to generate higher operating margins and be better insulted to the fluctuation in sponge iron prices. The sponge iron prices fluctuate with market movements and domestic players have little control over it. Therefore, a critical success factor would be to have a lesser degree of financial leverage which would lower the interest burden and equip the players to avoid the risk of losses.

Sponge Iron capacity in India has increased from 6.9 mt in FY 2001 to 23.1 mt in FY 2005, a CAGR of 27%. This capacity is projected to increase to 29.5 mt in FY 2010. (Source: CRIS INFAC Steel Intermediate Update September, 2007).

The trends in the demand and supply of Sponge Iron in India are provided in the table hereunder:

Sponge iron: Domestic apparent consumption ('00

	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Production	4,326	5,009	5,345	5,207	5,340	5,481	5,658	6,909	7,980	10,024
Imports	2	1	2	2	1	0	1	1	0	0
Exports	-	372	374	169	53	-	0	0	0	0
Consumption	4,328	4,638	4,972	5,040	5,287	5,481	5,659	6,910	7,980	10,024

Source: (CRISINFAC Steel Intermediates Annual Review, 2007.)

Pricing

Prices of sponge iron depend primarily on three key factors:

- Demand for steel
- Sponge iron can be used as a substitute for scrap steel in manufacturing steel. Therefore scrap steel prices have a significant impact on the price of sponge iron.
- Prices of key inputs in the manufacture of sponge iron such as iron ore and coal

Higher scrap prices may lead to increased usage of sponge iron in the input mix of the secondary route of steel making. The buoyancy in the steel industry has resulted in scrap prices touching an all time high. International price of sponge iron increased from US $ 246/tonne in October 2006 to US $ 292/tonne in October 2007. Domestic landed cost sponge iron increased from Rs 13,500/tonne in October 2006 to Rs 16,300/tonne in October 2007. (Source: CRIS INFAC Steel Intermediates November, 2007.)

The Indian Sponge Iron Market

Demand Drivers

In India, demand for sponge iron has been growing at a CAGR of 9.78% over the period FY 1996-2005 (Source: CRIS INFAC, Steel Intermediates Annual Review, 2006). The key demand drivers for sponge iron are as follows:

- Increase in steel production via the secondary route accounting for 42-43% of the total steel output. Shortage of coking coal, a key raw material for steel making via the primary route based on blast furnace is expected to contribute further to the increase in the demand for sponge iron.
- Proportion of sponge iron in secondary production is also likely to increase, with low domestic availability and high international prices of scrap, a marginal substitute for sponge iron.
- Availability of scrap will be constrained in the context of regulations relating to imports of low quality scrap to India.

Supply Scenario

India has emerged as the foremost sponge iron producing country on the supply front in the last few years.

Outlook

The Sponge Iron industry is characterized by low entry barriers, short gestation periods, low initial capital requirement, indigenous technology and equipments, an assured market, early payback, a modular system and an excellent growth potential. Increase in steel production and continuous substitution of scrap steel with sponge iron is expected to contribute to the growth in demand for sponge iron.

Significant additions in capacities are expected with a buoyant demand scenario. However, all capacities generated will not be able to function at an optimum operating rate due to scarcity of inputs like iron ore and coal. Coal supply constraints would force the Industry players to use E and

F grades of coal, resulting in lower yield. Therefore, players with captive raw material sources would emerge successful in long run.

Since sponge iron is used as a substitute for scrap in steel making, scrap prices work as a cap for sponge iron prices. Unavailability of scrap globally and import restrictions would maintain the prices of scrap at higher levels, resulting in increased sponge iron prices.

Global Aluminium Market

Background

Aluminium is a durable, corrosion resistant lightweight metal that can be extruded, rolled, formed and painted for application in diverse fields. According to the International Aluminium Institute, approximately 66% of global consumption is used in the construction, transportation and packaging sectors while the remaining 34% is used in consumer, capital goods and electricity transmission. (Source: http://www.world-aluminium.org/applications/use.html)

Aluminium is produced from aluminium ore or bauxite. There are several types of bauxite with alumina content ranging from 35% to 60%. Bauxite is refined into alumina through what is known as the Bayer process and then electrolytically reduced to metallic aluminium.

In the period between 1999 to 2004, global production of primary aluminium has grown consistently at a compounded annual growth rate of 4.3% to 29.2 mt per annum due to an increase in demand in the end use markets as well as a large build up of smelter capacity in China. Consolidation in the global aluminium industry has also contributed to the increase in production. Global primary aluminium consumption was approximately 29.7 mt per annum in 2004 as compared to 23.5 mt per annum in 1997, a CAGR of 4.8% (Source: CRIS INFAC Aluminium Annual Review, 2006).

The trends in the demand and supply of aluminium in global markets are provided in the table hereunder:

Aluminum : Inernational Demand and Supply

('000 tpa)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007E
Production	22,635	23,607	24,636	24,530	26,110	27,842	29,281	32,031	33,962	37,610
% Change	4.30%	4.30%	4.40%	-0.40%	6.40%	6.60%	5.17%	9.39%	6.03%	10.74%
Consumption	21,968	23,535	25,125	23,923	25,637	27,360	30,320	31,695	33,993	37,040
% Change	0.90%	7.10%	6.80%	-4.80%	7.20%	6.70%	10.82%	4.53%	7.25%	8.96%

Source: CRIS INFAC,International Aluminium Institute (IAI),World Metal Statistics(WBMS)

In 2006, North America, Asia and Oceania accounted for 42% of the total global alumina production

Aluminium is consumed mainly in the form of semi-fabricated products produced from aluminium ingots, slabs and billets by various processes like rolling, extruding, drawing, casting and forging. The main semi fabricated aluminium products are rolled products, extruded products, wire rods, castings and others such as foils, pastes and powders.

Rolled Products are primarily used in making foils, electrical cables, flooring sheets in automobiles, consumer durables, pressure cooker lids, etc.

Rolling involves a reduction in the thickness of aluminium slabs by passing them successively between heavy rollers. The slabs are heated and rolled into thickness of 1-3 inches. After cooling, the metal is rolled again to form plates, sheets or foils.

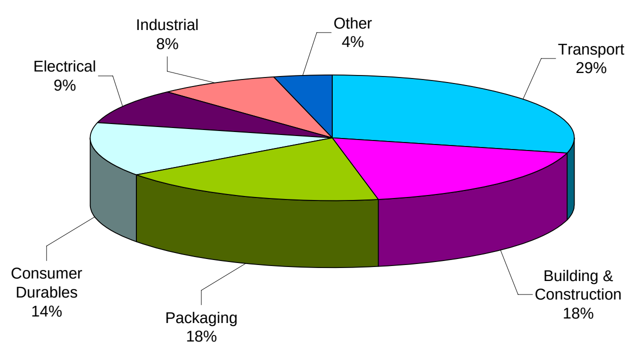
Extrusions are mainly used in transportation, building, defence and consumer durables. Extrusion is a process by which an aluminium billet is forced through a die to produce sections and profiles. Extrusion process is used to make rods and tubing, frames for windows and doors, heat sinks for electronic equipments and trims for automobiles.

Drawing is used to produce aluminium wire and tubing. To manufacture aluminium wire, an aluminium rod is pulled trough a series of successively smaller dies. Bars, rods and tubes can also be made by the drawing method directly from stock produced from hot extrusion.

Aluminium alloy ingots finds application in the steel and automobile industry. Casting is a process in which alloyed foundry ingots are melted and then poured or forced into moulds of a desired shape. Once the aluminium cools and solidifies it is removed from the mould. One of the major applications of casting is developing parts for automobile engines. In forging, heated aluminium billets or ingots are pressed into desired shapes using hydraulic or mechanical force. Forging is required for applications that require strength like aircraft landing gear and truck wheels.

Globally, the largest end use of aluminium is made in the transport sector followed by building, construction and packaging. The sectoral usage of aluminium is given as follows:

Aluminum: World Sectoral Usage



Source: CRIS INFAC Aluminium Annual review, 2006

Pricing

Aluminium is traded on the LME. Producers charge a regional premium in addition to the base price determined on the LME to reflect the cost of obtaining alumina from an alternative source. The following table sets forth the aluminium price movements over the period FY 1998 to FY 2007:

Average International Aluminum Prices (in US $ per metric tonne)

	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
LME Cash Price	1,568	1,291	1,473	1,533	1,394	1,353	1,495	1,778	2,027	2500
% Change		-17.7%	14.1%	4.1%	-9.1%	-2.9%	10.4%	18.9%	14.0%	23.3%

Source: CRIS INFAC Aluminium Annual Review, 2007

Alumina is priced on the basis of negotiations but the traded prices of aluminium on the LME are usually used as a reference rate for the determination of the final price. These negotiated agreements may take the form of long term contracts. However shorter term fixed price contracts can also be entered into.

Indian Aluminium Market

Background

According to the Indian Bureau of Mines, India has the sixth largest bauxite deposit in the world. Bauxite deposits are found in the states of Andhra Pradesh, Orissa, Chhattisgarh, Jharkhand, Gujarat and Maharashtra. Indian Companies have emerged as low cost producers of Aluminium due to several reasons. Indian bauxite is of superior quality and is largely located on a single plateau, thus making bulk mining possible. This translates into significant cost savings for producers. Aluminium is also a power intensive business. In the past, Indian producers suffered due to high power costs but with the privatization of coal mines by the government of India, new avenues have opened up for securing cost effective power for Indian producers. Many producers have also set up captive power plants to overcome the problem of expensive power. Backed by abundant, good quality bauxite and coal, as well as lower cost labour, Indian companies have emerged as low cost producers of aluminium.

The domestic aluminium industry consists of three primary producers: Hindalco, National Aluminum Company Limited and Vedanta Resources Plc, which controls Bharat Aluminum Company Limited, or BALCO, and Madras Aluminum Company Limited, or MALCO, all of whom are integrated producers with a presence ranging from bauxite mining to aluminum metal production. In FY 2005, Hindalco was the market leader followed by NALCO and Vedanta Resources Plc.

With an increase in demand from the automobile, construction and consumer durables sectors, from 1994-95 to 2004-05 the demand for aluminium increased at a CAGR of 5.9 per cent from FY 2000 to FY 2005 (Source: CRIS INFAC Aluminium Annual Review, 2006). The per capita consumption of aluminium is 0.67 kg in India compared to 20-30 kgs in developed countries like the USA, UK and Canada (Source: CRIS INFAC Aluminium Annual Review, 2006). The combination of low per capita consumption of aluminium in India and the increased demand for aluminium from the automobile, construction and consumer durables sector presents significant potential for the players in the Indian aluminium space. The domestic trends in the aluminium sector are given in the table as follows:

Aluminium: Indian Demand - Supply Scenario

('000 tonnes)

	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Production	609,533	645,250	638,320	689,280	817,298	882,851
Imports	80,000	100,000	110,000	126,781	80,924	13,396
Exports	130,000	170,000	144,000	181,861	218,233	124,867
Consumption	559,533	575,250	604,320	634,200	679,989	744,588

Source: CRIS INFAC Aluminium Annual Review, 2006

The projected trend in the domestic demand and supply of aluminium is given as follows:

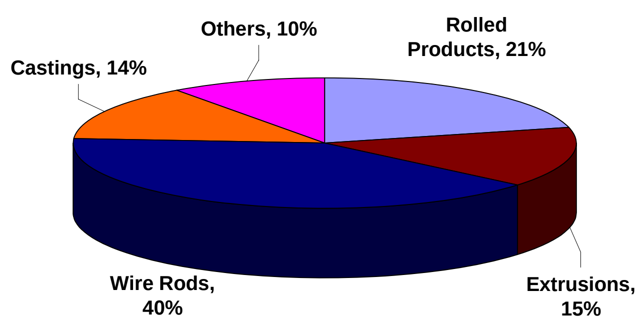
Aluminium: Domestic Production and Consumption

('000 tonnes)

	FY 04	FY 05	FY 06	FY 07 E	FY 08 E	FY 09 E	FY 10 E
Production	817,298	882,851	904,433	1,166,175	1,212,065	1,315,900	1,374,400
% Change	18.6%	8.0%	2.4%	28.9%	3.9%	8.6%	4.4%
Consumption	679,989	744,588	807,878	874,528	942,304	1,015,332	1,096,559
% Change	7.2%	9.5%	8.5%	8.3%	7.8%	7.7%	8.0%

Source: CRIS INFAC Aluminium Annual Review, 2006

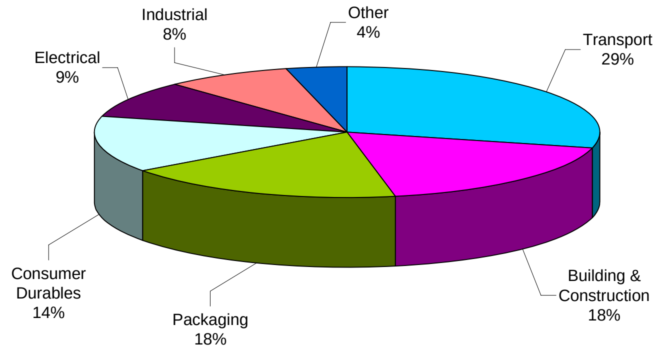
The main semi-fabricated markets for aluminium are rolled products, extrusions, foils, castings and wire rods. The domestic semi-fabricated product consumption break up is given as follows:



Source: CRIS INFAC Aluminium Annual Review, 2006

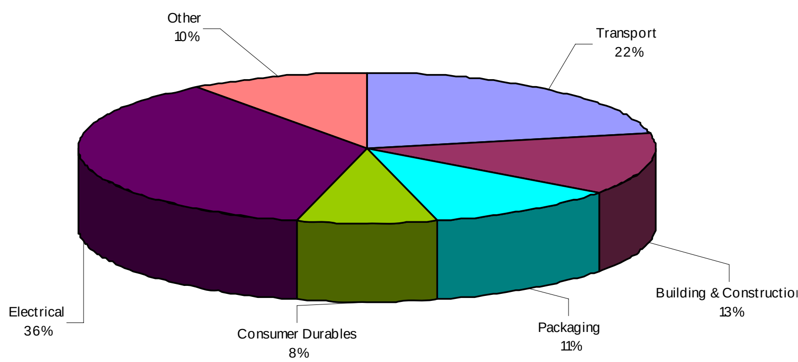
The consumption pattern of semi fabricated forms of aluminium depends on the sectoral consumption patterns. Growth in the consumption of castings has been the highest due to its use in automobiles.

Aluminium: World Sectoral Usage



Source: CRIS INFAC Aluminium Annual Review, 2006

Aluminium: India Sectoral Usage



Source: CRIS INFAC Aluminium Annual Review, 2006

Packaging

Manaksia is a major player in the packaging segment. The packaging products manufactured by Manaksia include Roll On Pilfer Proof (ROPP) closure for the premium liquor and pharmaceutical sectors, crown closures for the aerated water sector, plastic closure for the mineral water sector and metal containers for shoe polishes and tea, printed metal sheets, printing inks, adhesives and expanded polyethylene liners.

The metal packaging industry has witnessed intense price competition in the past few years. Increasingly, suppliers have to compete on price in order to build a long-term strategic partnership with their customers. Metal crown closures have minimal product differentiation and this provides the customer with better bargaining powers while determining the supply price.

Higher level of consumer spending and changing consumer tastes has encouraged increases in line extensions and new product introductions. Packaging has emerged as a critical component of branding, merchandising, and promotional activities as companies increasing want their products to stand out. Packaging companies are constantly trying to improve package design by investing in research and development. One of the emerging trends in the packaging industry is the shift from metal, glass, and paperboard containers to plastics.

Household Insecticides

The mosquito repellent industry in India is a Rs 14 billion industry. The various forms of repellant available in the market include mosquito repellent coils, mats, vapourisers, creams and newer forms of repellent including personal sprays and gels.

Coils were the first mosquito repellents to be introduced in the Indian market. Tortoise, launched by Bombay Chemicals Ltd. (BCL) in the 1970s was the first brand of coils to be introduced in the Indian Market. Until 1994, Tortoise remained the market leader in its segment, with a 67% market share.

Other significant players have emerged over the years, offering products in many categories. Some of these players include Bayer with the brands Baygon Spray, Baygon Power Mats and Baygon Knockout, Balsara Hygiene with a repellent cream, Odomos, and Tainwala Chemicals with the Casper brand of mats and coils. Besides these large players, a number of local brands are also available across the country.

While the coil, vapouriser, cream markets have matured and are logging minimal growth, the personal mosquito repellent segment is in its infancy but growing fast. Coils account for a substantial portion of the market in India for personal mosquito repellent, with vapouriser refills, mats, aerosols, creams, heating devices and other products each accounting for smaller portion of the market.

OUR BUSINESS

Introduction

We are a multi division and multi location Company focusing on manufacturing of value added metal products and metal packaging products. We commenced our operations as manufacturer of metal closures in 1984 but have diversified our business into metal products and mosquito coil. We have fifteen manufacturing units in India and three abroad; two in Nigeria and one in Ghana. Since our incorporation, we have responded to the challenges by redefining our core competencies and unleashing major restructuring process, as a result emerging into a stronger and more efficient entity. Moody International Certification Limited has assessed our quality management syatem and has certified us to be ISO 9001:2000 compliant for a period of three years from June 5, 2007 to June 04, 2010.

Our business can be categorized into (a) metal products; (b) packaging products; (c) mosquito coils; and (d) engineering and others. Our metal products include aluminium alloy ingots, rolled sheets/coils, galvanized steel sheets/coils, color coated metal sheets and Sponge Iron. Our packaging products comprise of ROPP caps, crown closures, plastic caps and metal containers. We are a third party manufacturer of mosquito coils for reputable brands.

We have vertically integrated certain parts of our operations across a number of products. This has resulted in a reduction in manufacturing costs, a reduction in dependence on external sources for supply of raw materials, greater control on quality and an expansion in the range of products.

The following table sets forth our total Sales broken down by division

Rs. in million

Particulars	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	5 mon ended Aug 07	5 mon ended Aug 07%
Packaging Products	1,696.8	1,411.4	895.1	1,044.9	1190.50	591.26	13.04%
Mosquito Coils	666.2	665.8	793.4	693.4	708.97	288.63	6.37%
Metal Products	1,955.2	3,596.6	5,678.6	5,338.9	6005.45	3541.59	78.13%
Bullion@	-	835.4	1,734.3	3,587.0			-
Engineering & Others	363.7	509.6	370.5	478.1	372.90	111.33	2.46%
	4,681.9	**7,018.7**	**9,471.9**	**11,142.3**	**8277.82**	**4532.81**	**100%**

@ Bullion trading business has been discontinued since September 2005

The following table sets forth our Profit Before Interest and Taxation broken down by division

Rs in million

Particulars	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	5 mon ended Aug 07	5 mon ended Aug 07%
Packaging Products	252.7	212.3	158.3	110.3	134.44	77.82	10.42%
Mosquito Coils	99.2	69.3	75.8	57.0	58.51	37.03	4.96%
Metal Products	78.0	93.5	499.4	793.0	1189.96	612.45	82.01%
Bullion@		14.1	1.1	(34.2)		-	-
Engineering & Others	84.2	171.2	112.3	110.1	62.06	19.47	2.61%

Particulars	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	5 mon ended Aug 07	5 mon ended Aug 07%
	514.1	**560.4**	**846.8**	**1,036.2**	**1444.97**	**746.77**	**100%**

@ Bullion trading business has been discontinued since September 2005

The following table sets forth the projected utilisation of existing capacity

Particulars	2007-08		2008-09		2009-2010	
	MTPA		MTPA		MTPA	
	Capacity	Utilisation	Capacity	Utilisation	Capacity	Utilisation
Manaksia Limited						
Aluminium Products	60000	55%	60000	66%	60000	80%
Value Added Steel Products	30000	70%	30000	80%	30000	90%
Steel Cold Rolled Coil	50000	18%	50000	48%	50000	80%
MINL Limited						
Aluminium Products	24000	90%	24000	100%	24000	100%
Value Added Steel Products	28000	75%	52000	60%	52000	87%
Mark Steel Limited						
Sponge Iron	60000	67%	60000	83%	60000	83%
MS Ingot	53760	60%	53760	70%	53760	70%
Total						
Aluminium Products	84000	65%	84000	76%	84000	86%
Valued Added Steel Products	58000	72%	82000	67%	82000	88%
Steel Cold Rolled Coil	50000	18%	50000	48%	50000	80%
Sponge Iron	60000	67%	60000	83%	60000	83%
MS Ingot	53760	60%	53760	70%	53760	70%

Our Competitive Strengths

Our principal competitive strengths include the following:

Core values of human resource development, employee satisfaction and retention, promoter led and managed company

We believe that our qualified and experienced management and technical teams have contributed to the growth of our operations and the development of our in-house processes and competencies. Mr. Basant Kumar Agrawal, our Managing Director, has industry experience spanning over three decades. In fact it was due to his entrepreneurial skills that we have diversified from metal packaging into manufacture of aluminium alloy ingots, rolled products, value added steel products and mosquito coils and has thereby emerged as a multi-product company. Mr. Suresh Kumar Agrawal, Chief Operating Officer of our Company has pioneered the in-house development of various lacquers, paints and adhesives used in the manufacture of our packaging products. He heads our marketing division as well as our international operations.

Our well-trained and skilled workforce is a key competitive strength. Our ability to recruit, train and retain skilled labour and tradesmen is critical for us to meet our plans of growth and expansion. We also lay a strong emphasis on our in-house human resource initiatives, by focusing on hiring, training and retaining the best talent. As of August 31, 2007 we have 2,569 employees.

Integrated business model

We have vertically integrated certain parts of our operations across a number of products. From the manufacture of aluminium closures we have established a backward integration to the production of aluminium rolled products. Our backward integration also extends to manufacturing certain machines and tools for our production facility. We have invested in the manufacture of expanded polyethylene ("EP") liners used in the manufacturing of ROPP caps. We have also invested in the manufacture of paints, adhesives and lacquers used in the printing of metal sheets for caps and crowns. Our aluminum rolling unit has been integrated with the front end manufacture of aluminium profiled and corrugated sheets. Our unit at Jeedimethla in Hyderabad manufactures corrugated boxes which are used for packing mosquito coils. This business model of vertical integration has resulted in reduction in manufacturing costs, reduction in dependence on external sources for supply of raw materials, greater control on quality and expansion in range of products.

Focus on innovation and development of quality products

Our ability to leverage conventional engineering methods to simplify manufacturing processes has proved beneficial by allowing us to produce quality products at a low cost. We have used our metal management skills to manufacture advanced metal packaging products. We have leveraged on our engineering insight to construct a low cost but high quality furnace to produce alloy ingots and on our trading experience in aluminium roofing sheets and galvanised sheets to manufacture metal products and alloy ingots. We use non-conventional energy sources (bio-mass gasifiers and solar panels) replacing the use of conventional fuel in the manufacture of mosquito coils.

These various innovations in manufacturing and product enhancement have resulted in us turning some of the industry's most coveted brands into our customers. We have successfully retained customers like Hindusthan Coca Cola Beverages Private Limited, Reckitt Benckiser India Limited, Dabur India Limited, Jyothy Laboratories Limited, McDowell Group while adding new customers such as Eveready Industries Limited. Our aluminium division has attracted alloy ingot users like TVS Motor Company Limited, Orient Fans and Toyota Tsusho Corporation as our customers.

Our top 10 customers based on the revenue generated by us through our customer orders for Fiscal 2008 upto November 30, 2007 is set out below:

S. No	Name	Value (in Rs. Mn)	% of Sales
1	Reckitt Benckiser (India) Ltd	257.45	3.1
2	Shiva Distilleries Limited	84.67	1.0
3	Semco Electric Private.Limited.	82.74	1.0
4	Alconix Corporation	81.03	1.0
5	HCCBPL	60.29	0.7

S. No	Name	Value (in Rs. Mn)	% of Sales
6	Kiran Udyog	47.56	0.6
7	Rico Auto Industries Limited	37.03	0.4
8	Satyam Steel Roof Structure Limited.	21.05	0.3
9	Auto Die Casting Company.	20.45	0.2
10	Ludhiana Beverages Private Limited.	19.55	0.2
	Total	711.82	8.6

Multiple production sites allow for efficient delivery in various geographical locations to our customers

We have fifteen manufacturing units in India across our product range with multiple manufacturing units for certain of our products. These facilities are located in various states viz. West Bengal, Andhra Pradesh, Madhya Pradesh, Assam, Gujarat, Dadra and Nagar Haveli, and sales and service offices in Mumbai, New Delhi, Chennai and Bangalore. Our various manufacturing units provide multiple distribution points for our products, helping us in catering to the needs of the customers all over India and delivering products in accordance with the time and location schedule prescribed by the customer. We have also leveraged our multi locational presence to reduce distribution and inventory costs and delivery times. We have undertaken various new projects during the last 2 years which are at different stages of completion, and the financial / operational benefits of which will arise in the coming years. These projects include (i) 12,000 MTPA Aluminum Color coating line in Kutch (commercial production started in May 2006); (ii) 12,000 MTPA Aluminum Color coating in Ota, Nigeria (commercial production started in November 2006); (iii) Lead and Copper Alloy Ingots plant in Nigeria (commercial production started in November 2006); (iv) 50,000 MTPA Cold Rolled Steel Coils plant at Haldia started in August 2007; and (v) 24,000 MTPA Steel Galvanizing plant in Nigeria (Scheduled date of commercial production: December 2007) – plant being shifted from our subsidiary in Nepal.

International operations and their contribution to overall growth

We have established our manufacturing and marketing presence outside India. We have commissioned three international manufacturing facilities: a ROPP caps crown manufacturing plant in Lagos, Nigeria; aluminium alloy ingots, metal color coating line, continuous galvanising line and corrugating, profiling & embossing of aluminium roofing plant in Ota, Nigeria; and a corrugating line for roofing sheets in Ghana. We have recently opened a subsidiary in Dubai which we believe is very important for our operations as it is an integral part of the supply chain management for procurement of non-ferrous scrap for our aluminium business. The Dubai subsidiary, Euroasian Ventures FZE, provides marketing support for all our products in the Middle East, East Africa, CIS countries and Europe.

Our Strategy

Our corporate vision is to: (a) achieve a lasting partnership with our customers through an unwavering commitment to excellence in everything we do, (b) to trust, respect and empower our employees to help them achieve their goals, (c) to work with concern and well being for our various stakeholders by sharing responsibilities for their economic, social and physical environments.

We have adopted the following strategies to achieve our corporate vision:

Increase production capabilities in India

In focus areas, especially metal products, we have constantly enhanced our production capabilities. The complete commissioning of our Haldia unit will add another 36,000 tons capacity to our aluminium rolled products. We propose to add certain equipments to our aluminium rolling line at Haldia so as to be able to produce higher value added products as well as improve the efficiency of our present production by adding certain equipment to de-bottleneck. The capacity for aluminium alloy ingots at Haldia is being expanded with the addition of two more reverbatory furnaces to cater to the increasing demand.

Focus on further vertical integration

We strive to manufacture the most essential raw materials required to manufacture our products, ranging from basic metals to finishing paints with an intention to reduce our reliance on external suppliers. We are also focusing on greater quality control. We intend to further vertically integrate our business and towards this end, we are in the process of setting up a steel cold rolling plant at Haldia, West Bengal. Once functional, the plant will provide the raw materials required for our galvanising operation at Bankura and Nigeria.

Leverage low cost manufacturing model

Our packaging products and mosquito coils divisions operate on a low cost manufacturing model by designing and building the machines used by these divisions. We design and manufacture the stamping machines and gas oven burners. We also utilise our in house facilities to manufacture ROPP cap paints and lacquers. We strive to operate out of smaller units to reduce our overhead production costs. Further, our vertical integration model also helps in reducing our dependence on external suppliers and consequently reduce our cost of production. We strive to leverage our low cost manufacturing model to achieve profit maximisation.

Continued focus on innovation and product development

Our growth has been derived from our understanding and exploration of business opportunities and developing new products to meet the needs of the customer. We have introduced a colour coating line in Kutch, Gujarat for roofing sheets and white goods. Some of the polyethylene based paints used in the coating process have been developed by our in house research and development team. A colour coating line for colouring both aluminium and steel galvanised sheets has been installed in Nigeria and it has become operational in November, 2006. MINL is in the process of setting up facilities to manufacture copper alloys and lead alloys from scrap. We have introduced the manufacture of zinc alloy used in making zip fasteners and carburettors. We have recently added a new aluminium roll forming line in Nigeria to manufacture 25-30 wide feet popular ranges of corrugated sheets.

Our Products

Our business can be categorized into (a) metal products; (b) packaging products; (c) mosquito coils; and (d) engineering and others. A snapshot of products manufactured by us is as follows:

	Metal Products	Packaging	Others*
India	**Steel** • Sponge Iron (60,000 MTPA) • MS Ingots (53,760 MTPA) • Galvanised Coils@ (30,000 MTPA) • Color Coated@ (60,000 MTPA) (1)	**Internal Consumption** • Expanded poly ethylene sheets • Paints & Lacquers (for captive use) • Paper cartons for Mosquito Coils	Mosquito Coils - 5 factories (2,988 mn pcs p.a)
	Aluminium • Al Alloy Ingots (12,000 MTPA) (2)(3) • Al Coils (36,000 MTPA)^^ • Color Coated^^ (12,000 MTPA) (1)	**External Sales** • ROPP Caps • Crowns • Metal Containers • Mosquito Coil Stands • Plastic Caps	Machinery manufacturing and designing
International	**Steel** • Galvanised Coils and Sheets (28,000 MTPA)@	• ROPP Caps • Crowns	Paper products#
	Aluminium • Aluminium Alloy Ingots (12,000 MTPA) (3) • Color Coated ^^(12,000 MTPA) (1)		
	Other Metals • Lead and Copper Refining		

* Bullion Trading has been discontinued
# Has acquired a paper plant
@ Corrugated and cut to size as per internal/customer requirements
^ Net of inter segmental revenues
^^ Embossed; profiled and cut to size as per internal/customer requirements
(1) Common color coating line for steel and aluminium products
(2) Customers are automobile components manufacturers
(3) Also started manufacturing small quantities of zinc alloy ingots

__Metal Products__

Our metal products comprise of Steel Products, Aluminium Alloy Ingots, Aluminium Rolled Products- Cold rolled aluminium coils/sheets. The value added aluminium products comprise of aluminium alloy ingots, coloured aluminium sheets and coils, profiled sheets and corrugated roofing sheets. Value added steel products comprise of galvanised plain and galvanised corrugated sheets and coloured galvanised sheets. A snapshot of products manufactured by us is as follows:

	Haldia	Kutch	Others
India	**Aluminum** •Al Alloy ingots (9,000MTPA) (1) •Al Coils (36,000MTPA)^^	**Steel & Aluminium** •Color Coated@ (60,000 MTPA Steel) OR 12,000 MTPA Aluminium	**Steel- Bankura** •Galvanized Coils@ (30,000 MTPA) •Al Alloy ingots (3,000MTPA) •Al Coils (3,600MTPA)
	Steel (under implementation) •Cold Rolled Coils (50,000 MTPA)		**Steel –** Purulia (Mark Steel) •Sponge Iron (60,000 MTPA) •MS Ingots (53,760 MTPA)

	Nigeria - Ota	Ghana
International	**Steel** •Galvanized Coils and Sheets (28,000 MTPA) @	**Aluminium** •Corrugating line (28,000 MTPA)
	Aluminum •Aluminum Alloy ingots (12,000 MTPA) (1) •Color Coated @ ^^(12,000 MTPA)	
	Other Metals •Lead and Copper refining	

@ corrugated and cut-to size as per internal / customer requirements
^^ Embossed; profiled & cut to size as per internal / customer requirements
(1) also started manufacturing small quantities of Zinc alloy ingots

__Steel products__

We manufacture and sell value added steel products comprising of galvanised plain coils/sheets, corrugated sheets and colour coated galvanised sheets. These products are widely used for roofing, in containers and water tanks, in interior and exterior panels of buses and commercial vehicles, rural housing, factory sheds and railway platforms. We also produce sponge iron and mild steel ingots in our subsidiary Mark Steel Limited.

Operations

We have set up a 30,000 TPA galvanized steel plant at Bankura in 2002. We have also set up a

50,000 TPA steel cold rolling plant in Haldia, which is expected to commence commercial production in December, 2007. The production of galvanized steel is marketed to North East India under the corrugated roof brand name of '5 Star Super Shakti' which is a registered trade mark of our Company. We have a continuous galvanising plant in Nigeria with a capacity of 28,000 TPA. A colour coating line for colouring both aluminium coils and galvanised steel coils (12,000 TPA for aluminium or 60,000 TPA for steel) has been installed in Nigeria and it has become operational in November 2006. MINL Limited, our wholly owned subsidiary introduced and registered a special brand name "SUMO" in Nigeria which is now well recognised and associated with high quality. "SUMO" is a registered trademark of our Company.

Raw materials

Cold rolled steel coils and zinc are the main raw materials required for manufacturing galvanised steel. The suppliers of raw materials are Steel Authority of India Limited, Hindusthan Zinc Limited and Ohmi Industries. The commencement of commercial production at our new steel cold rolling plant in Haldia will enable us to exercise greater control over raw material supplies.

Customers

Our market for GP/GC sheets is primarily in the north-eastern part of India. Our galvanised corrugated sheets are generally sold to dealers and industries in India, Nigeria and Ghana. Some of our top customers in India are Shree Shankar Steel, SSS Lohia Marketing Pvt Ltd, Anand Iron & Steel Udyog and Ganpati Cement Pvt Ltd. In Nigeria, our major customers are Barthony Enterprises Nigeria Ltd, De-chico Investments Ltd and Goodwill Trading Stores. Some of our major customers in Ghana are SFEIR Enterprise, Rose Baah Enterprise and Derroh Enterprise.

Aluminium Alloy Ingots

Aluminium alloy ingot is a value added product manufactured out of virgin metal and aluminium scrap. It is extensively used in the automobile and steel industries.

Operations

Aluminium alloy ingot is produced at our Bankura works near Durgapur (3,000 TPA skelner furnace), Haldia unit (9,000 TPA). We also have a 12,000 TPA aluminium alloy ingot plant in Nigeria. We plan to increase the capacity at Haldia by the addition of two more reverbatory furnaces (12,000 TPA) to cater to an increased worldwide demand.

Raw materials

The raw materials required for manufacturing aluminium alloy ingots comprise of aluminium scrap, aluminium ingots, silicon, copper, hardeners and other additives generally imported from Europe, West Asia and South East Asia. We procure raw materials from various suppliers / traders of scrap in the international market. We have commissioned an office in Dubai and have appointed agents in some European cities for the competitive purchase of raw material.

Customers

We cater to customers both in the domestic as well as in the international market. A list of some of our major customers is given herein below:

Domestic	International
Anurag Engineering Company Pvt Ltd	Alconix Corporation, Japan
Aurangabad Electricals Ltd	Asao & Company Ltd, Japan
Orient Fans	Asin Asia Pte Ltd, Singapore
Rane Diecast Limited	Isan –Metal GmbH, Germany
Rico Auto Industries Limited	Linh Trung Electric Material Company Ltd, Vietnam
Shah Hitech Auto Alcast Company Pvt Ltd	Sumi Metal Industries, Malaysia
Sundaram Clayton Ltd	T& T Technology Developing Company Ltd, Vietnam
TISCO	Toyota Tsusho Corporation, Japan
TVS Motor Company Ltd	

Aluminium Rolled Products Cold rolled aluminium coils/sheets

Cold rolled aluminium coils/sheets are being increasingly used in construction and in the manufacture of white goods, automobiles, utensils, tubes and foils, railway coaches, electrical items, industrial machinery, ship/boat building and in aeronautics. As a natural step towards self sufficiency and achieving backward integration, we have entered into the production of aluminium rolled products. The range of aluminium rolled products offered by us are general engineering quality sheets and coils, closure sheet for the packaging industry and fan blade stock for making fan blades. Further operations are carried out to prepare diverse profiles like sinusoidal and trapezoidal profiles as well as surface embossed coils and sheets like diamond pattern, terra cotta and chequered sheets/plates.

Operations

Our first aluminium rolling plant was set up in 2002 in Bankura, West Bengal. The 3,600 TPA roller at Bankura manufactures rolled aluminium sheets. The unit also manufactures corrugated, profiled and patterned aluminium sheets. These sheets are used for the manufacture of bus bodies. We have also added a roller in the Bankura unit to make bigger diamond patterned sheets.

A significant part of our business, since the year 2000 was sale of aluminium sheets/coils manufactured under a job work arrangement with Pennar Aluminium Company Limited, Hyderabad. This was a sick company and was referred to the BIFR under the Sick Industrial (Special Provisions) Companies Act, 1985. While we were using the said facility to manufacture approximately 10,000 TPA of cold rolled aluminium coils every year, we had also made a bid for takeover of the unit. However, the bid was not successful and the unit was sold to some other bidder. The sale was effected in February 2006 and since then we did not have access to aluminium rolling facilities. However, with the commissioning of the Haldia plant we expect to come back to the earlier levels of production for the rolled products.

The Haldia plant is an export oriented aluminium cold rolling plant with a capacity of 36,000 TPA specializing in aluminium coils and sheets. The plant is located about 30 kms from the nearest state highway and its proximity to the port results in substantial savings in costs and time.

We also have a 12,000 TPA plant at Kutch which manufactures colour coated metal coils (both aluminium cold rolled coils and galvanised steel coils), 12,000 TPA aluminium alloy ingots products plant in Nigeria for manufacture of aluminium corrugated and profiled sheets and a 28,000 TPA corrugating plant at Ghana. A colour coating line for colouring both aluminium and steel galvanised sheets installed in Nigeria and it became operational in November, 2006.

Raw materials

Raw materials for manufacture of rolled products comprises of aluminium ingots and aluminium scrap. We source the raw materials from NALCO and through imports. We import aluminium ingots when the international price is lower than the domestic price. To ensure that raw material prices are competitive, our Company sources it from various countries. Aluminium ingots are imported from the USA and Middle East countries.

Customers

For FY 2007 our main customers for aluminium rolled products were Tamil Nadu State Transport Corporation in the transport segment and Orient Fan, Polar Fan and Khaitan fan in the durable consumer goods segment. We cater to the aluminium roofing market in Nigeria and Ghana. We also export our products to Japan, Vietnam, Malaysia and Germany. Our major customers in these countries are:

Country	Customer
Japan	Aisin Seiki Company Ltd, Toyota Tsusho Corporation, Alconix Corporation
Vietnam	T&T Technology Developing Company Ltd, Vietnam.
Malaysia	Sumi Metal Industries, Malaysia
Germany	Isan –Metal GmbH, Germany

Packaging

We commenced our business as a roll-on-pilfer proof (ROPP) manufacturer with a manufacturing unit in Salkia. We have a product line that comprises of ROPP closures, metal containers, crowns and plastic caps. The ROPP caps are supplied to the premium liquor segment and to pharmaceutical companies. The metal containers comprise of shoe polish containers and tea caddies. Crown closures cater to the carbonated soft drinks and beer sector. Plastic caps cater to the mineral water sector. A snapshot of products manufactured by us is as follows:

India

Hyderabad

Internal consumption
- Papers cartons for Mosquito Coils

External Sales
- Crowns
- Plastic Caps

West Bengal

Internal consumption
- Paints & Lacquers (for captive use)

External Sales
- ROPP Caps
- Metal Containers
- Mosquito Coil Stands

Bhopal

Internal consumption
- Expanded poly ethylene sheets

External Sales
- ROPP Caps

Kutch

External Sales
- Crowns

Silvassa

External Sales
- Crowns

International (Nigeria - Lagos)

- ROPP Caps
- Crowns

Crowns

Operations: We supply crowns to a number of reputed soft drinks brands and beer brands in India. The facilities for manufacture of crowns are located in Hyderabad, Silvassa, Bhopal, Kutch and Nigeria. Owing to the seasonal nature of the business, during the period between March and June there is usually full utilization of the capacity of the plant and utilisation is low during the rest of the year.

Raw material: The raw materials for manufacture of crowns are tin free steel, lacquers, paints and PVC. As a quality control initiative as well as to ensure regularity of supplies, our Company has backward integrated into the production of lacquers and paints. Tin free steel is imported from Japan and Germany. We import steel sheets in bulk so as to maintain a stock for six to eight months. PVC free compound is imported from Germany. Lacquer is bought locally and is also manufactured in house. Liners are also procured locally. Lacquer, varnish and printing ink are manufactured at our unit in Haripal, West Bengal.

Customers: Our Hyderabad unit caters to demand emerging from South, Central and East India, the Silvassa unit caters to orders from North and West India. In India, a major part of the crowns we produce is supplied to Coca Cola for their various brands and the rest to beer manufacturers. Our other customers in India are Mohan Breweries & Distilleries Limited, United Breweries Limited and Yuksom Breweries Limited. In Nigeria, we supply crowns to Nigerian Breweries PLC, which is a subsidiary of Heineken N.V., Netherlands as well to some brands of Coca Cola bottled by their franchisees.

ROPP caps

Operations: ROPP caps are manufactured in four varieties and eighteen sizes. The four varieties being: normal, deep drawn, side chamfered and side decorated extra deep drawn closures. The plants for manufacture of ROPP caps are located at Belur, Bhopal and Nigeria. Pursuant to the merger of Sparks Export limited with our Company, additional capacity for manufacture of ROPP caps is also available at Bankura.

Raw materials: The raw materials for manufacture of ROPP caps comprises of special aluminium alloy cold rolled sheets known as aluminium closure stock which is manufactured in house. We procure raw materials from various vendors in India and abroad. A part of the lacquer, paints, adhesives and varnishes are also manufactured in house. Aluminium sheets for ROPP caps are printed in Liluah.

Customers: Our customers include most of the major liquor companies in India and Nigeria. Prices are fixed in advance with the customers through their corporate offices and supplies are made at the same price to all the units of the customer. Prices are revised periodically.

Metal containers

Operations: Manufacture of metal containers constitutes one of our oldest businesses. We manufacture three types of containers namely the push open type that are used by shoe polish manufacturers, cosmetic tins and tea caddies that are used for packaging tea. The metal containers are manufactured at the Belur unit of our Company.

Raw material: The raw materials for metal containers are tin plate, lacquer paint and varnish. Tin plates are supplied by steel manufacturers in India. Lacquer paint and varnish are manufactured at our plant at Haripal.

Customers: Our major domestic customers for the metal containers are Dabur (India) Limited, Sara Lee and Reckitt Benckiser (India) Limited.

Plastic caps

Our plastic caps manufacturing facility is located at Hyderabad. The raw material used in the manufacture of plastic caps is high density polyethylene which is supplied by a vendor in India. We supply plastic caps to Coca Cola for its "Kinley" brand of bottled water and to the Indian Railway Catering and Tourism Corporation for its "Rail Neer" brand of bottled water.

Mosquito Coils

During Fiscal 2000 we ventured into the business of manufacture of mosquito coils. Presently, we produce 8 hour (green/circular coil), 10 hour (red/circular coils) and 12 hour (red/hexagonal coils) mosquito coils.We also manufacture mosquito coil stands which provide the base to the burning coil.

Operations

The mosquito coils are manufactured in the Bankura unit (capacity of 1016 million coils), Guwahati unit (capacity of 500 million coils), Bhopal unit (capacity of 720 million coils), Kutch unit (capacity 320 million coils) and Hyderabad unit (capacity of 432 million coils). The coil stands are manufactured at Belur. After the merger of Spark Exports Limited with our Company, mosquito coil stands are also manufactured at Bankura. Our corrugated box unit at Jeedimethla, Hyderabad supplies the boxes required for packing the mosquito coils.

Raw material

The raw materials for manufacture of mosquito coils are brown saw dust, coconut shell powder, colouring material, guar gum (binder) and the active chemical ingredient as may be stipulated by the customer. Lead time for raw materials procurement is ten to fifteen days. Typically, we maintain stock for one month. Stock of active ingredients which is imported is typically maintained for three months. We buy raw materials from various vendors in India.

Customers

We manufacture mosquito coils for Reckitt Benckiser (India) Limited, which it markets under the brand name “Mortein”, and Jyothy Laboratories Limited, which it markets under the brand name “Maxo”. In FY 2006, we started manufacturing mosquito coils by the name of ‘Eveready Poweron’ for Eveready Industries Limited. We have recently entered into manufacturing agreements for the manufacture of mosquito coils with Dabur India Limited, which it markets under the brand name “Odomos”, and Anmol Industries Limited, which it markets under the brand name “Target” .

Engineering and Others

Our other businesses can be classified into manufacture and sales of machine and spare parts and also the business of ship design and ship repair. Our machine manufacturing units cater to the needs of our metals, packaging and mosquito coil divisions and also to the needs of our other subsidiaries, thus enabling backward integration and reduction in the production costs. In July 2004, we procured a three year contract from a shipyard in India for undertaking ship design activities which has been extended for a further period of three years from July 13, 2007 pursuant to a work order dated July 13, 2007.

Technology

Metal Products

- *Steel Products- galvanised plain and corrugated steel sheets:* Galvanised plain and corrugated steel sheets are versatile steel products enjoying application in the consumer, agricultural, industrial and the transportation sectors. These sheets combine mechanical properties like tensile strength, hardness and can take various surface finishes. The cold rolled steel sheet is the main raw material for the manufacture of galvanised steel sheets. Galvanised sheets are produced on continuous galvanising lines through the hot dip process to ensure an even coating of zinc on the surface which imparts anti corrosion properties.
- *Aluminium Alloy Ingots:* Aluminium alloy ingots are manufactured from aluminium ingots and scrap materials. Our plants are equipped with appropriate equipment to ensure strict control on processing and testing. To obtain a product of an internationally acceptable quality, we have installed spectrometers, tensile testing machines and metallurgical microscopes. The equipment use includes skelner furnaces (oil fired tilting type), reverbatory furnaces/rotary furnaces and ingot casting machine conveyer. We have implemented an in-house project to commission a furnace with larger capacity and better throughput ratio, increasing the aluminium alloy capacity by 1,000 tonnes/month. A few randomly selected ingots from every heat are subject to fracture test to ensure a homogeneous grain structure. We have invested approximately Rs. 2.4 million. for quality testing equipments (Brookfield Viscometer, spectrometer and UTS machines). Statistical quality testing tools like CPK analysis and SPC analysis measures the smallest deviations at every manufacturing stage.
- *Aluminium Rolled Products - Cold rolled aluminium coils/sheets:* The plant at Haldia employs technology comprising of annealing furnaces, non-reversing breakdown and finishing mills, heavy and light gauge slitters, tension levelling machine, cut-to-length line and circle cutting machine. This sophistication is expected to result in a versatile product range (thickness of 3-0.16 mm) and enable us to export colour-coated aluminium sheets from India. The aluminium rolling mill at Bankura, West Bengal has received an ISO 9001: 2000 certification for management system from Joint Accreditation System of Australia and New Zealand (JAS

ANZ)

Packaging

- *Crowns:* The closures are manufactured from tin free steel with moulded PVC and PVC free dry blend lining in updated and modern crown closure manufacturing units. We have obtained ISO certification for our cap and closure unit. We have received ISO 9002 certification for our Hyderabad unit, within six months of its commencing operations. Dry blend lining ensures more uniformity and better adhesion for perfect sealing capability. The crown closures are manufactured in a dust free pressurized condition, untouched by hand. Statistical quality control measures are implemented with the help of computers to detect any defects in printing while application of statistical process control to compute crown formation so as to adhere to very close tolerances. Photo image sensor detects any defect for immediate rectification. The American Zapata machines with a camera installed on the conveyor belt has reduced the defects in crowns operations. Various in-process tests like cross hatch test, dry test, peel off test and alcohol test are carried out intensively. We also provide calibration service for the bottling plants of our customers.
- *ROPP Caps:* We have a chamfering line for producing side and top chamfered ROPP caps that are used by liquor manufacturers which enhance shelf appeal and prevent tampering of their products. Our graduation beyond cap embossing to specialized and value added chamfering (scraping a few microns off the embossed area to distinguish it from the rest of the cap area), has also made us a specialized solution provider to liquor manufacturers.
- *Metal Containers:* Push open type metal containers for shoe polish are manufactured with care and engineering skill to ensure that the top and bottom halves of the containers fit perfectly with precision. Made from tin plate, these containers are subjected to rigorous tests to ensure that they are air tight for proper functioning. Similar containers are also manufactured for various balms, ointments and other cosmetic products. We also manufacture decorative metal containers.
- *Plastic Caps:* Plastic caps are manufactured by Canadian Husky machines at our unit in Hyderabad under strict supervision and stringent quality control measures. The Husky machine is equipped with a 24 cavity closure mould with hydraulic actuation and electronic controls. The machine is also equipped with photo eye detection system and SPC/SQC software package to monitor machine process variables.

Mosquito Coils

We use modern technology for the manufacture of mosquito coils. Our in house manufacture of machinery helps to reduce cost of production of the mosquito coils. We have developed automated machines for faster production and biomass gasifiers for drying, reducing costs and reducing pollution. Samples of raw material are tested and are rejected if they do not conform to the stipulated specifications. Samples of final products are tested in the burning room and the entire batch is destroyed if they do not burn for the requisite time. The chemical testing on various parameters is done on the raw materials and finished products in the laboratories attached to each manufacturing unit. Our Bankura unit as well as the Hyderabad unit are ISO 9001: 2000 compliant.

Engineering and Others

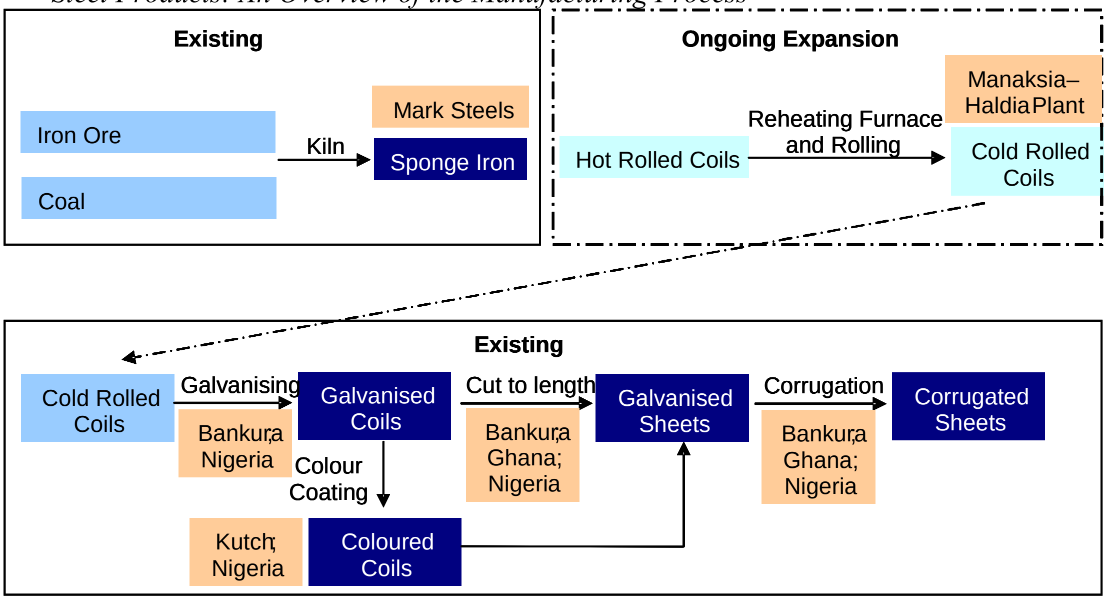
We manufacture machines by employing Computer Aided Design (**CAD**) software packages. Our tool rooms are equipped with machineries like drills, presses and bending machines.

Production Process

Metal Products

The following diagram illustrates the process of manufacture of steel products: -

- *Steel Products: An Overview of the Manufacturing Process*



- *Aluminium Alloy Ingots*: Raw material in the form of scrap is segregated on the basis of known alloy content. Depending on the customer's specifications, the types of scrap required are chosen. The requisite quantity of scrap and virgin metal are weighed and fed into the furnace. At suitable time intervals, samples are drawn for spectrometric analysis. Small quantities of other additives like silicon, manganese etc are added so as to obtain the desired composition. Further tests are carried out to ensure that the composition of the end product is within the desired limits. The molten metal is then poured out into moulds on a conveyer belt and quenched. The finished ingots are marked, weighed, bundled and shrink wrapped for shipment to the customers.

  Aluminium Rolled Product: Virgin aluminium and some quantities of scrap and other additives (depending on the end use) are heated in a furnace and passed through an extruder to form hot rolled cast coils. The hot rolled cast coils are passed through the rolling mill to obtain cold rolled coil of desired thickness. The different types of cold rolled coils produced by us are:
  (a) Closure stock for packaging (entirely consumed in-house);
  (b) Fan blade stock used by fan manufacturers; and
  (c) General Engineering Quality Coils ("**GEQC**").

  Depending on the requirement, GEQCs are further processed to produce embossed coils and sheets, corrugated sheets, colour coated coils, colour coated and embossed coils and colour coated corrugated sheets (with or without embossing).

Packaging

The production process for our packaging products is depicted herein below: -

Products	Raw Materials	Processing & Printing	Punching	Drawn	Chamfering	Lining	Finished products
Crowns	Tin free steel	√	√			√	
ROPP	Closure stock	√	√	√	√	√	
Metal Containers	Tin plate	√	√				
Plastic Caps	HDPE		√				

Mosquito Coil

Brown saw dust, coconut shell powder, guar gum, the specific active ingredient, colouring materials and other chemicals are mixed in the requisite quantities. The resulting mixture is subjected to chemical tests to ensure proper chemical composition. The chemically tested mixture is then extruded through an extruder and the extruded sheet passes through the punching machine where the basic mosquito coil shape is punched out. The wet coils, on racks are then placed in the drying chamber where they are dried for 4-6 hours. At every stage of the extruding and punching process, visual inspection is carried out to ensure the proper shape of the coils. The finished coils are then packaged for despatch.

Competition

Metal Products

- *Steel products- galvanised plain and corrugated steel sheets:* Our main domestic competitors for the value added steel products are Bhushan Steels Limited, Jindal India Limited, JISCO, Steelco Industries, SAIL, Tata Steel Limited, Ispat Industries Limited, Essar Steel Limited and Uttam Galva Limited.
- *Aluminium Alloy Ingots:* Our main domestic competitors are Century NF Castings, Sunline, Premier Metal Products and L. Madanlal (Aluminium) Private Limited.
- *Aluminium Rolled Products - Cold rolled aluminium coils/sheets:* We are not an active player in the domestic market. However, some of our competitors are NALCO, BALCO and Hindalco Ltd. Some of our competitors in the international market are Carnaud Metal Box Limited, Alcoa and Alcan.

Packaging

- *Crowns:* Some of our domestic competitors are Integrated Caps Private Limited, AMD Metplast Ltd (formerly known as Ashoka Metal Décor), Oriental Containers Ltd and Metal Closures Private Limited. Some of our international competitors are Carnaud Metal Box Ltd and Avon Crown Caps Ltd. We face indirect competition in this segment from plastic beverage containers which use plastic caps instead of crowns.
- *ROPP Caps:* Some of our domestic competitors are Oriental Containers Ltd and AMD Metplast Ltd (formerly known as Ashoka Metal Décor). Some of our international competitors are Carnaud Metal Box Ltd and Avon Crown Caps Ltd. We face indirect competition in this segment from caps made out of plastic metal combination which are now being used by some liquor manufacturers instead of ROPP caps.
- *Metal Containers:* Some of our domestic competitors in the business of manufacture of metal containers are Metal Containers Private Limited, Lalsons Pvt Ltd and Hindusthan Tin Works Ltd.
- *Plastic Caps:* Our domestic competitors are AMD Metplast Ltd (formerly known as Ashoka

Metal Décor), Delhi and Lunar Caps, Silvassa.

Mosquito Coils

Our domestic competitors in this business of manufacture of mosquito coils are Bharat Box Factory Limited and Ikon Industries. Our customers, and consequently we, face indirect competition from other insect repellent products.

For further details see section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 200 of this Red Herring Prospectus.

Sales and Marketing

The efficiency of the marketing and sales network is a critical success factor for our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. To retain our customers, our marketing team regularly interacts with them and focuses on gaining an insight into the additional needs of such customers. We have spread our manufacturing and marketing presence to global markets with a large sales potential, low infrastructure costs, raw material proximity and the availability of professional expertise. We have also leveraged our multi locational presence to reduce distribution and inventory costs and delivery times. Over the years we have developed new export markets in Malaysia, Vietnam and Japan.

Our unit in Nigeria enables us to cater to the demand for residential roofing sheets in Nigeria and Ghana and the alloy ingot plant there helps in meeting the needs of the international auto ancillary industry. Our Dubai operation, Euroasian Ventures FZE provides marketing support for all our products in the Middle East, East Africa, CIS and Europe. We have sales and service offices at Kolkata, Delhi, Mumbai, Madras and Bangalore in addition to the factory locations to cater to our domestic customers.

Insurance

We maintain fire and theft insurance with respect to all our manufacturing facilities. In addition, we have transit insurance with respect to our products manufactured in our units in Bhopal and Hyderabad. We also maintain insurance policies for cash in transit between certain of our facilities and the bank. The total coverage under all our policies as of September 30, 2007 was Rs. 4696.40 million.

However, at present we do not have any workmen compensation policy save and except for the workmen employed in our unit at Kutch. We do not have any group accident insurance policy or mediclaim policy for our employees. We have also not taken any key man insurance policies for any of our key managerial personnel and we also do not maintain any product liability insurance or insurance for business interruption. Further, we do not maintain any insurance policies for our branch offices.

Human Resources

We have experienced Promoters and management whom we rely on to anticipate industry trends and capitalise on new business opportunities that may emerge. We believe that a combination of our reputation in the market, our working environment and competitive compensation programs allow us to attract and retain these talented people. Our senior management team consists of experienced individuals with diverse skills in manufacturing, engineering, international business and finance. Our principal corporate office housed in Kolkata conducts the administrative and reporting activities for us.

Hiring and recruiting

We have approximately 2,569 employees as of August 31, 2007. Out of 2,569 employees, approximately 586 employees are employed outside India, for our international operations through our Subsidiaries. In addition to our whole time employees, we also use the services of contract labour for production activities which have been in the range of approximately 50 to 1000 on any given day depending on the plant requirements. Out of the 2,569 employees, approximately 1,840 employees are directly involved in production activities.

Our success depends to a great extent on our ability to recruit, train and retain high quality professionals. Accordingly, we place special emphasis on the human resources function in our organization. Our personnel policies are aimed towards recruiting the talent that we need, to facilitate the integration of our employees into the Company and to encourage the development of their skills in order to support our performance and growth in our operations. We have not experienced any significant labour related problems or disruptions and our management considers its relations with employees to be good. We seek to adopt an open culture and a participative management style, to enable us to maximize the benefits from the knowledge and skills of our management.

Training and development

We place special emphasis on the training of our employees to enable them to develop their skills and to meet changing requirements. We focus on an initial learning programme for our trainees as well as continuous learning programmes for all our employees. As a part of our strategy to improve operational efficiency, we regularly organise in-house and external training facilities for our employees. Various training programs are organised to enhance the skills of both new and the existing employees. Performance appraisal is conducted through ‘Central Appraisal Committee’ which reviews each employee’s performance, identifying the efficient and recommending further training for others.

We make special efforts to provide hands on training to new recruits in various operational areas covering technical as well as managerial aspects. This takes into account, competencies required in their respective roles. For senior managers recruited through the lateral route, the senior management organizes in-house induction and orientation programmes. We regularly nominate employees to attend training seminars and symposia organized by State Productivity Council, various chambers of commerce and professional institutions.We are now working on a suitable career planning model for proficient employees to encourage them to grow within the organization and, in turn, contribute to organizational goals.

Two of our employees were sent to Japan for an In-plant training in aluminium alloy manufacturing at Ahresty Ltd in May, 2007. Some of the recent in- house training programs conducted by us are detailed below:

Date	**Subject**	**Trainers**	**Participants**
November 14, 2007	MAS – The Manaksia Accounting System	Navneet Manaksia &	Accounts personnel from head office and from all our

		Sanjay Bararia (in-house)	plants in Bengal.
July 22, 2007	Effective Interface with Changing Environment – A participative training programme	R.N. Sengupta (in-house)	The various departmental heads
May 19, 2007	"Managerial Effectiveness"	Dr. Siddhartha Ganguly (external)	All Managers
April 10, 2007	Functional Programme on marketing of Aluminium products	Varun Agrawal & P.B. Kar (in-house)	The marketing team for Aluminium

Unions

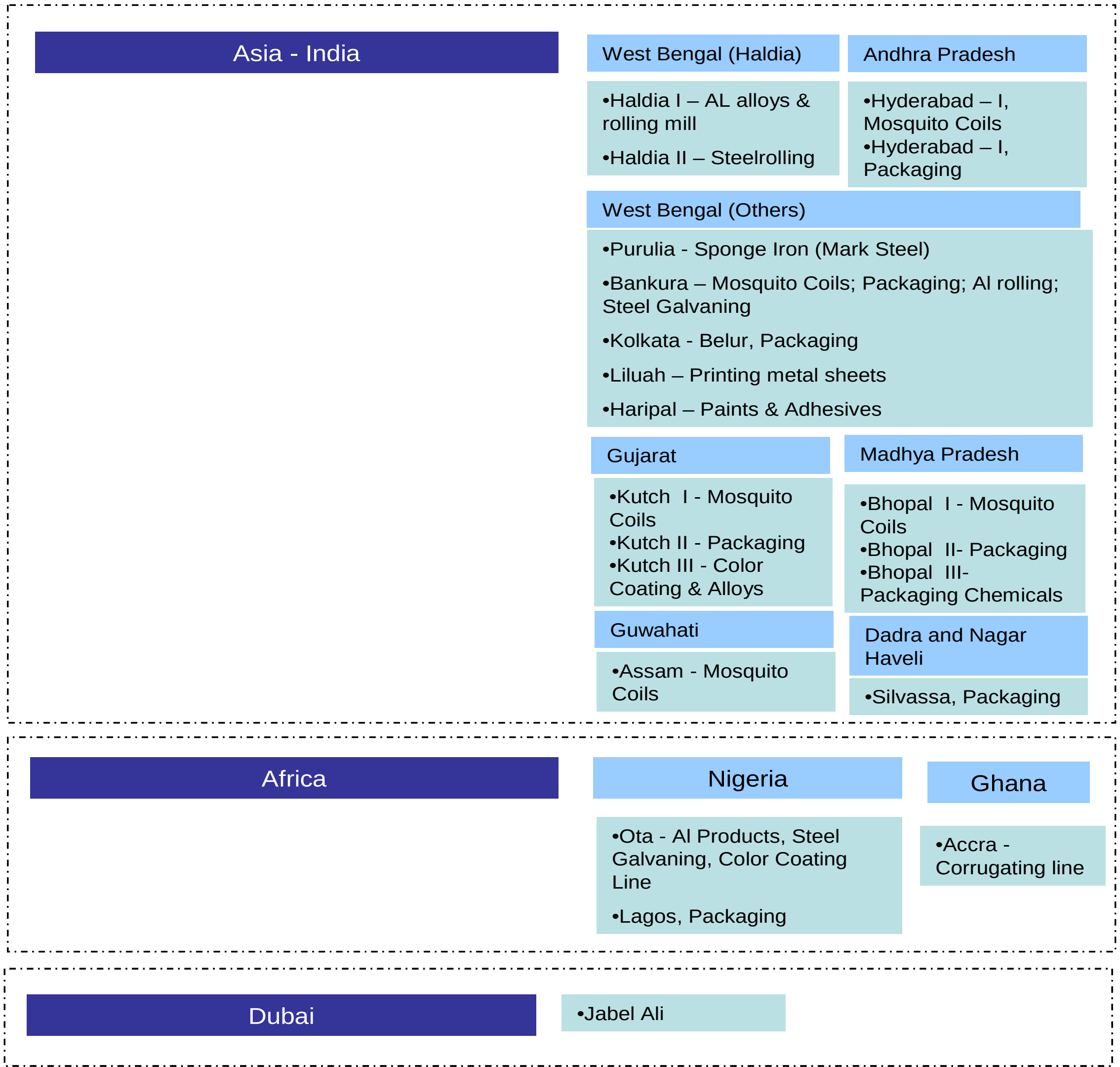
We have trade unions at some of our factories in Bhopal, Madhya Pradesh; Hyderabad, Andhra Pradesh and in Bankura, Liluah and Ghusuri in West Bengal viz. Manaksia Closures Employee Union, Mandideep, Bhopal; Manaksia Mazdoor Sangh, Hyderabad; Manaksia Limited Employee Union (C.I.T.U.); Manaksia Limited Shramik Union (I.N.T.U.C.); Howrah Metal and Sheet Engineering Workers Union (unit at Liluah); and Howrah Sheet and Metal Engineering Workers Union, Ghusuri-Howrah.

In the Nigerian units of MINL, collective bargaining is carried out between the Association of Metal Products, Iron & Steel Employers of Nigeria (AMPISEN), which is the collective organisation representing the employers, and the Steel and Engineering Worker's Union of Nigeria (SEWUN), Metal Products Senior Staff Association of Nigeria (MEPROSSAN) and Iron and Steel Senior Staff Association of Nigeria (ISSSAN), representing the workers/employees. The collective agreement specifies the wages and all the various allowances for the different categories of staff. The units are members of AMPISEN and are hence bound by the terms of the agreement. There is no bargaining at the unit level.

Health, Safety and Environment

Our activities in India, Nigeria and Ghana are subject to wide range of government rules and regulations regarding health, safety and environment protection. We are committed to protecting the health and safety of employees and contractors working in our factories, people who come in contact with our operations and the heath and sustainability of the environment in which we operate. For example, air curtains and positive air pressure are used in our crown manufacturing units to preserve a dust free environment and the workers in our manufacturing units are provided with helmets, protective shoes and ear muffs. We have utilized renewable energy generating devices like biomass gasifiers for thermal application, thereby saving on fossil fuels and reducing pollution. Solar panels are also being used for power generation.

Property



We have immovable properties at our manufacturing units for the purpose of our business. The properties are held either on a freehold or on a leasehold basis. A snapshot of production facilities is provided:

Set forth below is a summary of immovable properties related to our manufacturing units: -

S.N.	Unit	Location	Property Rights
1.	Bankura	Plot No.471 Birsinghapur P.O. & P.S. Barjora, Pin 722202	Freehold
2.	Belur	15 B.K. Pal Temple Road, Howrah	Tenanted
3.	Liluah	12, Duffer Street	Freehold

S.N.	Unit	Location	Property Rights
		Howrah 711202	
4.	Haripal	Brahmanpara, P.S. Haripal Hooghly	Long term Leasehold
5.	Haldia	Vill & P.O. Bhuniya, Raichak, Haldia	Freehold
6.	Salkia	71/3 Dharmatolla Road, Salkia, Howrah	Leasehold
7.	Assam	EPIP Amingaon Guwahati	Long term Leasehold
8.	Hyderabad	(a) Shree Venkateswara Co-operative Industrial Area Plot No. 125 IDA, Vill. Bollaram (crown unit) (b) Shree Venkateswara Co-operative Industrial Area Plot No. 25 and 24A (c) 45 C Phase I, Jeedimetla , Hyderabad	Freehold Freehold Long term Leasehold
9.	Silvassa	161/2, Vill. Khutli Via Kanvel, Dhudni Road, Silvassa	Freehold
10.	Bhopal	(a) Plot No. 16 New Industrial Area II, Mandideep (b) Plot No. 15 New Industrial Area II, Mandideep (c) Plot No. 9 & 12 New Industrial Area II, Mandideep	Long term Leasehold Long term Leasehold Long term Leasehold
11.	Kutch	Survey No. 396, Chandrani Taluka, Anjar, Kutch	Freehold

Details of offices and other properties

Set forth below are the details of the properties in which our offices are located: -

S.N.	Location	Address	Property Rights
1.	Kolkata	8/1 Lal Bazar Street, 3rd floor, Kolkata 700001	Leasehold
2.	Bangalore	38, 17th Cross Maleshwaram, Bangalore 560055	Leasehold
3.	Hyderabad	38 Sunder Nagar, Hyderabad 400093	Leasehold
4.	New Delhi	W-113, Flat No. S-3 2nd floor Greater Kailash-II, New Delhi	Leasehold
		W-113, Flat No. S-4 2nd floor Greater Kailash-II, New Delhi	Leasehold
5.	Chennai	14, Justice Jumbulingam Road, Flat No. B-3, Jay Jay Terrace, Mylapore, Chennai	Tenanted

S.N.	Location	Address	Property Rights
		600004	
6.	Mumbai	24, Damji Shamji Industrial Complex, Mahakali Caves Road, Andheri (E), Mumbai	Leasehold
7.	Hyderabad	MCH No. 57 on plot number 7-1-644/60 situated in Sundar Nagar Colony, Sanjeeva Reddy Nagar, Post Office Hyderabad 500038	Leasehold
8.	Faridabad	Railway crossing, Sohna Road, Sector 25, Faridabad.	Tenanted
9.	Assam	PJK-C-4C at block C, 4th floor, Pragjyotis Apartment situated at Anandanagar By Lane 3 G.S. Road Guwahati -5, Kamrup district, Assam	Tenanted
		Pramod Deepalay, 1st Floor, Maligaon, Boripara, Guwahati 781031	Leasehold

Intellectual Property

Intellectual Property Rights ('IPR') are not critical for the industrial segments that we are present in. We have established certain processes which provide us with a competitive edge but we have not registered such processes. Further, we do not own the trademark "Manaksia". For our business segments, the status of various intellectual property rights is as follows:

Metal Products

- We are the registered proprietor of the trademark "5 STAR SUPER SHAKTI" and the star logo for use in respect of sheet material including corrugated sheet. The registration is valid for a period of ten years till September 16, 2013.
- An application for registration of "5 STAR SUPER SHAKTI" and the star logo for use in respect of building materials excluding hardware has also been made to the Trade Marks Registry, Kolkata.
- Our Nigerian subsidiary, MINL has also registered the trademark "SUMO".

Packaging - Metals

We have made applications for registration of the word 'M'(logo) for non metallic containers, closures, non-metallic caps for bottles and containers and another application for registration of the same mark in respect of metal containers and closures, container and bottle caps of metals.

Legal Proceedings

We are involved from time to time in litigation incidental to our business. While we cannot predict the outcome of any pending or future litigation, examination or investigation, based on the amounts sought in pending actions against us and our history of resolving litigation matters in the past, as well as the advice of legal counsel, we do not believe that any pending legal matter will have a material adverse effect on our business, financial condition or results of operations.

For further details, please see the section titled "Outstanding Litigation and Material

Developments” on page 223 of this Red Herring Prospectus for a more comprehensive discussion of this disputes and a detailed list of legal proceedings in which we are involved.

Restrictive Covenants under our Loan Agreements

We have entered into agreements with various banks and financial institutions for short term loans and long term borrowings. These agreements contain certain restrictive covenants, some of which require the prior permission of the banks and financial institutions, inter-alia pertain to the declaration of dividends, alteration of the capital structure, undertaking of any new project or making investments or taking assets on lease, creation of any encumbrance on the assets given as security, change in the key personnel and any change in the constitutional documents.

For further details, please see the section titled “Financial Indebtedness” on page 136 of this Red Herring Prospectus for a more comprehensive discussion on the restrictive covenants under our loan agreement.

REGULATIONS AND POLICIES

In carrying on our business as described in the section titled "Our Business" on page 63 of this Red Herring Prospectus, our Company and the Subsidiaries are regulated by the following legislations in India. Further, for the purposes of executing the work undertaken by our Company or the Subsidiaries, we are required to obtain licenses and approvals under the prevailing laws and regulations applicable in the relevant state and depending upon the type of project. For details of such approvals, please see the section titled "Government and other Approvals" on page 244 of this Red Herring Prospectus.

The regulations set out below are not exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

a. Regulation of Manufacturing Sector

The primary central legislation governing the manufacturing sector is the Factories Act, 1948. In addition, compliance also has to be ensured with various labour related legislations, including the Payment of Wages Act, 1956, The Minimum Wages Act, 1948, The Employees State Insurance Act, 1948, The Contract Labour (Regulation and Abolition) Act, 1970, Workmen's Compensation Act, 1923, Payment of Gratuity Act, 1972 Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Employees' State Insurance Act, 1948 Inter State Migrant Workers Act, 1979 Payment of Bonus Act, 1965 and The Shops And Establishment Acts as applicable in each state.

Factories Act, 1948

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires *inter alia* the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

b. Environmental Regulations

We have to comply with the provisions of the Environment Protection Act, 1986, Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Waste (Management and Handling) Rules, 1989. Entrepreneurs are required to obtain statutory clearances relating to pollution control and environment for setting up and operation of an industrial project.

Water

The discharge of industrial effluents is regulated by the Indian Standard code. In addition to the general standards, certain specific standards have been developed for effluent discharges from certain industries which specifically include aluminium. Legislations to control water pollution are listed below:

Water (Prevention and Control of Pollution) Act, 1974 prohibits the discharge of pollutants into water bodies beyond a given standard, and lays down penalties for non-compliance. NOCs are required under this act for an industry to operate.

Water (Prevention and Control of Pollution) Cess Act, 1977 provides for a levy and collection of a cess on water consumed by industries and local authorities. It aims at augmenting the resources of the central and state boards for prevention and control of water pollution.

Air

Under the *Air (Prevention and Control of Pollution) Act, 1981* establishing or operating any industrial plant in the pollution control area requires consent from state boards. National Ambient Air Quality Standards (NAAQS) for major pollutants were notified by the CPCB in April 1994. The NAAQS has also developed industry specific standards for the aluminium industry.

Hazardous wastes

There are several legislations that directly or indirectly deal with hazardous wastes. The relevant legislation include the Hazardous Wastes (Management and Handling) Rules, 1989, Public Liability Insurance Act, 1991, the National Environment Tribunal Act, 1995 and some notifications under the Environmental Protection Act of 1986.

Hazardous Wastes (Management and Handling) Rules, 1989, provides guidelines for manufacture, storage and import of hazardous chemicals and for management of hazardous wastes. Schedule I of the said Rules lists out the primary and secondary production of aluminium as a process that generates hazardous waste and therefore requires compliance under these Rules.

c. Other Legislations

Customs Act, 1962 and Rules there under relating to import of PVC granules and Tin free steel

The Customs Act, 1962("Customs Act") provides that all importers must file a bill of entry or a cargo declaration, containing the prescribed particulars for entry of customs clearance. Additionally, a series of other documents relating to the cargo are to be filled with the appropriate authority. After registration of the bill of entry, it is forwarded to the concerned appraising group in the custom house. This is followed by an assessment by the assessing officer in order to determine the duty liability. Further, all imported goods are examined for verification of correctness of description given in the bill of entry. Post- assessment, the importer may seek delivery of the goods from the custodians.

Central Excise Regulations

Excise Duty is imposed on goods produced or manufactured in India under the provisions of the Central Excise & Tariff Act, 1985.

The Insecticides Act, 1968

The Insecticides Act, 1968 was put into force to regulate the import, manufacture, sale, transport, distribution and use of insecticides with a view to prevent risk to human beings or animals, and for matters connected therewith. Mosquito repellent coil production comes under the purview of the Insecticides Act, 1968, due to the use of insecticides mentioned in the schedule under this legislation.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as Hindusthan Seals Limited on December 27, 1984. We subsequently changed the name of our Company to Manaksia Limited pursuant to a resolution of the shareholders passed at an EGM on May 2, 2000. The fresh certificate of incorporation consequent upon change of name was granted to our Company on December 4, 2003. The Equity Shares of our Company were listed on August 20, 1986 on the CSE.

Changes in Registered Office:

Since incorporation, the Registered Office of our Company has changed to the present address at 8/1 Lalbazar Street Kolkata 700001 as the space in the earlier registered office address was inadequate. The details of the change are provided in the table below: -

Date of Board resolution	Change in address of the Registered Office
December 19, 1994	The registered office of our Company was shifted from 95/1 Dharmatolla Street to 8/1 Lalbazar Street Kolkata 700001

Major Events

Fiscal Year	Incorporation and Merger	Setting up of facilities	Other events
1985	Incorporated by Basant Kumar Agrawal, Suresh Kumar Agrawal, Basudeo Agrawal, Mahabir Prasad Agrawal, Devi Naraian Arora, Sushil Kumar Agrawal and Amitava Ghosh		
1986	Took over the running proprietorship business of M/s Hindustan Seals engaged in the manufacture and marketing of ROPP caps from Basant Kumar Agrawal, one of the directors of our Company as a going concern	Started manufacturing Cherry Blossom containers for Reckitt Benckiser (India) Limited	
1987			First public issue of 120,000 equity shares of Rs. 10/- each at par
1996	The subsidiary in Nigeria under the name Manaksia Industries (Nigeria) Limited was incorporated. The scheme of amalgamation of R.K.		

Fiscal Year	Incorporation and Merger	Setting up of facilities	Other events
	Aluminium Limited, Manaksia Containers Limited, Auro Enterprises Limited and Mandwara Polymer Chemie Limited with our Company was sanctioned by the High Court at Calcutta.		
1999		Commenced manufacture of mosquito coils for Reckitt Benckiser (India) Limited on a trial basis	
2000	The scheme of amalgamation of Manaksia Crowns Limited, Manaksia Closures Limited, Kunststoff Polymers Limited with our Company was sanctioned by the High Court at Calcutta and Jabalpur	Mosquito coil factories was set up by our Company in Bhopal and Bankura	
2002	Subsidiary in Ghana under the name Dynatech Industries Ghana Limited was incorporated	Aluminum rolling mill was set up by our Company in Bankura	The name of the Nigerian subsidiary was changed to MINL Limited
2002	Mark Steels Limited, a wholly owned subsidiary was set up to manufacture sponge iron		
2003		• Launched GP/GC sheets • Launched aluminium profiled sheets • Started manufacturing Sponge Iron at Purulia (February 2003)	
2004		• Started manufacturing aluminium alloy ingots in Bankura • Started aluminium alloy ingot and galvanising plant in Nigera – Ota (July 2003)	Name of our Company changed to Manaksia Limited
2005		• Started Haldia Aluminium Rolling Plant (March 2005) • Expanded Sponge Iron manufacturing capacity at	

Fiscal Year	Incorporation and Merger	Setting up of facilities	Other events
		Purulia (November 2005)	
2006	• Set up Euroasian Ventures FZE – A 100% fully owned subsidiary company in Jebel Ali Free Zone, UAE for carrying on activities in non-ferrous metal alloys	• Started manufacturing wide corrugated sheets • Started manufacturing 12 hour mosquito coils • Started Haldia Aluminium Alloy Plant (August 2005) • Started Kutch Plant (December 2005) • Started MS Ingots plant in Purulia (March 2006)	
2007	The amalgamation of Paramount Containers Limited and Spark Exports Limited with our Company sanctioned by the High Court at Calcutta	• Started Colour coating plant in Nigeria – Ota (November 2006)	

Our Main Objects

Our main objects as contained in our Memorandum of Association are:

1. To carry on the business of manufacturers, buyers, sellers, dealers, exporters, importers, of pilferproof caps, screw caps, R.O.P.P. caps, B.T. caps, tear-down caps, tear-off caps, crown closures and other sorts of bottle caps and closures, all sorts of washers, wads for caps (i.e. cork, foil, board, rubber, P.V.C., synthetic compounds), aluminium sheets, caps, foils, scraps & sheet cuttings, tin sheets, scraps and cuttings, black plates, tin free steel (TFS), PCRC, cork sheets and to deal in and manufacture tin containers, aluminium containers, collapsible tubes and all sort of metallic or non-metallic containers, cans, boxes, drums, cylinders, packaging and receptacles of all kinds and to undertake metal printing, coating, varnishing, printing, designing, enamelling, electro-plating, engraving or otherwise decorating the aforesaid products or any of such products or articles and to act as packers.

2. To carry on the business of manufacturers, buyers, sellers, dealers, exporters, importers of bags, containers, boxes, bottles, cans, drums, cylinders, packagings, receptacles, wrappers and other packing materials of tin, aluminium, alloy, metal, glass, paper, board, timber plywood, card board, veneer, cloth, leather, jute, gunny, hessian, fibre, plastic, synthetic and other materials.

3. To carry on the business of manufacturing, buying, selling, exporting, importing, exchanging, altering, improving, manipulating, recovering and dealing in polymers, resins, plastisols, adhesive, moulding powders, printing inks, their letter dated lacquers, varnishes, coatings, plasticisers, solvents, additives, pigments, dyes, colours, paints, enamels, distemper, polishes, spirits and other chemicals, components and product of similar nature and also to undertake making of and dealing in plates, blocks, films, bromidies and other materials and machineries used in the process of all types of printing.

4. To carry on the business of manufacturers, buyers, sellers, dealers, importers and exporters of pesticides, insecticides, fungicides, weedicides and germicides, detergent, washing, preparations, soaps, toiletries, aerosols, freshners.

5. To carry on the business of generating synthetic fuel/gas from the gasification of rice husk, wood, coal or any such a solid bio mass fuel for direct thermal application and/or for generation of power meant for industrial use.

Our objects also include the following: -

To carry on the business of founders of all metals and metal compounds, ferrous and non ferrous metal workers, manufacture of steel metal including ferrous and non ferrous, special alloy steel, spring steel etc.

Changes in Memorandum of Association

Since our incorporation, the following changes have been made to our Memorandum of Association:

Date	Nature of Amendment
August 1, 1995	The Memorandum of Association of our Company was altered by inserting sub-clause 22 in clause III(C): To carry on all kinds of business of designers, manufacturers, processors, assemblers, dealers, traders, distributors, importers, exporters, agents, consultants, system designers and contractors for erection and commissioning on turn key basis or to deal in any other manner including storing, packing, transporting , converting, repairing, installing, training, servicing with regard to generating, accumulating, transmitting, distributing and supply of wind power and for all other purposes for which power energy can be employed and to manufacture and deal in all apparatuses with the generation, distribution, supply, accumulation and employment of wind power.
September 30, 1995	The Memorandum of Association of our Company was altered by inserting the following new sub-clause 3 in clause IIIA: To carry on the business of manufacturing, buying, selling, exporting, importing, exchanging, altering, improving, manipulating, recovering and dealing in polymers, resins, plastisols, adhesive, moulding powders, printing inks, lacquers, varnishes, coatings, plasticizers, solvents, additives, pigments, dyes, chemicals, components and product of similar nature and also to undertake making of and dealing in plates, blocks, films, bromidies and other materials and machineries used in the process of all types of printing.
February 7, 2000	The Memorandum of Association of our Company was altered by inserting the following new sub-clause 4 in clause III (A) of the Memorandum of Association of our Company: To carry on the business of manufacturers, buyers, sellers, dealers, importers and exporters of pesticides, insectidies, fungicides, weedicides and germicides, detergent, washing preparations, soaps, toileteries, aerosols and freshners.

Date	Nature of Amendment
February 7, 2000	The authorised share capital of our Company was increased from Rs. 5,000,000/- to Rs. 10,000,000/- by creation of Rs. 500,000 further Equity Shares of Rs. 10/-each, ranking pari passu with the existing Equity Shares and clause V of the memorandum of Association was altered accordingly.
May 2, 2000	Resolution for change of name of our Company from Hindusthan Seals Limited to Manaksia Limited was passed. Fresh certificate of incorporation was granted to our Company by ROC on December 4, 2003.
January 24, 2001	Clause III of the Memorandum of Association of our Company was altered by inserting the following new sub-clause 5 in clause III (A): To carry on the business of generating synthetic fuel/gas from the gasification of rice husk, wood, coal or any such solid bio mass fuel for direct thermal application and/or for generation of power meant for industrial use.
December 26, 2002	Change in authorised share capital from Rs. 10,000,000 to Rs. 110,000,000.
September 12, 2006	Alteration of authorised share capital from Rs. 110,000,000 to Rs. 165,000,000 divided into 14,000,000 Equity Shares of Rs. 10 each and 1,250,000 Preference Shares of Rs. 20 each.
September 28, 2006	Alteration of authorised share capital from Rs. 165,000,000/- divided into 14,000,000 Equity Shares of Rs. 10/- each and 1,250,000 Preference Shares of Rs. 20/- each to Rs. 165,000,000/- divided into 70,000,000 Equity Shares of Rs. 2/- each and 1,250,000 Preference Shares of Rs. 20/- each.

Subsidiaries

We have the following six (6) subsidiaries:

(i) MINL Limited
(ii) Dynatech Industries Ghana Limited
(iii) Mark Steels Limited
(iv) Crescent Industries (Nepal) Private Limited
(v) Euroasian Ventures FZE
(vi) Jebba Paper Mills Limited

Manaksia Limited

Line of Business	Metals Formation, Packaging, Mosquito Coils
FY 07 Revenue# (Rs.million)	8,342
FY 07 PAT# (Rs.million)	921

MINL | JPML | DIGL | EVF | MSL | CINPL*

% holding	100% by Manaksia	100% by MINL	100% by Manaksia	100% by Manaksia	100% by Manaksia	100% by Manaksia
Country	Nigeria	Nigeria	Ghana	Dubai	India	Nepal
Line of Business	Packaging, Metal Products	Paper Mill	Metal Products	Trading	Sponge Iron	Metal Products

*Operations discontinued since July 2006
#based on consolidated restated financial statements

(i) MINL Limited (**"MINL"**)

MINL was incorporated on August 23, 1995 under the Companies and Allied Matters Decree, 1990 to carry on the business, inter alia, of manufacturer, buyer, trader, seller, dealer, exporter and importer of all sort of bottle caps and closures, all sorts of washers, wads for caps, aluminium sheets, caps, foils, scraps and sheets curing, tin sheets, tin free steel and to deal in and manufacture tin containers, aluminium containers and all sort of metallic and non-metallic containers and to undertake metal-printing, coating, varnishing printing, designing, enamelling or otherwise decorating the product or acting as packers. The objects of MINL also comprise of carrying on the business of manufacturer, processors, dealers of aluminium sheets, non-ferrous metals, steels, alloy steel, special and stainless steels etc. The objects of MINL also permit it to produce, manfacture, purchase, refine, import, sell generally, deal in different alloys of aluminium sheets, circles, ingots, and other commercial and marketable products of aluminium including copper, brass, steel sheets, lead zinc and all kinds of metal and in connection therewith to acquire, construct establish, operate and maintain factories, quarries, workshops and other works. MINL has its registered office at 21/23 Abimbola Street, Isolo Industrial Estate, Isolo, Lagos.

Shareholding Pattern

MINL is a 100 % subsidiary of our Company. The equity shares of MINL are not listed on any stock exchange.

Board of Directors

The board of directors of MINL as of October 31, 2007 comprised of Mr. K. Purkayastha, Mr. A. Guha and Mr. M. K.A. Shobiye.

Financial Performance

The financial results for FY 2007, 2006, and 2005 are as follows: -

Naira in million

Particulars	FY 2007	FY 2006	FY 2005
Sales and Other income from operation	12529.14	8220.40	5846.59
Other Income	-	3.74	1.88
Profit/(Loss) after tax	1702.33	1263.10	602.56
Equity Capital	907.90	907.90	509.40
Reserves and Surplus (excluding revaluation reserves)	3577.46	2011.31	788.40
Earnings/(Loss) per share (diluted) (Naira)	1.88	1.39	1.18
Book Value per share (Naira)	4.93	3.22	2.55

(ii) Dynatech Industries Ghana Limited ("DIGL")

DIGL was incorporated on October 4, 2001 under the Companies Code, 1963 for carrying on the business of manufacturing, trading, dealing, exporting and importing all kinds and form of wrought, cast or scrap ferrous and non-ferrous metals including different categories of metal sheets such as plain aluminium, galvanised steel, building corrugated sheets of steel and aluminium, all kinds of metal, plastic/pvc, glass, paper, steel and composite packaging products, including aluminium caps, crown corks, bottles, closures, containers, collapsible tubes, laminates, cartons, pouches and washers/wads, etc., all kinds of chemicals, fungicide, insecticide, etc. The registered office of DIGL is located at 2nd floor, Cedar House, 13 Samora Machel Road, Asylum Down Accra, P.O. Box G.P. 242, Accra.

Shareholding Pattern

DIGL is a 100% subsidiary of our Company.

Board of Directors

The board of directors of DIGL as of October 31, 2007 comprised of Mr. Kamal Puri, Mr. Shirish Mehta and Mr. Vivek Khemka.

Financial Performance

The financial year of DIGL ends on December 31 of each CY. The financial results for CY 2006, 2005, and 2004 are as follows: -

Cedi in million

Particulars	CY 2006	CY 2005	CY 2004
Sales and Other income from operation	74069.28	42773.03	50699.31
Other Income	48.96	57.70	161.12
Profit/(Loss) after tax	2305.59	124.72	63.50
Equity Capital	8439.61	4370.77	4370.77
Reserves and Surplus (excluding revaluation reserves)	2114.46	-191.13	-315.85
Earnings/(Loss) per share (diluted) (in Cedi)	2731.86	285.36	145.30
Book Value per share (in Cedi)	12505.40	9562.71	9277.35

(iii) Mark Steels Limited ("MSL")

MSL was incorporated on August 23, 2001. Its registered office is located in 2A, Ganesh Chandra Avenue, Commerce House, Room No.1 1st floor, Kolkata 700013. MSL is engaged in the business of manufacture, dealing in and exporting all varieties of steel, pig iron, sponge iron etc.

Shareholding Pattern

MSL is a 100% subsidiary of our Company.

Board of Directors

The board of directors of MSL as of October 31, 2007 comprised of Mr. Umesh Kumar Jhunjhunwala, Mr. Ashish Jhunjhunwala and Mr. Navneet Manaksia.

Financial Performance

The financial results for FY 2007, 2006 and 2005 are as follows: -

Rs. in million

Particulars	FY 2007	FY 2006	FY 2005
Sales and Other income from operation	449.69	297.25	287.73
Other Income	11.34	1.28	0.00
Profit/(Loss) after tax	13.26	2.32	30.76
Equity Capital	30.00	30.00	30.00
Reserves and Surplus (excluding revaluation reserves)	50.11	36.85	34.52
Earnings/(Loss) per share (diluted) (Rs.)	4.42	0.77	10.25
Book Value per share (Rs.)	26.70	22.28	21.51

4. **Crescent Industries (Nepal) Private Limited ("CINPL")**

CINPL was incorporated on March 22, 2001. CINPL started commercial production in Fiscal Year 2005. The objects of CINPL are to produce push open type shoe polish containers and crowns closure, manufacture galvanised sheets, engage in wholesale and retail trade of goods produced by CINPL, etc. The registered office of CINPL was shifted from Bishal Bazar, Newroad, Kathmandu district to Biratnagar Sub-metropolitan City-4 Morang District. The operations of CINPL has been discontinued since July, 2006.

Shareholding Pattern

CINPL is a 100% subsidiary of our Company.

Board of Directors

The board of directors of CINPL as of October 31, 2007 comprised of Mr. Sunil Kumar Agrawal, Mr. Navneet Manaksia (*nee* Agrawal) and Mr. Nadia Basak.

Financial Performance

The financial results for FY 2007, 2006 and 2005 for CINPL are as follows: -

NRs in Million

Particulars	FY 2007	FY 2006	FY 2005
Sales and Other income from operation	99.00	105.72	15.04
Profit/(Loss) after tax	(26.29)	(48.84)	(17.65)
Equity Capital	152.00	152.00	152.00
Reserves and Surplus (excluding revaluation reserves)	(92.77)	(66.48)	(17.64)
Earnings per share (diluted) (in NRs)	-	-	-
Book Value per share (in NRs)	38.97	56.26	88.39

5. **Euroasian Ventures FZE ("EVF")**

EVF was incorporated on July 4, 2005 for trading in metals, minerals, chemicals, petrochemicals and related machinery. Its registered office is located at office no. LB 17234 P.O. Box No. 17707 Jebel Ali, Dubai, UAE.

Shareholding Pattern

EVF is a 100% subsidiary of our Company.

Board of Directors

The board of directors of EVF as on October 31, 2007 comprised of Mr. Amitava Ghosh Dastidar.

Financial Performance

EVF was incorporated in 2005. As such, the financial result for FY 2005 would not be available. The financial result for FY 2006 and 2007 are as follows: -

AED in million

Particulars	FY 2007	FY 2006
Sales and Other income from operation	68.50	34.85
Other Income	0.02	0.00
Profit/(Loss) after tax	9.23	4.15
Equity Capital	7.00	4.00
Reserves and Surplus (excluding revaluation reserves)	12.74	4.15
Earnings per share (diluted)	1.32	1.04
Book Value per share	2.82	2.04

6. **Jebba Paper Mills Limited** ("**JPML**")

JPML was incorporated on July 14, 2006 for carrying on, *inter alia*, the business of manufacturing and dealing with all kind of articles made from paper or pulp, including cardboard, mill boards, wall and ceiling papers and packing of every description. Its registered office is located at 21/23, Abimbola Street, Isolo Industrial Estate, P.O. Box No. 9024, Ikeja, Lagos, Nigeria.

Shareholding Pattern

JPML is a 100% subsidiary of MINL.

Board of Directors

The board of directors of JPML as on October 31, 2007 comprised of Mr. K. Purkayastha Mr. A. Guha and Mr.A. N. Jha.

Financial Performance

JPML was incorporated during the Fiscal 2007 and does not have any operating income as per the Statement of Affairs for FY 2007.

Summary of Key Agreements

We have detailed below a summary of certain key schemes/ agreements/memorandum of understanding entered into by our Company for the purpose of acquisition/strategic investment: -

Agreement dated February 23, 2000 entered into by our Company with Mr. Mahabir Prasad Agrawal, proprietor of Howrah Sheet and Engineering ("Firm") for acquisition of the ROPP cap manufacturing division of the Firm

Our Company had entered into an agreement dated February 23, 2000 with Mr. Mahabir Prasad Agrawal, proprietor of the Firm whereby Mr. Mahabir Prasad Agrawal had transferred to our Company, the business of ROPP cap manufacturing carried on by the Firm with all the beneficial interest and goodwill along with all the assets, liabilities,contracts and engagements.

Agreement dated February 23, 2000 entered into by our Company with Mr. Basudeo Agrawal, proprietor of Hindusthan Sheet and Metal Works for acquisition of its ROPP cap manufacturing division

Our Company had entered into an agreement dated February 23, 2000 with Mr. Basudeo Agrawal, proprietor of Hindusthan Sheet and Metal Works. Pursuant to the agreement, Mr. Basudeo Agrawal had transferred the business of ROPP cap manufacturing division carried at its office at 8B Lal Bazar Street, Kolkata 700001 and factory at 11/1, B.K. Pal Temple Road, Belur, Howrah with all the beneficial interest and goodwill along with all the assets and liabilities and contracts and engagements to our Company.

Agreement dated November 13, 2000 between Mr. Navneet Manaksia, proprietor of Kalitara Werkzeug Machinen and our Company

Pursuant to the agreement dated November 13, 2000 entered into between Mr. Navneet Manaksia, proprietor of Kalitara Werkzeug Machinen and our Company, our Company had acquired the entire trade and business, of Kalitara Werkzeug Machinen carried on at its office located at 8B Lal Bazar Street, Kolkata 700001 and at the factory at 71/3 Dharmatolla Road, Salkia, Howrah with all the beneficial interest and goodwill and all the assets and liabilities, contracts and engagements including tenancy rights and benefits.

Amalgamation of R.K. Aluminium Limited, Manaksia Containers Limited, Auro Enterprises Limited and Mandwara Polymer Chemie Limited with our Company

Our Company had entered into a scheme of amalgamation with R.K. Aluminium Limited ("**Transferor Company No.1**"), Manaksia Containers Limited ("**Transferor Company No.2"**), Auro Enterprises Limited ("**Transferor Company No. 3**") and Mandwara Polymer Chemie Limited ("**Transferor Company No. 4**") which was sanctioned by the Hon'ble High Court at Calcutta on May 18, 1995 and became effective from April 1, 1994. Upon sanction of the scheme, our Company allotted to the shareholders of Transferor Company No.1 and Transferor Company No.2, one (1) Equity Share of Rs. 10 each of our Company credited as fully paid up for every five

(5) equity shares of Rs. 10 each fully paid up and held by them in the respective Transferor Company No. 1 and Transferor Company No.2. Our Company allotted to every shareholder in Transferor Company No. 3, twenty five (25) Equity Shares of Rs. 10 each for each share of Rs. 100 each held by the shareholder in the Transferor Company No. 3. Our Company allotted to every shareholder in Transferor Company No. 4, three (3) Equity Shares of Rs. 10 each for each share of Rs. 100 each held by the shareholder in the Transferor Company No. 4. The value of the Equity Shares allotted aggregated to Rs. 901,960. As a result of the said scheme of amalgamation, our Company acquired the entire undertaking of the Transferor Company No.1, Transferor Company No.2, Transferor Company No.3 and Transferor Company No.4 along with the assets and liabilities.

Amalgamation of Manaksia Crowns Limited, Manaksia Closures Limited, Kunstoff Polymers Limited with our Company

Our Company had entered into a scheme of amalgamation with Manaksia Crowns Limited ("**MCL**"), Manaksia Closures Limited ("**MCLL**") and Kunstoff Polymers Limited ("**KPL**") which was sanctioned by the Hon'ble High Court at Calcutta on August 3, 1999 and by the Hon'ble High Court of Judicature at Jabalpur on July 30, 1999 and became effective from April 1, 1997. Upon the sanction of the scheme, our Company allotted to the shareholders of MCL, five (5) Equity Shares of Rs. 10 each of our Company credited as fully paid up for every one (1) equity share of Rs. 100 each fully paid up and held by them in MCL. Our Company allotted to every shareholder in MCLL, three (3) Equity Shares of Rs. 10 each fully paid up, for every five (5) equity shares of Rs. 10 each fully paid up, held by such shareholder in MCLL. Our Company allotted to every shareholder in KPL, two (2) Equity Shares of Rs. 10 each for twenty five (25) equity shares of Rs. 10 each fully paid up held by such shareholder in KPL. The value of the Equity Shares allotted, aggregated to Rs. 4,182,000. As a result of the said scheme of amalgamation, our Company acquired the entire undertaking of the Transferor Company No.1, Transferor Company No.2, and Transferor Company No.3 along with the assets and liabilities.

Amalgamation of Paramount Containers Limited and Spark Exports Limited with our Company

Our Company had entered into a scheme of amalgamation with Spark Exports Limited ("**SEL**") and Paramount Containers Limited ("**PCL**") which was sanctioned by the Hon'ble High Court at Calcutta on August 30, 2006. Pursuant to the scheme, our Company allotted to the shareholders of SEL, two (2) 5% optionally convertible non-cumulative redeemable preference shares of Rs. 20 each in our Company credited as fully paid up for every one equity share of Rs. 10 each fully paid up held by them in SEL. Our Company allotted one (1) 5% optionally convertible non-cumulative redeemable preference shares of Rs. 20 each in our Company credited as fully paid up to the shareholders of PCL for every one (1) equity share of Rs. 10 each fully paid up held by them in PCL. The value of the Preference Shares allotted aggregated to Rs. 23,740,000. As a result of the said scheme of amalgamation our Company acquired the entire undertaking of the SEL and PCL along with the assets and liabilities. The valuation of assets for amalgamation of PCL and SEL with our Company has been done by SRB & Associates. PCL and SEL were not part of the Promoter group before amalgamation with our Company.

Contract Agreement dated April 13, 2007 granted by Indian Railway Catering and Tourism Corporation Limited (IRCTC) to our Company for manufacture and supply of HDPE caps at Rail Neer plants at Nangloi and Danapur

Our Company has been awarded the contract for manufacture and supply of HDPE Caps for Rail Neer Plant, Nangloi and Rail Neer plant, Danapur. The award of the contract is for a period from

April 13, 2007 to February 15, 2009 subject to the provisions for earlier termination. IRCTC also reserves the right to stop taking supply of any item or reduce its quantity to any extent during the currency of the contract.

Manufacturing Agreement with Jyothy Laboratories Limited dated August 16, 2004 for manufacture of mosquito coils under the brand name MAXO

Our Company has entered into a manufacturing agreement dated November 20, 2006 for manufacture and sale to Jyothy Laboratories Limited ("**JLL**") on a principal to principal arrangement, mosquito coils under the brand name "MAXO". This agreement shall be in force for a period of three (3) years commencing from November 21, 2006 and ending on November 20, 2009, which shall be renewable by mutual consent for further period of a block of three (3) years at a time.

The agreement provides that our Company shall indemnify JLL against all suits, proceedings, demands, damages, expenses of whatsoever nature made or suffered or incurred by JLL by reasons of non-performance or non-observance of the terms and conditions of the agreement. However, our Company will not be liable, if the product conforms to the standards stipulated by JLL and JLL shall keep our Company indemnified against any damages which may be suffered by our Company. The agreement further provides that our Company shall indemnify JLL against any loss incurred by JLL due to problems relating to active content in the supplies made by our Company. Our Company is under an obligation to indemnify JLL also against all penalties, losses arising out breach of the applicable laws by our Company.

JLL has pursuant to this agreement authorised our Company to affix the trademark "MAXO" or any other trademark on the products agreed to be sold by our Company under this agreement.

The agreement contains a confidentiality clause which provides that our Company shall not use the said know-how, information and data for any purpose and shall not disclose the same to any party without the prior approval of JLL except in certain cases as mentioned in the agreement.

Manufacturing Agreement with Eveready Industries India Limited

Our Company has entered into a manufacturing agreement dated December 19, 2005 with Eveready Industries Limited ("**Eveready**") for manufacturing on a principal to principal arrangement, mosquito coils under the brand name 'Eveready Poweron' for a period of three (3) years commencing from December 20, 2005 and ending on December 19, 2008. The Agreement shall be renewable by mutual consent for such further period of three (3) years at a time. The quantity to be bought and the price of the product would be mutually agreed between the parties.

Liability of our Company will be limited to manufacturing defects only including deficiencies of product quality and packaging of product. Eveready grants authority to our Company to affix the trademark "POWERON" or any other mark as may be authorised by Eveready on the product manufactured pursuant to this agreement.

The agreement provides that our Company will indemnify and keep Eveready indemnified against all losses arising as a result of breach of applicable laws.

The agreement contains confidentiality clause which provides that any data provided under the agreement shall be confidential and shall not be disclosed to any third party during the term of the agreement or upon termination.

Manufacturing agreement with Dabur India Limited dated October 10, 2006 for manufacture of mosquito coils under the brand name ODOMOS

Our Company has entered into an agreement dated October 10, 2006 for manufacture of mosquito coils under the trademark "ODOMOS" on a non exclusive basis. The agreement is valid for a period of two (2) years from the date of first commercial production and may be extended for such further periods, on the same or on such terms as may be mutually agreed by the parties. Either party is entitled to terminate the agreement by giving three (3) months notice in writing to the other party and without assigning any reasons whatsoever. Liability of our Company shall be restricted to manufacturing defects only. Products once despatched from the factory of our Company shall be deemed to have been of acceptable quality and specifications provided our Company holds itself accountable for problem relating to the active ingredient and manufacturing defects even after the goods are despatched.

Dabur India Limited grants authority to our Company to affix the trademark "ODOMOS" or any other mark as may be authorised by Dabur India Limited on the product manufactured pursuant to this agreement.

The agreement contains a confidentiality clause which provides that any data provided under the agreement shall be confidential and shall not be disclosed to any third party during the term of the agreement or upon termination.

Manufacturing Agreement with Anmol Industries Private Limited ("AIPL") dated September 1, 2006 for manufacture of mosquito coils under the brand name TARGET

Our Company has entered into a manufacturing agreement dated September 1, 2006 for manufacture and sale to AIPL on a principal to principal arrangement, mosquito coils under the brand name "TARGET". This agreement shall be in force for a period of three (3) years commencing from September 1, 2006 and ending on August 31, 2009 and shall be renewable by mutual consent for further period of a block of three (3) years at a time.

Liability of our Company shall be restricted to manufacturing defects only. AIPL has pursuant to this agreement authorised our Company to affix the trademark "TARGET" or any other trademark as AIPL may authorise on the product agreed to be sold by our Company under this agreement.

The agreement provides that our Company shall indemnify AIPL against all penalties, expenses and other liabilities incurred by AIPL on account of non compliance of the applicable laws.

The agreement contains a confidentiality clause which provides that any data provided under the agreement shall be confidential and shall not be disclosed to any third party during the term of the agreement or upon termination.

Know- How Agreement dated January 10, 2005 between our Company and MINL

Our Company has entered into a know-how agreement dated January 10, 2005, whereby our Company has agreed to provide technical assistance and cooperation for maintenance, exploitation and expansion of MINL's existing and/or future manufacturing units in Nigeria and for the sale of crown corks, ROPP closures, galvanised corrugated iron sheets, wrought aluminium products and non-ferrous alloy ingots in Nigeria or in international markets. A research and development program shall be undertaken by our Company and MINL to ensure the adaptation of technology involved to local conditions. Exchange of research findings shall be encouraged by and between both parties to enhance further the existing technical processes. Our Company shall also train all the Nigerian technicians employed by MINL both on the job and abroad to ensure that even after termination of the agreement, MINL can maintain its quality or production. Our Company shall also undertake a research and development program to ensure adaptation of technology involved to local conditions.

The agreement shall remain in force and effect until the end of the fifth year with effect from April 1, 2004 and subject to prior termination, will be renewed thereafter for successive periods of three (3) years subject to the approval of the National Office for Technology Acquisition and Promotion.

In consideration of the various services to be rendered by our Company to MINL under this agreement, MINL shall, (subject to the provisions of any Nigerian law for the time being in force or to any limitation which may be imposed by a constituted authority in Nigeria) pay to our Company, a know-how fee by way of remuneration. All payments shall be made in US Dollars.

OUR MANAGEMENT

Board of Directors

Under our Articles of Association, we cannot have fewer than 3 directors or more than 20 directors. We currently have 12 directors.

The following table sets forth the current details regarding our Board as of October 31, 2007:

S. N.	Name, Father's /Husband's name/Occupation/ Designation	Age	Address	Other Directorships
1)	Mr. Rabindra Nath Sengupta S/o Late Rajendra Nath Sengupta Occupation: Retired Designation: Chairman DIN: 00441359	68 years	20/4 Northern Avenue, Kolkata 700037	None
2)	Mahabir Prasad Agrawal S/o. Late Jamuna Prasad Agrawal Occupation: Industrialist Designation: Non-executive Director DIN: 00524341	69 years	391 S.N. Roy Road, Kolkata 700038	a) Vinayak Enclave & Developer Private Limited b) Godson Exports Private Limited c) Newmech Manufacturing Company Private Limited d) Manaksia Steels Limited

S. N.	Name, Father's /Husband's name/Occupation/ Designation	Age	Address	Other Directorships
3)	Basant Kumar Agrawal S/o. Late Radha Kishan Agrawal Occupation: Industrialist Designation: Managing Director DIN:00520558	62 years	391 S.N. Roy Road, Kolkata 700038	a) Manaksia Steels Limited b) Arena Machineries Limited c) Agrim Steel Industries Limited
4)	Suresh Kumar Agrawal S/o Late Jamuna Prasad Agrawal Occupation: Industrialist Designation Whole time Director DIN: 00520769	54 years	391 S.N. Roy Road, Kolkata 700038	None
5)	Mr. Sushil Kumar Agrawal S/o Mr. Mahabir Prasad Agrawal Occupation: Industrialist Designation: Whole time Director DIN: 00091793	47 years	391 S.N. Roy Road, Kolkata 700038	a) Agrim Steel Industries Limited
6)	Mr. Sunil Kumar Agrawal S/o Mr. Mahabir Prasad Agrawal Occupation: Industrialist	45 years	391 S.N. Roy Road, Kolkata 700038	a) Manaksia Steels Limited b) Crescent Industries (Nepal) Private Limited

S. N.	Name, Father's /Husband's name/Occupation/ Designation	Age	Address	Other Directorships
	Designation: Whole time Director DIN: 00091784			
7)	Mr. Nadia Basak S/o Late K.P. Basak Occupation: Service Designation: Whole time Director DIN: 00441153	56 years	144/56 Dharmatolla Road, Salkia, Howrah	a) Crescent Industries (Nepal) Private Limited
8)	Mr. Debabrata Guha S/o Late Abinash Chandra Guha Occupation: Service Designation: Whole time Director DIN:00790197	76 years	Shakshi, 172 Block 'G' New Alipore, Kolkata 700053	None
9)	Dr. Kali Kumar Chaudhuri S/o Late Kishori Lal Chaudhuri Occupation: Profession Designation: Independent Director DIN: 00206157	62 years	179, B.B. Ganguly Street, Kolkata 700012	a) Sharda Plywood Industries Limited b) MSTC Limited
10)	Mr. Ajay Kumar Chakraborty S/o Late Amiya Kumar Chakraborty	62 years	S-10/2, DLF City Phase III, Gurgaon 122002	a) Vardhman Textiles Limited (formerly known as Mahabir Spinning Mills Limited)

S. N.	Name, Father's /Husband's name/Occupation/ Designation	Age	Address	Other Directorships
	Occupation: Retired Designation: Independent Director DIN: 00133604			b) Shreyas Industries Limited c) Lakshmi Precision Screws Limited d) Spectrum Power Generation Limited
11)	Prof. Alak Ghosh S/o Late Sudhir Kumar Ghosh Occupation: Professor (Teacher) Designation: Independent Director DIN: 01151628	77 years	V5 Vidyasagar Niketan, Salt Lake, Kolkata 700064	a) Marshall Sons & Company (India) Limited b) Hindusthan Engineering & Industries Limited
12)	Ms. Smita Khaitan W/o Mr Dipak Khaitan Occupation: Legal Practitioner Designation: Independent Director DIN:01116869	58 years	Mani Towers, Flat No.5 UB, 31/41, Binova Bhave Road, Kolkata-700038	None

Brief Profile of the Directors

Mr. Rabindra Nath Sengupta

Mr. Rabindra Nath Sengupta, 68, has a Masters degree in economics and is a certified associate of Indian Institute of Bankers (CAIIB). He worked with State Bank of India for thirty five years in several capacities before retiring as chief general manager. He worked as the chief executive (operations) with Peerless General Finance Company Limited after retirement from State Bank of

India for about one and half years. He has also been on the board of directors of SBI Capital Markets Limited for about one and half years. He has served as an ex-officio director in the board of Gujarat State Financial Corporation, Ahmedabad and Central Warehousing Corporation, New Delhi. He has also served as a governing body member of World Association of Small and Medium Scale Industries. He has been associated with our Company since 2001 and is presently the chairman of our Company.

Mr. Mahabir Prasad Agrawal

Mr. Mahabir Prasad Agrawal, 69, is a commerce graduate. He has been associated with our Company since graduation and commands over forty (40) years of experience in the packaging industry. He has been associated with our Company as a director since 1995. Presently, he is a non executive director of our Company.

Mr. Basant Kumar Agrawal

Mr. Basant Kumar Agrawal, 62, is a commerce graduate from the Calcutta University. He is the Promoter Director of our Company. He is a member of the executive committee of the Indian Chamber of Commerce and Bharat Chamber of Commerce. Due to his efforts, our Company has grown and has become a multilocation conglomerate with fifteen (15) manufacturing facilities in India and three (3) abroad. Presently, he is the managing director of our Company.

Mr. Suresh Kumar Agrawal

Mr. Suresh Kumar Agrawal, 54, has a bachelor degree in chemical engineering from the Punjab University. He has been associated with our Company since incorporation in the year 1984. He pioneered the in-house development of various lacquers, paints and adhesives used in the manufacture of our packaging products. He heads the marketing division of our Company as well as our Company's international operations. Presently, he is a whole time director and Chief Operating Officer of our Company.

Mr. Sushil Kumar Agrawal

Mr. Sushil Kumar Agrawal, 47, is a commerce graduate from Calcutta University. He joined our Company immediately after his graduation and has been associated with our Company since incorporation in 1984. He is responsible for the entire crown corks operations of our Company as well as for the operations of the Hyderabad, Silvassa and Kutch units. He is the member of the Confederation of Indian Industries, Hyderabad. Presently, he is a whole time director of our Company.

Mr. Sunil Kumar Agrawal

Mr. Sunil Kumar Agrawal, 45, is a commerce graduate from Calcutta University. He joined our Company immediately after his graduation and has been associated with our Company since incorporation in 1984. He is the son of Mr Mahabir Prasad Agrawal. He is responsible for all the operations of our Company in West Bengal. Presently, he is a whole time director of our Company.

Mr. Nadia Basak

Mr. Nadia Basak, 56, has been associated with our Company since incorporation in the year 1984. He has pioneered all the technical advancements made by our Company in its products and method of manufacture. Presently, he is a whole time Director of our Company. He heads a team which resolves all technical issues associated with implementation of new projects.

Mr. Debabrata Guha

Mr. Debabrata Guha, 76, is a commerce graduate. He has exposure in areas like material management as well as distribution network of the consumer products.He has been associated with our Company since 1990 and was associated with Reckitt Coleman Limited (now Reckitt Benckiser (India) Limited) prior to joining our Company. He was also the director of Indian Institute of Material Management. At present, he is actively involved with the Federation of Madhya Pradesh Chamber of Commerce and Industries, Confederation of Indian Industries, western region, Madhya Pradesh and Association of Industries, Mandideep, Madhya Pradesh. Presently, he is a whole time director of our Company.

Dr. K.K. Chaudhuri

Dr. K. K. Chaudhuri, 62, has a Master degree in science and is a Doctorate in anthropology from the Calcutta University. He was the professor and dean of the MBA programme at the Indian Institute of Social Welfare and Business Management under Calcutta University for fifteen (15) years. He has worked as a senior faculty member in the Indian Institute of Port Management, Calcutta and as a research fellow and research assistant in the Indian Institute of Management, Calcutta. He has coordinated various projects of the World Bank and the Asian Development Bank. He has organised in-company training in corporates like ONGC, Indian Oil Corporation, Steel Authority of India Limited, NALCO, National Thermal Power Corporation, Damodar Valley Corporation, Calcutta Electricity Supply Corporation, West Bengal State Electricity Board, Air Port Authority of India, Hindustan Lever Limited, Indian Rayon Limited, Hindustan Motors Limited and Reckitt & Coleman. He is on the board of directors of MSTC Limited and Sarada Plywood Limited. He is a life member of National Institute of Personnel Management, Calcutta and Indian Anthropological Association, Delhi. He has been associated with our Company since 2002 and is presently an independent director of our Company.

Mr. Ajay Kumar Chakraborty

Mr. Ajay Kumar Chakraborty, 62, is a post graduate in commerce, company secretary, cost accountant and a law graduate. He has 43 years of experience in the fields of finance, banking, treasury, legal, secretarial, personnel and administration, government statutory audit, direct and indirect taxes. He worked as the company secretary and chief law officer of BHEL for six years. He was the head of finance of BHEL for five years and has also served in the capacity of the executive director of BHEL before superannuating in April 2005. He is a fellow/member of the Institute of Administrative Management, New Delhi and the Institute of Secretarial Management, Calcutta, associate member of British Institute of Management, London, member of Institute of Internal Auditor, U.S.A., member of Indian Council of Arbitration, member of International Chamber of Commerce, ICC Paris, Delhi Chapter and associate member of All India Management Association, New Delhi. He has been associated with our Company since 2004 and is presently an independent director of our Company.

Prof. Alak Ghosh

Prof. Alak Ghosh, 77, has done his Masters and his Doctorate in economics. He was the head of the department of economics of Calcutta University for two (2) years. He was also a member of the senate of the Calcutta University for twenty five years. He is a member of the advisory committee of National Insurance Company limited. At present, he is the chairman of the Institute of Business Management and Research which is approved by A.I.C.T.E. He is also affiliated to the West Bengal University of Technology. He has been associated with our Company since 2002 and is presently an independent director of our Company.

Ms. Smita Khaitan

Ms. Smita Khaitan, 58, holds a Bachelor of law degree from the Calcutta University. She worked as an associate with M/s Rajesh Khaitan & Co., Advocates & Solicitors from 1976 to 2003 before branching out on her own since 2004. During her legal career she has represented clients before the Supreme Court of India, High Court of Calcutta and various district courts. She has also dealt in real estate transactions. She has been associated with our Company since 2006 and is presently an independent director of our Company.

Borrowing Powers of the Directors in our Company

Pursuant to the shareholder's resolution dated December 31, 2001 passed under section 293(1)(d) of the Companies Act, our Board has been authorised to raise or borrow from time to time, at its discretion, either from our Company's bankers or from the Directors or from elsewhere on such terms and conditions as to repayment of interest or otherwise as it may think necessary for the purpose of our Company's business even though it may exceed the aggregate of the paid up capital and free reserve upto a limit of Rs. 2,000 million outstanding at any one time and that such borrowing shall be exclusive of temporary loans obtained or to be obtained by our Company from our Company's banker in the ordinary course of business.

Details of Appointment of our Directors

Name of Directors	Date of Resolution	Term
Mr. Basant Kumar Agrawal	First director[3]	Liable to retire by rotation
Mr. Suresh Kumar Agrawal	Board resolution dated January 1, 1998[4]	Liable to retire by rotation
Mr. Mahabir Prasad Agrawal	Board resolution dated September 5, 1995[5]	Liable to retire by rotation

[3] Mr. Basant Kumar Agrawal was appointed as managing director with effect from July 1, 1988 pursuant to a board resolution dated June 1, 1988 and resigned as managing director of our Company on January 1, 2002. He was appointed as non-executive chairman vide board resolution dated January 1, 2002. He was relieved from the post of Chairman by our Company and appointed as Managing Director pursuant to the board resolution dated December 19, 2006.

[4] Mr. Suresh Kumar Agrawal was appointed as additional director pursuant to the board resolution dated January 1, 1998. He was appointed as director of our Company liable to retire by rotation by shareholder's resolution dated December 31, 1998. He was reappointed as whole time director designated as executive director for a further period of five years pursuant to the board resolution dated May 27, 2005 with effect from April 1, 2005. The appointment was approved by shareholders' resolution dated December 31, 2005.

[5] Mr. M.P. Agrawal was appointed as the additional director of our Company vide board resolution dated September 5, 1995. He was reappointed as whole time director for a further period of five years pursuant to board resolution dated May 27, 2005 with effect from April 1, 2005 and shareholders' resolution dated December 31, 2005. Mr M.P. Agrawal was relieved of the post of executive director and appointed as the Chairman of our Company pursuant to a board resolution passed on December 19, 2006. He was relieved from the post of Chairman of our Company pursuant to a board resolution dated May 31, 2007 which was

Name of Directors	Date of Resolution	Term
Mr. Sunil Kumar Agrawal	Board resolution dated September 1, 2000 appointed w.e.f September 2, 2000	Liable to retire by rotation
Mr. Sushil Kumar Agrawal	Board resolution dated January 1, 1998[6]	Liable to retire by rotation
Mr. Debabrata Guha	Board resolution dated May 15, 2001[7]	Liable to retire by rotation
Mr. Nadia Basak	Board resolution dated May 11, 2001[8]	Liable to retire by rotation
Mr. Rabindra Nath Sengupta	Board resolution dated January 1, 2002[9]	Liable to retire by rotation
Dr. Kali Kumar Chaudhuri	Board resolution dated February 1, 2002	Liable to retire by rotation
Mr. Alak Ghosh	Board resolution dated February 1, 2002	Liable to retire by rotation
Mr. Ajay Kumar Chakraborty	Board resolution dated August 20, 2004[10]	Liable to retire by rotation
Ms. Smita Khaitan	Board resolution dated December 19, 2006[11]	Liable to retire by rotation

Details of Remuneration of our Whole time Directors

Mr. Basant Kumar Agrawal

Mr Basant Kumar Agrawal was appointed as Managing Director of our Company pursuant to a board resolution dated December 19, 2006, for a period of five (5) years (with liberty to either party to terminate the appointment on three (3) months notice in writing to the other) with effect from December 19, 2006 at a remuneration and other terms as set out below:

Salary:	Rs. 50,000 per month subject to such increments as the Board may approve from time to time
Commission:	Nil
Perquisites:	Medical reimbursement: reimbursement of expenditure incurred for self and family.

approved by a shareholders resolution dated September 28, 2007. Presently, he is a non executive director of the Company.

[6] Mr. Sushil Kumar Agrawal was appointed as the additional director of our Company pursuant to board resolution dated January 1, 1998. He was appointed as whole time director for five years pursuant to board resolution dated May 27, 2005 with effect from April 1, 2005 and shareholders' resolution dated December 31, 2005.

[7] Mr Debabrata Guha was appointed as executive director of our Company pursuant to board resolution dated May 15, 2001 with effect from May 15, 2001. He was reappointed as whole time director for a further period of five years with effect from April 1, 2005 pursuant to board resolution dated May 27, 2005 and shareholders' resolution December 31, 2005.

[8] Mr Nadia Basak was appointed as additional director of our Company by board resolution dated May 11, 2001. He was reappointed as whole time director for a further period of five years pursuant to board resolution dated May 27, 2005 with effect from April 1, 2005 and the shareholders' resolution dated December 31, 2005.

[9] Mr. Rabindra Nath Sengupta resigned as a whole time director of our Company and was appointed as a non-executive director of our Company on January 1, 2002. He was appointed as the Chairman (non executive) of our Company pursuant to a board resolution dated May 31, 2007 which was ratified by a shareholders resolution dated September 28, 2007.

[10] Appointment as additional director was made pursuant to the board resolution dated August 20, 2004 and was made effective from September 18, 2004. He was appointed as director by shareholders' resolution dated September 27, 2004.

[11] Appointment as additional director was made pursuant to the board resolution dated December 19, 2006 which was ratified by a shareholders resolution dated September 28, 2007.

	Club fees: Fees of clubs subject to a maximum of two (2) clubs. This will not include admission and life membership fees. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephones shall be billed by our Company to the director. Provided that the total emoluments paid to the executive director pursuant to salary and perquisites as above excluding those which are to be excluded under the Act for calculating the ceiling, shall at no time exceed the limits laid down by Schedule XIII of the Act. In the event of inadequacy or loss of profit in any financial year, during the currency of tenure of service of the executive director, payment of salary, perquisites and other allowances as above shall be paid as minimum remuneration and shall be governed by the limits prescribed under section 2 of Part II of Schedule XIII of the Act.

Mr. Suresh Kumar Agrawal

Mr Suresh Kumar Agrawal was reappointed as whole time director with effect from April 1, 2005 pursuant to a board resolution dated May 27, 2005 for a period of five (5) years (with liberty to either party to terminate the appointment on three (3) months notice in writing to the other) at a remuneration and other terms as set out below:

Salary:	Rs. 45,000 per month subject to such increments as the Board may approve from time to time
Commission:	Nil
Perquisites:	Medical reimbursement: reimbursement of expenditure incurred for self and family. Club fees: Fees of clubs subject to a maximum of two (2) clubs. This will not include admission and life membership fees. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephones shall be billed by our Company to the director. Provided that the total emoluments paid to the executive director pursuant to salary and perquisites as above excluding those which are to be excluded under the Act for calculating the ceiling, shall at no time exceed the limits laid down by Schedule XIII of the Act. In the event of inadequacy or loss of profit in any financial year, during the currency of tenure of service of the executive director, payment of salary,

	perquisites and other allowances as above shall be paid as minimum remuneration and shall be governed by the limits prescribed under section 2 of part II of Schedule XIII of the Act.

Mr. Sushil Kumar Agrawal

Mr. Sushil Kumar Agrawal was appointed as whole time director with effect from April 1, 2005, pursuant to a board resolution dated May 27, 2005 for a period of five years (with liberty to either party to terminate the appointment on three (3) months notice in writing to the other) at a remuneration and other terms as set out below:

Salary:	Rs. 40,000 per month subject to such increments as the Board may approve from time to time
Bonus/ Commission:	Nil
Perquisites:	Medical reimbursement: Reimbursement of expenditure incurred for self and family. Club fees: Fees of clubs subject to a maximum of two (2) clubs. This will not include admission and life membership fees. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephones shall be billed by our Company to the director. Provided that the total emoluments paid to the executive director as salary and perquisite excluding those which are to be excluded under the Act for calculating the ceiling, shall at no time exceed the limits laid down by Schedule XIII of the Act. In the event of inadequacy or loss of profit in any financial year, during the currency of tenure of service of the executive director, payment of salary, perquisites and other allowances as above shall be paid as minimum remuneration and shall be governed by the limits prescribed under section 2 of part II of Schedule XIII of the Act.

Mr. Sunil Kumar Agrawal

Mr. Sunil Kumar Agrawal was reappointed as whole time director with effect from April 1, 2005, pursuant to a board resolution dated May 27, 2005 with liberty to either party to terminate the appointment on three (3) months notice in writing to the other at remuneration and other terms as set out below:

Salary:	Rs. 40,000 per month subject to such increments as the Board may approve from time to time.

Commission:	Nil
Perquisites:	Medical reimbursement: reimbursement of expenditure incurred for self and family. Club fees: Fees of clubs subject to a maximum of two (2) clubs. This will not include admission and life membership fees. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephones shall be billed by our Company to the director. Provided that the total emoluments paid to the executive director as salary and perquisite excluding those which are to be excluded under the Act for calculating the ceiling, shall at no time exceed the limits laid down by Schedule XIII of the Act. In the event of inadequacy or loss of profit in any financial year, during the currency of tenure of service of the executive director, payment of salary, perquisites and other allowances as above shall be paid as minimum remuneration and shall be governed by the limits prescribed under section 2 of part II of Schedule XIII of the Act.

Mr. Debabrata Guha

Mr. Debabrata Guha was reappointed as whole time director with effect from April 1, 2005, pursuant to a board resolution dated May 27, 2005 (with liberty to either party to terminate the appointment on three (3) months notice in writing to the other) at terms as set out below. Pursuant to a board resolution dated May 31, 2007, the salary of Mr. Guha was increased from Rs 10,000 to Rs 50,000 with effect from April 1, 2007 till the expiry of his tenure:

Salary:	Rs. 50,000 per month
Commission:	Nil
Perquisites:	Medical reimbursement: reimbursement of expenditure incurred for self and family. Club fees: Fees of clubs subject to a maximum of two (2) clubs. This will not include admission and life membership fees. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephones shall be billed by our Company to the director. Provided that the total emoluments paid to the executive director as salary and perquisite excluding those which are to be excluded under the Act for calculating the ceiling, shall at no time exceed the limits laid down by Schedule

	XIII of the Act. In the event of inadequacy or loss of profit in any financial year, during the currency of tenure of service of the executive director, payment of salary, perquisites and other allowances as above shall be paid as minimum remuneration and shall be governed by the limits prescribed under section 2 of part II of Schedule XIII of the Act.

Mr. Nadia Basak

Mr. Nadia Basak was re-appointed as whole time director with effect from April 1, 2005 pursuant to a board resolution dated May 27, 2005 (with liberty to either party to terminate the appointment on three (3) months notice in writing to the other) at remuneration and on other terms as set out below. Pursuant to a board resolution dated May 31, 2007, the salary of Mr. Nadia Basak was increased from Rs 10,000 to Rs 50,000 with effect from April 1, 2007 till the expiry of his tenure:

Salary:	Rs. 50,000 per month
Commission:	Nil
Perquisites:	Medical reimbursement: reimbursement of expenditure incurred for self and family. Club fees: Fees of clubs subject to a maximum of two (2) clubs. This will not include admission and life membership fees. Provision of car for use on Company's business and telephone at residence. Personal long distance calls on telephones shall be billed by our Company to the director. Provided that the total emoluments paid to the executive director as salary and perquisite, excluding those which are to be excluded under the Act for calculating the ceiling, shall at no time exceed the limits laid down by Schedule XIII of the Act. In the event of inadequacy or loss of profit in any financial year, during the currency of tenure of service of the executive director, payment of salary, perquisites and other allowances as above shall be paid as minimum remuneration and shall be governed by the limits prescribed under section 2 of part II of Schedule XIII of the Act.

No commission is paid to any of the Directors.

Corporate Governance

Corporate governance is administered through our Board and the committees of the Board. However, primary responsibility for upholding high standards of corporate governance and providing necessary disclosures within the framework of legal provisions and institutional conventions with commitment to enhance shareholders' value vests with our Board.

As a listed company, we are in compliance with the applicable provisions of the listing agreement particularly those relating to composition of the board of Directors, constitution of committees such as audit committee, shareholder/investor grievance committee, etc.

Committees of the Board of Directors

Audit Committee:

The Audit Committee comprises of five directors being Prof. Alak Ghosh, Mr. Rabindra Nath Sengupta, Dr. Kali Kumar Chaudhuri, Mr. Ajay Kumar Chakraborty and Mr. M.P. Agrawal. Prof. Alak Ghosh is the Chairman of the Audit Committee.

Audit Committee met on June 30, 2005, October 31, 2005, December 6, 2005 and January 31, 2006 in Fiscal Year 2006 and on April 29, 2006, August 28, 2006, September 25, 2006, November 20, 2006 and January 31, 2007 in Fiscal Year 2007. In Fiscal Year 2008, the Audit Committee met on June 29, 2007, July 31, 2007 and October 29, 2007 in Fiscal 2008.

The roles and terms of reference of the Audit Committee cover the matters specified for Audit Committees under clause 49 of the Listing Agreement as well as section 292 A of the Companies Act. The Audit Committee oversees our Company's financial reporting process and disclosure of its financial information. The Audit Committee further reviews the internal control systems with the auditors, half yearly and annual financial results, considers and discusses observations of the statutory and internal auditors, investigates any matter referred to it by our Board and reports to our Board on its recommendations on areas for attention.

Remuneration Committee

The members of the Remuneration Committee currently comprises of four directors, Mr. Basant Kumar Agrawal, Mr. Rabindra Nath Sengupta, Prof. Alak Ghosh, Mr. Ajay Kumar Chakraborty and Dr. Kali Kumar Chaudhuri. Mr. Basant Kumar Agrawal is the chairman of the Remuneration Committee.

The Remuneration Committee met on January 31, 2006 in Fiscal Year 2006, on December 19, 2006 in Fiscal Year 2007 and on June 29, 2007 in Fiscal Year 2008.

The Remuneration Committee has been constituted to determine our Company's policy on specific remuneration packages for the whole time directors. The Remuneration Committee has been constituted in accordance with Schedule XIII of the Companies Act and not under clause 49 of the Listing Agreement as it is not a mandatory requirement.

Share Transfer Grievance Committee

The Share Transfer Grievance Committee currently comprises of four directors, Mr. Basant Kumar Agrawal, Mr. Rabindra Nath Sengupta, Prof. Alak Ghosh, Mr. A.K. Chakraborty and Dr. Kali Kumar Chaudhuri.

The Share Transfer Grievance Committee met on January 31, 2006 in Fiscal Year 2006, December 19, 2006 in Fiscal Year 2007, and on June 29, 2007 in Fiscal Year 2008.

The Share Transfer Grievance Committee has been constituted to specifically look into the redressal of shareholder and investor complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividends, etc.

Management Committee: Committee of Directors

The Committee of Directors comprises of five directors, Mr. Rabindra Nath Sengupta, Prof. Alak Ghosh, Dr. Kali Kumar Chaudhuri, Mr. Ajay Kumar Chakraborty and Mr. Basant Kumar Agrawal who is the chairman of the Committee of Directors.

The Committee of Directors has been constituted to attend to the important business of our Company and is empowered to do all such act, deeds and things which the Board is empowered to do.

The Committee of Directors met on December 13, 2005 and March 1, 2006 in Fiscal Year 2006, on June 20, 2006, September 7, 2006, September 16, 2006, October 11, 2006, November 10, 2006 and January 25, 2007 in Fiscal Year 2007.

Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold any Equity Shares. The following table details the shareholding of our Directors:

Name of Directors	Number of Equity Shares (Pre Public Issue)
Mr. Basant Kumar Agrawal	5,432,060
Mr. Mahabir Prasad Agrawal	1,964,925
Mr. Suresh Kumar Agrawal	5,643,000
Mr. Sushil Kumar Agrawal	826,875
Mr. Sunil Kumar Agrawal	1,616,060
Mr. Nadia Basak	22,500
Mr. Ajay Kumar Chakraborty	Nil
Mr. Alak Ghosh	Nil
Dr. Kali Kumar Chaudhuri	Nil
Mr. Debabrata Guha	Nil
Mr. Rabindra Nath Sengupta	Nil
Ms. Smita Khaitan	Nil

Interest of our Directors

All our Directors 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, to the extent of reimbursement of expenses payable to them under our Articles of Association as well as to the extent of commission payable to them as detailed in section titled "Our Management" on page 102 of this Red Herring Prospectus.

All our Directors may be interested in the Equity Shares already held by them or that may be Allotted to them pursuant to the Public Issue and/ or that may be Allotted to companies, firms and trusts in which they are directors, members, partners or trustees, as the case may be.

The Directors may have further interest to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Changes in our Board of Directors during the last three years

Sl. No.	Name of Director	Date of Appointment	Date of Cessation	Reason for Change
1.	Mr. Ajay Kumar Chakraborty	By a circulatory resolution dated August 20,2004 w.e.f September 18, 2004	Continuing	Appointed as director
2	Ms. Smita Khaitan	By a board resolution dated December 19, 2006	Continuing	Appointed as additional director
3	Mr. Basant Kumar Agrawal	By a board resolution dated December 19, 2006	Continuing	Appointed as the Managing Director after being relieved from the post of Chairman
4	Mr. M. P. Agrawal	By a board resolution dated December 19, 2006	Continuing	Relieved from the position of executive director and appointed as Chairman
5	Mr. M. P. Agrawal	By a board resolution dated May 31, 2007	Continuing	Relieved from the position of Chairman and appointed as a non executive director
6.	Mr. R.N. Sengupta	By a board resolution dated May 31, 2007	Continuing	Appointed as non-executive Chairman.

Management Organisation Structure

Basant Kumar Agrawal, MD

- Finance
- New Projects
- Administration
- Human Resources
- Secretarial and Compliance

Suresh Kumar Agrawal, COO

- Marketing
- Procurement
- Exports and Imports

International Operations

Nigeria (MINL)

K Purkayastha, MD
Ashok Guha, ED (Finance)
AN Jha, Director (Corporate Affairs)
S R Mehta, Director (Commercial)

Dubai and New Markets

Amitava Ghosh, ED
Renan Kongar, GM

Indian Operations

Sushil Kumar Agrawal, ED

Hyderabad
Silvassa
Kutch

DB Guha, ED

Bhopal

Sunil Kumar Agarwal, ED

Haldia
Assam
Kolkata units (including Bankura)

Dilip Patodia, CFO

Kalyan Lahiri, VP (Corporate Affairs)

Sandeep Sultania, Company Secretary

Navneet Manaksia, VP (MIS,Admin)

A Guha, VP (Human Resources)

Dr. Saha, Head R&D

P Dhar, CEO-Haldia

R Sen Sharma, Factory Manager

D Mukherjee, VP Marketing

Varun Agarwal, VP Marketing (Aluminium)

Santosh Agarwal, VP Procurement

P B Kar, GM Sales (Aluminium)

Nadia Basak, ED (Engineering Services)

In addition to the directors, the following are our key managerial employees. All our key managerial employees are permanent employees of our Company.

Mr. D. Mukherjee, 51, has a Bachelors degree in science and a Masters degree in business administration. Prior to joining our Company, he was employed in Hindustan National Glass Limited. He joined our Company on December 1, 1990. He currently holds the position of Vice President (Marketing).His compensation for Fiscal Year 2007including all benefits was Rs.0.55 million.

Mr. Dilip Patodia, 39, is a fellow member of the Institute of Chartered Accountants in India and of the Institute of Company Secretaries in India. He was employed in Orient Paper and Industries Limited for nine and half years prior to joining our Company on April 1, 2000. He currently holds the position of Chief Financial Officer. His compensation for Fiscal Year 2007 including all benefits was Rs.1.26 million.

Mr. P.B. Kar, 59, has a Masters degree in arts and also a Bachelors degree in law. He has more than thirty five years of work experience. He worked in Indal Limited for twenty seven years prior to joining our Company in February 1, 2001. He currently holds the position of general manager (Sales- Aluminium division). His compensation for Fiscal Year 2007 including all benefits was Rs.0.41 million.

Mr. Santosh Agrawal, 48, has a Bachelors degree in electrical engineering and also holds a post graduate diploma in business management. He worked in Usha Brecco Limited for four (4) years prior to joining our Company on April 2, 1989. He currently holds the position of Vice President (Export-Import). His compensation for Fiscal Year 2007 including all benefits was Rs.0.52 million.

Mr. Kalyan Lahiri, 51, has a Bachelors degree in science and a post graduate diploma in business management from the Indian Institute of Management, Calcutta and is a CAIIB. He had a long innings in investment banking as he was associated with SBI Capital Markets Limited for fifteen (15) years prior to joining our Company in May 2, 2002. Presently, he holds the position of Vice President (Corporate Affairs). His compensation for Fiscal Year 2007 including all benefits was Rs.0.65 million. He assists the chairman in strategic planning and sensitising the organisation to corporate governance issues.

Mr. Sandeep Sultania, 32, has a Masters degree in commerce and is a qualified cost accountant, company secretary as well as a chartered accountant. He worked in Ideal Financing Corporation Limited for two (2) years prior to joining our Company in January 1, 2000. He currently holds the position of company secretary. His compensation for Fiscal Year 2007 including all benefits was Rs.0.57 million.

Mr. Navneet Manaksia, 35, has a Bachelors degree in chemical engineering from the Manipal Institute of Technology. He holds a degree in advanced management from the Wharton School of Business, Pennsylvania University. He has changed his name from Navneet Agrawal to Navneet Manaksia by an affidavit dated February 19, 2004. Navneet Manaksia is the son of Mr. Basant Kumar Agrawal. He joined our Company in 1996 and presently holds the position of Executive Vice President (Projects). He also looks after MIS and implementation of ERP in our Company. His compensation for Fiscal Year 2007 including all benefits was Rs 0.36 million per annum.

Mr. Varun Agrawal, 24, is a commerce graduate from the Calcutta University. He had joined our Company as a trainee in March, 2001 and is presently Vice President, Marketing (Aluminium Division). He looks after the domestic and international sales of the aluminium products and also assists Mr. Suresh Kumar Agrawal in the running of the overseas units of our Company. He is the son of Mr. Suresh Kumar Agrawal. His compensation for Fiscal Year 2007 including all benefits was Rs 0.36 million per annum.

Dr. Khagendra Kumar Saha, 55, is a Doctorate in organic chemistry from Calcutta University. He specialises in the field of polyurethane and elastomers with numerous publications to his credit. He has been associated with the industry for 27 years and had stints with Chandra's Chemical Enterprises as its Chief Chemist and in Chemicals and Coatings Private Limited as its technical director. He has been associated with our Company for over nine (9) years and has developed special adhesives for the packaging industry. He is heading the research and development division of our Company. His compensation for Fiscal Year 2007 including all benefits was Rs 0.28 million per annum.

Mr P.R. Dhar, 59, has a Bachelors degree in metallurgical engineering from Bengal Engineering College, Shibpur. He has been associated with the steel and non ferrous metals industry for about thirty seven (37) years and had stints w.ith Steel Authority of India Ltd, Bhilai, Neo Pipes and Tubes, Kolkata, Indian Standard Metal Company Ltd, Mumbai, Bengal Ingot Company Limited, Kolkata and Datre Corporation Limited, Kolkata. He has been associated with our Company for six (6) months and is presently holding the position of Senior Vice President (Technical) heading the Haldia unit of our Company. His annual emoluments including all benefits for Fiscal Year 2007 is Rs 0.72 million per annum.

Mr Ranjit Sen Sharma, 54, has a Bachelor's degree in metallurgical engineering from Bengal Engineering College, Shibpur. He has been associated with our Company since 2001, first setting up and running the aluminium division at our Bankura unit and presently being the manufacturing head of our Haldia unit. Prior to joining our Company, he has worked with IISCO, Burnpur for eleven (11) years and India Foils Limited for fifteen (15) years heading teams for implementation of new projects. He has also been associated with Profiles RH Sharjah, as the Production-in-Charge (Aluminium Casting & Rolling). His compensation for Fiscal Year 2007 including all benefits was Rs 0.35 million per annum.

Mr. Anirudha Guha, 45, is a post graduate in commerce from Calcutta University. He has been associated with Price Water House Coopers for over fifteen (15) years before becoming a partner of a human resources services agency. He has been associated with our Company since 2000 in the capacity of Vice president (Human Resources). His compensation for Fiscal Year 2007 including all benefits was Rs. 0.44 million per annum.

Key Managerial Personnel of our Subsidiaries

In addition to the directors, the following are the key managerial employees of our Subsidiaries. All these key managerial employees are permanent employees of our Subsidiaries.

Mr. Kanad Purakayastha, 61, has a Bachelors degree in mechanical engineering from Bengal Engineering College, Shibpur and a Masters degree in business administration from The International Management Institute, University of Geneva. He started his career with the Indian Aluminium Company Limited, a subsidiary of the Alcan group, in Calcutta before being posted to another subsidiary in Nigeria. He was responsible for setting up MINL along with Mr Basant Kumar Agrawal in 1996 and is presently the Managing Director of MINL. He commands over thirty six (36) years of industry experience including about seventeen (17) years of experience in Nigeria. His compensation for Fiscal Year 2007 including all benefits was Rs 1.73 million per annum.

Mr Ashok Guha, 55, is a post graduate in physics from the Guwahati University and is also a CAIIB. Prior to joining MINL in 2000, he has been associated with the State Bank of India for 25 years including a five (5) year posting at the bank's Nigerian subsidiary. Presently, he is looking after the finances at MINL in his capacity as Executive Director. His compensation for Fiscal Year 2007 including all benefits was Rs 1.18 million per annum.

Mr Abhay Nath Jha, 63, has a Bachelors degree in metallurgical engineering from Bihar Institute of Technology, Sindhriand a Masters degree in business administration from Osmania University, Hyderabad. He commands over twenty nine (29) years of experience in the metals industry, including about seventeen years in the African metal industry. Prior to joining MINL in 2003, he has been associated with Steel Authority of India, Bhilai and Misra Dhatu Udyog Nigam. He has also been associated with the Concast Group, London and has worked at their copper and aluminium plants at Kenya, Uganda and Nigeria. He is presently the Director, Corporate Affairs at MINL. His compensation for Fiscal 2007 including all benefits was Rs 0.32 million per annum.

Mr Shirish Mehta, 45, is a commerce graduate from the Calcutta University. He commands over thirty one (31) years of market experience in India and Ethiopia. He has been associated with our Company and MINL for over 10 years. He is presently the Director (Commercial), looking after matters pertaining to marketing and procurement. His compensation for Fiscal 2007 including all benefits was Rs 0.32 million per annum.

Mr Amitava Ghosh Dastidar, 50, has a post graduate diploma in system analysis and business management. He commands more than twenty eight (28) years of experience out of which more than fourteen (14) years had been in the field of international business development as profit centre head. He has been associated with Springbok Oil Corporation as the Senior Vice President (India/Middle East), Vatsa Industries Ltd as a Director, Elque Polyester Ltd as Chief Executive Officer and has been involved in setting up export oriented projects in India, Siberia, Russia and setting up new projects and foreign collaborations in India. He has been associated with our Company since 2002 and is presently the director of Euroasian Ventures FZE, Jebelali, UAE. His compensation for Fiscal 2007 including all benefits was USD 0.048 million per annum.

Mr Omer Renan Kongar, 51, a Turkish national, is an economics graduate from the London School of Economics and holds a higher diploma in business administration from the University of Aegean, Izmir, Turkey. He has also completed a course in the Russian language from the University of Moscow. He commands over twenty five (25) years of experience and has been associated with various metals and aluminium companies in Turkey, Kazakhstan, Middle East and Europe. He has been associated with Euroasian Ventures FZE since 2005 and is presently the General Manager based at Istanbul looking after procurement and sales in Turkey and other neighbouring countries. His compensation for Fiscal 2007 including all benefits was USD 0.048 million per annum.

Shareholding of the Key Managerial Personnel

None of our key managerial personnel, except the personnel shown in the table herein below, hold any Equity Shares in our Company.

Name of Key Managerial Personnel	Number of Equity Shares (Pre Public Issue)
Mr. Navneet Manaksia	4,181,060

Name of Key Managerial Personnel	Number of Equity Shares (Pre Public Issue)
Mr. Varun Agrawal	1,018,120
Mr. Santosh Agrawal	63,750

Bonus or profit sharing plan for our Key Managerial Employees

There is no bonus or profit sharing plan for our key managerial employees.

Changes in our Key Managerial Employees during the last three years

The changes in the key managerial employees in the last three years are as follows: -

Name of Key Managerial Personnel	Date of joining	Date of leaving	Reasons for change
Mr. Omen Renan Konangar	October 1, 2005	-	Continuing
Mr. P.R. Dhar	March 29, 2006	-	Continuing

Employees Share Purchase and Stock Option Scheme

We do not have any stock option scheme or stock purchase scheme for the employees of our Company.

Payment or benefit to officers of our Company

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

Interest of directors in land

Director	Land details	Nature of Interest
Mr. Sushil Kumar Agrawal, Mr. Sunil Kumar Agrawal, Mr. Basudeo Agrawal and Mr. Basant Kumar Agrawal	Land at Brahmanpara, Haripal, Hooghly	The land has been rented to our Company.
Mr. Suresh Kumar Agrawal	24, Damji Shamji Industrial Complex, Mahakali Caves Road, Andheri (E), Mumbai	Land has been rented to our Company

Except as stated in the section titled "Financial Statements" beginning on page 136, none of the beneficiaries of loans and advances and sundry debtors are related to our Directors.

OUR PROMOTERS AND PROMOTER GROUP

Our Promoter

The Promoters of our Company are:-

1. Mr. Basant Kumar Agrawal
2. Mr. Suresh Kumar Agrawal

Mr. Basant Kumar Agrawal, 62 years, (Passport Number: F6212957, driving license number: WB-011987144072, PAN: ACSPA0115C) is the Managing Director of our Company. Mr. Basant Kumar Agrawal does not hold any voter identity card. He is a commerce graduate from the University of Calcutta. He is a prominent and renowned industrialist. Due to his efforts, our Company has grown and has become a multilocation conglomerate with fifteen (15) manufacturing facilities in India and three (3) abroad. Mr. Basant Kumar Agrawal is the member of the executive committee of the Indian Chamber of Commerce, Bharat Chamber of Commerce and former executive member of Bengal National Chamber of Commerce and Industry. Mr.Basant Kumar Agrawal was the subscriber to the memorandum of our Company.

Interest in promotion of our Company

Our Company is promoted by Mr. Basant Kumar Agrawal. Mr. Basant Kumar Agrawal holds 5,432, 060 Equity Shares in our Company.

Mr. Suresh Kumar Agrawal, 54 years, (Passport Number: G4835080 (Mr. Suresh Kumar Agrawal had lost his original passport being passport number F7709941 and has consequently being issued a fresh passport being passport number G4835080 dated November 15, 2007 valid upto November 14, 2017), driving license number: WB-011979285776, PAN: ACSPA0116B), is a whole time director of our Company. Mr. Suresh Kumar Agrawal does not hold a voter identity card. Mr. Suresh Kumar Agrawal is a Bachelor of science in Chemical Engineering from the Punjab University. He was a subscriber to the memorandum of our Company. He has pioneered the in-house development of various lacquers, paints and adhesives used in the manufacture of our packaging products. He heads the marketing division of our Company as well as our Company's international operations.

Interest in promotion of our Company

Our Company is promoted by Mr. Suresh Kumar Agrawal. Mr. Suresh Kumar Agrawal holds 5,643,000 Equity Shares in our Company.

Payment of benefits to our Promoter during the last two years

Except as stated in the section titled "Financial Statements" beginning on page 136 of this Red Herring Prospectus, there has been no payment of benefits to our Promoter during the last two years from the date of filing of this Red Herring Prospectus.

Other Confirmations

We confirm that the details of the Permanent Account Numbers, Bank Account Numbers and Passport Numbers of our Promoters will be submitted to the Stock Exchanges at the time of filing this Red Herring Prospectus with the Stock Exchanges.

Further, our Promoters and Promoter group entities, including relatives of the Promoter, have confirmed that they have not been detained as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are pending against them.

Promoter Group

In addition to the Promoters named above, the following natural persons, companies, HUFs, proprietorship and partnership firms form a part of our Promoter group.

The Promoter group includes the following natural persons: -

(i) Ms. Saroj Devi Agrawal (wife of Basant Kumar Agrawal)
(ii) Mr. Navneet Agrawal (son of Basant Kumar Agrawal)
(iii) Mr. Aditya Agrawal (son of Basant Kumar Agrawal)
(iv) Ms. Chandrakala Agrawal (wife of Suresh Kumar Agrawal)
(v) Ms. Shalini Bansal (daughter of Suresh Kumar Agrawal)
(vi) Mr. Varun Agrawal (son of Suresh Kumar Agrawal)
(vii) Ms. Vishakha Agrawal (daughter of Suresh Kumar Agrawal)
(viii) Ms. Rukmani Devi Jhunjhunwala (sister of Suresh Kumar Agrawal)
(ix) Ms. Sumitra Devi Agrawal (sister of Suresh Kumar Agrawal)
(x) Mr. Mahabir Prasad Agrawal (brother of Suresh Kumar Agrawal)
(xi) Mr. Basudeo Agrawal (brother of Suresh Kumar Agrawal)
(xii) Mr. Karan Agrawal
(xiii) Mr. Sunil Kumar Agrawal
(xiv) Ms. Shobha Devi Agrawal
(xv) Ms. Chandrakala Agrawal
(xvi) Mr. Vineet Agrawal
(xvii) Ms. Prachi Agrawal
(xviii) Mr. Sushil Kumar Agrawal
(xix) Ms. Manju Agrawal
(xx) Ms. Kanta Devi Agrawal
(xxi) Ms. Shailaja Agrawal
(xxii) Mr. Aniruddah Agrawal

The companies which are part of our Promoter group, other than the Promoters are as follows:

(i) Maxell Securities Limited
(ii) AGR Capital Market Limited
(iii) Arena Machineries Limited
(iv) Agrim Steel Industries Limited
(v) Manaksia Steels Limited

The partnership firms, which form a part of our Promoter group, other than, the Promoters are as follows:

(i) Manaksia Exports
(ii) Leistung Infrastructure and Technologies

The HUFs which are part of our Promoter group, other than the Promoters are as follows:

(i) B.K. Agrawal & Sons (HUF);
(ii) S.K. Agrawal & Sons (HUF);
(iii) B.D. Agrawal & Sons (HUF);
(iv) M.P. Agrawal & Sons (HUF) ;
(v) Sunil K. Agrawal & Sons (HUF) ;
(vi) Sushil K. Agrawal & Sons (HUF)

The details of the entities that form a part of our Promoter group are as follows:

(i) Maxell Securities Limited ("MASL")

MASL was incorporated on June 19, 2000 as a company engaged in the business of share and stock broking and underwriting business. MASL is a member of the Calcutta Stock Exchange. The registered office of MASL is situated at 8/1 Lal Bazar Street, 3rd Floor, Kolkata 700001 with effect from June 3, 2003. The registered office of MASL was earlier situated at 2 Ganesh Chandra Avenue, 1st Floor, Kolkata 700013. The SEBI has issued a certificate of registration dated January 24, 2001 under SEBI (Stock Brokers and Sub Brokers) Regulations, 1992 to MASL as a stock broker. The registration number is INB031151930.

The equity shares of MASL are not listed on any stock exchange.

Shareholding Pattern

The shareholding pattern of MASL as on October 31, 2007 is as follows:

Name of Shareholder	Number of Shares Of Rs. 10 each	% of Issued Capital
Mr. Navneet Manaksia	90,000	20.00
Mr. Vineet Agrawal	20,000	4.44
Mr. Mahabir Prasad Agrawal	50,000	11.11
Mr. Suresh Kumar Agrawal	30,000	6.67
B.B. Construction Company Private Limited	17,500	3.89
Mr. Jai Prakash Tulsian	100	0.02
Mr. Jugal Kishore Agrawal	100	0.02
Mr. Rajesh Agrawal	100	0.02
Mr. Santosh Agrawal	100	0.02
Mr. Ajay Agrawal	100	0.02
Mr. Santosh Kumar Agrawal	100	0.02
Mr. Gouri Shankar Agrawal	10,100	2.24
Ms. Pushpa Devi Agrawal	7,500	1.67
Ms. Anita Agrawal	20,000	4.44

Name of Shareholder	Number of Shares Of Rs. 10 each	% of Issued Capital
Mr. Ajay Kumar Pareek	2,500	0.55
Mr. Vijay Kumar Pareek	5,500	1.22
Mr. Saroj Devi Agrawal	17,000	3.78
Mr. Mani Devi Agrawal	18,000	4.00
Mr. Gopal Prasad Rawat	10,000	2.22
Mr. Ashok Kumar Rawat	9,000	2.00
Mr. Santosh Agrawal	29,000	6.44
Mr. Tadgat Gupta	5,500	1.22
Mr. Bishnu Kumar Khator	6,500	1.44
Mr. Nadia Basak	4,500	1.0
Manaksia Limited	47,500	10.56
Kalitara Moulding Works Private Limited	8,300	1.84
Ms. Ankita Agrawal	30,000	6.67
Ms. Shakuntala Pareeek	11,000	2.44
Total	**450,000**	**100.00**

Board of Directors

The board of directors of MASL as on October 31, 2007 comprised of Mr. Navneet Manaksia, Mr. Vineet Agrawal and Mr. Ajay Agrawal.

MASL is an unlisted company and MASL has not made any public issues in the preceding three years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Financial Performance

The financial results of MASL for FY 2007, 2006 and 2005 are set forth below:

Rs. in million

	FY 2007	FY 2006	FY 2005
Other Income	0.08	0.13	0.12
Income from operations	-	-	-
Profit/(Loss) after tax	0.02	0.05	0.04
Equity Capital	4.50	4.50	4.50
Reserves and Surplus (excluding revaluation reserves)	0.23	0.21	0.16
Earnings/(Loss) per share (diluted) (Rs.)		0.11	0.09
Book Value per share (Rs.)	10.46	10.46	10.36

(ii) AGR Capital Markets Limited ("ACML")

ACML was incorporated on December 8, 1975 to carry on the business of merchant bankers, managers, co-managers, underwriters, consultants, advisors, portfolio managers, lead merchant bankers, brokers, mutual fund management, etc. The registered office of ACML is situated at 8B Lal Bazar Street, Kolkata 700001 with effect from October 24, 2003.

Shareholding Pattern

The shareholding pattern of ACML as of October 31, 2007 is as follows:

Name of Shareholder	Number of Shares Of Rs 10 each	% of Issued Capital
Mr. Aditya Agrawal	36,000	5.14
Mr. Basudeo Agrawal	91,000	13.00
Mr. Varun Agrawal	73,500	10.50
Mr. Basant Kumar Agrawal	55,000	7.86
Mr. Suresh Kumar Agrawal	55,000	7.85
Mr. Mahabir Prasad Agrawal	50,000	7.14
Mr. Sushil Kumar Agrawal	41,000	5.86
Vineet Agrawal	37,500	5.36
Navneet Manaksia	37,500	5.36
Sunil Kumar Agrawal	37,500	5.36
Palash Machineries Private Limited	156,000	22.28
Manaksia Limited	30,000	4.29
Total	**700,000**	**100.00**

ACML is an unlisted company and ACML has not made any public issues in the preceding three years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Board of Directors

The board of directors of ACML as on October 31, 2007 comprised of Mr. Purushottam Agrawal, Mr. Vijay Kumar Khator and Mrs. Vidushi Agrawal.

ACML is an unlisted company and ACML has not made any public issues in the preceding three years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Financial Performance

The financial results of ACML for FY 2007, 2006 and 2005 are set forth below:

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	–	–	–
Other income	0.52	0.79	0.77
Profit/(Loss) after tax	0.14	0.35	0.34
Equity Capital (Rs. 10 each)	7.00	7.00	7.00
Reserves and Surplus (excluding revaluation reserves)	6.90	6.76	6.40
Earnings/(Loss) per share (diluted) (Rs.)	0.21	0.50	0.49
Book Value per share (Rs.)	19.86	19.65	19.14

(iii) Agrim Steel Industries Limited ("ASIL")

ASIL was incorporated on September 3, 2004 to carry on the business *inter alia*, of buyer, sellers, dealers in, exporter, importer, trader of all variety of steel, iron ore and allied minerals. The registered office of ASIL is situated at 8/1 Lal Bazar Street, Kolkata 700001.

ASIL is an unlisted company and ASIL has not made any public issues in the preceding three (3) years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Shareholding Pattern

The shareholding pattern of ASIL as on October 31, 2007 is as follows:

Name of Shareholder	Number of Shares(With Voting Rights)	% of Issued Capital
Mr. Basant Kumar Agrawal	8,000	16.00
Mr. Navneet Manaksia	7,000	14.00
Mr. Basudeo Agrawal	7,000	14.00
Mr. Vineet Agrawal	7,000	14.00
Mr. Sunil Kumar Agrawal	7,000	14.00
Mr. Suresh Kumar Agrawal	7,000	14.00
Mr. Mahabir Prasad Agrawal	7,000	14.00
Total	**50,000**	**100.00**

Board of Directors

The board of directors of ASIL as on October 31, 2007 comprised of Mr. Basant Kumar Agrawal, Mr. Sushil Kumar Agrawal and Mr. Vineet Agrawal.

Financial Performance

ASIL was set up in 2004. Therefore, financial results of ASIL for FY 2006 and FY 2007 would only be available which are set forth below: -

Rs. in million

	FY 2007	FY 2006
Income from operation	Nil	Nil
Other Income	Nil	Nil
Profit/(Loss) after tax	Nil	Nil
Equity Capital (of Rs. 10 each)	0.50	0.50
Reserves and Surplus (excluding revaluation reserves)	Nil	Nil
Earnings/(Loss) per share (diluted) (Rs.)	Nil	Nil
Book Value per share (Rs)	10	10

(iv) Arena Machineries Limited ("AML")

AML was incorporated on September 1, 2003 as a manufacturer, buyer, dealer, seller, exporter and importer of all kinds of plant and machinery. The equity shares of AML are not listed on any stock exchange. The registered office of AML is situated at 172, Block G, New Alipore, Kolkata 700053.

Shareholding Pattern

The shareholding pattern of AML as on October 31, 2007 is as follows:

Name of Shareholder	Number of Shares(With Voting Rights)	% of Issued Capital
Mr. Souren Roy	4,000	8.00
Mr. Sunil Kumar Maskara	7,000	14.00
Mr. Pawan Kumar Sultania	18,700	37.40
Mr. Kalyan Lahiri	100	0.20
Mr. Basant Kumar Agrawal	20,000	40.00
Mr. Navneet Manaksia	100	0.20
Mr. Aditya Agrawal	100	0.20
Total	**50,000**	**100.00**

Board of Directors

The board of directors of AML as on October 31, 2007 comprised of Mr. Basant Kumar Agrawal, Mr. Aditya Agrawal, Mr. Sunil Kumar Maskara .

AML is an unlisted company and has not made any public issues in the preceding three years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Financial Performance

The financial results of AML for FY 2006 , FY 2005 comprising of eighteen (18) months ending on September 30, 2005 and for FY 2004 are set forth below: -

Rs. in million

	FY 2006 Ended 30.09.2006	FY 2005 for 18 months ended 30.09.2005	FY 2004
Income from operation	196.26	81.43	0.53
Other Income	0.08	5.25	-
Profit/(Loss) after tax	18.44	Nil	(0.32)
Equity Capital	0.50	0.50	0.50
Reserves and Surplus (excluding revaluation reserves)	18.12	Nil	(8.67)
Earnings/(Loss) per share (diluted) (Rs.)	369	(0.09)	(6.40)
Book Value per share (Rs.)	372	3.51	3.60

(v) Manaksia Steels Limited ("MSTL")

MSTL was incorporated on June 7, 2001 to carry on the business of manufacturers, dealers in, exporters of all variety of steel and Ropp caps. The registered office of MSTL is in Laitmukhrah, Shillong, Meghalaya 790003.

Shareholding Pattern

The shareholding pattern of MSTL as on October 31, 2007 is as follows:

Name of Shareholder	Number of Shares (of Rs. 10 each)	% of Issued Capital
Mr. Basant Kumar Agrawal	7,143	14.29
Mr. Mahabir Prasad Agrawal	7,143	14.29
Mr. Suresh Kumar Agrawal	7,143	14.29
Mr. Sunil Kumar Agrawal	7,143	14.29
Mr. Jai Prakash Tulshan	7,143	14.29
Mr. Ajay Agrawal	7,143	14.29
Mr. Jugal Kishore Agrawal	7,142	14.28
Total	**50,000**	**100.00**

Board of Directors

The board of directors of MSTL as on October 31, 2007 comprised of Mr. Basant Kumar Agrawal, Mr. Mahabir Prasad Agrawal and Mr. Sunil Kumar Agrawal.

MSTL is an unlisted company and has not made any public issues in the preceding three years. It has not become a sick company under the meaning of SICA and it is not under winding up.

Financial Performance

The financial results of MSTL for FY 2007, 2006 and 2005 are set forth below:-

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	0	0	0
Profit/(Loss) after tax	(0.01)	(0.01)	(0.06)
Equity Capital	0.50	0.50	0.50
Reserves and Surplus (excluding revaluation reserves)	(0.10)	(0.10)	(0.09)
Earnings/(Loss) per share (diluted) (Rs.)			
Book Value per share (Rs.)	8.01	8.08	8.24

(vi) Manaksia Exports ("ME")

ME is a partnership firm established on April 1, 1992 for carrying on business amongst others of manufacture of aluminium products. The following is the ratio of profit sharing in partnership among Mr. Basant Kumar Agrawal, Mr. Basudeo Agrawal, Mr. Suresh Kumar Agrawal Mr. Sunil Kumar Agrawal and our Company:

(a) Mr. Basant Kumar Agrawal- 12.25%
(b) Mr. Basudeo Agrawal – 12.25%
(c) Mr. Suresh Kumar Agrawal -12. 25%
(d) Mr. Sunil Kumar Agrawal – 12.25%
(e) Manaksia Limited- 51.00%

Financial Performance

The financial results of ME for FY2007, 2006 and 2005 are set forth below:

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	-	-	-
Profit/(Loss) after tax	(0.00)	(0.00)	0.00
Capital	0.06	0.05	0.05
Reserves	-	-	-
Earnings/(Loss) per share (diluted) (Rs.)	-	-	-
Book Value per share (Rs.)	-	-	-

(vii) Leistung Infrastructure and Technologies ("LIT")

LIT is a partnership firm established under a deed of partnership dated December 12, 1995 for carrying on the business amongst others of wind power equipment, including supply, erection and commissioning on turnkey basis aluminium products, adhesive and chemicals, pilfer proof caps, metal container caps, crown caps, screw caps, different types of machines, tools, die, etc and for setting up a windmill.

The partnership deed provides that the profit and losses shall be borne by the partners equally.

The profit sharing ratio among the partners of LIT is as follows: -

a) Mr. Basant Kumar Agrawal – 33.33%

b) Mr. Suresh Kumar Agrawal - 33.33%

c) Mr. Sushil Kumar Agrawal - 33.33%

Financial Performance

The financial results of LIT for FY 2007, 2006 and 2005 are set forth below:

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	-	-	0.98
Profit/(Loss) after tax	0.00	0.00	0.00
Capital	6.88	9.35	13.85

The HUFs which are part of our Promoter group are as follows:-

(viii) B.K. Agrawal & Sons (HUF)

B.K. Agrawal & Sons was established on 1979. It carries on the business of investment in shares and other securities. The members of the HUF are as follows: -

a) Mr. Basant Kumar Agrawal
b) Ms. Saroj Agrawal
c) Mr. Navneet Manaksia
d) Mr. Aditya Agrawal

Promise v/s Performance

B.K. Agrawal & Sons is an HUF, therefore there have been no public issues in the past.

Financial Performance

The financial results of B.K. Agrawal & Sons for FY 2007, 2006 and 2005 are set forth below:

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	0.10	0.10	0.10
Profit/(Loss) after tax	0.01	0.01	0.01
Member's capital	1.20	1.10	1.00

(ix) S.K. Agrawal & Sons (HUF)

S.K. Agrawal & Sons was established in 1990.It carries on the business of investment in shares and securities and granting loans and advances. The members of the HUF are as follows: -

a) Mr. Suresh Kumar Agrawal
b) Ms. Chandrakala Agrawal
c) Mr. Varun Agrawal

Promise v/s Performance

S.K. Agrawal & Sons is an HUF, therefore there have been no public issues in the past.

Financial Performance

The financial results of S.K. Agrawal & Sons for FY 2007, 2006 and 2005 are set forth below:

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	0.04	0.04	0.04
Profit/(Loss) after tax	-	-	-
Member's Capital	0.40	0.36	0.32

(x) M.P. Agrawal & Sons (HUF)

M.P. Agrawal & Sons was established in 1979.It carries on the business of dealing in shares and investment in securities. The members of the HUF are as follows: -

a) Mr. M.P. Agrawal
b) Ms. Kanta Agrawal
c) Mr. Sushil Kumar Agrawal
d) Mr. Sunil Kumar Agrawal

Promise v/s Performance

M.P. Agrawal & Sons is an HUF, therefore there have been no public issues in the past.

Financial Performance

The financial results of M.P. Agrawal & Sons for FY 2007, 2006 and 2005 are set forth below:

Rs in million

	FY 2007	FY 2006	FY 2005
Income from operations	**Nil**	**Nil**	**Nil**
Other Income	1.16	1.16	1.08
Profit/(Loss) after tax	0.30	.30	.27
Member's Capital	11.69	10.53	9.40

(xi) B.D. Agrawal & Sons (HUF)

B.D. Agrawal & Sons was established on 1979.It carries on the business of investment in shares and securities and granting loans and advances. The members of the HUF are as follows: -

a) Mr. Basudeo Agrawal
b) Ms. Shobha Devi Agrawal
c) Mr. Vineet Agrawal

Financial Performance

The financial results of B.D. Agrawal & Sons for FY 2007, 2006 and 2005 are set forth below:-

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	0.13	0.13	0.12
Profit/(Loss) after tax	0.03	0.03	0.03
Member's Capital	1.25	1.12	0.99

(xii) Sunil K. Agrawal & Sons (HUF)

Sunil K. Agrawal & Sons was established on 1990.It carries on the business of investment in shares and securities and granting loans and advances. The members of the HUF are as follows: -

a) Mr. Sunil Kumar Agrawal
b) Ms.Manju Devi Agrawal
c) Mr. Aniruddha Agrawal
d) Ms. Prachi Agrawal

Financial Performance

The financial results of Sunil K. Agrawal & Sons for FY 2007, 2006 and 2005 are set forth below:-

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Other Income	0.07	.07	.07
Profit/(Loss) after tax	0.07	.07	.07
Member's Capital	0.51	.44	.37

(xiii) Sushil K. Agrawal & Sons (HUF)

Sushil K. Agrawal & Sons was established on 1990.It carries on the business of investment in shares and securities and granting loans and advances. The members of the HUF are as follows: -

a) Mr. Sushil Kumar Agrawal
b) Ms. Shailaja Agrawal
c) Mr.Karan Agrawal
d) Mr. Tushar Agrawal
e) Mr.Debansh Agrawal

Financial Performance

The financial results of Sushil K. Agrawal & Sons for FY 2007, 2006 and 2005 are set forth below:-

Rs. in million

	FY 2007	FY 2006	FY 2005
Income from operations	Nil	Nil	Nil
Sales and Other Income	0.05	.05	.05
Profit/(Loss) after tax	0.05	.05	.05
Member's Capital	0.28	.23	.18

Companies from which the Promoters have disassociated in the last three years

Name of the Company	Reasons for disassociation	Date of disassociation
Ishaan Machines Private Limited	Disposed of shareholding	November 29, 2006
Purbanchal Machines Private Limited	Disposed of shareholding	November 29, 2006
Shree Sanyogita Commercials Private Limited	Disposed of shareholding	November 29, 2006
Fixopan Management Private Limited	Disposed of shareholding	November 29, 2006
Godson Exports Private Limited	Disposed of shareholding	November 29, 2006
Vinayak Enclave Developer Private Limited	Disposed of shareholding	November 29, 2006

Related Party Transactions

For details of the related party transactions, see section titled "Financial Statements—Related Party Transactions" beginning on page 136 of this Red Herring Prospectus.

DIVIDEND POLICY

Under the Companies Act, unless our Board recommends the payment of dividend, the shareholders at a general meeting have no power to declare any dividend. The shareholders at a general meeting may declare a lower, but not higher, dividend than that recommended by the Board. Dividends are generally declared as a percentage of the par value of our Shares. The dividend recommended by the Board and approved by the shareholders at a general meeting is distributed and paid to shareholders in proportion to the paid-up value of their Equity Shares as on the record date for which such dividend is payable. In addition, as is permitted by our Articles of Association, the Board may declare and pay interim dividends. Under the Companies Act, dividends can only be paid in cash to shareholders listed on the register of shareholders on the date which is specified as the "record date" or "book closure date". No shareholder is entitled to dividend while any lien in respect of unpaid calls on any of the Equity Shares of the shareholder is outstanding.

Particulars	March 31, 2003	March 31, 2004	March 31, 2005	March 31, 2006	March 31, 2007
Number of Equity Shares	10,546,440	10,546,440	10,546,440	7,204,540	54034050
Rate of dividend	Prorata	10%	10%	10%	10%
Amount of equity dividend (Rs. in million)	1.27	10.55	10.55	7.21	10.81
Tax on equity dividend (Rs. in million)	0.16	1.35	1.48	1.01	1.95

Our Company does not have a formal dividend policy. Dividend amounts are determined from year to year in accordance with the management's assessment of our Company's earnings, cash flow, financial condition and other factors prevailing at the time, which amount is subject to shareholder's approval.

SECTION V: FINANCIAL STATEMENTS

FINANCIAL INDEBTEDNESS

Manaksia Limited's aggregate borrowings as on August 31, 2007 was as follows:

Rs. in million

S. No.	Nature of Borrowing	Amount
1.	Secured Borrowings+	2604.67
2.	Unsecured Borrowings#	256.41

+ Secured loans include car loans aggregating to Rs. 0.04 million

\# Unsecured borrowings includes sales tax deferment of Rs. 256.41 million

1. Loan agreement dated September 27, 2005 with IDBI[1,2 and 3]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
300	187.50	• Repayment in 8 quarterly installments commencing from January 1, 2007 • Interest rate at 7.2 % p.a.

2. Loan Agreement dated October 8, 2004 with State Bank of India[1, 2 3 and 4]

Rs in. million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
250	97.50	• Repayable in twenty equal quarterly instalments of Rs. 1.25 crores each • Interest rate at 8% p.a.

3. *Dollar Loan Agreement dated January 27, 2004 with Exim Bank[4 and 5]*

USD in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
6.00	4.20	• Repayable on February 15 and August 15 of each year when USD 0.6 million would be payable. Last payment would be made on August 15, 2010. • 12 month LIBOR + 250 basis points per annum + withholding tax

4. *Pre-shipment Credit cum Post-shipment Credit Dollar Loan Agreement dated January 27, 2004 with Exim Bank*[1, 2 3 and 4,]

USD in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
5	5	• Repayable within 180 days from the date of disbursement or out of export proceeds, whichever is earlier. The facility will continue as a running account facility to be revolved on the basis of fresh eligible export orders upto a period of one year, and will be subject to review thereafter. • Interest at LIBOR + 75 basis points + withholding tax

5. *Term Loan Agreement dated May 4, 2004 with ICICI Bank Limited, U.K. and Deed of Assignment dated May 11, 2005 in favour of ICICI Bank Limited, Bahrain*[5]

U SD in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
5	5	• Repayment in the following manner: - (i) 5 years after date of signing of facility- USD 1.25 million (ii)5 years and 1 month after date of signing of facility - USD 1.25 million (iii) 5 years and 2 months after date of signing of facility - USD 1.25 million (iv) 5 years and 3 months after date of signing of facility - USD 1.25 million • Interest is the aggregate of : - (a)LIBOR for the relevant interest period. (b) Margin being 225 basis points per annum if the outstanding credit rating of our Company by CARE is A and above and 300 basis points per annum if the outstanding credit rating of our Company by CARE is below A. (c)All associated costs for providing funds in the USD

6. ***Loan Agreement dated April 12, 2004 with Cooperatieve Centrale Raiffeisen-Boerenieenbank B.A., Singapore branch***[1, 2, and 6]

USD in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
4.50	1.50	• Repayable in three (3) equal annual instalments commencing at the end of the 24th month from the date of draw down, together with unpaid interest accrued thereon • 2.00 % p.a. above 3/6 months LIBOR for the relevant interest period

7. ***Facility Agreement dated April 07, 2007 with IDBI Limited***[7]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Repayment and Interest rate
250	250	• The loan shall be repayable in a bullet installment at the end of eighteen months from the date of first disbursement with a put call option at the end of every six months. • Interest rate at 10.50 % p.a. with reset after every 6 months

8. Sanction Letter dated July 27, 2007 with ICICI Bank Limited[1, 2 and 3♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
1,520	479	• Interest shall be in the range of 2.00% to 2.50% p.a. below ICICI Bank Benchmark Advance Rate depending on the facility

9. ***Sanction Letter dated July 19, 2007 of State Bank of India***[1,2, 3 and 4♂]

Rs .in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
810	364	• At 12.75% p.a. subject to change as per market conditions.

10. Sanction Letter dated April 2, 2007 with UCO Bank [1,2, 3 and 4♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
390	121	• At 12.25 % p.a. at monthly rests.

11. Sanction Letter dated May 23, 2006 of HDFC [1,2,3 and 4♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
150	144	• At 11.00% p.a.

12. Sanction letter dated July 20, 2007 of Yes Bank [1,2 3 and 4♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
200	11	• At 10.00% p.a. subject to change as per market conditions

13. Sanction letter dated March 19, 2007 of Axis Bank Limited [1,2, 3and 6♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
330	262	• In the range of 10.00% p.a. to 10.50% p.a. depending on the credit facility availed

14. Sanction letter dated March 3, 2006 of ABN AMRO Bank [1,2, 3 and 4♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
300	279	• At 12.75% p.a. subject to change as per market conditions

15. Sanction letter dated October 28, 2005 of Citibank [1,2,3 and 4♂]

Rs. in million

Sanctioned Amount	Amount Outstanding as on 31.08.07	Interest rate
150	95	• At 10.05% p.a.

1. Loan secured by equitable mortgage over immovable properties which is shared on a pari passu basis by the lenders
2. Loan secured by hypothecation on moveable fixed assets which is shared on a pari passu basis by the lenders .
3. Loan secured by charge over current assets which is shared on a pari passu basis by the lenders.
4. Loan secured by personal guarantee of certain of the directors
5. Loan secured by charge over properties located in a particular area.
6. Loan secured by guarantee of one of our Promoter.
7. Power of attorney to create charge on assets/undertaking to create charge on assets of our Company in the event of default.

♂Includes fund based as well as non fund based facility (such as letters of credit, bank guarantee, etc)

Restrictive Covenants: -

Some of the corporate actions for which we require the prior written consent of our lenders include the following:

- To enter into borrowing arrangements, secured or unsecured with other banks;
- To undertake any new project or expansion or any other form of capital investment or obtain equipment on lease, other than that undertaken in the normal course of business;
- To create any charge, encumbrance or otherwise dispose off its assets offered as security:
- To declare dividend for any year except out of profits relating to that year after making all due and necessary provisions and provided further that no default had occurred in any repayment obligation;
- To cause any material change in the composition of the Board of Directors, management structure, or equity pattern;
- To enhance working capital limits;
- To incur in any financial indebtedness in the event of default;
- To change the scope of business, entry into new line of business, suspension or cessation of business or transfer of all or material portion of the business;
- To give any guarantee or comfort letter to any person;
- To enter into any affiliated party transactions or any agreement or arrangement between the company and/or any shareholder, director or promoterand/or their affiliates;
- To buy back any of its shares from its shareholders;
- To restructure its share capital which may have an adverse effect on the value of the shares of our Company;
- Any restructuring by our Company or its Subsidiaries and affiliates;
- To create or permit or subsist any debenture, pledge, mortgage, charge, pledge, lien;hypothecation or any other agreement or arrangement having economic effect on or over their assets;
- To formulate any scheme of amalgamation/reconstruction;
- To undertake any new project/ scheme without obtaining Bank's prior consent therefore unless the expenditure on such expansion etc., is covered by the Company's net cash accruals after providing for dividends, investments, etc., or from long term funds received for financing such new projects or expansion;

- To 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 advances to employees, etc., are, however, not covered by this covenant;
- Withdrawal of moneys brought in by principal shareholders/directors/depositors.

Further, several of the loan agreements executed permit the lender to disclose our name as a defaulter to the RBI and debar our Company from borrowing monies for certain periods of time. Certain of our loan agreements require our Company to restrict its banking business to a consortium of banks. Certain of our loan agreements provide for maintenance of debt service cover ratio, fixed asset cover ratio and ratio of debt to EBIDTA. Further, certain of our loan agreements limit the amount of capital expenditure that can be undertaken by us.

CONSOLIDATED RESTATED FINANCIAL STATEMENTS

AUDITORS REPORT

To,

The Board of Directors
Manaksia Limited
8/1 Lal Bazar Street
3rd Floor , Bikaner Building,
Kolkata - 700001

Dear Sirs,

We have examined the Consolidated Financial Information of Manaksia Limited ('the Company') *(formerly, Hindustan Seals Limited) and* its Subsidiaries, 1) MINL Limited, Nigeria 2) Jebba Paper Mills , Nigeria ,3) Dynatech Industries Ghana Limited, Ghana 4) Mark Steels Limited , India 5) Cresent Industries (Nepal) Pvt. Ltd., Nepal and 6) Euroasian Ventures FZE, Dubai, (hereinafter referred as the " Manaksia Group") as attached to this report stamped and initialed by us for identification and as approved by the Board of Directors, which has been prepared in accordance with the instructions received by us from the Company requesting us to carry out work in connection with the Red Herring Prospectus being issued by Manaksia Limited in connection with its Follow-on Public Offering of Equity Shares (referred to as 'the Issue').

A. Financial Information as per the audited financial statements

We have examined the attached Consolidated Balance Sheets of the Manaksia Group as at 31st March, 2003, 2004, 2005, 2006, 2007 and 31st August, 2007 (Annexure IIA), the attached Consolidated Statements of Profit and Loss Accounts for the financial years ended 31st March, 2003, 2004, 2005, 2006,2007 and 5 months ended 31st August, 2007 (Annexure IA) and Cash Flow Statements for the financial years ended 31st March, 2003, 2004, 2005, 2006,2007 and 5 months ended 31st August, 2007 (Annexure VA) together referred to as 'Restated Consolidated Summary Statements'. These Restated Consolidated Summary Statements have been extracted from the Consolidated Financial Statements for these periods audited by us and have been approved by the Board of Directors for the respective period/year.

We did not audit the financial statements of the subsidiaries 1) MINL Limited , Nigeria 2) Jebba Paper Mills , Nigeria 3) Dynatech Industries Ghana Limited , Ghana 4) Mark Steel Limited , India 5) Cresent Industries (Nepal) Pvt. Ltd. , Nepal and 6) Euroasian Ventures FZE , Dubai of Manaksia Limited whose financial statements reflect total assets of Rs. 2602.64 millions as at August 31, 2007 (Rs. 2668.37 millions as at March 31, 2007) and total revenues of Rs. 1883.56 millions for the five months period ended August 31, 2007 (Rs. 1955.09 million for the period ended March 31, 2007) and cash flows amounting to Rs. 26.12 million for the period ended August 31, 2007 (Rs 8.84 million for the period ended March 31, 2007). The financial statement and other financial information of the above subsidiaries have been audited by other auditors whose report have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of those auditors.

We report that the consolidated financial statements have been prepared by Manaksia management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Manaksia and its subsidiaries included in the consolidated financial statements.

Based on our examination of these summary statements, we confirm that:

1. The accounting policies have been consistently applied by the Company (as disclosed in Annexure IV A) and are consistent with those used in the previous year.

2. There are no qualifications to the auditors' report which require adjustments to the Restated Consolidated Summary Statements.

3. There are no extra-ordinary items, which need to be disclosed separately in the Restated Consolidated Summary Statements.

B. Other Financial Information

We have examined the following financial information relating to the Company proposed to be included in the Offer Document, as approved by the Board of Directors and annexed to this report:

a) Summary of accounting ratios comprising earnings per share, net asset value and return on net worth which have been calculated based on restated profits in respect of each period / years ended August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure VIA to this report.

b) Details of "Secured Loans" and Unsecured Loans" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure VIIA to this report.

c) Age-wise analysis of "Sundry Debtors" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure VIIIA to this report.

d) Details of "Loans and Advances" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure IXA to this report.

e) Capitalization statement of the Company as at March 31, 2007 enclosed as Annexure XA to this report.

f) Statement of Finance cost & Interest in respect of each period / years ended August, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 enclosed as Annexure XIA to this report.

g) Details of "Related Party disclosures" in respect of each period / years ended August, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure XIIA to this report.

h) Details of "Contingent Liabilities" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003as shown in Annexure XIIIA to this report.

i) Details of dividend paid by the Company in respect of each period / years ended August, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure XIVA to this report.

j) Statement of Other Income in respect of each period / years ended August, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 enclosed as Annexure XVA to this report.

k) Statement of details of "Reserves and Surplus" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 enclosed as Annexure XVIA to this report.

In our opinion, the financial information of the Company attached to this report as mentioned in Paragraphs A and B above read together with the significant accounting policies and notes stated in Annexure IVA to this report and after making adjustments as shown in Annexure III A and regrouping as considered appropriate, have been prepared in accordance with Part II of Schedule II of the Act and the Guidelines of SEBI Act, 1992.

This report is intended solely for your information and for inclusion in the offering Memorandum in connection with Follow-on Public Offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For SRB & Associates
Chartered Accountants

Sanjit Patra
Partner
Membership No 056121
Place : Kolkata
Date : 29.11.2007

ANNEXURE - IA

STATEMENT OF CONSOLIDATED RESTATED PROFIT AND LOSS ACCOUNT

Rs. in Million

Particulars	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Income						
Sales (Net of Excise Duty & Tax)						
Of Products manufactured by the Company	4336.61	5629.53	5990.64	6793.61	7273.15	3820.01
Of Products traded in by the Company	345.32	1389.14	3481.25	4348.67	1004.67	712.80
Total	**4681.93**	**7018.67**	**9471.89**	**11142.28**	**8277.82**	**4532.81**
Other Income	19.17	111.54	9.75	25.20	63.98	4.15
	4701.10	**7130.21**	**9481.64**	**11167.48**	**8341.80**	**4536.96**
Expenditure						
Raw Materials Consumed	2623.01	4046.33	3476.80	4624.18	3910.62	1711.02
Accretion / (Depletion) of Stocks	20.80	(115.64)	33.64	(979.20)	(45.31)	520.75
Material Cost of Trade Goods Sold	359.58	1351.21	3403.04	4518.26	964.48	645.52
Staff Costs	139.15	166.74	191.20	238.06	287.18	113.45
Other Manufacturing Expenses	580.83	586.05	804.89	897.22	821.41	419.16
Administration Expenses and Selling & Distribution Expenses	379.51	403.65	527.32	573.07	620.37	239.84
	4102.88	**6438.35**	**8436.89**	**9871.59**	**6558.75**	**3649.74**
Earning Before Depreciation Interest & Tax	**598.22**	**691.86**	**1044.75**	**1295.89**	**1783.05**	**887.22**
Depreciation	84.12	131.49	197.93	261.41	338.08	140.45
Finance Cost & Interest	180.72	70.30	87.81	274.62	433.20	202.41
Profit before tax and Extraordinary items	**333.38**	**490.07**	**759.01**	**759.86**	**1011.77**	**544.36**
Provision no longer required written back				1.67		
Profit after Extra-Ordinary Items	**333.38**	**490.07**	**759.01**	**761.53**	**1011.77**	**544.36**
Taxation	63.03	83.23	212.82	89.36	91.15	36.12
Current tax	24.56	36.50	75.00	57.47	66.86	24.81
Deferred tax	38.47	46.73	137.82	31.89	24.28	11.31
Net Profit after tax (as per audited Financial Statements)	**270.35**	**406.84**	**546.19**	**672.17**	**920.62**	**508.24**
Adjustment on Restatement	**(12.72)**	**(7.53)**	**0.08**	**(0.27)**		
Net Profit as Restated	**257.63**	**399.31**	**546.27**	**671.90**	**920.62**	**508.24**

ANNEXURE - IIA

STATEMENT OF CONSOLIDATED RESTATED ASSETS AND LIABILITIES

Rs. in Million

	Particulars	As at March 31,					
		2003	2004	2005	2006	2007	Aug 07
A.	**Fixed Assets**						
	Gross Block	1778.73	2406.13	4145.75	5052.48	5833.37	5739.68
	Less Depreciation	316.86	426.69	623.66	894.53	1222.53	1348.33
	Net Block	1461.87	1979.44	3522.09	4157.95	4610.84	4391.35
	Less: Revaluation Reserve	-	-	-	-	-	
	Net Block after adjustment for Revaluation Reserve	**1461.87**	**1979.44**	**3522.09**	**4157.95**	**4610.84**	**4391.35**
	Capital Work in Progress	475.44	1716.55	1060.32	823.68	795.30	996.19
	Total	**1937.31**	**3695.99**	**4582.41**	**4981.63**	**5406.14**	**5387.54**
B.	**Investments**	14.68	0.18	0.18	5.76	4.89	2.26
C.	**Current Assets, Loans and Advances**						
	Inventories	1172.35	1460.86	1541.14	2460.19	3148.92	2218.88
	Sundry Debtors	830.64	1079.30	1115.73	1053.56	1420.96	1283.45
	Cash and Bank Balances	33.95	59.45	28.26	71.07	90.99	124.47
	Loans and Advances♀	417.37	398.23	497.09	826.34	950.34	958.50
		2454.31	**2997.84**	**3182.22**	**4411.16**	**5611.21**	**4585.30**
D.	**Liabilities and Provisions:**						
	Secured Loans	1841.83	2329.36	3183.35	3347.10	3513.45	3381.70
	Unsecured Loans	478.59	992.51	608.26	762.42	760.57	391.86
	Current Liabilities and Provisions	555.20	1447.47	1326.45	1772.44	2430.88	1399.63
	Deferred Tax Liability	221.44	265.46	403.61	404.17	428.46	438.16
		3097.06	**5034.80**	**5521.67**	**6286.13**	**7133.36**	**5611.35**
E.	**Net Worth**	**1309.24**	**1659.21**	**2243.14**	**3112.42**	**3888.88**	**4363.75**
F.	**Represented by**						
	Share Capital						
	Equity Shares	105.46	105.46	105.46	72.05	108.07	108.07
	Preference Shares	-	-	-	-	23.74	23.74
	Capital Suspense A/c	-	-	-	23.74	-	-
	Reserves & Surplus	1217.98	1589.75	2186.10	3041.49	3836.51	4343.88
	Minority Interest	2.61	6.92	12.03	17.14	-	-
	Total	**1326.05**	**1702.13**	**2303.59**	**3154.42**	**3968.32**	**4475.69**
	Less : Misc. Expenditure to the extent not written off or adjusted	16.81	42.92	60.45	42.00	79.44	111.94
G.	**Net Worth**	**1309.24**	**1659.21**	**2243.14**	**3112.42**	**3888.88**	**4363.75**

♀ [**Reasons for increase in loans and advances in FY 2006 as compared to FY 2005: It is not part of the auditor's statement and is made in compliance with SEBI observation**

1. Our subsidiary, EVF commenced its trading operations in FY 2006. EVF procures most of the material against payment of advance. As per FY 2006, the advance payment as reflected in the audited statement of EVF amounts to AED 12953125 equivalent to Rs 157.5 million (1USD= 3.67AED and 1USD = Rs. 44.62).

2. Advance amounting to Rs. 20.53 million made to DIGL towards equity contribution was subsequently converted to equity.

3. Advance paid to raw material supplier for getting better rates.

4. Export incentive receivable of Rs. 42.3 million included as advances in FY 2006.]

ANNEXURE IIIA

NOTES TO ADJUSTED ACCOUNTS

STATEMENT OF ADJUSTMENTS TO AUDITED PROFIT AND LOSS ACCOUNT

(Rs. in millions)

Year / Particulars	**2003**	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Profit after tax & extra- ordinary items (as per audited a/cs)	**270.35**	**406.84**	**546.19**	**672.17**	**920.62**	**508.24**
Adjustments (increase/(decrease):						
1) Provision no longer required written back						
2) Prior Period Items	(12.72)	(7.53)	0.08	(0.27)		
3)Audit Qualifications:						
Tax benefit under section 80 IA of the Income Tax Act						
Other than tax						
4) Other Adjustments						
5) Change in accounting policy (Deferred tax)						
6)Total Adjustment	(12.72)	(7.53)	0.08	(0.27)		
7)Tax effect of Adjustments						
8)Net Total (Decrease)/ Increase due to Adjustments **(6-7)**	(12.72)	(7.53)	0.08	(0.27)		
Profit after adjustments, tax & extra-ordinary items as per restatement	**257.63**	**399.31**	**546.27**	**671.90**	**920.62**	**508.24**

STATEMENT OF ADJUSTMENTS TO AUDITED ASSETS AND LIABILITIES

(Rs. in millions)

Year/Particular	**2003**	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Adjustments {increase/(decrease)} in assets and liabilities as restated.						
Reserves and Surplus	**(12.72)**	**5.19**	**7.61**	**(0.35)**	**0.28**	
Current Liabilities						
Provisions						
Deferred Tax Liability						
Sundry Debtors						
Loans and Advances	**(12.72)**	**5.19**	**7.61**	**(0.35)**	**0.28**	

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. Basis for preparation of financial statements

a) The Company prepares its accounts on accrual basis, except otherwise stated in accordance with the normally accepted accounting principles.

b) Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.

c) Insurance and other claims/refunds, due to uncertainty in realization, are accounted for on acceptance / actual receipt basis.

2. Principles of consolidation

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) - "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

3. Fixed Assets

a) Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection / commissioning etc., upto the date, the asset is put to use.

b) The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factor. An impairment loss is recognized wherever the carrying amount of an asset exceeds it's recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to there present value at the weighted average cost of capital.

4. Depreciation

a) Depreciation on all Fixed Assets are calculated under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 and the Act in force for the time being of the concerned country, however in case of Dynatech Industries Ghana Ltd the depreciation has been provided in written down value method as per the Internal Revenue Act (Ghana) 2000.

b) Depreciation includes amortization of leasehold land over the period of lease at the rates specified in the Act in force for the time being of the concerned country.

c) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets. Depreciation is charged on revised unamortized amount prospectively over residual useful life of the Assets.

d) Depreciation is calculated on pro rata basis on additions and deletions of Fixed Assets during the year except for assets costing Rs. 5000/- or less on which 100% Depreciation is provided.

e) Depreciation on individual items of plant and machinery costing Rs. 5000/- or less is being provided at normal applicable rates, whenever aggregate cost of such items constitute more than 10% of the total cost of plant and machinery in accordance with amendments to Schedule XIV to the Companies Act, 1956 vide Notification No. GSR No. 101(E) dated 01.03.1995.

5. Valuation of Inventories

Inventories are valued as under –

a) Raw materials, finished goods, Stock in trade, Work in process, Packing materials and stores & spares are valued at lower of cost and net realizable value. Closing stock has been valued on FIFO basis.

b) Scraps are valued on the basis of estimated realizable value.

6. Investments

Investments are stated at Cost.

7. Foreign Exchange Transactions

a) Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.

b) Foreign currency assets and liabilities (other than those covered by forward contracts and investments which are stated at cost) as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year and exchange difference arising there from is adjusted to the cost of fixed assets or charged to the Profit & Loss Account, as the case may be.

c) In case of transactions covered by forward contracts, the difference between the contract rates and the exchange rates prevailing on the date of transactions, is adjusted to the cost of fixed assets or charged to the Profit and Loss Account proportionately over the contract period, as the case may be.

d) In respect of foreign subsidiaries figures have been converted for the purpose of Consolidation at exchange rate on balance sheet date.

8. Revenue Recognition

Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.

9. Employees Retirement Benefits

Company's contribution to Provident Fund are charged to profit & loss account. Gratuity benefit is charged to the Profit & Loss account on the basis of actuarial valuation. Leave encashment is charged to the Profit & Loss account on accrual basis.

10. Excise Duty and Custom Duty

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Customs/ Bonded warehouse.

11. Taxation

Provision for Income Tax comprises of current tax and deferred tax charge. Deferred tax is recognized subject to the consideration of prudence, on timing differences, being difference between taxable and accounting income / expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Fringe Benefit Tax is provided in accordance with the provisions of the Income Tax Act, 1961.

12. Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

13. Segment Reporting

a) Identification of segments

The company has identified its business segments as the primary segments. The company’s businesses are organized and managed separately according to the nature of products/ services, with each segment representing a strategic business unit that offers different product / services and serves different markets.

b) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head “Unallocated”.

The accounting policies adopted for segment reporting are in line with those of the Company.

14. Previous year figures have been regrouped / rearranged wherever found necessary.

15. Assets Acquired under Lease

For assets acquired under operating lease, rentals payable are charged to the Profit & Loss Account.

Segment information as on and for the year ended are as below: Rs. in Million

	Financial Year	Packaging Products	Mosquito Coil	Metal Products	Bullion	Engg. & Others	Total
Segment Revenue (A)	31.03.2003	1696.84	666.22	1955.21	-	363.66	4681.93
	31.03.2004	1411.39	665.75	3596.59	835.36	509.58	7018.67
	31.03.2005	895.12	793.37	5678.59	1734.31	370.50	9471.89
	31.03.2006	1044.93	693.36	5338.88	3587.04	478.07	11142.28
	31.03.2007	1190.50	708.97	6005.45	-	372.90	8277.82
	31.08.2007	591.26	288.63	3541.59		111.33	4532.81
Less : Inter Segment Revenue (B)	31.03.2003	295.76	-	744.13	-	87.33	1127.22
	31.03.2004	225.32	-	1489.55	-	111.72	1826.59
	31.03.2005	194.29	-	1686.18	-	76.04	1956.51
	31.03.2006	241.48	-	807.83	-	33.34	1082.65
	31.03.2007	201.52	-	575.32	-	18.64	795.48
	31.08.2007	66.65		137.90		52.48	257.03
Net Revenue (A - B)	31.03.2003	1401.08	666.22	1211.08	-	276.33	3554.71
	31.03.2004	1186.07	665.75	2107.04	835.36	397.86	5192.08
	31.03.2005	700.83	793.37	3992.41	1734.31	294.46	7515.38
	31.03.2006	803.45	693.36	4531.05	3587.04	444.73	10059.63
	31.03.2007	988.98	708.97	5430.13	-	354.26	7482.34
	31.08.2007	524.61	288.63	3403.69		58.85	4275.78
Segments Results (PBIT) (X)	31.03.2003	252.71	99.21	78.00	-	84.18	514.10
	31.03.2004	212.26	69.34	93.48	14.11	171.18	560.37
	31.03.2005	158.25	75.79	499.39	1.07	112.32	846.82
	31.03.2006	110.30	56.99	792.96	(34.15)	108.38	1034.48
	31.03.2007	134.44	58.51	1189.96	-	62.06	1444.97
	31.08.2007	77.82	37.03	612.45		19.47	746.77
Less : Finance Cost & Interest (Y)	31.03.2003						180.72
	31.03.2004						70.30
	31.03.2005						87.81
	31.03.2006						274.62
	31.03.2007						433.20
	31.08.2007						202.41
Profit before Tax & Extra Ordinary Items (X - Y)	31.03.2003						333.38
	31.03.2004						490.07
	31.03.2005						759.01
	31.03.2006						759.86
	31.03.2007						1011.77
	31.08.2007						544.36
Extra Ordinary Items	31.03.2003						

Provision for doubtful Debts Written back	31.03.2004		
	31.03.2005		
	31.03.2006		1.67
	31.03.2007		
	31.08.2007		

Profit after Extra Ordinary Items	31.03.2003						333.38
	31.03.2004						490.07
	31.03.2005						759.01
	31.03.2006						761.53
	31.03.2007						1011.77
	31.08.2007						544.36
Less : Taxation (Z)	31.03.2003						63.03
	31.03.2004						83.23
	31.03.2005						212.82
	31.03.2006						89.36
	31.03.2007						91.15
	31.08.2007						36.12
Net Profit after tax as per audited financial statement	31.03.2003						270.35
	31.03.2004						406.84
	31.03.2005						546.19
	31.03.2006						672.17
	31.03.2007						920.62
	31.08.2007						508.24
Net Profit as restated	31.03.2003						257.63
	31.03.2004						399.31
	31.03.2005						546.27
	31.03.2006						671.90
	31.03.2007						920.62
	31.08.2007						508.24
Capital Employed	31.03.2003	1290.71	527.03	1394.15	-	525.44	3737.33
	31.03.2004	1266.94	595.05	1374.57	-	330.98	3567.54
	31.03.2005	1328.46	565.63	3171.65	-	361.84	5427.58
	31.03.2006	1252.62	870.95	4426.16	-	289.55	6839.28
	31.03.2007	1335.11	769.39	5311.79	-	454.03	7870.32
	31.08.2007	1274.13	729.38	5227.78		457.67	7688.96
New Projects incl. Capital Work in Progress and Investments	31.03.2003						-
	31.03.2004						1716.74
	31.03.2005						1060.51
	31.03.2006						829.13
	31.03.2007						800.19
	31.08.2007						998.44
Note : Segment figures are given net of excise duty and commercial taxes.							

ANNEXURE - VA

CONSOLIDATED RESTATED CASH FLOW STATEMENT Rs. in Million

Particulars	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Net Profit before Taxation	333.36	490.07	759.00	761.53	1011.79	544.37
Adjustments for:						
Depreciation	84.12	131.49	197.93	261.41	338.06	140.45
Dividend Income		(0.04)				
Provision for Doubtful Debts		0.21		(1.66)	1.69	
Loss/(Profit) on Sale of Fixed Assets (Net)	0.30	(51.14)	0.63	1.65	9.96	0.87
Loss/(Profit) from Partnership Firm	0.02	0.06				
Interest Paid (Net)	179.50	70.30	87.81	274.61	433.21	202.41
Exchange Gain	47.01	(34.75)				
Operating Profit before Working Capital Changes	**644.31**	**606.20**	**1045.37**	**1297.54**	**1794.71**	**888.10**
Change in Trade and Other Receivables	(13.35)	(226.43)	(113.84)	(172.62)	(563.68)	104.94
Change in Inventories	43.59	(288.52)	(80.27)	(919.05)	(688.72)	930.04
Change in Current Liabilities	(250.20)	450.63	70.10	684.66		
Direct -taxes paid	(20.55)	(34.52)	(44.54)	(32.28)	(35.89)	(0.43)
Change in Trade Payable					716.74	(1027.78)
Net Cash Flow from Operating Activities	**403.80**	**507.36**	**876.82**	**858.25**	**1223.16**	**894.87**
Cash Flow from Investing Activities						
Purchase of Fixed Assets	(696.27)	(1493.35)	(1271.12)	(890.31)	(874.32)	(248.77)
Sale of Fixed Assets	1.03	81.02	19.87	18.57	32.04	106.37
(Increase)/ Decrease in Project & Pre-operative Expenses	(16.06)	(20.90)	(18.50)	19.42	(36.21)	(31.49)
Sale of Investments	0.12	14.27		0.20	2.50	1.00
Investments Purchased	(1.76)				(1.62)	
Dividend Received		0.04				
(Loss)/ Profit from Partnership Firm	(0.02)	(0.06)				
(Increase)/Decrease in Capital of Partnership firm	0.12	0.23				
(Loss)/Profit on Exchange Fluctuation	(47.01)					
Increase in Preliminary Expenses	(0.22)	(3.83)	0.98	(0.99)	1.30	(1.29)
Cash Receipt of State Investment Subsidy	2.43	2.10		1.00		
Net Cash Flow used in Investing Activities	**(757.64)**	**(1420.48)**	**(1268.77)**	**(852.11)**	**(876.31)**	**(174.18)**
Cash Flows from Financing Activities						
Changes in Borrowings	512.80	1036.62	498.95	302.05	189.36	(500.45)
Proceeds from Issuance of Capital						
Interest Received	18.02	21.16	97.92	73.27	17.03	3.26
Interest Paid	(194.71)	(117.34)	(224.21)	(333.19)	(465.26)	(190.01)
Dividend Paid	(0.70)	(1.83)	(11.90)	(12.02)	(8.61)	
Utilisation of Exchange Fluctuation Reserve					(59.45)	
Net Cash Flow from Financing Activities	**335.41**	**938.61**	**360.76**	**30.11**	**(326.93)**	**(687.20)**
Net increase in cash and cash equivalents	(18.43)	25.49	(31.19)	36.25	19.91	33.49
Cash and Cash Equivalents (Opening Balance)	52.38	33.95	59.49	28.30	71.07	90.98
Add: Taken over on Amalgamation				6.52		

Cash and Cash Equivalents (Closing Balance)	33.95	59.44	28.30	71.07	90.98	124.47
Unrealised Exchange Gain		0.05				

ANNEXURE - VIA

STATEMENTS OF ACCOUNTING RATIOS

Particulars	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
Earnings per share (Rs.)	127.24	37.86	51.80	93.30	17.04	9.41*
Earnings per share (Rs.) (after Bonus & Split in November 2006)	4.77	7.39	10.11	12.44	17.04	9.41*
Net Asset value per share (Rs.)	646.69	157.32	212.69	432.10	71.97	80.76
Return on Net Worth (%)	20%	24%	24%	22%	24%	12%*
Number of outstanding equity shares as at the year end	10,546,440	10,546,440	10,546,440	7,204,540	54,034,050	54,034,050
Weighted average number of equity shares (Rs. 10 each)	2024,531	10,546,440	10,546,440	7,204,540		
No. of equity shares post Bonus and Split in November 2006 (Rs. 2 each)	54,034,050	54,034,050	54,034,050	54,034,050	54,034,050	54,034,050

* Not Annualised

Formula:		
1. Earnings per share(Rs.)	=	Net profit attributable to equity shareholders
		Weighted average number of equity shares outstanding during the period
2. Net Asset Value per share (Rs.)	=	Net Worth excluding revaluation reserve at the end of the period/year
		Weighted average number of equity shares outstanding during the period
3. Return on Net Worth (%)	=	Net profit attributable to equity shareholders
		Net Worth excluding revaluation reserve at the end of the period/year

ANNEXURE – VIIA

Rs. in Million

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
SECURED LOANS						
a) Long Term						
1) Rupee Loans from Banks & Financial Institutions	143.45	223.91	470.77	709.05	532.77	639.39
2) Foreign Currency Loans from Banks & Financial Institutions	541.06	583.55	1,063.58	1,148.05	912.91	845.84
b) Short Term						
From Scheduled Banks -						
Working Capital Demand Loans & Cash Credit Accounts	1,157.32	1,521.90	1,649.00	1,490.00	2,067.77	1,896.47
	1,841.83	2,329.36	3,183.35	3,347.10	3,513.45	3,381.70
UNSECURED LOANS						
Under Sales Tax Deferrment Scheme (Interest Free) :	184.14	221.93	255.82	268.72	275.08	256.41
From Banks	100.00	650.00	218.75	356.96	350.00	-
From Directors	0.60	0.55	0.50	0.51	0.49	0.45
From Bodies Corporate	193.85	120.03	133.19	136.23	135.00	135.00
	478.59	992.51	608.26	762.42	760.57	391.86

ANNEXURE – VIIIA

STATEMENT SHOWING AGE WISE ANALYSIS OF SUNDRY DEBTORS AS ON

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Sundry Debtors						
Outstanding for exceeding six months						
Secured (Considered good)						
Unsecured (Considered good)	142.71	104.87	104.77	85.29	135.90	107.57
Doubtful Debts	12.98	8.45	8.45	0.90	2.59	2.59
	155.69	**113.32**	**113.22**	**86.19**	**138.49**	**110.16**
Other Debts						
Secured (Considered good)						
Unsecured (Considered good)	677.30	968.55	1005.09	968.27	1285.06	1175.88
	677.30	**968.55**	**1005.09**	**968.27**	**1285.06**	**1175.88**
Total						
Less : Provision for Doubtful Debts	2.35	2.57	2.58	0.90	2.59	2.59
	830.64	**1079.30**	**1115.73**	**1053.56**	**1420.96**	**1283.45**
Total						

ANNEXURE – IXA

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
LOANS AND ADVANCES						
(Unsecured - Considered good except stated otherwise)						
Loans	120.55	29.57	35.46	31.20	41.37	68.05
Advances :						
Advance Recoverable in cash or in kind or for value to be received or pending adjustment	196.04	235.77	281.61	546.00	637.77	486.51
Balances with Central Excise and other Statutory Authorities	67.26	101.67	142.55	208.66	218.10	311.56
Other Deposits	33.52	31.22	37.47	40.48	53.10	92.38
	296.82	368.66	461.63	795.14	908.97	890.45
	417.37	398.23	497.09	826.34	950.34	958.50

ANNEXURE - XA

CAPITALISATION STATEMENT

Rs. in Million

PARTICULARS	Pre-Issue as at 2007	Post Issue*
Borrowings :		
Short-term Debt**	2372.81	
Long-term Debt	1400.75	
Total Debt	**3773.56**	
Shareholders' funds:		
Share Capital	131.81	
Reserves & Surplus	4343.88	
Total Shareholders' Funds	**4475.69**	
Total Capitalization		
Long-term Debt/Equity ratio	**0.31:1**	
Total Debt/Equity ratio	**0.84:1**	

* Share Capital and reserves and total shareholders' Funds would be calculated on conclusion of the Book Building process
** Short-term Debts are debts maturing within the next one year from the date of above statement.

ANNEXURE - XIA

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
FINANCE COST & INTEREST (Net)						
Finance Cost						
Net exchange loss/(gain) on translation of Loans in foreign currency	1.22	(71.62)	(70.72)	14.70	6.78	-
Interest Charge						
To Financial Institutions / Banks						
On Fixed Loans	28.82	21.23	75.33	92.65	124.44	62.68
On Others	158.14	135.52	165.39	229.93	310.07	139.21
To Others	10.56	6.45	16.69	7.66	8.94	3.78
	198.74	91.58	186.69	344.94	450.23	205.67
Less: Interest Income						
From Banks	0.41	0.50	0.22	0.58	0.44	0.13
From Others	17.61	20.78	98.66	69.74	16.59	3.13
Interest (Net)	180.72	70.30	87.81	274.62	433.20	202.41

ANNEXURE - XIIA

Related Parties disclosure

(Rs. In Million)

		2003	2004	2005	2006	2007	Aug 2007
Associates							
Purchase Of Goods	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	0.15	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	-	**0.15**	-
Sale Of Goods	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	0.56	-	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	**0.56**	-	-
Payment against rendering of Services	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Finance (including loans & equity contributions in cash or kind) given	Agrim Steel Industries Ltd	-	-	-	42.30	-	-
	Arena Machineries Ltd.	-	-	-	60.00	-	-
	Agr Capital Markets Limited	-	-	-	0.40	-	-
	Maxell Securities Limited	-	0.30	-	0.06	-	-
	Total	-	**0.30**	-	**102.77**	-	-
		-	-	-	-	-	-
		-	-	-	-	-	-
Finance (including loans & equity contributions in cash or kind) received	Agrim Steel Industries Ltd	-	-	-	-	1.26	-
	Arena Machineries Ltd.	-	-	-	-	3.48	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	0.03	-	-	-	-	-
	Total	**0.03**	-	-	-	**4.74**	-
							-
		-	-	-			-
Dividend & Interest Received	Agrim Steel Industries Ltd	-	-	-	-	2.01	-
	Arena Machineries Ltd.	-	-	-	1.94	3.26	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	**1.94**	**5.27**	-
Interest Paid	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	Agr Capital Markets Limited	-	-	-	-	0.52	-
	Maxell Securities Limited	-	0.01	-	0.01	0.08	-
	Total	-	**0.01**	-	**0.01**	**0.60**	-
Remuneration	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-

	Total	-	-	-	-	-	-
Amount Due From	Agrim Steel Industries Ltd	-	-	-	50.32	2.06	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	Agr Capital Markets Limited	-	-	-	-	0.43	0.05
	Maxell Securities Limited	-	-	-	-		0.33
	Total	-	-	-	**50.32**	**2.49**	**0.38**
Amount Due To	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	Agr Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	0.32	-	-	-	-	-
	Total	**0.32**	-	-	-	-	-
Key Management							
Purchase Of Goods	Mr.Basant Kumar Agrawal	-	0.08	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	**0.08**	-	-	-	-
Sale Of Goods	Mr.Basant Kumar Agrawal	-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Payment Against rendering of Services	Mr.Basant Kumar Agrawal	0.02	0.08	0.08	0.07	0.03	0.01
	Mr. Mahabir Pd.Agrawal	0.00	0.06	0.06	0.06	0.02	0.00
	Mr. Suresh Kumar Agrawal	0.01	0.09	0.09	0.10	0.06	0.02
	Mr.Sushil Kumar Agrawal	0.00	0.02	0.02	0.01	0.05	0.01
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	**0.03**	**0.25**	**0.25**	**0.24**	**0.17**	**0.04**
Finance (including loans & equity contributions in cash or kind) given	Mr.Basant Kumar Agrawal	-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Finance (including loans & equity contributions in cash or kind) received	Mr.Basant Kumar Agrawal	0.79	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-

	Mr. Debarata Guha	-	-	-	-	-	-
	Total	**0.79**	-	-	-	-	-
Dividend & Interest Received	Mr.Basant Kumar Agrawal	-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Interest Paid	Mr.Basant Kumar Agrawal	0.04	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	0.02	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	0.02	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	0.00	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	**0.08**	-	-	-	-	-
Remuneration	Mr.Basant Kumar Agrawal		0.03	0.01	0.02	2.17	0.27
	Mr. Mahabir Pd.Agrawal	0.04	0.37	0.35	0.49	0.02	0.02
	Mr. Suresh Kumar Agrawal	0.03	0.31	0.30	0.55	0.01	0.24
	Mr.Sushil Kumar Agrawal	0.03	0.30	0.30	0.00		0.21
	Mr. Sunil Kumar Agrawal	0.03	0.31	0.30	0.50	0.01	0.20
	Mr. Nadia Basak	0.03	0.30	0.30	0.31		0.13
	Mr. Debarata Guha	0.02	0.12	0.12	0.12		0.05
	Total	**0.18**	**1.74**	**1.68**	**1.99**	**2.22**	**1.12**
Amount Due From	Mr.Basant Kumar Agrawal	-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Amount Due To	Mr.Basant Kumar Agrawal	0.01	0.09	-	-	-	-
	Mr. Mahabir Pd.Agrawal	0.00	0.05	-	-	-	-
	Mr. Suresh Kumar Agrawal	0.01	0.04	-	-	-	-
	Mr.Sushil Kumar Agrawal	0.00	0.04	-	-	-	-
	Mr. Sunil Kumar Agrawal	0.00	0.03	-	-	-	-
	Mr. Nadia Basak	0.00	0.03	-	-	-	-
	Mr. Debarata Guha	0.00	0.01	-	-	-	-
	Total	**0.04**	**0.28**	-	-	-	-
Relatives							
Purchase Of Goods	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-

	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Sale Of Goods	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Payment Against rendering of Services	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	0.01	0.07	0.07	0.07	0.03	0.01
	Mrs. Chandrakala Agrawal	0.00	0.06	0.06	0.03	0.03	0.01
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	0.00	-	-	-	-	-
	Mrs. Manju Agrawal	0.01	0.06	0.06	0.06	0.06	0.03
	Mrs. Latika Basak	0.00	0.02	-	-	-	-
	Total	**0.02**	**0.21**	**0.19**	**0.16**	**0.12**	**0.05**
Finance (including loans & equity contributions in cash or kind) given	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	11.61	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	**11.61**	-	-	-	-
Finance (including loans & equity contributions in cash or kind) received	Mrs. Saroj Devi Agrawal	-		-	-	-	-
	Mr Navneet Manaksia	-		-	-	-	-
	Mr Aditya Agrawal	-		-	-	-	-
	Mr. B.D.Agrawal	-	11.76	-	-	-	-
	Mrs. Chandrakala Agrawal	-		-	-	-	-
	Mr. Varun Kumar Agrawal	-		-	-	-	-
	Mrs. Shailja Agrawal	-		-	-	-	-
	Mrs. Manju Agrawal	-		-	-	-	-
	Mrs. Latika Basak	-		-	-	-	-
	Total	-	**11.76**	-	-	-	-
Dividend & Interest Received	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-

	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Interest Paid	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	0.15	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	**0.15**	-	-	-	-
Remuneration	Mrs. Saroj Devi Agrawal	-	-	-	-	0.36	-
	Mr Navneet Manaksia	-	-	-	-	0.36	0.15
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	0.15
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	0.36	0.15
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	**1.08**	**0.45**
Amount Due From	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Amount Due To	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	0.01	0.03	-	-	0.03	-
	Mrs. Chandrakala Agrawal	-	0.06	-	-	0.04	-
	Mr. Varun Kumar Agrawal	-	-	-	-		-
	Mrs. Shailja Agrawal	-	-	-	-	0.07	-
	Mrs. Manju Agrawal	-	0.08	-	-	0.08	-
	Mrs. Latika Basak	-	-	-	-		-
	Total	**0.01**	**0.17**	-	-	**0.22**	-

Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

Rs. in Million

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
a. Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	305.59	673.73	488.68	534.63	21.58	2.82
b. Contingent Liabilities not provided for in respect of :						
1) Guarantees in favour of banks against facilities granted to body corporate	7.06	72.89	78.82	-	-	-
2) Excise duty demands under appeal	20.14	20.94	21.15	30.13	88.33	88.33
3) Sales tax and Entry tax demand under appeal	14.02	10.66	22.12	22.00	11.42	11.42
4) Income tax demands under appeal	9.02	11.16	-	35.86	35.86	10.06
5) Excise duty liability on goods exported pending submission of proof of export.	0.18	0.77	0.20	0.87	-	-
6) Custom Duty	0.83	7.27	4.43	4.43	5.05	5.05
7) Letters of Credit	918.65	431.87	92.27	-		-
8) Bills discounted with scheduled banks	145.62	162.23	-	-		-
9) Service Tax					2.47	2.47
10) Civil					0.76	0.76

ANNEXURE - XIVA

STATEMENT SHOWING RATES AND AMOUNT OF DIVIDEND

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Number of Equity Shares	10546440	10546440	10546440	7204540	54034050	54034050
Face Value (Rs)	10.00	10.00	10.00	10.00	2.00	2.00
Paid up Value (Rs Million)	105.46	105.46	105.46	72.05	108.07	108.07
Rate of Dividend (%)	10.00%	10.00%	10.00%	10.00%	10.00%	
Dividend Amount (Rs.Millions)	1.27	10.55	10.55	7.20	10.81	
Tax on Dividend(Rs.Millions)	0.16	1.35	1.48	1.01	1.95	

ANNEXURE - XVA

Rs. in Million

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
OTHER INCOME						
Profit Before Tax (Excluding Extra Ordinary items)	**333.38**	**490.07**	**759.01**	**759.86**	**1011.77**	**544.36**
10% of Net Profit Before Tax	33.34	49.01	75.90	75.99	101.18	54.44
a. Recurring, From Business Activities						
b. Income from Investment Activities						
Income from Long Term Investment :						
- Dividend on Trade Investments	-	0.04	-	-	-	-
c. Other Non recurring Income for the year :-						
Exchange Fluctuation (Net)	3.01	49.53	1.57	4.70	35.65	-
Profit on Sale of Investment	-	0.01	-	-	-	-
Profit on Sale of Fixed Assets (Net)	-	51.43	-	-	-	-
Miscellaneous Income	16.16	10.53	8.18	20.50	28.33	4.15
	19.17	111.54	9.75	25.20	63.98	4.15

ANNEXURE - XVIA

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
DETAILS OF RESERVES AND SURPLUS						
Capital Reserve	9.43	9.43	9.43	9.43	9.43	9.43
Investment Subsidy	5.85	7.95	7.95	8.96	8.96	8.96
Amalgamation Reserve				12.34	12.34	12.34
Exchange Fluctuation Reserve		10.00	50.00	105.00	45.55	45.55
Capital Redemption Reserve						
Securities Premium Account						
General Reserve	1154.71	1521.74	1918.33	2311.88	2549.85	2549.57
Investment Allowance Reserve						
Debenture Redemption Reserve						
Revaluation Reserve						
Profit & Loss Account	48.69	40.80	201.83	598.44	1210.38	1718.03
Less: Minority Interest in reserve and surplus	0.70	0.17	1.44	4.56		
TOTAL	1217.98	1589.75	2186.10	3041.49	3836.51	4343.88

ANNEXURE – XVIIA

QUOTED INVESTMENT

Rs. in Million

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
Book Value	13.62	0.10	0.10	0.10	0.10	0.10
Market Value	9.25	0.10	0.13	0.12	0.11	0.14

To,

The Board of Directors
Manaksia Limited
8/1 Lal Bazar Street
3rd Floor , Bikaner Building,
Kolkata - 700001

Dear Sirs,

We have examined the Financial Information of Manaksia Limited ('the Company') *(formerly, Hindustan Seals Limited)* as attached to this report stamped and initialled by us for identification and as approved by the Board of Directors, which has been prepared in accordance with the instructions received by us from the Company requesting us to carry out work in connection with the Red Herring Prospectus being issued by Manaksia Limited in connection with its Follow-on Public Offering of Equity Shares (referred to as 'the Issue').

A. Financial Information as per the audited financial statements

We have examined the attached Balance Sheet of the Manaksia Limited as at 31st March, 2003, 2004, 2005, 2006, 2007 and 31st August, 2007 (Annexure II), the attached Statements of Profit and Loss Accounts for the financial years ended 31st March, 2003, 2004, 2005, 2006,2007 and 5 months ended 31st August, 2007 (Annexure I) and Cash Flow Statements for the financial years ended 31st March, 2003, 2004, 2005, 2006,2007 and 5 months ended 31st August, 2007 (Annexure V) together referred to as 'Restated Financial Statements'. These Restated Financial Statements have been extracted from the Financial Statements for these periods audited by us and have been approved by the Board of Directors for the respective period/year.

Based on our examination of these Restated Financial statements, we confirm that:

1. The accounting policies have been consistently applied by the Company (as disclosed in Annexure IV) and are consistent with those used in the previous year.

2. There are no qualifications to the auditors' report which require adjustments to the Restated Financial Statements.

3. There are no extra-ordinary items, which need to be disclosed separately in the Restated Financial Statements.

B. Other Financial Information

We have examined the following financial information relating to the Company proposed to be included in the Offer Document, as approved by the Board of Directors and annexed to this report:

a) Summary of accounting ratios comprising earnings per share, net asset value and return on net worth which have been calculated based on restated profits in respect of each period / years ended August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure VI to this report.

b) Details of "Secured Loans" and Unsecured Loans" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure VII to this report.

c) Age-wise analysis of "Sundry Debtors" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure VIII to this report.

d) Details of "Loans and Advances" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure IX to this report.

e) Capitalization statement of the Company as at March 31, 2007 enclosed as Annexure X to this report.

f) Statement of tax shelter in respect of each period / years ended August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 enclosed as Annexure XI to this report.

g) Details of "Related Party disclosures" in respect of each period / years ended August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure XII to this report.

h) Details of "Contingent Liabilities" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure XIII to this report.

i) Details of dividend paid by the Company in respect of each period / years ended August, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as shown in Annexure XIV to this report.

j) Statement of Other Income in respect of each period / years ended August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 enclosed as Annexure XV to this report.

k) Statement of details of "Reserves and Surplus" as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 enclosed as Annexure XVI to this report.

l) Statement of details of “Finance Cost & Interest” in respect of each period / years ended August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as Annexure XVII to this report.

m) Statement of details of “Quoted Investment” as at August 31, 2007 and March 31 of 2007, 2006, 2005, 2004 and 2003 as Annexure XVIII to this report.

In our opinion, the financial information of the Company attached to this report as mentioned in Paragraphs A and B above read together with the significant accounting policies and notes stated in Annexure IV to this report and after making adjustments as shown in Annexure III and regrouping considered appropriate, have been prepared in accordance with Part II of Schedule II of the Act and the Guidelines of SEBI Act,1992.

This report is intended solely for your information and for inclusion in the offering Memorandum in connection with Follow-on Public Offering of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For SRB & Associates
Chartered Accountants

Sanjit Patra
Partner
Membership No 056121
Place : Kolkata
Date : 29.11.2007

ANNEXURE - I

STATEMENT OF RESTATED PROFIT AND LOSS ACCOUNT

Rs. in Million

Particulars	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
Income						
Sales (Net of Excise Duty & Tax) :						
Of Products manufactured by the Company	3617.07	5059.52	4722.53	5839.64	5759.22	2469.33
Of Products traded in by the Company	345.32	1389.14	3481.25	3846.82	608.69	209.67
Total	**3,962.39**	**6,448.66**	**8,203.78**	**9,686.46**	**6,367.91**	**2,679.00**
Other Income	22.27	78.72	8.56	34.61	85.98	3.84
	3984.66	**6527.38**	**8212.33**	**9721.07**	**6453.89**	**2682.84**
Expenditure						
Raw Materials Consumed	2371.91	3792.23	3029.78	3944.30	4023.00	1803.78
Accretion / (Depletion) of Stocks	4.56	(97.07)	28.07	26.75	(126.05)	(190.88)
Material Cost of Trade Goods Sold	291.30	1292.15	3341.32	3963.70	560.13	199.25
Staff Costs	119.91	140.87	148.55	170.35	192.92	75.14
Other Manufacturing Expenses	396.26	454.24	595.14	544.79	567.42	259.98
Administration Expenses and Selling & Distribution Expenses	273.42	337.91	414.80	408.56	394.68	149.24
	3457.36	**5920.33**	**7557.66**	**9058.45**	**5612.10**	**2296.51**
Earning Before Depreciation Interest & Tax	**527.30**	**607.05**	**654.67**	**662.62**	**841.79**	**386.33**
Depreciation	66.10	76.99	91.21	138.35	160.94	69.30
Finance Cost & Interest	147.54	46.34	32.19	179.59	319.95	129.23
Profit before tax and Extraordinary items	**313.65**	**483.72**	**531.27**	**344.68**	**360.90**	**187.80**
Provision no longer required written back				1.67		
Profit after Extra-Ordinary Items	**313.65**	**483.72**	**531.27**	**346.35**	**360.90**	**187.80**
Taxation	52.00	70.00	150.90	78.20	53.16	17.20
Current tax	22.00	32.00	62.50	48.20	42.70	13.20
Deferred tax	30.00	38.00	88.40	30.00	10.46	4.00
Net Profit after tax (as per audited Financial Statements)	**261.65**	**413.72**	**380.37**	**268.15**	**307.74**	**170.60**
Adjustment on Restatement	**(12.72)**	**(5.13)**	**0.08**	**(0.27)**		
Net Profit as Restated	**248.93**	**408.59**	**380.45**	**267.88**	**307.74**	**170.60**

ANNEXURE - II

STATEMENT OF RESTATED ASSETS AND LIABILITIES

Rs. in Million

	Particulars	As at March 31,					
		2003	2004	2005	2006	2007	Aug 07
A.	**Fixed Assets**						
	Gross Block	1598.17	1778.17	2759.61	3465.26	3587.98	3605.78
	Less Depreciation	270.14	326.10	416.58	564.93	716.09	786.05
	Net Block	1328.03	1452.07	2343.03	2900.33	2871.89	2819.73
	Less: Revaluation Reserve						
	Net Block after adjustment for Revaluation Reserve	**1328.03**	**1452.07**	**2343.03**	**2900.33**	**2871.89**	**2819.73**
	Capital Work in Progress	352.84	1305.82	973.56	644.50	601.38	641.67
	Total	**1680.87**	**2757.89**	**3316.59**	**3544.83**	**3473.27**	**3461.40**
B.	**Investments**	125.95	246.94	434.53	489.02	549.35	548.34
C.	**Current Assets, Loans and Advances**						
	Inventories	725.69	929.52	852.65	990.78	1150.70	1102.20
	Sundry Debtors	1057.77	1404.24	1289.31	1521.60	1299.86	1377.94
	Cash and Bank Balances	20.16	21.39	12.16	8.36	19.46	26.81
	Loans and Advances	412.12	345.14	390.16	545.64	463.38	472.42
		2215.74	**2700.29**	**2544.28**	**3066.38**	**2933.40**	**2979.37**
D.	**Liabilities and Provisions:**						
	Secured Loans	1690.97	1993.48	2346.03	2218.15	2327.74	2604.67
	Unsecured Loans	290.87	890.39	474.57	625.67	625.08	256.41
	Current Liabilities and Provisions	565.19	921.37	1146.09	1490.50	1024.05	984.52
	Deferred Tax Liability	200.00	238.00	326.40	366.14	376.60	380.60
		2747.03	**4043.24**	**4293.09**	**4700.46**	**4353.47**	**4226.20**
E.	**Net Worth**	**1275.53**	**1661.88**	**2002.31**	**2399.77**	**2602.55**	**2762.91**
F.	**Represented by**						
	Share Capital						
	Equity Shares	105.46	105.46	105.46	72.05	108.07	108.07
	Preference Shares	-	-	-	-	23.74	23.74
	Capital Suspense A/c	-	-	-	23.74	-	-
	Reserves & Surplus	1178.81	1593.40	1954.21	2341.93	2541.13	2710.91
	Total	**1284.27**	**1698.86**	**2059.67**	**2437.72**	**2672.94**	**2842.72**
	Less : Misc. Expenditure to the extent not written off or adjusted	8.74	36.98	57.36	37.95	70.39	79.81
G.	**Net Worth (F-G)**	**1275.53**	**1661.88**	**2002.31**	**2399.77**	**2602.55**	**2762.91**

ANNEXURE III

NOTES TO ADJUSTED ACCOUNTS

STATEMENT OF ADJUSTMENTS TO AUDITED PROFIT AND LOSS ACCOUNT

(Rs. in millions)

Year / Particulars	**2003**	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Profit after tax & extra- ordinary items (as per audited a/cs)	**261.65**	**413.72**	**380.37**	**268.15**	**307.74**	**170.60**
Adjustments (increase/(decrease):						
1) Provision no longer required written back						
2) Prior Period Items	(12.72)	(5.13)	0.08	(0.27)		
3)Audit Qualifications:						
Tax benefit under section 80 IA of the Income Tax Act						
Other than tax						
4) Other Adjustments						
5) Change in accounting policy (Deferred tax)						
6)Total Adjustment	(12.72)	(5.13)	0.08	(0.27)		
7)Tax effect of Adjustments						
8)Net Total (Decrease)/ Increase due to Adjustments **(6-7)**	(12.72)	(5.13)	0.08	(0.27)		
Profit after adjustments, tax & extra-ordinary items as per restatement	**248.93**	**408.59**	**380.45**	**267.88**	**307.74**	**170.60**

STATEMENT OF ADJUSTMENTS TO AUDITED ASSETS AND LIABILITIES

(Rs. in millions)

Year/Particular	**2003**	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Adjustments {increase/(decrease)} in assets and liabilities as restated.						
Reserves and Surplus	**(12.72)**	**(5.13)**	**0.08**	**(0.27)**		
Current Liabilities						
Provisions						
Deferred Tax Liability						
Sundry Debtors						
Loans and Advances	**(12.72)**	**(5.13)**	**0.08**	**(0.27)**		

ANNEXURE - IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

1. Basis for preparation of financial statements

a) The Company prepares its accounts on accrual basis, except otherwise stated, in accordance with the normally accepted accounting principles.

b) Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.

c) Insurance and other claims/refunds, due to uncertainty in realization, are accounted for on acceptance / actual receipt basis.

2. Fixed Assets

a) Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection / commissioning etc., upto the date, the asset is put to use.

b) The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factor. An impairment loss is recognized wherever the carrying amount of an asset exceeds it's recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital.

3. Valuation of Inventories

Inventories are valued as under –

a) Raw materials, finished goods, Stock in trade, Work in process, Packing materials and stores & spares are valued at lower of cost and net realizable value. Closing stock has been valued on FIFO basis.

b) Scraps are valued on the basis of estimated realizable value.

4. Foreign Exchange Transactions

a) Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.

b) Foreign currency assets and liabilities (other than those covered by forward contracts and investments which are stated at cost) as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year and exchange difference arising there from is adjusted to the cost of fixed assets or charged to the Profit & Loss Account, as the case may be.

c) In case of transactions covered by forward contracts, the difference between the contract rates and the exchange rates prevailing on the date of transactions, is adjusted to the cost of fixed assets or charged to the Profit and Loss Account proportionately over the contract period, as the case may be.

5. Revenue Recognition

Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.

6. Employees Retirement Benefits

Company's contribution to Provident Fund are charged to profit & loss account. Gratuity benefit is charged to the Profit & Loss account on the basis of actuarial valuation. Leave encashment is charged to the Profit & Loss account on accrual basis.

7. Investments

Investments are stated at Cost. Investments in foreign companies are considered at the exchange rates prevailing on the date of their acquisition.

8. Depreciation

a) Depreciation on all Fixed Assets are calculated under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956

b) Depreciation includes amortization of leasehold land over the period of lease.

c) Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets. Depreciation is charged on revised unamortized amount prospectively over residual useful life of the Assets.

d) Depreciation is calculated on pro rata basis on additions and deletions of Fixed Assets during the year except for assets costing Rs. 5000/- or less on which 100% Depreciation is provided.

e) Depreciation on individual items of plant and machinery costing Rs. 5000/- or less is being provided at normal applicable rates, whenever aggregate cost of such items constitute more than 10% of the total cost of plant and machinery in accordance with amendments to Schedule XIV to the Companies Act, 1956 vide Notification No. GSR No. 101(E) dated 01.03.1995.

9.

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly, is considered for valuation of finished goods stock lying in the factories as on the Balance Sheet date. Similarly, Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Customs/ Bonded warehouse.

10. Taxation

Provision for Income Tax comprises of current tax and deferred tax charge. Deferred tax is recognized subject to the consideration of prudence, on timing differences, being difference between taxable and accounting income / expenditure that originate in one period and are capable of reversal in one or more subsequent period(s). Fringe Benefit Tax is provided in accordance with the provisions of the Income Tax Act, 1961.

11. Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

12. Segment Reporting

a) Identification of segments

The company has identified its business segments as the primary segments. The company's businesses are organized and managed separately according to the nature of products/ services, with each segment representing a strategic business unit that offers different product / services and serves different markets.

b) Allocation of Common Costs

Common allocable costs are allocated to each segment on case to case basis applying the ratio, appropriate to each relevant case. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated". The accounting policies adopted for segment reporting are in line with those of the Company.

13. Assets Acquired under Lease

For assets acquired under operating lease, rentals payable are charged to the Profit & Loss Account.

iii) Segment information as on :

Rs. in Million

	Financial Year	Packaging Products	Mosquito Coil	Metal Products	Bullion	Engineering & Others	Total
Segment Revenue	31.03.2003	1236.46	666.22	1688.28	-	371.43	3962.39
	31.03.2004	1227.52	665.75	3208.11	835.36	511.92	6448.66
	31.03.2005	903.00	793.37	4360.02	1734.31	413.08	8203.78
	31.03.2006	869.24	693.35	4009.78	3587.03	527.06	9686.46
	31.03.2007	1029.07	708.97	4229.76	-	400.11	6367.91
	31.08.2007	473.26	288.63	1810.96	-	106.15	2679.00
Less : Inter Segment Revenue (B)	31.03.2003	289.87	-	593.62	-	87.32	970.81
	31.03.2004	221.92	-	1,489.51	-	111.72	1,823.15
	31.03.2005	189.95	-	1,666.49	-	63.68	1,920.12
	31.03.2006	241.48	-	806.00	-	33.34	1,080.82
	31.03.2007	201.52	-	454.03	-	18.64	674.19
	31.08.2007	66.65		137.90		52.48	257.03
Net Revenue (A - B)	31.03.2003	946.59	666.22	1094.66	-	284.11	2991.58
	31.03.2004	1005.6	665.75	1718.60	835.36	400.20	4625.51
	31.03.2005	713.05	793.37	2693.53	1734.31	349.40	6283.66
	31.03.2006	627.76	693.35	3203.78	3587.03	493.72	8605.64
	31.03.2007	827.55	708.97	3775.73	-	381.47	5693.72
	31.08.2007	406.61	288.63	1673.06	-	53.67	2421.97
Segments Results (PBIT) (X)	31.03.2003	186.66	99.20	86.81	-	88.52	461.19
	31.03.2004	202.51	69.35	88.38	14.11	155.71	530.06
	31.03.2005	159.65	75.79	225.24	1.07	101.71	563.46
	31.03.2006	93.07	56.99	312.49	(34.15)	95.87	524.27
	31.03.2007	120.63	58.51	433.41	-	68.30	680.85
	31.08.2007	66.66	37.03	185.88		27.46	317.03
Less : Finance Cost & Interest (Y)	31.03.2003						147.54
	31.03.2004						46.34
	31.03.2005						32.19
	31.03.2006						179.59
	31.03.2007						319.95
	31.08.2007						129.23
Profit before Tax & Extra Ordinary Items (X - Y)	31.03.2003						313.65
	31.03.2004						483.72
	31.03.2005						531.27
	31.03.2006						344.68
	31.03.2007						360.90
	31.08.2007						187.80
Extra Ordinary Items Provision for doubtful Debts Written back	31.03.2003						
	31.03.2004						
	31.03.2005						
	31.03.2006						1.67
	31.03.2007						
	31.08.2007						
Profit after Extra Ordinary Items	31.03.2003						313.65
	31.03.2004						483.72
	31.03.2005						531.27
	31.03.2006						346.35

	31.03.2007 31.08.2007		360.90 187.80
Less : Taxation (Z)	31.03.2003 31.03.2004 31.03.2005 31.03.2006 31.03.2007 31.08.2007		52.00 70.00 150.90 78.20 53.16 17.20

Net Profit after tax as per audited financial statement	31.03.2003						261.65
	31.03.2004						413.72
	31.03.2005						380.37
	31.03.2006						268.15
	31.03.2007						307.74
	31.08.2007						170.60
Net Profit as restated	31.03.2003						248.93
	31.03.2004						408.59
	31.03.2005						380.45
	31.03.2006						267.88
	31.03.2007						307.74
	31.08.2007						170.60
Capital Employed	31.03.2003	1,069.43	527.03	1,157.43	-	524.94	3,278.83
	31.03.2004	1,175.76	595.05	1,161.79	-	327.75	3,260.35
	31.03.2005	1,093.83	565.63	1,842.72	-	303.21	3,805.39
	31.03.2006	961.14	870.95	2,396.57	-	294.07	4,522.73
	31.03.2007	1,040.87	769.39	2,685.03	-	356.11	4,851.40
	31.08.2007	954.93	729.38	2903.22	-	306.87	4,894.40
New Projects incl. Capital Work in Progress and Investments	31.03.2003						
	31.03.2004						1,552.77
	31.03.2005						1,408.10
	31.03.2006						1,133.52
	31.03.2007						1,150.73
	31.08.2007						1,190.00

ANNEXURE - V

RESTATED CASH FLOW STATEMENT

Rs. in Million

Particulars	**Year Ended March 31**					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Cash Flows from Operating Activities						
Net Profit before Taxation	313.65	483.72	531.27	346.35	360.90	187.80
Adjustments for:						
Depreciation	66.10	76.99	91.21	138.33	160.94	69.30
Dividend Income	(4.05)	(4.04)	(6.10)	(17.13)	(69.34)	
Provision for Doubtful Debts		0.21		(1.66)	1.69	
Loss on sale of Investment		0.01				
Loss/(Profit) on Sale of Fixed Assets (Net)	0.31	(51.44)	0.63	1.47	8.73	
Loss/(Profit) from Partnership Firm	0.02	0.06				
Interest (Net)	146.33	46.34	32.19	179.59	319.95	129.23
Operating Profit before Working Capital Changes	**522.36**	**551.85**	**649.20**	**646.95**	**782.87**	**386.33**
Change in Trade and Other Receivables	(23.47)	(362.73)	28.63	(246.45)	288.17	(100.29)
Change in Inventories	(62.75)	(203.83)	76.87	(60.27)	(159.91)	48.49
Change in Trade Payable					(378.48)	(59.45)
Change in Current Liabilities	(7.53)	241.77	127.52	422.47		
Income-taxes paid	(17.89)	(32.29)	(31.11)	(21.35)	(24.85)	
Net Cash Flow from Operating Activities	**410.72**	**194.77**	**851.11**	**741.35**	**507.80**	**275.08**
Cash Flow from Investing Activities						
Purchase of Fixed Assets	(550.72)	(1087.53)	(559.95)	(520.15)	(223.21)	(58.66)
Sale of Fixed Assets	0.97	79.91	16.14	17.01	29.35	3.95
(Increase)/ Decrease in Project & Pre-operative Expenses	(8.26)	(26.86)	(20.38)	19.42	(29.95)	(9.69)
Sale of Investments		14.75		0.20	2.50	1.00
Investments Purchased	(58.62)	(40.54)	(187.60)	(48.91)	(62.81)	
Dividend Received	4.05	0.04	9.09	15.41	63.43	
(Loss)/ Profit from Partnership Firm	(0.02)	(0.06)				
(Increase)/Decrease in Capital of Partnership firm	0.12	0.23				
Cash Receipt of State Investment Subsidy	2.43	2.10		1.00		
Net Cash Flow used in Investing Activities	**(610.05)**	**(1057.96)**	**(742.70)**	**(516.02)**	**(220.69)**	**(63.40)**
Cash Flows from Financing Activities						
Changes in Borrowings	314.97	937.15	(34.02)	(65.07)	133.88	(91.75)
Interest Received	18.02	28.44	103.99	79.73	19.64	3.81
Interest Paid	(163.15)	(99.74)	(175.71)	(238.33)	(361.89)	(116.39)
Dividend Paid	(0.70)	(1.43)	(11.90)	(12.03)	(8.21)	

Utilisation of Exchange Fluctuation Reserve					(59.45)	
Net Cash Flow from Financing Activities	**169.14**	**864.42**	**(117.64)**	**(235.70)**	**(276.03)**	**(204.33)**
Net increase in cash and cash equivalents	(30.19)	1.23	(9.23)	(10.37)	11.07	7.35
Cash and Cash Equivalents (Opening Balance)	50.35	20.16	21.43	12.20	8.35	19.42
Cash Equivalents Taken over on amalgamation				6.52		
Cash and Cash Equivalents (Closing Balance)	20.16	21.39	12.20	8.35	19.42	26.77
Unrealized Exchange Gain / Loss		0.04				

ANNEXURE - VI

STATEMENTS OF ACCOUNTING RATIOS

Particulars	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
Earnings per share (Rs.)	196.10	38.74	36.07	37.22	5.69	3.16*
Earnings per share (Rs.) (after Bonus & Split in November 2006)	4.61	7.56	7.04	4.96	5.69	3.16*
Net Asset value per share (Rs.)	1004.81	157.58	189.86	333.09	48.16	51.13
Return on Net Worth (%)	20%	25%	19%	11%	12%	6%*
Number of outstanding equity shares as at the year end	10,546,440	10,546,440	10,546,440	7,204,540	54,034,050	54,034,050
Weighted average number of equity shares (Rs. 10 each)	1,269,425	10,546,440	10,546,440	7,204,540		
No. of equity shares post Bonus and Split in November 2006 (Rs. 2 each)	54,034,050	54,034,050	54,034,050	54,034,050	54,034,050	54,034,050

* Not Annualised

Formula:

1. Earnings per share(Rs.) = $\dfrac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the period}}$

2. Net Asset Value per share (Rs.) = $\dfrac{\text{Net Worth excluding revaluation reserve at the end of the period/year}}{\text{Weighted average number of equity shares outstanding during the period}}$

3. Return on Net Worth (%) = $\dfrac{\text{Net profit attributable to equity shareholders}}{\text{Net Worth excluding revaluation reserve at the end of the period/year}}$

ANNEXURE – VII

Rs. in Million

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
SECURED LOANS						
a) Long Term						
1) Rupee Loans from Banks & Financial Institutions	136.33	147.32	277.76	465.07	336.22	535.04
2) Foreign Currency Loans from Banks & Financial Institutions	541.06	583.55	775.69	906.23	741.32	622.98
b) Short Term						
From Scheduled Banks -						
Working Capital Demand Loans & Cash Credit Accounts	1,013.58	1,262.61	1,292.58	846.85	1,250.20	1446.65
	1,690.97	1,993.48	2,346.03	2,218.15	2,327.74	2604.67
UNSECURED LOANS						
Under Sales Tax Deferment Scheme (Interest Free) :	184.14	221.93	255.82	268.72	275.08	256.41
From Banks	100.00	650.00	218.75	356.95	350.00	
From Directors	-	-	-	-	-	
From Bodies Corporate	6.73	18.46	-	-	-	
	290.87	890.39	474.57	625.67	625.08	256.41

ANNEXURE – VIII

(Rs. In Million)

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
STATEMENT SHOWING AGE WISE ANALYSIS OF SUNDRY DEBTORS AS ON						
Sundry Debtors						
Outstanding for exceeding six months						
Secured (Considered good)						
Unsecured (Considered good)	128.01	93.93	78.03	82.80	75.51	77.53
Doubtful Debts	12.98	8.45	8.45	0.90	2.59	2.59
	140.99	**102.38**	**86.48**	**83.70**	**78.10**	**80.12**
Other Debts						
Secured (Considered good)						
Unsecured (Considered good)	919.14	1304.43	1205.40	1438.80	1224.35	1300.41
Total	**919.14**	**1304.43**	**1205.40**	**1438.80**	**1224.35**	**1300.41**
Less : Provision for Doubtful Debts	2.36	2.57	2.57	0.90	2.59	2.59
Total	**1057.77**	**1404.24**	**1289.31**	**1521.60**	**1299.86**	**1377.94**

ANNEXURE – IX

(Rs. In Million)

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
LOANS AND ADVANCES						
(Unsecured - Considered good except stated otherwise)						
Loans	152.56	29.57	35.46	61.79	82.66	100.43
Advances :						
Advance Recoverable in cash or in kind or for value to be received or pending adjustment	168.31	207.58	201.82	260.07	197.28	178.44
Balances with Statutory Authorities	59.90	77.01	116.79	186.03	136.41	107.47
Other Deposits	31.35	30.98	36.09	37.75	47.03	86.08
	259.56	315.57	354.70	483.85	380.72	371.99
	412.12	345.14	390.16	545.64	463.38	472.42

ANNEXURE - X

CAPITALISATION STATEMENT

Rs. in Million

PARTICULARS	Pre-Issue as at 31-Aug-07	Post Issue*
Borrowings :		
Short-term Debt**	1787.54	
Long-term Debt	1073.54	
Total Debt	**2861.08**	
Shareholders' funds:		
Share Capital	131.81	
Reserves	2710.91	
Total Shareholders' Funds	**2842.72**	
Total Capitalization		
Long-term Debt/Equity ratio	**0.38:1**	
Total Debt/Equity ratio	**1.01:1**	

* Share Capital and reserves and total shareholders' Funds would be calculated on conclusion of the Book Building process

** Short-term Debts are debts maturing within the next one year from the date of above statement.

ANNEXURE - XI

STATEMENT OF TAX SHELTER

Rs. in Million

Financial Year	Aug'07	2006-07	2005-06	2004-05	2003-04	2002-03
Profit / (Loss) as per books of account	187.80	360.90	346.35	531.27	483.72	313.65
Tax rates- Normal (including surcharge)	33.99%	33.66%	33.66%	36.59%	35.88%	36.75%
Tax rates- MAT (including surcharge)	11.33%	11.22%	8.42%	7.69%	7.69%	7.88%
Notional Tax Payable (A)	63.83	121.48	116.59	195.52	181.89	136.80
Permanent Differences						
Exempted Income		241.833	68.9	9.8	76.83	46.23
Profit taxable under other heads		69.34	17.13	6.1	55.44	4.5
Deduction U/s 80IA		0	8.62	0.9	24.74	10.99
Total of B	**0**	**311.173**	**94.65**	**16.8**	**157.01**	**61.72**
Timing Difference between IT						
And Book Depreciation	0.10	0.16	61.92	148.91	103.59	139.99
Other Adjustments	153.01	47.007	82.17	235.35	159.2	113.22
Total of C	**153.11**	**47.17**	**144.09**	**384.26**	**262.79**	**253.21**
Net Adjustment(B+C)	**153.11**	**358.34**	**238.74**	**401.06**	**419.80**	**314.93**
Tax (Saving)/Increase there on	52.04	106.46	80.36	146.76	150.6	115.74
Tax on Business Profits(A-F)	**11.00**	**-8.32**	**34.44**	**46.53**	**11.39**	**19.41**
Tax on Other Heads of Income	**-**	**23.34**	**5.77**	**2.23**	**19.89**	**1.65**
Net Tax for the year /period	**11.00**	**15.02**	**40.21**	**48.76**	**31.28**	**21.06**
Tax payable as per MAT	**21.28**	**13.36**	**23.69**	**40.10**	**31.28**	**21.06**
Provision Created for Income Tax	13.20	42.70	48.20	62.50	32.00	22.00

ANNEXURE - XII

Related Parties disclosure

(Rs. In Million)

		2003	2004	2005	2006	2007	Aug 2007
Subsidiaries							
Purchase Of Goods	MINL Ltd	-	-	-	161.03	118.00	84.48
	Dynatech Industries (Ghana) Ltd	-	-	22.53	0.50	100.62	18.19
	Mark Steels Ltd	-	3.00	-	-	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	-	4.35	-	46.81	-
	Florence Alumina Ltd	-	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	54.82	233.14	69.27
	Total	-	**3.00**	**26.88**	**216.35**	**498.57**	**171.94**
Sale Of Goods	MINL Ltd	581.71	402.42	1339.22	2127.25	2530.68	1109.67
	Dynatech Industries (Ghana) Ltd	76.19	155.59	239.89	61.86	263.70	48.08
	Mark Steels Ltd	0.06	0.02	0.03	0.12	0.65	-
	Crescent Industries (Nepal) Pvt Ltd	-	-	3.91	0.50	1.05	-
	Florence Alumina Ltd	-	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	-	81.97	39.89
	Jebba Paper Mills Ltd	-	-	-	-	-	0.22
	Total	**657.96**	**558.04**	**1583.05**	**2189.73**	**2878.06**	**1197.86**
Payment against rendering of Services	MINL Ltd	-	-	-	-	-	-
	Dynatech Industries (Ghana) Ltd	-	-	-	-	-	-
	Mark Steels Ltd	-	-	-	-	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	-	-	-	-	-
	Florence Alumina Ltd	-	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Finance (including loans & equity contributions in cash or kind) given	MINL Ltd	-	94.93	176.40	-	126.61	-
	Dynatech Industries (Ghana) Ltd	-	-	-	-	20.53	-
	Mark Steels Ltd	-	182.47	38.87	89.40	9.68	-
	Crescent Industries (Nepal) Pvt Ltd	-	0.72	65.46	4.83	1.00	-
	Florence Alumina Ltd	-	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	48.91	36.90	-
	Total	-	**278.12**	**280.73**	**143.15**	**194.72**	
Finance (including loans & equity contributions in cash or kind) received	MINL Ltd	-	-	-	-	-	-
	Dynatech Industries (Ghana) Ltd	-	-	-	-	-	-
	Mark Steels Ltd	-	216.34	58.29	76.52	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	0.03	-	2.01	-	-
	Florence Alumina Ltd	0.03	-	-	-	-	-
	Euroasian Ventures Fze		-	-	-	-	-
	Total	**0.03**	**216.37**	**58.29**	**78.52**		
Dividend & Interest Received	MINL Ltd	0.73	11.72	8.33	19.43	72.04	-
	Dynatech Industries (Ghana) Ltd	-	-	-	-	-	-
	Mark Steels Ltd	0.20		0.63	-	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	-	-	-	-	-
	Florence Alumina Ltd	-	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	-	-	-
	Total	**0.93**	**11.72**	**8.96**	**19.43**	**72.04**	
Interest Paid	MINL Ltd	-	-	-	-	-	-

	Dynatech Industries (Ghana) Ltd	-	-	-	-	-	-
	Mark Steels Ltd	-	-	-	-	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	-	-	-	-	-
	Florence Alumina Ltd	-	0.02	-	-	-	-
	Euroasian Ventures Fze	-		-	-	-	-
	Total	-	**0.02**	-	-	-	-
Remuneration	MINL Ltd	-	-	-	-	-	-
	Dynatech Industries (Ghana) Ltd	-	-	-	-	-	-
	Mark Steels Ltd	-	-	-	-	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	-	-	-	-	-
	Florence Alumina Ltd	-	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Amount Due	MINL Ltd	30.49	153.81	367.18	502.67	72.26	811.37
From	Dynatech Industries (Ghana) Ltd	2.20	-	83.01	125.69	199.15	105.29
	Mark Steels Ltd	3.21	-	-	14.16	25.18	27.87
	Crescent Industries (Nepal) Pvt Ltd	0.05	6.42	-	26.91	52.54	52.54
	Florence Alumina Ltd	0.00	-	-	-	-	-
	Euroasian Ventures Fze	-	-	-	-	47.53	71.59
	Total	**35.96**	**160.24**	**450.18**	**669.43**	**396.67**	**1068.67**
Amount Due	MINL Ltd	-	348.99	-	2.03	13.94	0.06
To	Dynatech Industries (Ghana) Ltd	-	101.32	10.61	-	15.83	34.02
	Mark Steels Ltd	-	0.10		12.53	-	-
	Crescent Industries (Nepal) Pvt Ltd	-	0.03	4.35	30.03	29.32	38.22
	Florence Alumina Ltd	0.03	0.02	-	-	-	-
	Euroasian Ventures Fze	-	-	-	64.80	21.80	
	Total	**0.03**	**450.46**	**14.96**	**109.39**	**80.89**	**72.30**
Associates							
Purchase	Agrim Steel Industries Ltd	-	-	-	-	-	-
Of Goods	Arena Machineries Ltd.	-	-	-	-	0.15	-
	AGR Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	-	**0.15**	-
Sale	Agrim Steel Industries Ltd	-	-	-	-	-	-
Of Goods	Arena Machineries Ltd.	-	-	-	0.56	-	-
	AGR Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	**0.56**	-	-
Payment	Agrim Steel Industries Ltd	-	-	-	-	-	-
against	Arena Machineries Ltd.	-	-	-	-	-	-
rendering	AGR Capital Markets Limited	-	-	-	-	-	-
of Services	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Finance	Agrim Steel Industries Ltd	-	-	-	42.30	-	-
(including	Arena Machineries Ltd.	-	-	-	60.00	-	-
loans & equity	AGR Capital Markets Limited	-	-	-	0.40	-	-
contributions	Maxell Securities Limited	-	0.30	-	0.06	-	-
in cash or	**Total**	-	**0.30**	-	**102.77**	-	-
kind) given							
Finance	Agrim Steel Industries Ltd	-	-	-	-	1.26	-

(including loans & equity contributions in cash or kind) received	Arena Machineries Ltd.	-	-	-	-	3.48	-
	AGR Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	0.03	-	-	-	-	-
	Total	**0.03**	-	-	-	**4.74**	-
Dividend & Interest Received	Agrim Steel Industries Ltd	-	-	-	-	2.01	-
	Arena Machineries Ltd.	-	-	-	1.94	3.26	-
	AGR Capital Markets Limited	-	-	-	-		-
	Maxell Securities Limited	-	-	-	-		-
	Total	-	-	-	**1.94**	**5.27**	-
Interest Paid	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	AGR Capital Markets Limited	-	-	-	-	0.52	-
	Maxell Securities Limited	-	0.01	-	0.01	0.08	-
	Total	-	**0.01**	-	**0.01**	**0.60**	-
Remuneration	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	AGR Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Amount Due From	Agrim Steel Industries Ltd	-	-	-	50.32	2.06	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	AGR Capital Markets Limited	-	-	-	-	0.43	0.05
	Maxell Securities Limited	-	-	-	-	-	0.33
	Total	-	-	-	**50.32**	**2.49**	**0.38**
Amount Due To	Agrim Steel Industries Ltd	-	-	-	-	-	-
	Arena Machineries Ltd.	-	-	-	-	-	-
	AGR Capital Markets Limited	-	-	-	-	-	-
	Maxell Securities Limited	0.32	-	-	-	-	-
	Total	**0.32**	-	-	-	-	-
Key Management							
Purchase Of Goods	Mr.Basant Kumar Agrawal	-	0.08	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	**0.08**	-	-	-	-
Sale Of Goods	Mr.Basant Kumar Agrawal	-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal	-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal	-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal	-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Payment Against	Mr.Basant Kumar Agrawal	0.02	0.08	0.08	0.07	0.03	0.01
	Mr. Mahabir Pd.Agrawal	0.00	0.06	0.06	0.06	0.02	0.00

rendering of Services	Mr. Suresh Kumar Agrawal		0.01	0.09	0.09	0.10	0.06	0.02
	Mr.Sushil Kumar Agrawal		0.00	0.02	0.02	0.01	0.05	0.01
	Mr. Sunil Kumar Agrawal		-	-	-	-	-	-
	Mr. Nadia Basak		-	-	-	-	-	-
	Mr. Debarata Guha		-	-	-	-	-	-
		Total	**0.03**	**0.25**	**0.25**	**0.24**	**0.17**	**0.04**
Finance (including loans & equity contributions in cash or kind) given	Mr.Basant Kumar Agrawal		-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal		-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal		-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal		-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal		-	-	-	-	-	-
	Mr. Nadia Basak		-	-	-	-	-	-
	Mr. Debarata Guha		-	-	-	-	-	-
		Total	-	-	-	-	-	-
Finance (including loans & equity contributions in cash or kind) received	Mr.Basant Kumar Agrawal		0.79	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal			-	-	-	-	-
	Mr. Suresh Kumar Agrawal			-	-	-	-	-
	Mr.Sushil Kumar Agrawal			-	-	-	-	-
	Mr. Sunil Kumar Agrawal			-	-	-	-	-
	Mr. Nadia Basak			-	-	-	-	-
	Mr. Debarata Guha			-	-	-	-	-
		Total	**0.79**	-	-	-	-	-
Dividend & Interest Received	Mr.Basant Kumar Agrawal		-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal		-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal		-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal		-	-	-	-	-	-
	Mr. Sunil Kumar Agrawal		-	-	-	-	-	-
	Mr. Nadia Basak		-	-	-	-	-	-
	Mr. Debarata Guha		-	-	-	-	-	-
		Total	-	-	-	-	-	-
Interest Paid	Mr.Basant Kumar Agrawal		0.04	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal		0.02	-	-	-	-	-
	Mr. Suresh Kumar Agrawal		0.02	-	-	-	-	-
	Mr.Sushil Kumar Agrawal		0.00	-	-	-	-	-
	Mr. Sunil Kumar Agrawal		-	-	-	-	-	-
	Mr. Nadia Basak		-	-	-	-	-	-
	Mr. Debarata Guha		-	-	-	-	-	-
		Total	**0.08**	-	-	-	-	-
Remuneration	Mr.Basant Kumar Agrawal			0.03	0.01	0.02	2.17	0.27
	Mr. Mahabir Pd.Agrawal		0.04	0.37	0.35	0.49	0.02	0.02
	Mr. Suresh Kumar Agrawal		0.03	0.31	0.30	0.55	0.01	0.24
	Mr.Sushil Kumar Agrawal		0.03	0.30	0.30	0.00		0.21
	Mr. Sunil Kumar Agrawal		0.03	0.31	0.30	0.50	0.01	0.20
	Mr. Nadia Basak		0.03	0.30	0.30	0.31		0.13
	Mr. Debarata Guha		0.02	0.12	0.12	0.12		0.05
		Total	**0.18**	**1.74**	**1.68**	**1.99**	**2.22**	**1.12**
Amount Due From	Mr.Basant Kumar Agrawal		-	-	-	-	-	-
	Mr. Mahabir Pd.Agrawal		-	-	-	-	-	-
	Mr. Suresh Kumar Agrawal		-	-	-	-	-	-
	Mr.Sushil Kumar Agrawal		-	-	-	-	-	-

	Mr. Sunil Kumar Agrawal	-	-	-	-	-	-
	Mr. Nadia Basak	-	-	-	-	-	-
	Mr. Debarata Guha	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Amount Due To	Mr.Basant Kumar Agrawal	0.01	0.09	-	-	-	-
	Mr. Mahabir Pd.Agrawal	0.00	0.05	-	-	-	-
	Mr. Suresh Kumar Agrawal	0.01	0.04	-	-	-	-
	Mr.Sushil Kumar Agrawal	0.00	0.04	-	-	-	-
	Mr. Sunil Kumar Agrawal	0.00	0.03	-	-	-	-
	Mr. Nadia Basak	0.00	0.03	-	-	-	-
	Mr. Debarata Guha	0.00	0.01	-	-	-	-
	Total	**0.04**	**0.28**	-	-	-	-
Relatives							
Purchase Of Goods	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Sale Of Goods	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Payment Against rendering of Services	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	0.01	0.07	0.07	0.07	0.03	0.01
	Mrs. Chandrakala Agrawal	0.00	0.06	0.06	0.03	0.03	0.01
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	0.00	-	-	-	-	-
	Mrs. Manju Agrawal	0.01	0.06	0.06	0.06	0.06	0.03
	Mrs. Latika Basak	0.00	0.02	-	-	-	-
	Total	**0.02**	**0.21**	**0.19**	**0.16**	**0.12**	**0.05**
Finance (including loans & equity contributions in cash or kind) given	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	11.61	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-

	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	**11.61**	-	-	-	-
Finance (including loans & equity contributions in cash or kind) received	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	11.76	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	**11.76**	-	-	-	-
Dividend & Interest Received	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Interest Paid	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	0.15	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-
	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	**0.15**	-	-	-	-
Remuneration	Mrs. Saroj Devi Agrawal	-	-	-	-	0.36	
	Mr Navneet Manaksia	-	-	-	-	0.36	0.15
	Mr Aditya Agrawal	-	-	-	-		
	Mr. B.D.Agrawal	-	-	-	-		0.15
	Mrs. Chandrakala Agrawal	-	-	-	-		
	Mr. Varun Kumar Agrawal	-	-	-	-	0.36	0.15
	Mrs. Shailja Agrawal	-	-	-	-		
	Mrs. Manju Agrawal	-	-	-	-		
	Mrs. Latika Basak	-	-	-	-		
	Total	-	-	-	-	**1.08**	**0.45**
Amount Due From	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	-	-	-	-	-	-
	Mrs. Chandrakala Agrawal	-	-	-	-	-	-
	Mr. Varun Kumar Agrawal	-	-	-	-	-	-
	Mrs. Shailja Agrawal	-	-	-	-	-	-

	Mrs. Manju Agrawal	-	-	-	-	-	-
	Mrs. Latika Basak	-	-	-	-	-	-
	Total	-	-	-	-	-	-
Amount Due To	Mrs. Saroj Devi Agrawal	-	-	-	-	-	-
	Mr Navneet Manaksia	-	-	-	-	-	-
	Mr Aditya Agrawal	-	-	-	-	-	-
	Mr. B.D.Agrawal	0.01	0.03	-	-	0.03	-
	Mrs. Chandrakala Agrawal	-	0.06	-	-	0.04	-
	Mr. Varun Kumar Agrawal	-	-	-	-		-
	Mrs. Shailja Agrawal	-	-	-	-	0.07	-
	Mrs. Manju Agrawal	-	0.08	-	-	0.08	-
	Mrs. Latika Basak	-	-	-	-		-
	Total	**0.01**	**0.17**	-	-	**0.22**	-

ANNEXURE - XIII

Contingencies

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty are treated as contingent and disclosed by way of notes to the accounts.

Rs. in Million

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
a. Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	35.04	224.51	232.61	186.02	20.47	2.82
b. Contingent Liabilities not provided for in respect of :						
1) Guarantees in favour of banks against facilities granted to subsidiaries /body corporate.	7.07	72.34	502.50	341.09	292.69	292.69
2) Excise duty demands under appeal	20.14	20.94	21.15	30.13	88.33	88.33
3) Sales tax and Entry tax demand under appeal.	14.02	10.66	22.12	22.00	4.10	4.10
4) Income tax demands under appeal.	9.02	11.16	-	35.86	35.86	10.06
5) Excise duty liability on goods exported pending submission of proof of export.	0.18	0.77	0.20	0.87		
6) Custom Duty	0.83	7.27	6.41	4.43	5.05	5.05
7) Letter of Credit	555.85	330.70	71.76			
8) Bill Discounting	145.62	162.23				
9) Service Tax					2.47	2.47
10) Civil					0.76	0.76

ANNEXURE - XIV

Rs. in Million

STATEMENT SHOWING RATES AND AMOUNT OF DIVIDEND

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Number of Equity Shares	10546440	10546440	10546440	7204540	54034050	54034050
Face Value (Rs)	10.00	10.00	10.00	10.00	2.00	2.00
Paid up Value (Rs Million)	105.46	105.46	105.46	72.05	108.07	108.07
Rate of Dividend (%)	10.00%	10.00%	10.00%	10.00%	10.00%	
Dividend Amount (Rs.Millions)	1.27	10.55	10.55	7.20	10.81	
Tax on Dividend(Rs.Millions)	0.16	1.35	1.48	1.01	1.95	

ANNEXURE - XV

Rs. in Million

	Year Ended March 31					
	2003	2004	2005	2006	2007	Aug 07
OTHER INCOME						
Profit Before Tax (Excluding Extra Ordinary items)	**313.65**	**483.72**	**531.27**	**346.35**	**360.90**	**187.80**
10% of Net Profit Before Tax	31.37	48.37	53.13	34.64	36.09	18.78
a. Recurring, From Business Activities						
b. Income from Investment Activities						
Income from Long Term Investment :						
- Dividend on Trade Investments	-	0.04	-	-	-	-
- Dividend From Subsidiary Company	4.05	4.00	6.10	17.13	69.34	-
c. Other Non recurring Income for the year :-						
Exchange Fluctuation (Net)	3.01	14.78	-	-	-	-
Profit on Sale of Fixed Assets (Net)		51.44	-	-	-	-
Miscellaneous Income	15.21	8.46	2.46	17.48	16.64	3.84
	22.27	78.72	8.56	34.61	85.98	3.84

ANNEXURE – XVI

Rs. in Million

DETAILS OF RESERVES AND SURPLUS						
Capital Reserve	9.43	9.43	9.43	9.43	9.43	9.43
Investment Subsidy	5.85	7.95	7.95	8.96	8.96	8.96
Amalgamation Reserve				12.34	12.34	12.34
Exchange Fluctuation Reserve		10.00	50.00	105.00	45.55	45.55
Capital Redemption Reserve						
Securities Premium Account						
General Reserve	1163.35	1565.62	1883.21	2202.71	2462.28	2462.01
Investment Allowance Reserve						
Debenture Redemption Reserve						
Revaluation Reserve						
Profit & Loss Account	0.18	0.40	3.62	3.49	2.57	172.62
TOTAL	1178.81	1593.4	1954.21	2341.93	2541.13	2710.91

ANNEXURE – XVII
Rs. in Million

FINANCE COST & INTEREST (Net)						
Finance Cost						
Net exchange loss/(gain) on translation of Loans in foreign currency	1.23	(71.62)	(70.72)	14.70	6.78	-
Interest Charge						
To Financial Institutions / Banks						
On Fixed Loans	28.82	20.90	34.35	42.50	56.19	35.88
On Others	128.20	120.82	159.46	192.10	268.04	93.42
To Others	7.31	5.16	13.73	7.38	8.58	3.74
	165.56	75.26	136.82	256.68	339.59	133.04
Less: Interest Income						
From Banks	0.41	0.43	0.20	0.48	0.35	0.09
From Others	17.61	28.49	104.43	76.61	19.29	3.72
	147.54	46.34	32.19	179.59	319.95	129.23

ANNEXURE – XVIII
Rs. in Million

QUOTED INVESTMENT

	Year Ended March 31					
	2003	**2004**	**2005**	**2006**	**2007**	**Aug 07**
Book Value	13.62	0.10	0.10	0.10	0.10	0.10
Market Value	9.25	0.10	0.13	0.12	0.11	0.14

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our financial statements included in this Red Herring Prospectus, along with the section titled "Summary Financial and Operating Information" beginning on page 7 of this Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page [xiv] of this Red Herring Prospectus, which discusses a number of factors and contingencies that could impact our financial condition, results of operations and cash flows. The following discussion relates to our Company and is based on our restated financial statements, which have been prepared in accordance with Indian GAAP, the accounting standards referred to in Section 211(3C) of the Companies Act and the other applicable provisions of the Companies Act. The following discussion is also based on internally prepared statistical information and on publicly available information. Certain industry, technical and financial terms used in this discussion shall have the meanings ascribed to them in the section entitled "Definitions and Abbreviations" beginning on page i of this Red Herring Prospectus. Our Fiscal year ends on March 31, so all references to a particular Fiscal Year are to the 12-month period ended March 31 of the year indicated.

Pursuant to the Scheme of Amalgamation approved by the High Court of Kolkata, Spark Exports Limited ("SEL") and Paramount Containers Limited ("PCL") have been amalgamated with our Company with effect from the appointed date of April 1, 2005 and therefore the financial performance of Fiscal 2006 and 2007 is not directly comparable with financial performance of Fiscal 2003, 2004 and 2005.

Overview

We are a multi division and multi location company. Our metal products include aluminium alloy ingots, rolled sheets/coils and galvanized steel sheets/coils. Our metal packaging products comprise of roll on pilfer proof ("**ROPP**") caps, crown closures, plastic caps and metal containers. We also manufacture mosquito coils. Based on consolidated restated financial statements for the five months ended August 31, 2007, we had achieved total revenue of Rs. 4536.9 million on a consolidated basis.

We have vertically integrated certain parts of our operations across a number of products. This has resulted in a reduction in manufacturing costs, a reduction in dependence on external sources for supply of raw materials, greater control on quality and an expansion in the range of products.

Factors affecting our results of operations

Several factors influence our results of operations, financial condition and cash flow significantly. The key factors affecting our operations include:

Costs of raw materials and other inputs. The cost of raw materials and other inputs constitutes a significant portion of our operating expenses. In recent years, the cost increases were mainly due to rise in the prices of raw materials and the increase in costs of various ancillary inputs in the process.

Metals:

- **Aluminium Rolled Products:** Prices both for purchase of primary aluminium ingots and sales of aluminium rolled products are benchmarked to the prevailing LME spot price. Nevertheless, volatility of LME prices can affect our profitability both favourably and adversely. While in an increasing price regime, profitability tends to be impacted favourably, the reverse is true in a falling price scenario. Such adverse or favourable impact depends on inventory levels and time for conversion. The trend in LME prices over the past few years has been shown in section "Industry" on page 51.

Secondary Specification Aluminium Alloys: The aluminium recycling operation requires scrap aluminium as the basic input. Scrap aluminium is sourced from around the world by our agents and representatives in various parts of the world. We use a variety of scrap for our operations including Taint Tabor; Tense; Telic and Used Beverage cans (UBC). Scrap prices depend on the respective levels of demand and supply of scrap prevailing in the world market and are not necessarily correlated to LME prices of aluminium. As we price our products using the prevailing LME price of aluminium but purchase large amounts of scrap aluminium to manufacture our products, we benefit when LME price increases exceed scrap price increases. Conversely when scrap price increases exceed LME price increases, our margins may be negatively impacted.

- **Steel:** Our steel business is primarily the production of galvanized steel sheets, both plain and corrugated (GP/GC Sheets). However, we depend on the availability and prices of cold rolled coils of various specifications. During Fiscal 2005, prices of cold rolled steel coils rose substantially but due to over capacity in the galvanizing industry, the entire price increases could not be passed on to the customer and, accordingly, we reduced production, which adversely impacted our capacity utilisation. We expect that once our cold rolling plant at Haldia becomes operational, our dependence on the vendors of cold rolled coils will be reduced.
- **Packaging Products**
  - Crowns - Tin-free steel is procured through an annual purchase contract from a vendor in Germany for our Indian and Nigerian facilities. Sales of crowns to our major customers are based on contracts which have agreed prices for the period of the contract, as a result of which fluctuations in raw material prices could have an effect on our margins.
  - ROPP Caps - As value addition on this product from basic aluminium ingots is fairly high, the impact of raw material price fluctuations is relatively less significant on our margins.
  - Metal containers – The raw material cost forms a small component of the total manufacturing cost. Tinplate is procured locally and then processed in our facilities for the final product. As the value addition in this product is fairly high, the impact of raw material price fluctuations is relatively less significant on our margins.
- **Mosquito Coils** – Pricing for the product is done on a cost-plus basis, hence raw material cost does not affect our margins.

Capacity Expansion and Utilisation: Our production capacity has increased rapidly in recent years. The following table sets forth the production capacities for our Metal products for the years indicated and related utilization rates.

Particulars	Capacity (MT)			Capacity Utilisation		
	As on March 31, 2005	As on March 31, 2006	As on March 31, 2007	Fiscal 2005	Fiscal 2006	Fiscal 2007
Manaksia Limited						
Aluminium Products #	43,900	43,900	43,900	24.9%	52.2%	61.88%
Value added Steel Products	30,000	30,000	30,000	39.0%	62.0%	62.1%
MINL Limited						
Aluminium Products	12,000	12,000	12,000	73.4%	95.6%	98%
Value added Steel	28,000	28,000	28,000	27.8%	50.4%	64%

Particulars	Capacity (MT)			Capacity Utilisation		
	As on March 31, 2005	As on March 31, 2006	As on March 31, 2007	Fiscal 2005	Fiscal 2006	Fiscal 2007
Products						
Mark Steels Limited Sponge Iron	60,000	60,000	60,000	46.4%	41.7%	45.4%
MS Ingot	NA	53,760	53,760	NA	4.4%	32%
Total Aluminium Products	55,900	55,900	55,900	35.3%	61.5%	66%
Value added Steel Products	58,000	58,000	58,000	33.6%	56.4%	62.9%
Sponge Iron	60,000	60,000	60,000	46.4%	41.7%	45.4%
MS Ingot	NA	53,760*	53,760	NA	4.4%	32%

excluding products manufactured through third party processors of 11,894 MT in Fiscal 2005
* started commercial production in March 2006

We believe that increases in production capacity in recent years have contributed towards better economies of scale, expanding our product offering and better reach. We plan to further expand our capacity in the future. Our Sponge Iron capacity was increased from 30,000 MT to 60,000 MT in Fiscal 2005 (November 2004). We have also increased our Aluminium products capacity at Haldia in Fiscal 2005 (March 2005) to overcome dependence on Pennar Aluminium Limited. We were utilising the production facility of Pennar Aluminium Limited until November 2005 to manufacture aluminium rolled products on third party processing basis. We have set-up a MS Ingot facility in Purulia- West Bengal which consumes a significant portion of our Sponge Iron production.

We have undertaken various new projects in the last two years which are at different stages of completion, and the financial / operational benefits of which will arise in the coming years. These projects include (i) 12,000 MTPA Aluminum Color coating line in Kutch (commercial production started in May 2006); (ii) 12,000 MTPA Aluminum Color coating in Ota, Nigeria (commercial production started in November 2006); (iii) Lead and Copper Alloy Ingots plant in Nigeria (commercial production started in November 2006); (iv) 50,000 MTPA Cold Rolled Coils plant at Haldia (Scheduled date of commercial production: December 2007); and (v) 24,000 MTPA Steel Galvanizing plant in Nigeria (Scheduled date of commercial production: December 2007) – plant being shifted from our subsidiary in Nepal.

Competition. The level of competition is different for all of our business segments. We compete against various other players in the domestic and export markets on the basis of product quality, performance, pricing, customer service and convenience. Our position among competitors depends on maintaining and improving our product quality, effective marketing and distribution strategies and effective implementation of our plans and policies.

- Metals*:* In this business segment, we face competition based on product quality, pricing and order turnaround and delivery times. We have been operating strategically at various business destinations across Asia, Africa and Middle East. This gives us an added advantage over competitors as we are able to capitalise on the regional presence.
- Packaging*:* We face competition on product pricing and quality with the fragmented players of the industry. We believe that product quality is our strength which helps us in sustaining our strong presence. We also face competition from alternative packaging materials.
- Mosquito Coils: We are the dominant producer of mosquito coils in India for mosquito coil brand owners. As a result of our manufacturing facilities being located across the country

(Hyderabad, Bhopal, Kutch, Bankura and Guwahati), we have an inherent strength in being able to provide logistical support to major brands. In addition, we maintain excess capacities so as to meet seasonal demands. However, some relatively smaller manufacturers have come up in areas with fiscal benefits and are competing against us on price. In addition, our customers, and consequently we, face indirect competition from other insect repellent products.

General economic and business conditions in Nigerian market. Nigeria has been a major market for our international operations and we derive a substantial portion of our revenues from this market. We therefore are affected by general economic conditions in the country, particularly economic conditions affecting the Nigerian industry. Nigeria's GDP growth, industrial growth and demand has been and will continue to be an important factor in determining our operating results and future growth.

Sales Volumes and Average Selling Prices: Our sales volumes are primarily a function of our production as well as market demand and supply. The tables below set forth the sales volumes of our Metal products

Particulars	**Sales Value (Rs in million)**			**Sales Realisation (Rs.)#**			**Sales Quantity (Mt)**		
	Fiscal 2005	**Fiscal 2006**	**Fiscal 2007**	**Fiscal 2005**	**Fiscal 2006**	**Fiscal 2007**	**Fiscal 2005**	**Fiscal 2006**	**Fiscal 2007**
Aluminium Products Mfg	2,803.2	2,944.1	3443.4	99,046	108,670	118021	28,302	27,092	29176
Value Added Steel Products Mfg	847.1	1,300.3	1297.6	50,191	58,965	58098	16,878	22,052	22335
Sponge Iron	235.8	176.0	94.7	8,455	7,657	8364	27,895	22,988	11322
MS Ingot Mfg	-	22.0	262.3	-	13,610	14855	-	1,615	17657
Value Added Steel Products Trading	289.0	-	-	35,306	-		8,187	-	
Aluminium Products Traded	957.9	550.0	193.7						
Others Metal products Mfg	317.5	288.8	259.8						
Others Metal products Trading	227.9	57.6	454.0						
	5,678.5	5,338.9	6005.5						
Less: Inter segmental sales	1,686.2	807.8	575.3						
Net Sales of Metal Products	3,992.4	4,531.0	5430.1						

 # Sales realisation is Sales (net of excise duty & taxes) divided by quantities sold

We have followed the model of entering into new segments through trading in a product/market and follow the same with manufacturing after creating the requisite customer base.

Critical Accounting Policies

Our financial statements have been prepared on historical cost convention based on the accrual method of accounting and applicable Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956. The accounting policies are consistently applied by the Company and are consistent with those used in the previous year.

Revenue

Revenue from sale of goods and services rendered is recognized upon passage of title and rendering of services to the customers.

Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection / commissioning etc., upto the date, the asset is put to use.

- The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds it's recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use are discounted to their present value at our weighted average cost of capital.

Borrowing Costs

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

Investments

Investments are stated at cost.

Inventories

Inventories are valued as under

- Raw materials, finished goods, Stock in trade, Work in process, Packing materials and stores & spares are valued at lower of cost and net realizable value. Closing stock has been valued on FIFO basis.
- Scraps are valued on the basis of management's estimates of realizable value.

Foreign Currency Transactions

- Foreign Currency transactions are recorded on the basis of exchange rates prevailing on the date of their occurrence.
- Foreign currency assets and liabilities (other than those covered by forward contracts and investments which are stated at cost) as on the Balance Sheet date are revalued in the accounts on the basis of exchange rates prevailing at the close of the year and exchange difference arising there from is adjusted to the cost of fixed assets or charged to the Profit & Loss Account, as the case may be.
- In case of transactions covered by forward contracts, the difference between the contract rates and the exchange rates prevailing on the date of transactions is adjusted to the cost of fixed assets or charged to the Profit and Loss Account proportionately over the contract period, as the case may be.

- In respect of foreign subsidiaries, all figures, including sales and expenses, have been converted for the purpose of Consolidation at exchange rate on balance sheet date.

Depreciation

Depreciation on all Fixed Assets is calculated under Straight Line Method at the rates specified in Schedule XIV to the Companies Act, 1956 and the Act in force for the time being of the concerned country, however in case of Dynatech Industries Ghana Ltd the depreciation has been provided in written down value method as per the Internal Revenue Act (Ghana) 2000.

- Depreciation includes amortization of leasehold land over the period of lease at the rates specified in the Act in force for the time being of the concerned country.
- Exchange differences in respect of liabilities incurred to acquire fixed assets are adjusted to the carrying amount of such fixed assets. Depreciation is charged on revised unamortized amount prospectively over residual useful life of the Assets.
- Depreciation is calculated on pro rata basis on additions and deletions of Fixed Assets during the year except for assets costing Rs. 5000/- or less on which 100% Depreciation is provided.
- Depreciation on individual items of plant and machinery costing Rs. 5000/- or less is being provided at normal applicable rates whenever aggregate cost of such items constitute more than 10% of the total actual cost of plant and machinery reflected on the books of the company acquiring such assets, in accordance with amendments to Schedule XIV to the Companies Act, 1956 vide Notification No. GSR No. 101(E) dated 01.03.1995.

Segment Reporting

- *Identification of segments:* We have identified our business segments as the primary segments. Our businesses are organized and managed separately according to the nature of products/ services, with each segment representing a strategic business unit that offers different product / services and serves different markets.
- *Allocation of Common Costs:* Common allocable costs are allocated to each segment on case to case basis applying the ratio appropriate to each relevant case based on the discretion of our management. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segment on a reasonable basis, have been included under the head "Unallocated".

Revenues

Our total income consists primarily of revenues from our sales operations and other income. Our sales income consists of sales of products manufactured and traded by the Company.

The following table sets forth information about our sales:

(*Rs. in million*)

Particulars	**Fiscal years ended March 31**					**5 months ended August 31, 2007**
	2003	**2004**	**2005**	**2006**	**2007**	
Sales						
Of Products manufactured by the Company (net of excise duty)	4,336.6	5,629.5	5,990.6	6,793.6	7273.2	3820.0
Of Products traded in	345.3	1389.1	3481.3	4348.7	1004.7	712.8

Particulars	Fiscal years ended March 31					5 months ended August 31, 2007
	2003	2004	2005	2006	2007	
by the Company						
Total	**4681.9**	**7018.6**	**9471.9**	**11142.3**	**8277.9**	**4532.8**
Total Sales as a % of Total Income	99.6%	98.4%	99.9%	99.8%	99.2%	99.9%
Other Income	**19.2**	**111.5**	**9.8**	**25.2**	**64.0**	**4.2**
Other Income as a % of Total Income	0.4%	1.6%	0.1%	0.2%	0.8%	0.1%
Total Income	**4,701.1**	**7,130.2**	**9,481.6**	**11,167.5**	**8341.8**	**4,537.0**

Sales Revenue

For the Fiscal years ended March 31, 2003, 2004, 2005, 2006, 2007 and five months ended August 31, 2007 our Sales (net of Excise duty and taxes) accounted for 99.6%, 98.4%, 99.9%, 99.8%, 99.2% and 99.9% of our Total Income, respectively. The table below provides a break-up of our sales income from different product segments during the Fiscal years ended March 31, 2003, 2004, 2005, 2006, 2007 and five months ended August 31, 2007.

(*Rs. in million*)

Particulars#	Fiscal years ended March 31					5 months ended August 31, 2007
	2003	2004	2005	2006	2007	
Metal products	1,211.08	2,107.04	3,992.41	4,531.05	5430.13	3403.69
% of Total Net Sales (excluding Bullion)	*34.07%*	*48.36%*	*69.06%*	*70.00%*	*72.5%*	*79.6%*
Packaging products	1401.08	1186.07	700.83	803.45$	988.98	524.61
% of Total Net Sales (excluding Bullion)	*39.41%*	*27.22%*	*12.12%*	*12.41%*	*13.3%*	*12.3%*
Mosquito Coils	666.22	665.75	793.37	693.36	708.97	288.63
% of Total Net Sales (excluding Bullion)	*18.74%*	*15.28%*	*13.72%*	*10.71%*	*9.5%*	*6.7%*
Engineering and others*	276.33	397.86	294.46	444.73$	354.26	58.85
% of Total Net Sales (excluding Bullion)	*7.77%*	*9.13%*	*5.09%*	*6.87%*	*4.7%*	*1.4%*
Total Net Sales (excluding Bullion)	**3,554.71**	**4,356.72**	**5,781.07**	**6,472.59**	**7482.34**	**4275.78**
Bullion @	-	835.36	1,734.31	3,587.04	**-**	**-**
Total Net Sales	**3,554.71**	**5,192.08**	**7,515.38**	**10,059.63**	**7482.34**	**4275.78**

**Others include manufacturing and sales of machines, spare parts, etc*

 # Net Sales are net of inter-segmental sales and excide duty & taxes

@ Bullion: Gold import was carried out through a canalizing agency approved by the central government. In 2004, an arbitrage opportunity in interest rates arose in the import of this product and this was undertaken as a one off opportunistic venture. Once the arbitrage opportunity disappeared, the business was discontinued since September 2005.

$ In terms of the Scheme of Amalgamation approved by the High Court of Kolkata, Spark Exports Limited ("SEL") and Paramount Containers Limited ("PCL") have been amalgamated with our Company with effect from the appointed date of April 1, 2005. For more information, see the section titled "History and Certain Corporate Matters" beginning on page 88 of this Red Herring Prospectus and therefore the financial performance of Fiscal 2006 and 2007 is not directly comparable with financial performance of Fiscal 2003, 2004 and 2005. Our total Sales for the Fiscal 2006 included sales made by

SEL amounting to Rs 116.03 million and Rs 55.12 million from sales of packaging products (ROPP Caps and Mosquito Coil stand) and Engineering & Others respectively.

Particulars	Fiscal years ended March 31					5 months ended August 31, 2007
	2003	2004	2005	2006	2007	
Total Net Sales#	**3,554.71**	**5,192.08**	**7,515.38**	**10,059.63**	7482.34	4275.78
Add: Inter Segment Revenue	1,127.22	1,826.59	1,956.51	1,082.65	**795.48**	**257.03**
Total Sales (Net of Excise duty & Tax)	**4681.93**	**7018.67**	**9471.89**	**11142.28**	**8277.82**	**4532.81**

 # Net Sales are net of inter-segmental sales and excise duty & taxes

Other Income

Our other income includes (i) profits on the sale of assets, (ii) profits on the sale of investments, (iii) other miscellaneous income and (iv)Exchange rate fluctuations relating to financial assets. For the Fiscal years ended March 31, 2005, 2006 and 2007, our other income accounted for 0.1% , 0.2% and 0.8% of our total revenue, respectively.

Expenditure

Our expenditure consists of (i) raw materials consumed (ii) material cost of trade goods sold (iii) staff costs, (iv) other manufacturing expenses, (v) administration expenses and (vi) selling and distribution expenses. The table below provides a breakdown of our total revenue, total expenditures, profit before tax, taxes, profit after tax as per audited financial statements and Net Profit, as restated for the Fiscal years 2003, 2004, 2005, 2006, 2007 and the five months ended August 31 2007, and the percentage of sales or total revenue for the corresponding periods, respectively.

	Year Ended March 31					
Particulars	**2003**	**2004**	**2005**	**2006**	**2007**	**Aug-07**
Income						
Sales (Net of Excise Duty & Tax)						
Of Products manufactured by the Company	4336.61	5629.53	5990.64	6793.61	7273.15	3820.01
Growth%		30%	6%	13%	7%	
Of Products traded in by the Company	345.32	1389.14	3481.25	4348.67	1004.67	712.8
Growth%		302%	151%	25%	-77%	
Total	**4681.93**	**7018.67**	**9471.89**	**11142.28**	**8277.82**	**4532.81**
Growth%		50%	35%	18%	-26%	
Other Income	19.17	111.54	9.75	25.2	63.98	4.15
	4701.1	**7130.21**	**9481.64**	**11167.48**	**8341.8**	**4536.96**
Expenditure						
Raw Materials Consumed	2623.01	4046.33	3476.8	4624.18	3910.62	1711.02

% of Sales of products manufactured		72%	58%	68%	54%	45%
Accretion / (Depletion) of Stocks	20.8	(115.64)	33.64	(979.20)	(45.31)	520.75
Material Cost of Trade Goods Sold	359.58	1351.21	3403.04	4518.26	964.48	645.52
% of Sales of products traded		97%	98%	104%	96%	91%
Staff Costs	139.15	166.74	191.2	238.06	287.18	113.45
% of Sales		2%	2%	2%	3%	3%
Other Manufacturing Expenses	580.83	586.05	804.89	897.22	821.41	419.16
% of Sales		8%	8%	8%	10%	9%
Administration Expenses and Selling & Distribution Expenses	379.51	403.65	527.32	573.07	620.37	239.84
% of Sales		6%	6%	5%	7%	5%
	4102.88	**6438.35**	**8436.89**	**9871.59**	**6558.75**	**3649.74**
Earning Before Depreciation Interest & Tax	**598.22**	**691.86**	**1044.75**	**1295.89**	**1783.05**	**887.22**
% of Total Income		10%	11%	12%	21%	20%
Depreciation	84.12	131.49	197.93	261.41	338.08	140.45
Finance Cost & Interest	180.72	70.3	87.81	274.62	433.2	202.41
Profit before tax and Extraordinary items	**333.38**	**490.07**	**759.01**	**759.86**	**1011.77**	**544.36**
% of Total Income		7%	8%	7%	12%	12%
Provision no longer required written back				1.67		
Profit after Extra-Ordinary Items	**333.38**	**490.07**	**759.01**	**761.53**	**1011.77**	**544.36**
% of Total Income		7%	8%	7%	12%	12%
Taxation	63.03	83.23	212.82	89.36	91.15	36.12
Current tax	24.56	36.5	75	57.47	66.86	24.81
Deferred tax	38.47	46.73	137.82	31.89	24.28	11.31
Net Profit after tax (as per audited Financial Statements)	**270.35**	**406.84**	**546.19**	**672.17**	**920.62**	**508.24**

Adjustment on Restatement	**-12.72**	**-7.53**	**0.08**	**(0.27)**		
Net Profit as Restated	**257.63**	**399.31**	**546.27**	**671.9**	**920.62**	**508.24**
% of Total Income		6%	6%	6%	11%	11%

(*Rs. in million*)

Raw materials consumed Raw materials constitute the single largest component of cost for the company. Raw materials consumed include aluminium ingots and scrap, steel hot/cold rolled coils, zinc, tin-free steel sheets, paints, adhesives, brown saw dust, coconut shell powder, pynamine forte and various chemicals etc.

Accretion/(Depletion) of stocks Accretion/(depletion) of stock represents the accretion or depletion of the stock of finished goods.

Staff costs Staff costs include salaries, bonuses and allowances paid to employees, contributions made to provident and pension funds and other statutory employee benefit schemes, expenditure on staff welfare as well as expenditure relating to recruitment of personnel.

Other manufacturing expenses Other manufacturing expenses include power and fuel, repair and maintenance, stores and spares consumed and research and development.

Administration expenses and Selling & Distribution expenses Administrative expenses include (i) rent paid, (ii) insurance charges, (iii) travelling and conveyance charges, (iv) rates and taxes paid, (v) postage and telex, telephone and stationery charges, (vi) legal and professional expenses, (vi) auditor's remuneration and (vii) other miscellaneous administrative expenses, such as membership fees, subscriptions, computer expenses and other general charges. It also includes sales and distribution expenses which include (i) freight and forwarding, (ii) sales promotion expenses, (iii) advertisement and publicity expenses, (iv) commission paid to selling agents and (v) provision for doubtful debts.

Earning Before Interest & Tax

For the Fiscal years ended March 31, 2003, 2004, 2005, 2006, 2007 and five months ended August 31, 2007 our Earnings Before Interest & Tax margins as percentage of Total income was 11.0%, 8.0%, 8.9%, 9.3%, 17% and 16.5% respectively. The summary of division by Earnings Before Interest & Tax ("EBIT") and margin analysis is as follows:

Rs in million

Particulars	**Fiscal years ended March 31**					**5 months ended August 31, 2007**
	2003	**2004**	**2005**	**2006**	**2007**	
Packaging Products	252.7	212.3	158.3	110.3	134.4	77.8
Mosquito Coils	99.2	69.3	75.8	57.0	58.5	37.0
Metal Products	78.0	93.5	499.4	793.0	1190.0	592.5
Bullion@	-	14.1	1.1	(34.2)	-	-
Engineering & Others	84.2	171.2	112.3	108.38	62.1	39.5
EBIT	**514.1**	**560.4**	**846.8**	**1,034.48**	**1445.0**	**746.8**

@ Bullion trading business has been discontinued since September 2005

Rs in million

Particulars	Fiscal years ended March 31					5 months ended August 31, 2007
	2003	2004	2005	2006	2007	
Packaging Products	14.9%	15.0%	17.7%	10.6%	11.3%	13.2%
Mosquito Coils	14.9%	10.4%	9.6%	8.2%	8.3%	12.8%
Metal Products	4.0%	2.6%	8.8%	14.9%	19.8%	17.3%
Bullion@		1.7%	0.1%	-1.0%	-	-
Engineering & Others	23.1%	33.6%	30.3%	22.67%	16.7%	17.5%
EBIT/Total Income	**10.9%**	**7.9%**	**8.9%**	**9.28%**	**17.4%**	**16.5%**

@ Bullion trading business has been discontinued since September 2005
 # Earnings Before Interest and Tax divided by Segment Revenue

Interest. Interest expenses include interest payable on term loans and working capital facilities and interest payable on other forms of borrowings from banks and/or financial institutions. We also provide for gains or losses relating to borrowings denominated in foreign currencies arising out of foreign exchange fluctuations during a fiscal period under this item.

Taxes - Corporate Tax. Corporate tax is generally payable by our Group companies in the country in which they operate at applicable rates in such countries..

Taxes and Duties

We are subject to a number of direct and indirect taxes and duties (levied by both the Central Government and State Governments), including corporate income tax (at an effective rate of 33.99%), fringe benefit tax, customs duties, excise duties and sales tax. As prescribed under Indian GAAP, corporations must account for differences in accounting treatment of taxation in their financial statements as compared with their tax statements as deferred tax liability/ asset.

Our subsidiary MINL enjoys significant tax benefits in Nigeria viz:
- Packaging Products
    - Export Profit is exempt from corporate taxation
    - Investment in Plant & Machinery qualifies for investment allowance @ 10% and initial depreciation @ 50% in the first year over and above normal yearly depreciation
- Metal Products – Non-Ferrous Alloys
    - Export Profit is exempt from corporate taxation
    - MINL's alloy plant is registered as a Pioneer Status company which enables them to enjoy 100% corporate tax holiday for a period of five year (upto April 30, 2009)
    - Investment in Plant & Machinery qualifies for investment allowance @ 10% and initial depreciation @ 50% in the first year over and above normal yearly depreciation

We also enjoy tax benefits for our 100% EOU in Haldia resulting in lower taxation for our Indian operations. We also have certain Fiscal benefits for our some of our production facilities like:
- 100% Income-tax holiday until Fiscal 2012 for our Mosquito Coil unit in Assam;
- 30% Income-tax holiday until Fiscal 2011 for our Mosquito Coil unit in Bankura;
- 30% Income-tax holiday until Fiscal 2012 for our Galvanizing unit in Bankura;
- 30% Income-tax holiday until Fiscal 2010 for our Packaging unit in Bankura;

- 30% Income-tax holiday until Fiscal 2010 for our Rolling Mill in Bankura;

Results of Operations Fiscal 2007 compared with Fiscal 2006

During Fiscal 2007, we commenced colour coating operations at our Nigeria factory at Ota.

Total Net Sales (net of inter-segmental sales and excise duty & taxes): Our Net Sales decreased by Rs. 2,577.3 million or 25.6%, from Rs. 10,059.6 million in the Fiscal 2006 to Rs. 7482.3 million in the Fiscal 2007.

- *Metal products* - Net Sales (net of inter-segmental sales and excise duty & taxes) from Metal products increased from Rs. 4531.1 million in Fiscal 2006 to Rs. 5430.1 million in Fiscal 2007, increasing by 19.8% during this period. This was mainly due to increase in sales of metal products by MINL Nigeria upon commencement of the colour coating line and increased sales of steel galvanised coils and sheets in Nigeria.
- *Packaging* products - Packaging products generated Net Sales (net of inter-segmental sales and excise duty & taxes) of Rs. 988.9 million in Fiscal 2007 as against Rs. 803.5 million in Fiscal 2006 thereby increasing by Rs. 185.4 million or 23%. This is mainly due to better realisation and incremental sales both of crowns and ROPP caps in India and Nigeria.
- *Mosquito Coils* – Net Sales (net of inter-segmental sales and excise duty & taxes) from this segment increased by Rs. 15.6 million in Fiscal 2007 to Rs. 709 million as compared to Rs. 693.4 million in Fiscal 2006 primarily due to sales to a new customer.
- *Engineering and Others* – Net Sales (net of inter-segmental sales and excise duty & taxes) from Engineering and Others decreased to Rs. 354.3 million in Fiscal 2007 as compared to Rs. 444.7 million in Fiscal 2006 primarily due to decrease in orders for engineering services, which tend to fluctuate from year to year.
- *Bullion* – Bullion trading decreased from Rs. 358.7 million in Fiscal 2006 to nil in Fiscal 2007 as we discontinued such trading in September 2005.

Other Income. Our other income increased by Rs. 38.78 million, or 154%, from Rs. 25.20 million in the Fiscal 2006 to Rs. 64 million in the Fiscal 2007. This increase was principally due to exchange fluctuation resulting in gains on our financial assets.

Expenditure. Our expenditure decreased by Rs. 3312.8 million, or 33.5%, from Rs. 9871.6 million in the Fiscal 2006 to Rs. 6558.8 million in the Fiscal 2007. This was due to the stoppage of trading in bullion, thereby resulting in a decrease in cost of trade goods sold from Rs 4518.3 million in fiscal 2006 to Rs 964.5 million in fiscal 2007.

Raw materials consumed (including accretion/depletion in stocks). Expenditure of raw materials consumed on goods manufactured increased by Rs. 220.4 million, or 6%, from Rs. 3,644.9 million in the Fiscal 2006 to Rs. 3,865.3 million in the Fiscal 2007 primarily due to an increase in metal prices in international markets. As a percentage of total sale of products manufactured, raw materials consumed on goods manufactured reduced from 53.7% to 53.1%.

Material cost of trade goods sold. Material cost of trade goods sold decreased by Rs. 3553.8 million, or 78.6%, from Rs. 4518.3 million in the Fiscal 2006 to Rs. 964.5 million in the Fiscal 2007 due to cessation of bullion trading business from September 2005. As a percentage of sales of products traded, material cost of trade goods sold decreased from 103.9% to 95.9%.

Staff costs. Staff costs increased by Rs. 49.1 million, or 20.6%, from Rs. 238.1 million in Fiscal 2006 to Rs. 287.2 million in Fiscal 2007. This increase has been due to arrears of increments for

last two years paid in fiscal 2007. As a percentage of Total Income, staff costs increased to 3.5% from 2.1% in last fiscal.
Other manufacturing expenses. Our other manufacturing expenses include power and fuel, repair and maintenance, stores, spares, consumables, freight inwards, research & development and other manufacturing expenses. The same decreased by Rs. 75.8 million, or 8.4%, from Rs. 897.2 million in Fiscal 2006 to Rs. 821.4 million in Fiscal 2007. This decrease is attributed to the savings in power and fuel costs at our mosquito coil operations due to the installation of a biomass gasifier in the drying process.

Administration expenses and Selling & Distribution expenses. Administration expenses increased by Rs. 47.3 million, or 8.3%, from Rs. 573.1 million in Fiscal 2006 to Rs. 620.4 million in Fiscal 2007 due primarily to the growth of our business. As a percentage of Total Income, administration & selling expenses have increased from 5.1% to 7.5% in Fiscal 2007 due primarily to the ramping up our business in the Middle East and CIS countries.

Earnings before depreciation, interest and tax – As a result of above, earnings before depreciation, interest and tax increased by Rs. 487.16 million in Fiscal 2007 or 37.6% over Fiscal 2006.

Depreciation. Depreciation increased by Rs. 76.7 million in Fiscal 2007 or 29.3 % over Fiscal 2006. This was principally due to implementation of new colour coating line at Nigeria.

Finance Cost and Interest. In Fiscal 2007 we incurred finance cost and interest expenses amounting to Rs. 433.2 million compared to Rs. 274.6 million in Fiscal 2006, an increase of 57.8%, as a result of the following -

- Interest charges paid to banks and financial institutions increased by Rs. 111.9 million as commercial production of some projects were announced and interest charges, which had been capitalized earlier, were now taken as part of revenue expenditure.

Fixed deposits maintained with banks and others for carrying out the bullion trading business were withdrawn due to which the interest income fell from Rs. 70.3 million to Rs. 17 million in Fiscal 2007.*Net Profit before tax and extraordinary items*. Net Profit before tax and extraordinary items increased by Rs. 251.91 million, or 33.15%, from Rs. 759.86 million in Fiscal 2006 to Rs. 1011.8 million in Fiscal 2007.

Extraordinary Items. In Fiscal 2006, a provision no longer required was written back in the amount of Rs 1.67 million. There was no such item in Fiscal 2007.

Net Profit before Tax after Extraordinary Items. Net Profit before Tax after Extraordinary Items increased by Rs. 250.24 million or 32.9% from Rs.761.53 million in Fiscal 2006 to Rs.1011.77 million in Fiscal 2007.

Taxation. Provision for taxes increased by Rs. 1.8 million, or 2%, from Rs. 89.4 million in Fiscal 2006 to Rs. 91.2 million in Fiscal 2007 due to higher taxable income.

Net Profit after tax (as per audited financial statements). For the reasons discussed above, our profit after tax *(as per audited financial statements)* increased by Rs. 248.4 million, or 37%, from Rs. 672.2 million in Fiscal 2006 to Rs. 920.6 million in Fiscal 2007.

Net profit, as restated. For the reasons discussed above, our net profit, as restated, increased by Rs. 248.6 million, or 37%, from Rs. 672 million in Fiscal 2006 to Rs. 920.6 million in Fiscal 2007.

Fiscal 2006 compared with Fiscal 2005

During Fiscal 2006, we commenced colour coating operations from the Kutch facility in Gujarat.

Total Net Sales (net of inter-segmental sales and excise duty & taxes): Our Net Sales increased by Rs. 2,544.3 million or 34%, from Rs. 7,515.4 million in the Fiscal 2005 to Rs. 10,059.6 million in the Fiscal 2006.

- *Metal products* - Net Sales (net of inter-segmental sales and excise duty & taxes) from Metal products increased from Rs. 3992.41 million in Fiscal 2005 to Rs. 4531.05 million in Fiscal 2006, increasing by 13.5% during this period. This was mainly due to increase in sales of metal products by MINL Nigeria and increased sales of Aluminium alloy ingots both in India and Nigeria.
- *Packaging* products - Packaging products generated Net Sales (net of inter-segmental sales and excise duty & taxes) of Rs. 803.45 million in Fiscal 2006 as against Rs. 700.83 million in Fiscal 2005 thereby increasing by Rs. 102.62 million or 14.6%. This is mainly due to the merger of Spark Exports Limited ("SEL") with the Company. The Sales for Fiscal 2006 includes an amount of Rs 116.03 million from SEL which was merged with our Company with effect from April 1, 2006.
- *Mosquito Coils* – Net Sales (net of inter-segmental sales and excise duty & taxes) from this segment decreased by Rs. 100.01 million in Fiscal 2006 to Rs. 693.36 million as compared to Rs. 793.37 million in Fiscal 2005.This business was affected by the competition from small manufacturers based in the fiscal benefit areas that passed on price concessions to the brand owners.
- *Engineering and Others* – Net Sales (net of inter-segmental sales and excise duty & taxes) from Engineering and Others increased to Rs. 444.73 million in Fiscal 2006 as compared to Rs. 294.46 million in Fiscal 2005. This was primarily due to certain zinc trading operations which we have ceased to do.
- *Bullion* – Bullion trading resulted in Net Sales (net of inter-segmental sales and excise duty & taxes) of Rs. 3,587.04 million as compared to Rs. 1,734.3 million. This is mainly attributed to favourable market trading conditions in Fiscal 2006 over Fiscal 2005.

Other Income. Our other income increased by Rs. 15.45 million, or 158.50% , from Rs. 9.8 million in the Fiscal 2005 to Rs. 25.2 million in the Fiscal 2006. This increase was principally due to the increase in miscellaneous income amounting to Rs. 12.2 million. The exchange fluctuation also resulted in the increase to the extent of Rs. 3.1 million.

Expenditure. Our expenditure consists of raw material consumption (adjusted for increase/(decrease) in inventories), staff costs, other manufacturing expenses, administration expenses, selling and distribution expenses, interest charges. Our expenditure increased by Rs. 1,434.7 million, or 17%, from Rs. 8436.89 million in the Fiscal 2005 to Rs. 9871.6 million in the Fiscal 2006. This was principally due to 32.8% increase in the material cost of goods traded from Rs. 3,403.04 million in Fiscal 2005 to Rs. 4,518.26 million in Fiscal 2006.

Raw materials consumed (including accretion/depletion in stocks). Expenditure of raw materials consumed on goods manufactured increased by Rs. 134.5 million, or 3.8%, from Rs. 3,510.4 million in the Fiscal 2005 to Rs. 3,644.9 million in the Fiscal 2006. As a percentage of total sale of products manufactured, raw materials consumed on goods manufactured reduced from 58.6% to 53.7%. This was principally due to higher margins on certain of our metal products produced mainly in Nigeria.

Material cost of trade goods sold. Material cost of trade goods sold increased by Rs. 1,115.2 million, or 32.8%, from Rs. 3,403.0 million in the Fiscal 2005 to Rs. 4,518.3 million in the Fiscal 2006. As a percentage of sales of products traded, material cost of trade goods sold increased from 97.8% to 103.9% due to market conditions resulting in the loss of arbitrage opportunities. As a result, we ceased our bullion trading business from September 2005.

Staff costs. Staff costs increased by Rs. 46.9 million, or 24.5%, from Rs. 191.2 million in Fiscal 2005 to Rs. 238.1 million in Fiscal 2006. This increase has been contributed by the merger of Spark Exports Limited, commencement of Kutch and Haldia operations addition of employees by our subsidiaries. As a percentage of Total Income, staff costs have remained stable at around 2% in both these years commensurate with the normal growth of business.

Other manufacturing expenses. Our other manufacturing expenses include power and fuel, repair and maintenance, stores, spares, consumables, freight inwards, research & development and other manufacturing expenses. The same increased by Rs. 92.3 million, or 12%, from Rs. 804.9 million in Fiscal 2005 to Rs. 897.2 million in Fiscal 2006. This increase is attributed to the increased manufacturing operations.

Administration expenses and Selling & Distribution expenses. Administration expenses increased by Rs. 45.8 million, or 8.7%, from Rs. 527.3 million in Fiscal 2005 to Rs. 573.1 million in Fiscal 2006. As a percentage of Total Income, administration & selling expenses have decreased from 5.6% to 5.1% in Fiscal 2006. The overall increase was principally due to the growth of our business.

Earnings before depreciation, interest and tax – As a result of above, *Earnings before depreciation, interest and tax* increased by Rs. 251.4 million in Fiscal 2006 or 24% over Fiscal 2005.

Depreciation. Depreciation increased by Rs. 63.5 million in Fiscal 2006 or 32.1% over Fiscal 2005. This was principally due to the increase in fixed assets of Rs. 670.1 million.

Finance Cost and Interest. In Fiscal 2006, we incurred finance cost and interest expenses amounting to Rs. 274.6 million compared to Rs. 87.8 million in Fiscal 2005, an increase of 212.7%, as a result of the following -

- Net exchange loss on translation of loans in foreign currency went up from a net gain of Rs. 70.7 million in Fiscal 2005 to a net loss of Rs. 14.7 million in Fiscal 2006 as the existing loans denominated in foreign currency have been marked-to-market by converting notionally at the ends of the respective years and the rupee depreciated considerably.
- Interest charges paid to banks and financial institutions increased by Rs. 81.8 million as commercial production of some projects were announced and interest charges, which had been capitalized earlier, were now taken as part of revenue expenditure.
- Increase in the interest obligations of Rs. 14.1 million was contributed by our Nigerian operations upon commencement of new projects.
- Fixed deposits maintained with banks and others for carrying out the bullion trading business were withdrawn due to which the interest income fell from Rs. 98.9 million to Rs. 70.3 million in Fiscal 2006.

Net Profit before tax and extraordinary items. For the reasons discussed above, Net Profit before tax and extraordinary items increased by Rs. 0.85 million, or 0.1%, from Rs. 759.0 million in Fiscal 2005 to Rs. 759.86 million in Fiscal 2006.

Extraordinary Items:There was a provision no longer written back to the amount of Rs 1.67 million in Fiscal 2006.

Taxation. Provision for taxes decreased by Rs. 123.5 million, or 58%, from Rs. 212.8 million in Fiscal 2005 to Rs. 89.4 million in Fiscal 2006.During Fiscal 2005, The Institute of Chartered Accountants of India revised Accounting Standard 22 as a result of which deferred tax adjustment of Rs. 137.8 million was carried out in Fiscal 2005 as compared to Rs. 31.9 million in Fiscal 2006.

Net Profit before Tax after Extraordinary Items: Net Profit before Tax after Extraordinary Items increased by Rs. 2.52 million or 0.3% from Rs.759.01 million in Fiscal 2005 to Rs.769.53 million in Fiscal 2006 on account of the above factors.

Net Profit after tax (as per audited financial statements). For the reasons discussed above, our profit after tax *(as per audited financial statements)* increased by Rs. 126 million, or 23.1%, from Rs. 546.2 million in Fiscal 2005 to Rs. 672.2 million in Fiscal 2006.

Net profit, as restated. For the reasons discussed above, our net profit, as restated, increased by Rs. 125.9 million, or 23%, from Rs. 546.3 million in Fiscal 2005 to Rs. 672.2 million in Fiscal 2006.

Fiscal 2005 compared with Fiscal 2004

During Fiscal 2005, we achieved the following milestones:

- Commenced the commercial production of value-added aluminium products at Haldia, a 100% export oriented unit.
- The exports coverage extended to the regions of Malaysia, Vietnam, Taiwan and Saudi Arabia along with the introduction of new products.

Total Net Sales (net of inter-segmental sales and excide duty & taxes). Our revenue from the sales of products manufactured by the Company increased by Rs. 2,323.3 million, or 44.7%, from Rs. 5,192.1 million in Fiscal 2004 to Rs. 7,515.4 million in Fiscal 2005.

- *Metals* - Net Sales (net of inter-segmental sales and excise duty & taxes) from Metals business increased from Rs. 2107.04 million in Fiscal 2004 to Rs. 3992.41 million in Fiscal 2005, increasing by over 89% during this period. During Fiscal 2005, we commenced commercial production in our Haldia unit to meet the growing demand of aluminium alloy ingots from the auto ancilliary industry and ramped up production of steel and aluminium products in Nigeria. However, during the year, our steel business in India was affected by an over supply of galvanised steel, erratic availability of raw material as well as a number of direct cold rolled sheet manufacturers entering into galvanising, which affected our production volumes and margins.
- *Packaging* - Net Sales (net of inter-segmental sales and excise duty & taxes) from packaging declined by 40.9% from Rs. 1186.07 million in fiscal 2004 to Rs. 700.83 million in Fiscal 2005. The turnover for crowns decreased by 25% during Fiscal 2005 s a difficult period as the industry was facing a shift towards plastic bottles. The sale of ROPP caps also declined by 27% due to significant competition from plastic and plastic metal combination caps. The revenue from metal containers also reduced by over 64% as a result of the decline in demand of the end product.

- *Mosquito Coils* - Net Sales (net of inter-segmental sales and excise duty & taxes) increased by 19.2% to Rs. 793.37 million in Fiscal 2005. This was due to demand for larger coils and the increasing demand in the industry coupled with fact that we cater substantially to the two largest players in the domestic industry.
- *Engineering and Others* – Net Sales (net of inter-segmental sales and excise duty & taxes)from this line of business declined by Rs. 103.4 million or 26% from Rs. 397.86 million in Fiscal 2004 to Rs. 294.46 million in Fiscal 2005. This was primarily due to reduction in sales of machines designed by us in Fiscal 2005 as compared to Fiscal 2004.
- *Bullion* – Net Sales (net of inter-segmental sales and excise duty & taxes) from Bullion trading increased significantly by Rs. 898.95 million to reach Rs. 1,734.31 million in Fiscal 2005. This was partly due to the half year operation of Bullion trading in Fiscal 2004 and partly due to the favourable market conditions for trading in Fiscal 2005.

Other Income. Our other income decreased by Rs. 101.8 million, or 91.3%, from Rs. 111.5 million in Fiscal 2004 to Rs. 9.8 million in the Fiscal year ended March 31, 2005. This decrease was principally due to the profit on sale of fixed assets amounting to Rs. 51.4 million in Fiscal 2004. The net gain from exchange fluctuation in Fiscal 2004 also contributed to the decline to the extent of Rs. 47.9 million in Fiscal 2005 as compared to Fiscal 2004.

Expenditure. Our expenditure increased by Rs. 1,998.5 million, or 31%, from Rs. 6,438.4 million in the Fiscal year ended March 31, 2004 to Rs. 8,436.9 million in the Fiscal year ended March 31, 2005. This was principally due to a 151.9% increase in material cost of goods traded.

Raw materials consumed (including accretion/depletion in stocks). Expenditure of raw materials consumed decreased by Rs. 420.3 million, or 10.7%, from Rs. 3,930.7 million in the Fiscal year ended March 31, 2004 to Rs. 3,510.4 million in the Fiscal year ended March 31, 2005. As a percentage of total sales of products manufactured, raw materials consumed decreased from 69.8% in Fiscal 2004 to 58.6% in Fiscal 2005. The decrease was primarily because we began to produce Aluminium ingots in Fiscal 2005, which has a comparatively lower cost of raw material consumed as a proportion of sale value. Further, decrease in prices of tin free steel in Fiscal 2005 as compared to Fiscal 2004 also contributed to the decline.

Material cost of trade goods sold .Material cost of trade goods sold increased by Rs. 2,051.8 million, or *151.9%*, from Rs. 1,351.2 million in the Fiscal 2004 to Rs. 3,403.0 million in the Fiscal 2005 as bullion trading increased significantly in Fiscal 2005. As a percentage of sales of products traded, material cost of trade goods sold increased from 97.3% in Fiscal 2004 to 97.8% in Fiscal 2005.

Staff costs. Staff costs increased by Rs. 24.5 million, or 14.7%, from Rs. 166.7 million in the Fiscal year ended March 31, 2004 to Rs. 191.2 million in the Fiscal year ended March 31, 2005. As a percentage of Total Income, staff costs have decreased from 2.4% in Fiscal 2004 to 2% in Fiscal 2005, respectively. The overall increase in staff costs was principally due to an increase in number of employees hired as part of the growth of our business in Nigeria and Nepal in addition to the general business growth.

Other manufacturing expenses. Our other manufacturing expenses increased by Rs. 218.8 million, or 37.3%, from Rs. 586.1 million in the Fiscal year ended March 31, 2004 to Rs. 804.9 million in the Fiscal year ended March 31, 2005. However, as a percentage of Total Income, other manufacturing expenses increased from 8.3% in Fiscal 2004 to 8.5% in Fiscal 2005.

Administration expenses and Selling & Distribution expenses Administration expenses increased by Rs. 123.7 million, or 30.6%, from Rs. 403.7 million in the Fiscal year ended March 31, 2004 to Rs. 527.3 million in the Fiscal year ended March 31, 2005. As a percentage of Total Income, administration expenses reduced from 5.8% in Fiscal 2004 to 5.6% in Fiscal 2005.

Earnings before depreciation, interest and tax – As a result of above, it increased by Rs. 352.9 million in Fiscal 2006 or 51% over Fiscal 2004.

Depreciation. Depreciation increased by Rs. 66.4 million in Fiscal 2005 or 50.5% over Fiscal 2004 mainly due to increase in Fixed Assets by Rs 1,083.4 million in Fiscal 2005.

Finance Cost and Interest. In the Fiscal year ended March 31, 2004, we incurred interest expenses of Rs. 70.3 million compared to Rs. 87.8 million in the Fiscal year ended March 31, 2005. The increase was due to the increase in long term loans from Rs.807 million to Rs. 1,534 million primarily for the financing of the Ota unit of our Nigerian subsidiary MINL and Crescent Industries, our subsidiary in Nepal. As a percentage of Total Income, interest expenses have remained relatively constant at 1.0 % in Fiscal 2004 and 0.9% in Fiscal 2005.

Profit before tax. For the reasons discussed above, profit before taxes and exceptional items increased by Rs. 268.9 million, or 55%, from Rs. 490.1 million in the Fiscal year ended March 31, 2004 to Rs. 759.0 million in the Fiscal year ended March 31, 2005.

Taxation. Provision for taxes (excluding provision for tax on exceptional items) increased by Rs. 129.6 million, or 155.7%, from Rs. 83.2 million in the Fiscal year ended March 31, 2004 to Rs. 212.8 million in the Fiscal year ended March 31, 2005. This was primarily as a result of higher deferred tax provision. The Institute of Chartered Accountants of India revised Accounting Standard 22 as a result of which deferred tax adjustment amounted to Rs. 137.8 million in Fiscal 2005 as compared to Rs. 46.7 million in Fiscal 2004.

Net Profit after tax (as per audited financial statements). For the reasons discussed above, our profit after tax and before exceptional items increased by Rs. 139.2 million, or 34.2%, from Rs. 406.9 million in the Fiscal year ended March 31, 2004 to Rs. 546.2 million in the Fiscal year ended March 31, 2005.

Net profit, as restated. For the reasons discussed above, our net profit, as restated, increased by Rs. 147 million, or 36.8%, from Rs. 399.3 million in the Fiscal year ended March 31, 2004 to Rs. 546.3 million in the Fiscal year ended March 31, 2005.

Fiscal 2004 as compared with Fiscal 2003

During the Fiscal 2004, MINL Limited, our Nigerian subsidiary, commissioned its galvanising and aluminium alloy ingots plants in Nigeria.

Total Net Sales (net of inter-segmental sales and excide duty & taxes) Our revenue from the sales of products manufactured by the Company increased by Rs. 1,637.4 million, or 46.1%, from Rs. 3,554.7 million in Fiscal 2003 to Rs. 5,192.1million in Fiscal 2004.

- *Metals* - Net Sales (net of inter-segmental sales and excise duty & taxes)from Metals business increased from Rs. 1211.08 million in Fiscal 2003 to Rs. 2107.04 million in Fiscal 2004, increasing by over 74% during this period. This increase was mainly due to the commencement of our steel galvanising plant at Bankura, West Bengal and increased activities in respect of aluminium rolled products at Pennar Aluminium Company Limited, a third party manufacturer.

- *Packaging* – Packaging business declined from Rs. 1,401.08 million in Fiscal 2003 to Rs. 1,186.07 million in Fiscal 2004, a decline of 15%. This was primarily as a result of reduction in sales of ROPP caps for Manaksia Limited and crown closures for MINL Limited.
- *Mosquito Coils* - Net Sales (net of inter-segmental sales and excise duty & taxes) remained flat at Rs. 665.75 million in Fiscal 2004 as compared to Rs 666.22 million in Fiscal 2003.
- *Engineering and others* – Net Sales (net of inter-segmental sales and excise duty & taxes) from engineering and others grew by Rs. 121.5 million from Rs. 276.3 million in Fiscal 2003 to Rs. 397.9 million in Fiscal 2004, an increase of 44%. This was driven by the increase in revenue from machine design and manufacture in Fiscal 2004.
- *Bullion* – Net Sales (net of inter-segmental sales and excise duty & taxes) from bullion trading business amounting to Rs. 835.4 million in Fiscal 2004, this was the first year for this line of activity. We saw arbitrage opportunity in this segment and capitalised on the same.

Other Income. Our other income increased by Rs. 92.4 million, or over 481%, from Rs. 19.2 million in Fiscal 2003 to Rs. 111.5 million in Fiscal 2004. This was primarily due to the profit on sale of fixed assets amounting to Rs. 51.4 million and net exchange fluctuation gain of Rs. 49.5 million.

Expenditure. Our expenditure increased by Rs. 2,335.5 million, or 56.9%, from Rs. 4,102.9 million in Fiscal 2003 to Rs. 6438.4 million in Fiscal 2004.

Raw materials consumed (including accretion/depletion in stocks). Expenditure of raw materials consumed increased by Rs. 1286.9 million, or 48.7%, from Rs. 2643.8 million in Fiscal 2003 to Rs. 3930.7 million in Fiscal 2004. As a percentage of total sales of products manufactured, raw materials consumed increased from 61% in Fiscal 2003 to 69.8% in Fiscal 2004. This was mainly due to the commencement of production of galvanised sheet at Bankura, West Bengal where the cost of raw material as a proportion of the sale value is higher.

Material cost of trade goods sold. Material cost of trade goods sold increased by Rs. 991.6 million, or over 275.8%, from Rs. 359.6 million in the Fiscal 2003 to Rs. 1,351.2 million in the Fiscal 2004 due to commencement of bullion arbitrage business.

Staff costs. Staff costs increased by Rs. 27.6 million, or 19.8%, from Rs.139.2 million in Fiscal 2003 to Rs. 166.7 million in Fiscal 2004. This was due to the overall business growth.

Other manufacturing expenses. Our other manufacturing expenses remained constant at Rs. 586.1 million in Fiscal 2004 in line with Rs. 580.8 million in Fiscal 2003. As a percentage of Total Income, it declined from 12.4% in Fiscal 2003 to 8.3% in Fiscal 2004. This was mainly due to the commencement of production of galvanised sheet at Bankura, West Bengal where the manufacturing expenses as a proportion of the sale value is lower.

Administration expenses and Selling & Distribution expenses: Administration expenses increased by Rs. 24.14 million, or 6.4%, from Rs. 379.5 million in Fiscal 2003 to Rs. 403.7 million in Fiscal 2004. As a percentage of Total Income, administration expenses decreased from about 8.1% to 5.8%. The overall increase was principally due to the growth of our business.

Earnings before depreciation, interest and tax – As a result of above, it increased by Rs. 93.6 million in Fiscal 2004 or 15.7% over Fiscal 2003.

Depreciation. Depreciation increased by Rs. 47.4 million in Fiscal 2004 or 56.3% over Fiscal 2003.

Finance Cost and Interest. In Fiscal 2004, we incurred interest expenses of Rs. 70.30 million compared to Rs. 180.7 million in Fiscal 2003. This was mainly due to gain on exchange fluctuation amounting to Rs. 72.8 million in Fiscal 2004. Also, there was overall decline in the interest rate environment in Fiscal 2004 as compared to Fiscal 2003.

Net Profit before tax. For the reasons discussed above, net profit before tax increased by Rs. 156.7 million, or 47%, from Rs. 333.4 million in Fiscal 2003 to Rs. 490.1 million in Fiscal 2004.

Taxation. Provision for taxes increased by Rs. 20.2 million, or 32.0%, from Rs. 63.0 million in Fiscal 2003 to Rs. 83.2 million in Fiscal 2004.

Profit after tax (as per audited financial statements) For the reasons discussed above, our profit after tax increased by Rs. 136.51 million, or 50.5%, from Rs. 270.4 million in Fiscal 2003 to Rs. 406.9 million in Fiscal 2004.

Net profit, as restated. For the reasons discussed above, our net profit, as restated, increased by Rs. 141.7 million, or 55% to Rs. 399.3 million in Fiscal 2004.

Liquidity and Capital Resources

Historically, our primary funding requirements have been to finance our working capital needs and our capital expenditures. Our business requires a significant amount of working capital and capital expenditure. To fund these costs, we have relied on working capital borrowings, long-term borrowings and cash flows from operating activities.

Cash Flows

The table below sets forth our cash flows for the periods indicated:

(*Rs. in million*)

Particulars	Fiscal years ended March 31			5 months ended August 31, 2007
	2005	2006	2007	
Cash Flow from Operating Activities	876.82	858.25	1223.16	894.87
Cash Flow from Investment Activities	(1268.77)	(852.11)	(876.31)	(174.18)
Cash Flow from Financing Activities	360.76	30.11	(326.93)	(687.20)
Net Changes in Cash and Cash Equivalents	(31.19)	36.25	19.91	33.49
Cash and Cash Equivalents (Closing Balance)	28.30	71.07	90.98	124.47

Cash Flows from Operating Activities

Cash Flow from Operating Activities amounted to Rs 876.82 million, Rs. 858.25 million, 1223.16 and Rs 894.87 million for the years ended March 31, 2005, 2006, 2007 and five months ended August 31, 2007 respectively. Our Operating cash flow before working capital changes for the years ended March 31, 2005, 2006, 2007 and five months ended August 31, 2007was Rs 1045.37 million, Rs 1297.54 million, Rs 1794.71 million and Rs. 888.10 million respectively. Cash outflow due to increase in Inventories for the years ended March 31, 2005, 2006, 2007 and five months ended August 31,, 2007 was Rs 80.27 million, Rs. 919.05 million, Rs 688.72 million and decrease of Rs 930.04 million respectively

Cash Flows from Investment Activities

Net cash from investing activities represents amongst other things dividend income, sale/purchase of short and long term investments, sale/purchase of fixed assets, investments and receipt of interests. Cash Flow from Investment Activities amounted to Rs 1268.77 million, Rs. 852.11 million, Rs 876.31 and Rs 174.18 million for the years ended March 31, 2005, 2006, 2007 and five months ended August 31,, 2007 respectively. Our Cash outflow for the purchase of fixed assets amounted to Rs. 1,271.12 million, Rs 890.31 million, Rs 874.32 million and Rs 248.77 million for the years ended March 31, 2005, 2006, 2007 and five months ended August 31,, 2007 respectively. We have set up production capacities at various plants including in Haldia – Aluminium Rolling Mill; Nigeria – Colour coating line in 2007, Galvanizing Plant & Aluminium Alloy Plant, Steel Galvanizing facility in Nepal in Fiscal 2004 and Kutch – Mosquito Coils & Colour Coating line in Fiscal 2005 and Haldia – Cold Rolling Mill and Aluminium color coating facility in Nigeria in Fiscal 2006.

Cash Flows from Financing Activities

Net cash from financing activities is determined by the level of principal and interest payout on debts, new indebtedness and dividend and interest payouts. We have added debt (net) Rs. 498.95 million, Rs 302.05 million, Rs 189.36 million and repaid (net) Rs 500.45 million for the years ended March 31, 2005, 2006, 2007 and five months ended August 31, 2007, respectively, mainly for investments in fixed assets. We have also paid dividend of Rs 11.90 million, Rs 12.02 million and Rs 8.61 million for the years ended March 31, 2005, 2006 and 2007, respectively.

Indebtedness

The following table sets forth our secured and unsecured indebtedness as of March 31, 2007.

(in Rs. million)

Indebtedness @	**Outstanding amount as on March 31, 2007**	**Payment due during the year ending March 31**				
		2008	**2009**	**2010**	**2011**	After **2011**
Secured	3513.45	644.42	383.82	346.43	71.01	-
Unsecured	760.57	368.71	110.00	165.00	78.00	38.86

@ includes foreign currency loan in US $ Equivalent to Rs. 912.91 million (secured)

Most of our financing arrangements are secured by movable and immovable assets. Many of our financing agreements also include numerous conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Failure to obtain these consents could have significant consequences on our business and operations. We believe that our relationships with our lenders are good, and we have in the past obtained consents from them to undertake various actions and have informed them of our activities from time to time. Refer to the sections titled "Financial Indebtedness" beginning on pages 136 of this Red Herring Prospectus for detailed description of loans outstanding.

Off-balance sheet Liabilities and Contingent Liabilities

Our contingent liabilities consist of disputed cases with regard to (i) Excise duty; (ii) Sales tax; (iii) Income-tax; (iv) Custom duty; (v) Service tax and (vi) Civil liabilities. As of August 31, 2007, we had the following contingent liabilities:

(*Rs. in million*)

Contingent Liabilities	**As of August 31, 2007**
Excise duty demands under appeal	88.33
Sales tax and Entry tax demand under appeal	11.42
Income tax demands under appeal	10.06
Custom Duty	5.05
Service Tax	2.47
Civil	0.76
	118.09

Debtors, Inventories

Our sales to reputed and established domestic customers are normally made on credit terms of 30 to 120 days. Our export sales are generally made against letters of credit with usance period of up to 90 days. Our remaining sales in the domestic market are normally made on cash on delivery basis.

We generally maintain an inventory level of 3 to 6 months supply of imported raw materials requirements. We generally maintain an inventory level of below 3 months supply of domestically procured raw materials requirements. We may increase or decrease the inventory level of raw material when we believe that the cost of raw materials and our estimates of production and sales make it prudent to do so. We generally produce finished goods upon customer order for packaging products and mosquito coils. For other finished products we generally maintain an inventory of not more than one month's production.

Foreign currency risk

Our subsidiares maintain accounting records and prepare financial statements in the respective local currencies where our subsidiaries are domiciled. Our unconsolidated and consolidated financial statements are prepared in Indian Rupees. Any change in the cross currency rates between the currencies of the countires where our subsidiaries are domiciled and the Indian Rupee will affect our consolidated financial statements. We have taken certain foreign currency loans in US Dollar. As on March 31, 2007, our outstanding US Dollar denominated debt amounted to the equivalent of Rs. 912.91 million (secured). Substantially all of the raw materials which we procure from the international markets and finished goods which we export are denominated in US Dollars. While the raw materials which we procure domestically and the finished goods which we sell in the domestic markets are denominated in local currency, these prices could be affected by fluctuations in the value of the US Dollar. Any changes in the value of the INR or the Naira against such other currencies could affect the Rupee or Naira cost of purchasing such raw materials or our sales realisation; our accounts receivable and payable balances would also be affected as a result of these changes.

Inflation

In recent years, although India has experienced fluctuation in inflation rates, inflation has not had any material or significant impact on our business and results of operations. According to the Office of the Economic Advisor, Department of Industrial Policy and Promotion, the inflation rate in India was approximately 3.4%, 5.4%, 6.4%, 4.5% and 5.4% in the Fiscal 2003, 2004, 2005, 2006 and 2007, respectively.

Unusual or Infrequent Events or Transactions

Except as described in this Red Herring Prospectus, there have been no other events or transactions to our knowledge, which may be described as "unusual" or "infrequent".

Known Trends or Uncertainties

Except as described in "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Red Herring Prospectus, to our knowledge, there are no known trends or uncertainties that have or had or expected to have any material adverse impact on our revenues or income from continuing operations.

Future Relationship between Cost and Income

Except as described in "Risk Factors", "Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

Seasonality of Business

The demand for crowns is seasonal. Principally due to the seasonal nature of the carbonated soft drink industries, in which demand is stronger during the summer months, sales of crowns may vary quarterly. Similarly, our mosquito coil business is also affected by seasonality. The sales of mosquito coils are lower in winter months in comparison to the rest of the year. The revenues generated by our packaging division and mosquito coils division would therefore depend significantly on the sales made during the peak season and on the varying length of summer and winter months. The revenue generated by our packaging division and mosquito coil division would thus fluctuate throughout the year.

Competitive Conditions

Refer to the sections titled "Our Business", "Industry" and "Risk Factors" regarding competition beginning on pages 63, 51 and xiv of this Red Herring Prospectus.

Significant Developments after August 31, 2007

Except as stated elsewhere and below in this Red Herring Prospectus, to our knowledge no circumstances have arisen since August 31, 2007, which is the date of the last financial statements as disclosed in this Red Herring Prospectus, which materially and adversely affect or are likely to affect our profitability, our financial condition or our ability to pay our material liabilities within the next 12 months.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there are no outstanding litigations, suits or criminal or civil prosecutions, proceedings or tax liabilities against our Company, and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture in creation of full security as per term of issue/other liabilities, proceedings initiated for economic/civil/any other offence (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (1) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of the Company (the subsidiary of the Company has no material litigation pending against it) and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its subsidiaries, its Promoters or Directors.

Cases filed against our Company

Show cause Notices

I. Excise cases

1. A show cause notice (No.V-76(15)159–CE/Cal-II/Adjn /91/786E) dated June 3, 1991 has been issued by the Commissioner of Central Excise against our Company's unit located at 95/1 Dharmatalla Road, Salkia, Howrah in relation to alleged wrongful availment of Modvat credit during the period March 1986 to October 1987 amounting to Rs. 2.56 million. A reply to the show cause was given dated January 29, 1998 denying the charges. The matter is pending before the Commissioner of Central Excise and no date of hearing has been fixed.

2. A show cause notice (No.MC-30(59)F/9/92/7) dated January 24, 1994 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99, S.N.Roy Road, Kolkata in relation to alleged irregular Modvat credit availed against subsidiary gate pass number 3646/Cal J/93-94 dated July 16, 1993, 4965/Cal J/93-94 dated August 24, 1993 and 4877/Cal J/93-94 for the impugned inputs amounting to Rs. 0.02 million. Our Company had made a reference to the Assistant Commissioner Central Excise for supply of relevant documents on the basis of which the reply would be made vide letter dated February 16, 1994. However no documents have been provided to our Company till date.

3. A show cause notice (No.MC-30(59) F/9/92/244) dated December 20, 1993 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99, S.N.Roy Road, Kolkata in relation to alleged irregular Modvat credit availed against subsidiary gate pass number 2247/Cal J/93-94 dated June 8, 1993 and 5/R/K/1/93 dated April 26, 1993 for the impugned inputs amounting to Rs. 0.01million. Our Company had made a reference to the Assistant Commissioner Central Excise for supply of relevant documents on the basis of which the reply would be made vide

letter dated July 8, 1994, however no documents have been provided to our Company till date.

4. A show cause notice (No.V (15) (84 & 76)30-CE/ Cal-I/95) dated August 18, 1997 has been issued by the Commissioner of Central Excise against our Company's unit located at 114/99, S.N.Roy Road, Kolkata in relation to alleged irregular availment of concessional benefit under notification No 1/93 dated February 28, 1993 for the period from April 1, 1993 to September 30, 1994 amounting to Rs. 1.14 million. Our Company has replied to the show cause notice dated December 27, 2006 denying the charges. The matter is pending before the Commissioner of Central Excise and no date of hearing has been fixed.

5. A show cause notice (No.MC/30(59)Cal-F/9/92/285) dated March 1, 1996 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99, S.N.Roy Road, Kolkata in relation to non-payment of central excise duty during the period August 1, 1995 to December 14, 1995 amounting to Rs. 0.18 million. Our Company submitted the reply to the show cause notice dated December 5, 1996 denying the charges. The case came up for hearing before the Assistant Commissioner of Central Excise dated May 27, 1997. The matter is pending before the Assistant Commissioner of Central Excise and no next date of hearing has been fixed.

6. A show cause notice (No.MC/30/59-F/9/92/156) dated February 14, 1996 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99,S.N.Roy Road, Kolkata in relation to non-payment of central excise duty during the period August 25, 1995 to September 22, 1995 and also for violation of declaration for capital goods amounting to Rs. 1.28 million. Our Company submitted the reply to the show cause notice dated December 11, 1996 denying the charges. The matter came up for hearing before the Assistant Commissioner of Central Excise dated July 16, 1997. The matter is pending before the Assistant Commissioner of Central Excise and no next date of hearing has been fixed.

7. A show cause notice (No.MC/30/59/F/9/92/68) dated March 4, 1997 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99, S.N.Roy Road, Kolkata in relation to alleged wrongful availment of Modvat credit amounting to Rs. 16.37 million during the period April 1994 to April 1995. Our Company submitted the reply to the show cause notice dated January 28, 1998 denying the charges. The matter came before the Assistant Commissioner who vide his order-in-original No.V (3)13/17/AC/Cal-F/98 dated November 13, 1998 imposed a penalty of Rs. 0.1 million. Being aggrieved by the order our Company filed an appeal before the Commissioner (Appeals) and in order No. 21/Cal-1/2001dated July 6, 2001 the matter was remanded for de novo adjudication before the Assistant Commissioner, Central Excise and a hearing took place dated March 21, 2002. The matter is pending before the Assistant Commissioner of Central Excise and no next date of hearing has been fixed.

8. A show cause notice (No.MC/30/59/F/9/92/174) dated September 30, 1996 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99, S.N.Roy Road, Kolkata in relation to alleged irregular availment of Modvat credit as the credit taken on the goods are not capital goods or components or spares, amounting to Rs.

0.05 million, during the period from February 1996 to August 1996. Our Company submitted the reply to the show cause notice dated January 29, 1997 denying the charges. The matter was heard by the Assistant Commissioner on July 16, 1997 and vide his order-in-original No.V(8309.90)(3)50-AC/Cal-F/97 dated July 28, 1997 disallowed the credit and imposed a penalty of Rs. 0.005 million. Our Company appealed before the Commissioner (Appeals) and in order No.156/Cal-I/98 dated March 17, 1999 the appeal was rejected. Aggrieved by the order of the Commissioner (Appeals) our Company further appealed to the Customs, Excise and Gold (Control) Appellate Tribunal (Appeal No. E472/99) dated October 14, 1999. The Customs, Excise and Gold (Control) Appellate Tribunal in order No. S-208, A-214-Cal-2000 dated March 13, 2000 remanded the matter to the Assistant Commissioner for de novo adjudication. The matter is pending before the Assistant Commissioner and no date of hearing is fixed.

9. A show cause notice No.MC/30(59)F/9/92/282 dated February 29, 1996 has been issued by the Superintendent of Central Excise against our Company's unit located at 114/99, S.N. Roy Road, Kolkata in relation to alleged availment of irregular Modvat credit amounting to Rs. 0.41 million. Our Company submitted the reply to the show cause notice dated January 1, 1997 denying the charges. The matter came up for hearing before the Assistant Commissioner, Central Excise and hearing took place on May 27, 1997. The matter is pending before the Assistant Commissioner and no next date of hearing is fixed.

10. A show cause notice No.V (15)1/CE/AE/Cal-II/2000/1901 dated June 5, 2000 has been issued by the Joint Commissioner against our Company's unit located at 15, B.K. Paul Temple Road, Belur, Howrah in relation to evasion of central excise duty by resorting to suppression of a part of its actual production and clandestine removal of its manufactured products. Further one carrier vehicle loaded with 167 cartons of mosquito coil was also seized by the central excise officers. The total cost of the 167 cartons is valued at Rs. 0.19 million plus a duty of Rs. 0.03 million and the total cost of carrier vehicle is valued at Rs. 0.1 million. Our Company deposited an amount of Rs. 0.82 million as cash security and also executed a bond covering the total value of the goods seized and the duty levied on it for the provisional release of the seized goods and subsequently the goods and the vehicle were provisionally released. Our Company has replied to the show cause notice dated December 27, 2006 denying the charges and no date of hearing has been fixed.

11. Six show cause notices were issued with the following numbers (No.CE-13/Manaksia/R-VI/HND/Cal-II/94/927) dated November 5, 1996, (No.CE-13/Manaksia/R-VI/HND/Cal-II/94/48) dated February 2, 1995, (No.CE-13/Manaksia/R-VI/HND/Cal-II/94/478) dated July 4, 1995, (No.CE-13/Manaksia/R-VI/HND/Cal-II/94/825) dated February 21, 1995, (No.CE-13/Manaksia/R-VI/HND/Cal-II/94/502) dated May 15, 1996, (No. CE 13/Manaksia/R-VI/HND/Cal-II/94/394) dated April 4, 1996 has been issued by the Superintendent of Central Excise against our Company's unit located at 15,B.K.Paul Temple Road, Belur, Howrah in relation to short payment of central excise duty amounting to Rs. 0.52 million on lids during the period from August 1994 to February, 1997. Our Company replied to show cause notice denying the allegations. The matter was heard jointly by the Assistant Commissioner of Central Excise and in order (original) No. V(3) 139/AC-72,73,74,75,76,77/HND/95 dated April 13, 1998 confirmed the demands as raised through the show cause notices and imposed a penalty of Rs. 0.01 million. The order directed our Company to deposit the full amount of Rs. 0.52 million. Aggrieved by the order passed by the Assistant Commissioner our Company appealed against the order praying to set aside the order of the Assistant Commissioner before the Commissioner of

Central Excise (Appeals), Calcutta. The Commissioner (Appeals) by his order No. V/73/XAP148/Cal-II/98 dated June 12, 2000 directed our Company to deposit the amount of pre deposit of duty. Aggrieved by the decision of the Commissioner (Appeals), Central Excise filed a writ petition (W.P No. 747 of 2001) before the High Court at Calcutta which was disposed of by the order dated July 18, 2006 after our Company deposited the entire amount of duty. The High Court at Calcutta has held that the appeal in this matter shall be heard by the Commissioner of Central Excise (Appeals) which is pending and no date of hearing has been fixed.

12. A show cause notice (No. V-73(15)/CE/Cal-II/Adjn/91/21355G) dated March 28, 1991 has been issued by the Collector of Central Excise against our Company's unit located at 15,B.K.Paul Temple Road, Belur, Howrah in relation to non-payment of Central Excise duty amounting to Rs. 2.63 million during the years 1986 and 1987. A reply to the show cause notice was filed dated January 12, 1993 denying the charges. The matter is pending and no next date of hearing has been fixed.

13. Four show cause notices were issued with the following numbers (No. CE-13/R-VI/HND/542) dated September 28, 1992, (No CE 13/R-VI/HND/706) dated February 22, 1993, (No. CE 13/R-VI/HND/149) dated August 24, 1993 and(No.CE13/R-VI/HND/363) dated February 22, 1994, by the Superintendent of Central Excise against our Company's unit located at 15, B.K. Paul Temple Road, Belur, Howrah in relation to short payment of Central Excise duty amounting to Rs. 4.97 million. A reply to the show cause notices was filed denying the charges. The Joint Commissioner on this matter in order-in-original No.29/ Joint Commissioner/CE/Kol-II/Adjn/2006-07 dated June 20, 2006 confirmed the demand of Rs. 4.97 million and also imposed a penalty of Rs. 4.97 million. Aggrieved by the decision of the Joint Commissioner our Company then appealed before the Appellate Commissioner (II) Central Excise dated August 29, 2006. The case is pending before the Appellate Commissioner (II) Central Excise and the matter was last heard on November 29, 2006 and no next date of hearing has been fixed.

14. A show cause notice (No.V-73 and 83(15)/49-CE/Kol-II/Adjn/91/2003/2388-90A) dated July 18, 2003 has been issued by the Additional Commissioner of Central Excise against our Company's unit located at 15, B.K.Paul Temple Road, Belur, Howrah in relation to alleged availment of irregular Modvat credit amounting to Rs. 0.04 million. A reply to the show cause notice was filed before the Additional Commissioner dated September 11, 2003 denying the charges. The matter is pending and no date of hearing has been fixed.

15. A show cause notice (No.V(1)(26)/Cal-F/93/2799) dated November 28, 1994 has been issued by the Assistant Commissioner of Central Excise against our Company's unit located at 211, S.N Roy Road, Kolkata in relation to alleged availment of irregular Modvat credit amounting to Rs. 0.005 million. A reply to the show cause notice was filed dated October 22, 1997 denying the charges. The matter is pending and no date of hearing has been fixed.

16. A show cause notice (No. V (15)3/CE/AE/Cal-IV/2000/319-T) dated January 11, 2001 has been issued by the Commissioner of Central Excise against our Company's unit located at Haripal, Hooghly in relation to alleged deliberate attempt to evade payment of Central Excise duty by suppressing manufacture of finished goods and some of the goods were seized by the Central Excise Officers. In this matter the Additional Commissioner of Central Excise in his order (original) No.28/Ch.76.04/Addl.Commr/CE/Kol-

IV/Adjn/2003 dated June 2, 2003 ordered confiscation of goods with an option to redeem them on a fine of Rs. 0.7 million and imposing a penalty of Rs. 0.05 million. Our Company aggrieved by the decision appealed before the Commissioner (Appeals-IV) who by his order-in-appeal No.96/Kol-IV/2004 dated March 18, 2004 remanded the matter to lower authority for de novo decision. The matter was decided by the Additional Commissioner and by his order (original) No.10/Add.Comm/CE/Kol-IV/Adjn/2005 dated September 26, 2005 confiscated the goods with imposition of Rs. 0.75 million and a penalty of Rs. 0.05 million. Our Company aggrieved by the decision appealed before the Commissioner (Appeals-IV) who disposed of the stay petition filed by our Company and directed our Company to pre deposit of Rs. 0.05 million. In his order No. 24/Kol-IV /2006 dated January 31, 2006 the Commissioner (Appeals-IV) upheld the impugned (de-novo) order. Aggrieved by the decision our Company appealed before the Customs, Excise and Service Tax Appellate Tribunal praying to quash the order. The Customs, Excise and Service Tax Appellate Tribunal in order no. M-243/S-443/Kol/07 dated May 22, 2007 dispensed with the requirement of pre deposit of penalty of Rs. 0.05 million. The case is pending before the Customs, Excise and Service Tax Appellate Tribunal and no next date of hearing has been fixed.

17. 17. Two show cause notices (No.8/R-V/CGR-I/03) dated December 31, 2003 and No.7/R-IV/CGR-I/03 dated December 30, 2003 have been issued by the Assistant Commissioner, Central Excise against our unit located at Haripal, Hooghly in relation to non-payment of duty on inputs supplied to export processing unit during the period January 3, 2003 to January 15, 2003 amounting to Rs. 0.23 million. A reply to the show cause was filed denying the charges. The matter went to Assistant Commissioner of Central Excise and in the order No.38/AC/CE/CGR-I/06 dated October 30, 2006 confirmed the demand of Rs. 0.23 million and also imposed a penalty of Rs. 0.23 million. The Company filed an appeal before the Commissioner (Appeals) on January 12, 2007. The Commissioner (Appeals) passed an order dated January 31, 2007 in favor of the Company and the demand of Rs. 0.23 million and the penalty of Rs. 0.23 million was waived. Aggrieved by the decision, the Commissioner Central Excise filed an appeal before Customs, Excise and Service Tax Appellate Tribunal. The matter is pending and no next date of hearing has been fixed.

18. A show cause notice (No.GL-6(2)/R-IX/SCN/HSL/99/621) dated February 10, 2001 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to wrong utilization of the Cenvat credit amounting to Rs. 0.002 million. Our Company has been summoned by the office of the Assistant Commissioner for a personal hearing dated July 17, 2003 and no next date of hearing has been fixed.

19. A show cause notice (No.V(3)/CGR/VU/95/6966) dated December 29, 1995 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to wrong classification of goods and subsequent short payment of Central Excise. A personal hearing was fixed on April 21, 2004. The matter is pending and no next date of hearing has been fixed.

20. A show cause notice (No CE-7(c)-3/R-IX/95/160) dated March 21, 1996 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in

relation to availment of irregular Modvat credit amounting to Rs. 0.79 million. A reply to the show cause was filed denying the charges dated July 8, 1997. The matter went to Assistant Commissioner of Central Excise, who confirmed, in the order No.104/Demand/CGR/98 dated October 13, 1998, the duty to the tune of Rs. 0.79 million and imposed a penalty of Rs. 0.003 million. Aggrieved by the order our Company appealed before the Commissioner (Appeals) who vide order No 87/Cal-IV/99 dated November 24, 1999 remanded the matter for de novo adjudication before the Assistant Commissioner. The matter is pending before the Assistant Commissioner and no date of hearing has been fixed.

21. A show cause notice (No. Gl-6(2)/R-IX/SCN/HSL/99/16-17) dated January 10 , 2000 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to short payment of duty amounting to Rs. 0.09 million. The matter was heard by the Assistant Commissioner, Central Excise. The Assistant Commissioner, Central Excise vide order No. 77/AC/CE/CGR-I/06 dated February 28, 2007 confirmed the duty and imposed a penalty of Rs. 0.01 million. Aggrieved by the order our Company appealed before the Commissioner (Appeals) dated May 1, 2007. The matter is pending and no next date of hearing has been fixed.

22. A show cause notice (No. V-35(15)258-Ce/Cal-II/Adjn/96/512) dated June 27, 1996 has been issued by the Commissioner of Central Excise against our unit located at Haripal, Hooghly in relation to misclassification of product which led to short payment of Central Excise Duty during the period from January 1996 to April 1996 amounting to Rs. 0.16 million. A reply to the show cause notice was filed denying the charges dated January 3, 1997. Our Company has been asked to appear before the Additional Commissioner Central Excise on December 10, 1997. The matter is pending before the Assistant Commissioner and no date of hearing has been fixed.

23. A show cause notice (No.GL-3(1) Range–IX/94/540) dated October 9, 1996 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to misclassification of product which led to short payment of Central Excise Duty amounting to Rs. 0.1 million. A reply to the show cause notice was filed denying the charges dated January 14, 1997. The matter went to the Assistant Commissioner who vide his order No. 64/Demand/CGR/99 dated June 9, 1999 confirmed the demand of Rs. 0.1 million and also imposed a penalty of Rs. 0.003 million. Aggrieved by the order our Company appealed before the Commissioner (Appeals) who in order-in Appeal No. 21/Cal-IV /99 dated June 26, 2001 rejected the appeal and upheld the order-in-original. Aggrieved by the decision of the Commissioner (Appeals) our Company appealed before the Customs, Excise and Gold (Control) Appellate Tribunal dated April 18, 2002 who accepted the appeal and remanded the matter before the Assistant Commissioner where the matter is pending and no date of hearing has been fixed.

24. A show cause notice (No.GL-3(1) Range IX/94/633) dated January 3, 1997 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to misclassification of product which led to short payment of Central Excise Duty amounting to Rs. 0.01 million. A reply to the show cause notice was filed denying the charges dated January 13, 1997.The matter went to the Assistant Commissioner who vide his order No.63/Demand/CGR/99 dated June 9, 1999 held that as per notification No.16/96 dated July 23, 1996, the goods under chapter subheading 3909.60 will attract a duty of 20% advance and not 25% as demanded in the show cause notice. Our Company aggrieved by

the order-in-original appealed before the Commissioner (Appeals) who vide order No.V (35)2/XAP-126/Cal IV/99 dated January 1, 2002 upheld the order-in-original and rejected the appeal. Aggrieved by the decision our Company appealed before the Customs, Excise and Gold (Control) Appellate Tribunal dated April 4, 2002 who accepted the appeal and remanded the matter before the Assistant Commissioner where the matter is pending and no date of hearing has been fixed.

25. A show cause notice No.V-Ch.76 (15)181-CE/Cal-II/Adjn/97/72 dated April 26, 1999 has been issued by the Additional Commissioner of Central Excise against our unit located at Haripal, Hooghly in relation to wrongful availment of the exemption benefit under notification No.1/93-CE dated February 28, 1993 and non payment of central Excise duty amounting to Rs. 0.62 million. A reply to the show cause notice was filed by our Company dated March 24, 2000 denying the charges. The matter is pending and no date of hearing has been fixed.

26. A show cause notice (No1/94) dated June 30, 1994 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to misclassification of product which led to short payment of central excise duty amounting to Rs. 0.03 million. The matter went to the Deputy Commissioner who vide his order No.90/Demand/CGR/2000 dated June 21, 2000 confirmed the demand of Rs. 0.03 million. Our Company aggrieved by the order-in-original appealed before the Commissioner (Appeals) who vide order No. 35/Cal-IV/2001 dated May 1, 2001 upheld the order-in-original and rejected the appeal. Aggrieved by the decision, our Company appealed before the Customs, Excise and Gold (Control) Appellate Tribunal dated November 13, 2001 who remanded the matter before the Assistant Commissioner where the matter is pending and no date of hearing has been fixed.

27. A show cause notice (No.V- (15)08-CE/AE/Cal-IV/98/105) dated September 14, 1998 has been issued by the Additional Commissioner of Central Excise against our unit located at Haripal, Hooghly in relation to short payment of Central Excise duty amounting to Rs. 0.004 million and also various finished goods were found which were not accounted for, amounting to Rs. 0.07 million. Further there was also alleged irregular Modvat credit amounting to Rs. 0.04 million. A hearing took place before the Joint Commissioner, Central Excise dated August 22, 2003 and no next date of hearing has been fixed.

28. 30. A show cause notice (No.CE-7(C)3/Cgr-IX/89/Pt.II) dated October 1, 1992 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to payment of differential duty amounting to Rs. 0.04 million during the period from March 1992 to August 1992 and also Rs. 0.01 million for clearance of goods. A reply to the show cause was filed by our Company dated January 7, 1993. The matter went to Assistant Commissioner who vide order No.151-152/Demand/CGR/98 dated December 10, 1998 confirmed the demanded duty of Rs. 0.04 million and Rs. 0.01 million and also imposed a penalty of Rs. 0.005 million. Aggrieved by the order-in-original our Company appealed before the Commissioner (Appeal). The Commissioner (Appeal) vide order-in-appeal No. 18-19/Cal-IV/2000 dated June 27, 2000 remanded the matter for de novo adjudication. The matter is pending and no date of hearing has been fixed.

29. A show cause notice (No.CE-7(C) 3/Cgr-II/89/Pt.II/1190) dated October 30, 1991 has been issued by the Superintendent of Central Excise against our unit located at Haripal,

Hooghly in relation to availment of irregular Modvat credit amounting to Rs. 1.19 million. A reply to the show cause was filed by our Company dated March 6, 1992. The matter went to Assistant Commissioner who vide order No.60/Demand/CGR-II/92 dated May 28, 1992 confirmed the demanded duty of Rs. 0.38 million and dropped the remaining amount. Aggrieved by the order-in-original our Company appealed before the Commissioner (Appeal) and in order No. A5-46/Cal/II/94 dated February 16, 1994 remanded the case to Assistant Commissioner for de novo adjudication. The matter is pending and no date of hearing has been fixed.

30. A show cause notice (No.CE 7(C)3/CgrII/89/1-II/72) dated January 22, 1993 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to payment of differential duty amounting to Rs. 0.12 million. A reply to the show cause notice was filed by our Company dated August 25, 1993 denying the charges. The matter is pending and no date of hearing has been fixed.

31. A show cause notice (No.CE-7(C) 3/Range-IX/95/294) dated June 9, 1995 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to availment of irregular Modvat credit amounting to Rs. 0.03 million. The matter went to Assistant Commissioner who vide order No.101/Offence & Seizure/CGR/98 dated August 26, 1998 dropped the demand for Rs. 0.03 million but however imposed a penalty of Rs. 0.03 million. Aggrieved by the order-in-original our Company appealed before the Commissioner (Appeal) and in order No. 140/Cal-IV/99 dated June 14, 2006 remanded the case to Assistant Commissioner for de-novo adjudication. The matter is pending and no date of hearing has been fixed.

32. A show cause notice (No.CE-7(C) 3/Cgr-II/89/pt II/574) dated June 29, 1992 has been issued by the Superintendent of Central Excise against our unit located at Haripal, Hooghly in relation to wrongful classification of goods. The matter is pending and no reply has been filed.

33. A show cause notice (No.84 (4)97/Cgr/95/3412) dated July 3, 1995 has been issued by the Assistant Commissioner of Central Excise against our unit located at Haripal, Hooghly in relation to availment of irregular Modvat credit amounting to Rs. 0.02 million. Our Company filed a reply to the show cause notice dated February 28, 1996 denying the charges. The matter went to Assistant Commissioner who vide order No.37/Demand/CGR/96 dated August 29, 1996 confirmed the demanded duty of Rs. 0.02 million. Aggrieved by the order-in-original our Company appealed before the Commissioner (Appeal) and in order No. 58/Cal-IV/98 dated June 23, 1998 upheld the order-in-original and rejected the appeal. Aggrieved, our Company appealed before the Customs, Excise and Gold (Control) Appellate Tribunal who remanded the case to Assistant Commissioner for denovo adjudication where the matter is pending and no date of hearing has been fixed.

34. A show cause notice (No. CE 7(C) 3/Cgr-II/89/PT II/944) dated July 30, 1991 has been issued by the Assistant Commissioner of Central Excise against our unit located at Haripal, Hooghly in relation to availment of irregular Modvat credit amounting to Rs. 0.34 million as basic duty and Rs. 0.02 million as special duty. A reply was filed by our Company dated September 30, 1991 denying the charges. The matter went to Assistant Commissioner who vide order No.61/Demand/CGR/92 dated May 25, 1992 confirmed the demanded duty.

Aggrieved by the order-in-original our Company appealed before the Commissioner (Appeal), who, in order No. 45-46/Cal-II/94 dated February 16, 1994, remanded the case for de novo adjudication before the Assistant Commissioner. The matter is pending and no date of hearing has been fixed.

35. A show cause notice (No. V-72,73(15)134-CE/Cal-II/Adjn/91/268) dated August 3, 1993 has been issued by the Commissioner of Central Excise against our unit located at 15-B.K Paul Temple Road, Belur, Howrah in relation to short payment of Central Excise duty amounting to Rs. 0.10 million. A reply was filed by our Company dated April 21, 1994 denying the charges. The matter went to Assistant Commissioner who fixed a personal hearing dated July 26, 1996. No further date of hearing has been fixed.

36. A show cause notice (No. V-73(15)175/CE/Cal-II/Adjn/91/246) dated July 22, 1993 has been issued by the Collector of Central Excise against our unit located at 15-B.K Paul Temple Road, Belur, Howrah in relation to wrongful availment of Modvat credit amounting to Rs. 0.12 million. A reply was filed by our Company dated April 21, 1994 denying the charges. The matter is pending and no date of hearing has been fixed.

37. A show cause notice (No. V-73(15)352-CE/CAL-II/Adjn/91/87) dated May 3, 1997 has been issued by the Commissioner of Central Excise against our unit located at 15-B.K Paul Temple Road, Belur, Howrah in relation to payment of differential duty amounting to Rs. 1.69 million. A reply to the show cause notice was filed dated September 13, 1993 denying the charges. The matter is pending and no date of hearing has been fixed.

38. Show cause notice (NoDGCCEI/AZU/36-38/2005-06/3186) dated September 2, 2005 was issued to the Kutch unit of our Company pursuant to the report of officers of the Director General of Central Excise Intelligence, Ahmedabad Zonal unit, who conducted search at the factory premises on March 7-8, 2005. It is alleged, *inter alia,* in the show cause notice, that various machines shown as new were actually old ones and the same had been repaired at the factory premises of our Company. Further, the visiting team had seized the 10 MW slow speed alternator with VVRS and voltage control system under invoice No. 2/12-04-03, as it was an old machine. Our Company had taken Cenvat credit of Rs. 8.8 million in respect of the machine. It is alleged that our Company on its own immediately reversed the Cenvat credit of Rs. 8.8 million lying unutilized in Cenvat account against this purchase. The Assistant Commissioner, on request by our Company to provisionally release the goods seized, asked our Company to execute surety bond for the total value of seized goods of Rs. 55 million and also to produce the bank guarantee of Rs. 13.75 million. Our Company requested for waiver of bank guarantee which was not acceded to by the Superintendent of Central Excise and Customs, Rajkot. The Commissioner of Central Excise vide order No.15/Commr/2007 dated March 30, 2007 gave an option to the Company to get the 10 MW slow speed alternator released on payment of redemption fine of Rs. 20 million within 30 days. The Commissioner of Central Excise disallowed an order to recover the Cenvat credit of Rs. 8.8 million and imposed a penalty of Rs. 8.8 million on the Company. Aggrieved by the decision of the Commissioner of Central Excise our Company filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal. The Company had also filed a stay application for waiver of pre-deposit of penalties imposed on the Company. Moreover in an order passed S/915 to 918/WZB/AHD/2007 dated July 31, 2007,

the Customs, Excise and Service Tax Appellate Tribunal waived the condition of pre deposit of the amount of Rs. 88 Lakhs. The case is still pending. The matter was last heard on September 28, 2007.

39. A show cause notice (No IV (16)-09/OFF/ADJ/03/2498) dated June 19, 2003 was issued to our Company by the Deputy Commissioner Central Excise Divisions, Bhopal on the ground that our Company has wrongly availed Cenvat credit as Esbiothrin Technical (d-trans Allethrin) which had been purchased from M/s Sumitomo Chemicals India Private Limited who are a third stage dealer. Our Company replied to the show cause notice vide their letter bearing number KPL/BU-II/LNW/47/902 dated August 6, 2003 denying the charges. The Deputy Commissioner of Central Excise, Bhopal in order no.33/Adj/Off/DCII /03 dated October 30, 2003, denied the credit of duty of Rs. 1.74 million and imposed a penalty of Rs. 0.01 million. Our Company appealed to the Commissioner of Appeals Customs and Central Excise who after personal hearing vide order no. 633/CE/BPL/2004 dated August 20, 2004 rejected the appeal. Aggrieved by the order our Company appealed before the appellate tribunal under section 35F of the Central Excise Act, 1944, for dispensing with deposit of Rs. 1.74 million and penalty of Rs. 0.01 million and for stay in recovery dated November 5, 2004. Our Company also appealed under section 35 B of the Central Excise Act, 1994 to the Customs, Excise and Service Tax Appellate Tribunal (Appeal No. E/6127/04). The Customs, Excise and Service Tax Appellate Tribunal by order number S/51/05-C on February 2, 2005 held that the requirement for pre deposit is waived and recovery be stayed. The matter is pending and it last came up for hearing on May 2, 2005 and after that no next date of hearing has been provided.

40. A show cause notice being CEX/R-III/MDP-C/SCN/99 dated August 2, 1999 was issued on our Company demanding as to why differential duty at the rate of 5% (15%(-)10%) should not be recovered on the aluminium ingot cleared for job work as the same is not an input or partially processed input but a final product classifiable U/H No. 7601.10.The show cause notice also proposed to disallow Modvat credit amounting to Rs. 0.76 million The Deputy Commissioner Central Excise, Division –II, Bhopal by an order No.97/ADJ/MOD/DC-II/BPL/2001-dated December 19, 2001 confirmed the demand raised under the show cause notice. An appeal was filed before the Commissioner (Appeal) Central Excise Bhopal who also upheld the order passed by the lower adjudicating officer by an order dated August 17, 2004. Aggrieved by the order of the Commissioner our Company filed an appeal under section 35B of the Central Excise and Salt Act, 1944 (E/6116/04-NB(S) to the Custom Excise and Service Tax Appellate Tribunal. An application under section 35F of the Central Excise Act, 1944 (E/Stay/4089-NB(S)) for waiver of pre deposit of duty Rs. 0.35 million and the amount of Modvat credit disallowed being Rs. 0.76 million and Rs. 0.003 million and penalty of Rs. 0.1 million was also filed. The Custom Excise and Service Tax Appellate Tribunal has by order no 235/05 MBS dated March 3, 2005 held that the requirement of pre deposit was waived and recovery stayed till disposal of the appeal. The Customs Excise and Service Tax Appellate Tribunal have remanded the matter to Commissioner (Appeals). The matter was last heard on January 31, 2007 and no next date of hearing.

41. A show cause notice (No.DGCEI/F.NO25/KZU/KOL/GR.D/SRU/06/1556-1563) dated February 28, 2006 was issued by the Additional Director General, Directorate General of Central Excise Intelligence, Kolkata Zonal Unit, Department of Revenue, Government of

India to our Company on the ground that our Company had deliberately and consciously abetted and aided in evasion of duty by Ishaan Technologies Private Limited ("ISTPL")by issue of bogus Central Excise invoices and by over invoicing of excisable goods and availing benefit of Notification No.32/99 dated July 8, 1999.Further it has also been alleged that our Company had evaded duty by availing wrong and irregular Cenvat Credit on the basis of bogus invoices issued by ISTPL and thereby rendering themselves liable to penalty. ISTPL has been alleged in the show cause notice of evading central excise duty by misuse of notification no.32/99-ce dated July 8, 1999. In the reply to the show cause notice dated October 9, 2006 our Company denied the charges. Our Company has requested the Commissioner of Central Excise to withdraw, revoke, recall and /or cancel the show cause notice. The matter was last heard on December 26, 2006 and no next date of hearing has been fixed.

42. A show cause notice (NoDGCEI/F.NO256/KZU/KOL/GR.D/SRU/06/5694)dated August 17, 2006 has been issued by the Directorate General of Central Excise Intelligence to our Company unit in Haldia, West Bengal as it has been alleged that the unit has purchased units from ISTPL, which were actually manufactured by ISPTL with the ulterior motive of availing wrong and irregular Cenvat credit amounting to Rs. 5.56 million. Our Company has replied to the show cause notice dated December 28, 2006 denying the charges. The matter is pending and no date of hearing has been fixed.

43. A show cause (No.DGCEI/F.NO236/KZU/KOL/GR.D/SRU/06/6171) dated August 29, 2006 was issued by the Directorate General of Central Excise Intelligence to our Company unit in Guwahati, Assam as it has been alleged that the unit has purchased units from ISTPL, which were not actually manufactured by ISPTL with the ulterior motive of availing wrong and irregular Cenvat credit amounting to Rs. 4.27 million. Our Company replied to the show cause notice dated December 28, 2006 denying the charges. The matter is pending and no date of hearing has been fixed

44. A show cause notice (No. DGCEI F.NO.189/KZU/KOL/Gr.D/SRU/06/4056) dated June 15, 2006 was issued by the Directorate General of Central Excise Intelligence to our Company unit in Liluah, West Bengal as it has been alleged that the unit has purchased units from ISTPL, which were not actually manufactured by ISPTL with the ulterior motive of availing wrong and irregular Cenvat Credit amounting to Rs. 0.79 million. Our Company has replied to the show cause notice dated November 28, 2006 denying the charges. The matter is pending and no date of hearing has been fixed.

45. A show cause notice (No. DGCEI F.No.161/KZU/KOL/Gr.D/SRU/06/2389) dated May 1, 2006 was issued by the Directorate General of Central Excise Intelligence to our Company unit in Liluah, West Bengal as it has been alleged that the unit have purchased units from ISTPL, which were not actually manufactured by ISPTL with the ulterior motive of availing wrong and irregular Cenvat credit amounting to Rs. 29.81 million. Our Company replied to the show cause notice dated December 28, 2006 denying the charges. The matter is pending and no date of hearing has been fixed.

46. A show cause notice was given by the Directorate General of Revenue Intelligence dated October 20, 2006 wherein it was alleged that our Company was importing TPE Granulate Svelon 855 Transparent under wrong chapter heading. Our Company replied to the show

cause notice dated November 16, 2006 wherein our Company has denied the charges. No further proceeding has taken place in this matter.

II. Service Tax Cases

1. Show cause notice (No V/15/95/ST/2006-Adjn) has been issued by the Assistant Commissioner of Central Excise Hyderabad –C Division dated April 3, 2006 to our Company's closures division in Medak, Andhra Pradesh due to short payment of service tax on transportation of goods by road. It is alleged in the notice that the abatement available under Notification No.32/2004-ST dated December 3, 2004 ("Notification") was wrongfully availed as the abatement under the Notification is available only to goods transport agency ("GTA") as defined in section 65(50b) of the Finance Act, 1994 and that in case of goods transport services received by manufacturer, the service tax is payable on the gross value of the service by consignor himself vide Notification No.35/2004 with effect from January 1, 2005. The show cause notice seeks to recover Rs. 0.007 million along with interest at applicable rate. Our Company has filed a reply to the show cause notice denying the charges and has contended that the Notification exempts the taxable service provided by a good transport agency and is thus an exemption to the taxable service under the category of GTA, and not an exemption to the service provider. The matter is still pending and no date of hearing has been fixed.

2. Show cause notice (No.V/15/94/ST/2006-Adjn) has been issued by the office of the Assistant Commissioner of Central Excise Hyderabad –C Division dated April 3, 2006 to our Company's mosquito coil division in Medak, Andhra Pradesh for short payment of service tax of Rs. 0.009 million on transportation of goods by road. It is alleged in the notice that the abatement available under Notification No.32/2004-ST dated December 3, 2004 ("Notification") was wrongfully availed as the abatement is available only to goods transport agency ("GTA") as defined in section 65(50b) of the Finance Act, 1994 and that in case of goods transport services received by manufacturer, the service tax is payable on the gross value of the service by consignor himself vide Notification No.35/2004 with effect from January 1, 2005. Our Company has filed a reply to the show cause notice denying the allegations made in the show cause notice and has contended that the Notification exempts the taxable service provided by a good transport agency and is thus an exemption to the taxable service under the category of GTA, and not an exemption to the service provider. The matter is still pending and no date of hearing has been fixed.

3. Show cause notice (NoV/15/96/ST/2006-Adjn) has been issued by the office of the Assistant Commissioner of Central Excise Hyderabad –C Division dated April 3, 2006 to our Company's crowns division in Medak, Andhra Pradesh due to short payment of service tax amounting to Rs. 0.01 million on transportation of goods by road. It is alleged in the notice that the abatement available under Notification No.32/2004-ST dated December 3, 2004 ("Notification") was wrongfully availed as the abatement is available only to goods transport agency ("GTA") as defined in section 65(50b) of the Finance Act, 1994 and that in case of goods transport services received by manufacturer, the service tax is payable on the gross value of the service by consignor himself vide Notification No.35/2004 with effect from January 1, 2005. Our Company has filed a reply to the show cause notice denying the charges and has contended that the Notification exempts the taxable service provided by a good transport agency and is thus an exemption to the taxable service under

the category of GTA, and not an exemption to the service provider. The matter is still pending and no date of hearing has been fixed.

4. A show cause notice (No (16)141/St/Adj/05-06) dated March 27, 2006 has been issued to our Company wherein our Company was asked to show cause as to why the service tax of Rs. 0.03 million and education cess of Rs. 0.0006 million short paid should not be recovered from our Company. It was alleged in the show cause notice that the exemption under notification No.32/04-ST dated December 3, 2004 is available only in cases where GTA is providing the said taxable services. The exemption is not available to our Company which is liable to pay service tax under provisions of Notifications No.35/04/-ST dated December 3, 2004 /Rule 2(1) (d) (v) of Service Tax Rules, 1994. Our Company has replied to the show cause by its letter number ML/PD/47/LNW/55 dated May 30, 2006 denying the charges. The matter is pending and no date of hearing has been provided.

5. A show cause notice (No (16)120/St/Adj/05-06/1229) dated April 4, 2006 has been issued to our Company wherein our Company was asked to show cause as to why service tax of Rs. 0.22 million and educational cess of Rs. 0.004 million short paid should not be recovered from our Company. It was alleged in the said show cause notice that the exemption under notification No.32/04-ST dated December 3, 2004 is available only in cases where GTA is providing the said taxable services and GTA is liable to pay service tax, the said exemption is not available to our Company which is liable to pay service tax under provisions of Notification No.35/04/-ST dated December 3, 2004 /Rule 2(1) (d) (v) of Service Tax Rules. Our Company has replied to the show cause in letter number ML/MCD/57/LNW/297 dated May 30, 2006 and in the letter they denied and disputed the charges. The matter is pending and no date of hearing has been fixed.

6. A show cause notice (No (16)137/St/Adj/05-06/1203) dated March 27, 2006 has been issued to our Company wherein our Company was asked to show cause why service tax of Rs. 0.20 million and education cess of Rs. 0.004 million short paid should not be recovered from our Company. It was alleged in the show cause notice that the exemption under notification no.32/04-st dated December 3, 2004 is available only in cases where GTA is providing the said taxable services and GTA is liable to pay service tax. The said exemption is not available to our Company which is liable to pay service tax under provisions of notification no.35/04/-st dated December 3, 2004 /rule 2(1) (d) (v) Service Tax Rules, 1994. Our company has replied to the show cause by letter number ML/CD/47/LNW/193 dated May 30, 2006 denying the charges**.** The matter is pending and no date of hearing has been fixed.

7. A show cause notice (No CEx/R/III-C/Misc/BpL/97/1628) was issued to Kunststoff Polymers Limited which has now merged with our Company on March 3 , 1998 as they have availed Modvat credit amounting to Rs. 1.3 million on unprinted plastic caps and utilized the same towards payment of central excise duty on plastic caps which does not amount to manufacture of excisable goods in view of the Supreme Court decision in the case of G.J Glass Industries Limited 1998(97) ELT 5(SC). Our Company had replied to the show cause notice on May 28, 1998 denying the charges. Based on the reply Assistant Commissioner had vide his order no. 66/MOD/AC/CEX/DIV.II/97 dropped the proceedings after examining the two fold test as discussed in the above mentioned judgment holding that the case law is not relevant. The Commissioner, Customs and Central Excise, Indore Bhopal –II in exercise of the powers conferred upon him under sub section (2) of the section 35 E of Central Excise Act, 1944 called and examined the

proceedings dated February 10, 1999 and held that the order passed by the Assistant Commissioner is legally and technically not correct and directed the Assistant Commissioner Customs and Central Excise, Div-II, Bhopal to file an appeal to the Commissioner (Appeals) Central Excise Bhopal. The department filed an appeal for setting aside the order of the Assistant Commissioner on the ground that unprinted plastic caps are themselves commercial commodities and can be sold and used as such. It was further alleged that by the process of printing names and logos on the caps, the basic character of the commodity does not change. A cross objection under section 35-E(4) read with section 35-B(4) of Central Excise and Salt Act, 1944 was also filed by our Company and it was requested to the appellate authority that departmental appeal be set aside and the order passed by original authority be upheld. The matter is pending and no date of hearing has been fixed.

III. Sales Tax Cases

1. Kunststoff Polymers Limited (now merged with our Company) had effected sales to our Company and claimed all sales made on and after April 1, 1997 as inter unit transfers as the order of amalgamation of Kunststoff Polymers Limited with our Company was made effective from April 1, 1997. Kunststoff Polymers Limited had instituted an appeal against the order passed by the Assistant Commissioner of Commercial Tax disallowing the refund of tax paid on account of inter state transfer before the Deputy Commissioner (Appeals). The Deputy Commissioner (Appeals) did not allow refund of tax already been paid on the ground that although the amalgamation became effective from April 1, 1997, it would not change the sales effected into an inter state transfer. Our Company appealed before the Honourable Appellate Board, M.P Commercial Tax against the order dated December 30, 2004 passed by the Deputy Commissioner (Appeals), Division -2 on, *inter alia*, the grounds that the Deputy Commissioner has erred in law by not accepting the order of amalgamation of Kunststoff Polymers Limited with our Company and by not allowing the refund of Rs. 0.42 million. The case is pending and the matter was last heard on December 28, 2006. No further date of hearing has been fixed.

2. Kunststoff Polymers Limited (now merged with our Company) had effected sales to erstwhile Manaksia Closures Limited and claimed all sales made on and after April 1, 1997 as inter unit transfers as the order of amalgamation of Kunststoff Polymers Limited and Manaksia Closures Limited with our Company was made effective from April 1, 1997. The Assistant Commissioner had by order no. 74/2000 dated January 29, 2003 allowed the claims of inter unit transfer but instead of granting refund of tax which was paid, forfeited the tax. Our Company appealed before the Deputy Commissioner (Appeals) against the order passed by the Assistant Commissioner. The Deputy Commissioner (Appeals) did not allow refund of tax already been paid, *inter alia*, on the ground that although the amalgamation became effective from April 1, 1997, it would not change the sales effected on or after April 1, 1997 into an inter state transfer as Kunststoff Polymers Limited had an independent existence till the date of the order of amalgamation i.e. till July 30, 1999. Our Company has therefore filed an appeal before the Honourable Appellate Board, M.P. Commercial Tax against the order dated December 30, 2004 passed by the Deputy Commissioner (Appeals), Division -2 on, *inter alia*, the grounds that the Deputy Commissioner has erred in law by not accepting the order of amalgamation of Kunststoff Polymers Limited with our Company and by not allowing the refund of Rs. 0.18 million. The case is pending and the matter was last heard on December 28, 2006. No further date of hearing has been fixed.

3. Kunststoff Polymers Limited (now merged with our Company) had effected sales to Manaksia Closures Limited and claimed these transactions as inter unit transfers as Kunststoff Polymers Limited and Manaksia Closures Limited had merged with our Company. The Assistant Commissioner had allowed the claims of inter unit transfer but instead of granting refund of tax which was paid, forfeited the tax. Our Company has appealed before the Deputy Commissioner, M.P. Commercial Tax against the order dated August 30, 2003 passed by the Assistant Commissioner on, *inter alia*, the grounds that the Assistant Commissioner has erred in law by not accepting the order of amalgamation of Kunststoff Polymers Limited and Manaksia Closures Limited, Mandideep with our Company and by not allowing the refund of Rs. 0.18 million. The Deputy Commissioner vide order dated October 10, 2003 rejected the appeal. Aggrieved by the order our Company filed an appeal before the Additional Commissioner, Commercial Tax dated February 27, 2006. The Additional Commissioner remanded the case to Deputy Commissioner, Commercial Tax (Appeals) vide order dated August 22, 2006. The matter is pending and no date of hearing has been fixed.

4. Kunststoff Polymers Limited (now merged with our Company) had effected sales to Manaksia Closures Limited, Mandideep and our Company and claimed all sales effected on and from April 1, 1997 as inter unit transfers as the effective date of merger of Kunststoff Polymers Limited and Manaksia Closures Limited with our Company was April 1, 1997. The Assistant Commissioner however refused to treat the sales as inter unit transfer as the order was passed by the High Court only in July 30, 1999 and therefore refused to refund of tax which was paid. Our Company has filed two separate appeals before the Deputy Commissioner, Commercial Tax (Appeals) against the order dated June 24, 2002 passed by the Assistant Commissioner on, *inter alia*, the grounds that the Assistant Commissioner has erred in law by not accepting the order of amalgamation of Kunststoff Polymers Limited and Manaksia Closures Limited, Mandideep with our Company and by not allowing the refund of tax paid on sales of Rs. 2.10 million made to our Company and Rs. 16.92 million made to Manaksia Closures Limited, Mandideep. The Deputy Commissioner vide order dated October 10, 2003 rejected the appeal. Aggrieved by the order our Company filed an appeal before the Additional Commissioner, Commercial Tax dated February 27, 2006. The Additional Commissioner remanded the case to Deputy Commissioner, Commercial Tax (Appeals) vide order dated August 22, 2006. The matter is pending and no date of hearing has been fixed.

5. Manaksia Closures Limited had effected interstate sales of Rs. 4.54 million to our Company and to Manaksia Crown Limited. Pursuant to the scheme of amalgamation, Manaksia Crowns Limited and Manaksia Closures Limited were amalgamated with our Company with effect from April 1, 1997. Our Company claimed all sales effected after April 1, 1997 to our Company and Manaksia Closures Limited as inter unit transfer. However, the Assistant Commissioner Division 2 refused to treat the sale as inter unit transfer and allowed refund of Rs. 0.13 million paid by the erstwhile Manaksia Closures Limited during pendency of the amalgamation proceeding before the Court. Being aggrieved by the order our Company has filed an appeal before the Deputy Commissioner Commercial Tax, Division 2. Our company contends that the Assistant Commissioner has erred in law in treating the transaction of Rs. 4.54 million as interstate sales instead of interstate unit transfer in view of the amalgamation having effect from April 1, 1997. The Deputy Commissioner vide order dated October 10, 2003 rejected the appeal. Aggrieved by

the order our Company filed an appeal before the Additional Commissioner, Commercial Tax dated February 27, 2006. The Additional Commissioner remanded the case to Deputy Commissioner, Commercial Tax (Appeals) vide order dated August 22, 2006. The matter is pending and no date of hearing has been fixed.

6. Manaksia Closures Limited had effected interstate sale of Rs. 6.65 million to our company and to Manaksia crowns limited. Pursuant to the scheme of amalgamation, Manaksia crowns limited and Manaksia closures limited were amalgamated with our company with effect from April 1, 1997. Our company claimed all sales effected after April 1, 1997 to our company and Manaksia crowns limited by Manaksia closures limited as inter unit transfer. However, the assistant commissioner division 2 refused to treat the sales as inter unit transfer and allow refund of tax of Rs. 0.26 million paid by the erstwhile Manaksia closures limited during pendency of the amalgamation proceedings before the court. Being aggrieved by the order, our company has filed an appeal before deputy commissioner commercial tax, division 2. Our company contends that the assistant commissioner has erred in law in treating the transaction of Rs. 6.65 million as interstate sales instead of interstate unit transfer in view of the amalgamation having effect from April 1, 1997. The Deputy Commissioner vide order dated October 10, 2003 rejected the appeal. Aggrieved by the order our Company filed an appeal before the Additional Commissioner, Commercial Tax dated February 27, 2006. The Additional Commissioner remanded the case to Deputy Commissioner, Commercial Tax (Appeals) vide order dated August 22, 2006. The matter is pending and no date of hearing has been fixed.

7. Our Company has filed a revisional application dated September 26, 2000 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated July 28, 2000 passed by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 1995. The total amount of tax in dispute is Rs. 0.03 million. The matter is pending and no date of hearing has been fixed.

8. Our Company has filed a revisional application dated May11, 2001 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated February 27, 2001 by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 1996. The total amount of tax in dispute is Rs. 0.22 million. The matter is pending and no date of hearing has been fixed.

9. Our Company has filed a revisional application dated May11, 2001 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated February 27, 2001 by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 1996. The total amount of tax in dispute is Rs. 0.25 million. The matter is pending and no date of hearing has been fixed.

10. Our Company has filed an appeal application dated May 22, 1998 before the Deputy Commissioner, Commercial Taxes, Corporate Division against the order passed by Assistant Commissioner, Commercial Taxes, Corporate Division, Calcutta. The appeal application relates to the period of assessment from July 1, 1986 to April 30, 1987. The total amount of tax in dispute is Rs. 0.006 million and a penalty of Rs. 0.005 million has

also been imposed on our Company. The matter is pending and the matter was last heard on June 5, 2007.

11. Our Company has filed a revisional application dated February 5, 2001 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated January 17, 2001 by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 1997. The total amount of tax in dispute is Rs. 0.59 million. The matter is pending and no date of hearing has been fixed.

12. Our Company has filed a revisional application dated March 5, 2001 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated January 17, 2001 by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 1997. The total amount of tax in dispute is Rs. 0.06 million. The matter is pending and no date of hearing has been fixed.

13. Our Company has filed a revisional application dated August 9, 2002 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated April 11, 2002 by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 1998. The total amount of tax in dispute is Rs. 0.31 million. The matter is pending and no date of hearing has been fixed.

14. Our Company has filed a revisional application dated August 14, 2003 before the West Bengal Commercial Taxes, Appellate and Revisional Board, Calcutta, against the order dated June 25, 2003 by the Deputy Commissioner, Commercial Taxes, Corporate Division. The revisional application relates to the 4 quarter ending March 31, 2001. The total amount of tax in dispute is Rs. 0.93 million. The Deputy Commissioner vide an order dated November 30, 2006 remanded the matter to the Assessing Authority for a fresh order/assessment. The Assessing Authority has been requested by the Deputy Commissioner to compute the amount payable and inform the Company as per the provisions of law. Our Company is yet to receive the recomputed amount. The computed amount was provided by the assessing authority which was not adhered to by the Deputy Commissioner. The Company then filed a revision petition before the Additional Commissioner of Commercial Taxes, Corporate division in case no. REV/CCT-W.B/2219/2006-07/94/CD dated March 30, 2007. The next date of hearing has been fixed on November 30, 2007.

15. Our Company has filed an appeal application dated August 25, 2005 before the Deputy Commissioner, Commercial Taxes, Corporate Division against the order passed by Assistant Commissioner, Commercial Taxes, Corporate Division, Calcutta dated June 26, 2005. The appeal application relates to the 4 quarter ending March 31, 2003. The total amount of tax in dispute is Rs. 0.69 million. The matter was heard on December 20, 2006and no next date of hearing has been provided.

16. Our Company has filed an appeal application dated August 25, 2005 before the Deputy Commissioner, Commercial Taxes, Corporate Division against the order passed by Assistant Commissioner, Commercial Taxes, Corporate Division, Calcutta dated June 26, 2005. The appeal application relates to the 4 quarter ending March 31, 2003. The total amount of tax in dispute is Rs. 1.52 million. The matter was heard on December 20, 2006 and no next date of hearing has been provided.

IV. Customs Cases

1. Our Company imported 116.500 MT of goods declared as heavy melting scrap, dated November 22, 2004 and during examination a total of 0.480 MT of war material was noticed in one of the containers. The import of such war material /explosive material is prohibited for import and such import was in violation of Foreign Trade Policy 2004-2009, Arms Act, 1959, Customs Act, 1962 and Explosive Rules 1969 and therefore the container was seized under Panchnama dated January 31, 2005 and handed over to M/s. Narendera Forwarders Private Limited for safe custody. Our Company waived its right to have a show cause notice and opportunity of personal hearing. The Adjudicating Authority under his Order-in-Original No KDL/ADDL.COMMR./AA/328/2005/Gr.IV dated June 22, 2005 ordered for absolute confiscation of the goods imported. The Adjudicating Authority further gave an option to our Company to redeem the goods on payment of redemption fine of Rs. 0.04 million in addition to the payment of appropriate duty. Further a penalty of Rs. 0.12 million was imposed on our Company. Aggrieved by the decision our Company appealed before the Commissioner of Customs (Appeals). In order -in -appeal No 408/2005 (408-KDL)Cus/Commr(A)/AHD dated December 23, 2005 the Commissioner of Customs (Appeals) upheld the order for absolute confiscation of 0.480MT and the entire consignment of explosive/ war related material and also provided that goods can be redeemed for fine of Rs. 0.06 million. The penalty imposed on our Company was also reduced to Rs. 0.06 million. Aggrieved by the decision of the Commissioner of Customs (Appeals) our Company appealed before the Customs Excise and Service Tax Appellate Tribunal, Mumbai where the matter has not been heard so far.

2. A show cause notice (No.S60 (DE) Misc-592/06AGr7) dated July 12, 2006 was given to our Company by the Joint Commissioner of Customs, Kolkata. Our Company submitted 1 ex –bond Bill of Entry Nos.IF 22 for clearance of one consignment of cold rolled sheets falling under chapter 7209 of total assessable value of Rs. 6.71 million. However our Company did not clear the goods within the validity period of warehousing. Therafter our Company was required to show cause as to why duty exemption benefit under notification No. 43/02-Cus dated April 19, 2002 as claimed by our Company should not be disallowed in respect of the impugned consignment, an amount of duty of Rs. 1.51 million not be held leviable to our Company and why goods valued at Rs. 1.51 million should not be confiscated under the Customs Act. Our Company has replied in a letter dated November 14, 2006 to the Additional Commissioner of Customs requesting to grant our Company four weeks time for submission. Our Company has replied to the show cause notice dated February 6, 2007 denying the charges. The matter is pending and no date of hearing has been fixed till date.

3. A show cause notice (No.VIII (20)07/2005/CUS/ICD/2513) dated September 12, 2005 was given by the Assistant Commissioner of Customs, Nagpur to our Company. Our Company had imported a total of seven consignments of aluminium ingots. The total cess paid by our

Company was Rs. 0.80 million. Thereafter our Company filed refund cases which was returned to our Company as incomplete, dated March 28, 2005. Our Company resubmitted these claims on July 26, 2005 without complying with any of the shortcomings pointed out in the earlier claim. Thereafter our Company are required to show cause as to why the refund claims should not be rejected under section 27 of the Customs Act, 1962.Our Company replied to the show cause notice dated January 17, 2006 denying the charges. The matter was heard by the Assistant Commissioner who passed the order- in-original No.03/AC/CUS/ICD/2006 dated April 12, 2006 rejecting the refund claim. Aggrieved our Company appealed before the Commissioner (Appeals), Customs and Central Excise, Nagpur. In the order passed by the Commissioner (Appeals), Customs and Central Excise, Nagpur in order-in -appeal No SVS/235/NGP-ICD/2006 dated July 31, 2006 it has been held that the matter is required to be decided afresh by the original authority as the earlier exercise was against the principles of natural justice. The order -in -original was set aside and is remanded for de-novo proceedings**.** The matter is pending and no next date of hearing has been fixed.

Civil Cases

Employee Related Litigation

1. In this case (No.T.C.112 of 2003) the B.K. Paul Temple Road, Howrah unit of our Company it was alleged that our Company has failed to pay the contributions required by law. A notice was issued to our Company dated August 25, 2002 to show cause why contributions were not recovered from our Company who are the employers. Our Company submitted that the contribution demanded is not payable as the contribution regarding labour charges does not actually amount to labour charges as some work was done outside the factory premises. Thereafter the Deputy Director, Employees' State Insurance Corporation, in an order dated December 5, 2003 held that contributions amounting to Rs. 0.06 million only for the period from April, 1997 to March 1998 be paid by our Company. Our Company had filed a petition before the Employees' Insurance Court, West Bengal, praying for exemption from depositing 50% of the demanded sum of Rs. 0.06 million. Our Company had filed the present case under section 75(1) (g) of the Employees State Insurance Act, 1948. On considering the facts and circumstances of the case the Court in an order dated January 5, 2004 directed the our Company to deposit Rs. 0.01 million by February 5, 2004.The Court further allowed the prayers of temporary injunction of our Company and the Employees State Corporation, their men and agents were restrained from realizing the demanded sum on the strength of the order under section 45 A of the Employees State Insurance Act, 1948 dated December 5, 2003. The case is pending and the no next date of hearing has been fixed.

2. In this case (No.522/96/MPIR) the applicant Rajendra Singh Bajoriya ("Applicant") filed a case before the Presiding Officer, Labour Court No 2, Bhopal against our Company's polymer unit in Bhopal. The Applicant was terminated from services pursuant to a letter dated August 29, 1996. The applicant contended that the departmental enquiry held by our Company was against the principles of natural justice and against labour jurisprudence. The Applicant prayed before the court that the termination order be declared as illegal and void and the applicant be given backwages from the date of termination to the date he is taken up on duty. The matter is pending and no date of hearing has been fixed.

Criminal Cases

1. A police case being coke oven P.S. case no. 49/03 dated May 27, 2003 under section 30 of the Coal Mines (Nationalization) Act, 1973 and sections 120B, 379, 411, 413, 414, 420, 468 and 471 of the Indian Penal Code, 1860, has been filed, *inter alia*, against Mr. Basant Kumar Agrawal for alleged transportation and sale of 'steam coal' under the garb of rejected coal by our Company, thereby depriving the Government of duty under the Coal Mines (Nationalization) Act, 1973. The police case has been started and G.R. Case No. 339/03 has been registered in the Learned Sub Divisional Judicial Magistrate, Burdwan. A petition has been filed by Shri Tadgat Gupta, as lawful attorney of our Company for anticipatory bail under section 438 of the Code of Criminal Procedure, 1973 before the Ld. Sessions Judge Burdwan which has been admitted and registered as criminal miscellaneous case no.1226/03. August 16, 2003 was the last date when the matter was heard.

V. Income Tax Case

1. SEL, which has been amalgamated with our Company with the sanction of the Honourable High Court at Calcutta on August 30, 2006, has filed an appeal before the Commissioner of Income Tax (Appeals) – XII , KOL dated May 12, 2006 against the order of assessment dated March 30, 2006 passed by the Income Tax officer for the Assessment year 2003-04 for an amount of Rs. 10.06 million. The Company has challenged the assessment made by the Income Tax Officer on the ground that the deduction under Section 80 IB of the Income Tax Act, 1961 was not allowed to it. The appeal is pending for hearing.

VI. Cases filed by our Company

Money Recovery Related Litigation

1. In this case (RCS NO. 41-B/06) before the District Judge, Bhopal between our Company and M/s Som Distilleries Limited ("SDL") wherein our Company has supplied to SDL pilfer proof caps from time to time. Of the bills paid by SDL to our Company for the goods supplied a sum of Rs. 3.57 million remained outstanding. Our Company sent a legal notice to SDL dated August 6, 2004 to which there was no reply. Therefore our Company seeks to recover from the honourable court a sum of Rs. 3.57 million plus the interest on the decreetal amount at the rate of 18% p.a. and also the cost of suit. The matter is pending for arguments on December 12, 2007 and was last heard on October 26, 2007.

2. In this case (42B/05) before the District Judge, Bhopal between our Company and M/s Som Distilleries Limited ("SDL") wherein our Company has supplied to SDL pilfer proof caps and crown corks from time to time. Of the bills paid by SDL to our Company for the goods supplied a sum of Rs. 0.57 million remained outstanding. Our Company sent a legal notice to SDBL dated August 6, 2004 to which there was no reply. Therefore our Company seeks to recover from the honourable court a sum of Rs. 0.57 million plus the interest on the decreetal amount at the rate of 18% p.a. and also the cost of suit. The next date for filing of reply by SDL is December 14, 2007.

Cases Involving our Directors

1. A show cause notice (No.V (Vh.39)15-27/OA/98) dated July 3, 1998 was issued by the Deputy Commissioner, Central Excise to the Silvassa unit of our Company on the grounds that some goods were not entered into the production register and that there was shortage in the stock of inputs on which Modvat credit was availed and excess in the raw material and finished goods. The show cause notice was also issued to Shri Sanjeeb Kumar Deb, being the authorised signatory and on B.K. Agrawal, being the managing director of Manaksia Crowns Limited. The Additional Commissioner, Central Excise, Surat by an order number 05/ADJ/OA/2000/ADC dated November 1, 2000 while disposing of the show cause notice ordered confiscation of goods and land and building and for release of goods and land and building on payment of redemption fine. The Additional Commissioner also imposed penalties on our Company and on Shri Sanjeeb Kumar. An appeal was filed before the Commissioner (Appeals), Central Excise, Surat on January 30, 2001 and the Commissioner (Appeals) Central Excise by an order number RG/299-300/SRT/2002 dated March 28, 2002 set aside the confiscation order and order imposing penalties. Thereafter the Joint Commissioner, Central Excise, Surat-II issued a show cause notice No: V (Ch.39)15-65/OA/99 dated December 15, 1999 calling upon our Company and Mr. Sanjeeb Kumar Deb and Mr. Basant Kumar Agrawal to explain as to why central excise duty was evaded and why penalty should not be imposed upon them. The Additional Commissioner, Central Excise, Vapi decided the matter against our Company and ordered payment of excise duty of Rs. 0.45 million and imposed penalty of Rs. 0.02 million on Mr. Basant Kumar Agrawal and Mr. Sanjeeb Kumar Deb each. Our Company, Mr. Basant Kumar Agrawal and Mr. Sanjeeb Kumar Deb appealed before the Commissioner, (Appeals) Central Excise, Vapi at Surat dated May 21, 2004 who dismissed the appeal by an order number RKS/220-222/Vapi/2004 dated September 29, 2004. Our Company, Mr. Basant Kumar Agrawal and Mr. Sanjeeb Kumar Deb have further appealed against before the Customs, Excise and Service Tax Appellate Tribunal in (Appeal No: E/59 to 61/05). A stay application had also been filed before Customs, Excise and Service Tax Appellate Tribunal for waiver of pre-deposit of duty of Rs. 0.07 million and disallowance of Modvat credit of Rs. 0.06 million and penalties of Rs. 0.12 million imposed on M/s Manaksia Crowns Limited and Rs. 0.02 million on Mr. Basant Kumar Agrawal and Mr. Sanjeeb Kumar Deb. However, the application has been dismissed by an order dated April 18, 2005. The Customs, Excise and Service Tax Appellate Tribunal in (Appeal No: E/59 to 61/05) vide order No (A/1826 to 1828/ WZB/2006/C-IV/SMB)dated January 18, 2006 set aside the order passed by the Commissioner (Appeals) and remanded the matter to the original adjudicating authority. The matter is pending and no date of hearing has been fixed.

Cases filed by or against our Promoters

There are no cases filed by or against any of our Promoters save and except the case mentioned in item no 1 of criminal cases in page number 271 of the this Red Herring Prospectus.

Cases filed by or against our Subsidiary

Cases filed by Mark Steel Limited

Sales Tax Cases

1. Marks Steel Limited has filed an appeal application dated August 8, 2006 before the Assistant Commissioner, Commercial Taxes against the order passed by the Assessing Officer dated June 30, 2006. The application relates to the 4 quarter ending March 31, 2004.The total amount in dispute is Rs. 0.38 million and a penalty of Rs. 0.0001 million has also been imposed on Marks Steel Limited. The matter was last heard by Assistant Commissioner, Commercial Taxes, Dharamtala Circle on April 10, 2007. The matter is pending and no next date of hearing has been fixed.

2. Marks Steel Limited has filed an appeal application dated August 8, 2006 before the Assistant Commissioner, Commercial Taxes against the order passed by the Assessing Officer dated June 30, 2006.The application relates to the 4 quarter ending March 31, 2004.The total amount in dispute is Rs. 5.49 million, the amount of interest in dispute is Rs. 1.42 million and a penalty of Rs. 0.0001 million has also been imposed on Marks Steel Limited. The matter was last heard by Assistant Commissioner, Commercial Taxes, Dharamtala Circle on April 10, 2007. The matter is pending and no next date of hearing has been fixed.

Past Cases involving companies forming part of our Promoter Group

There are no cases involving any of our Promoters or any of the Companies forming part of the promoter group which involve a violation of any statutory regulations, criminal offence or in which penalties have been imposed by the relevant authorities.

GOVERNMENT AND OTHER APPROVALS

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue our business activities.

I. Approvals for the Issue

The Board of Directors has, pursuant to resolution passed at its meeting held on April 29, 2006, authorised the Issue, subject to the approval by the shareholders of our Company under section 81 (1 A) of the Companies Act.

The shareholders have, pursuant to a resolution dated September 28, 2006 under Section 81(1 A) of the Companies Act, authorised the Issue.

1. Unit located at EPIP, Amingaon, Guwahati-31, Assam

Sl. No	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	KAM/689	April 25, 2006	Not Applicable
		License to work a factory under the Factories Act, 1948	Serial number 1789/689	April 25, 2006	December 31, 2007
2	Contract Labour	Certificate of registration under the Contract Labour (Regulation & Prohibition) Act, 1970	15124/36	February 13, 2003	Not Applicable

7	Weights and Measures	Certificate of the Controller from the office of the controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985 / License under the Contract Labour (Regulation & Prohibition) Act, 1970	Book no. 73 1997 / License No. 1797 is granted to Pradip Kalita for doing the work of loading and unloading and stacking / The weighbridge is under relocation and process machine will be packaging done by the legal metrology	September 3, 2004 / August 2, 2005	August 2, 2008 / Not Applicable
		License under the Contract Labour (Regulation & Prohibition) Act, 1970	License No. 1904 is granted to United Brothers / Intimation of relocation	July 4, 2006	July 3, 2008
		Certificate of registration under Standards of Weights and Measures (Enforcement) Act, 1985	For doing the work of production and packaging / LM/G-68/1603	February 12, 2004	February 12, 2009
		License under the Contract Labour (Regulation & Prohibition) Act, 1970 / Certificate of registration under Standards of Weights and Measures (Packaged Commodities) Rules, 1977	License No.1833 is granted to Prasanta Talukdar for doing the work of coil packaging, loading and unloading / ASA/2166/2004	March 19, 2005 / March 1, 2004	March 18, 2008 / Not Applicable
8	Insecticide Act	License to manufacture insecticides under the Insecticides Act, 1968	License No. Agri/Dir/PP/MF/ 97/2004-05/16	December 13, 2004	December 31, 2008
3	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	Registration number: AAACH6882JX M001	June 7, 2004	Not Applicable
9	Petroleum Act	License under the Petroleum Act, 1934	P/NOCAR/6/825/07 (P20908)	July 13, 2004	December 31, 2008
10	Professional Tax	Certificate of registration for dealership of excisable goods under the Central Excise Rules, 2002 / Certificate of Registration under the Assam Professions, Trades, the Callings and Employment Taxation Rules, 1947	Registration No. GWC/OTX/R/00 AAACH6882JX D001 / Registration number: 11	December 7, 2004 / June 2006	Not Applicable
4 / 11	Central Sales Tax / Employees Provident Fund	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957 / Allotment of code number under the Employees Provident Fund and Miscellaneous Provisions Act, 1952	GAU(C)/4-388 / AS/5140	February 25, 2002 / June 2003	Not Applicable / Valid until cancelled
5	State Sales Tax	Certification of registration	GAU(C)/AGST-3699	February 28, 2002	Not Applicable
6	VAT	VAT certificate	GST 18450033508	Not Applicable	Not Applicable

- Application for issuance of duplicate registration certificate under the Employees State Insurance Act, 1948 for registration number 43-3714-100 has been made to the Branch

Manager, regional office, ESIC with the reference number ML/P&A/E.S.I/06-07/ dated December 22, 2006.

- Application has been made to the Member Secretary, Pollution Control Board, Assam for renewal of Water and Air consent with reference number ML/PCBA/ACF/06-07/577 dated April 26, 2006. The Company has written a letter to the Chairman, Pollution Control Board, Assam dated September 25, 2007 wherein they have reminded the pollution control board for issuing consent order to operate for the year 2006-2007 and 2007-2008.

2. Unit in Survey No. 161/2 village Khutli, near Khanvel, , U.T of Dadra and Nagra Haveli, Silvassa-396230

Sl. No	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	327	December 31, 1996	Not Applicable
		License to work a factory under the Factories Act, 1948	327	February 7, 1996	December 31, 2007
2	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AACH6882JXMO17	May 19, 2004	Not Applicable
3	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	DNH/CST/1469	March 31, 1995	The certificate expired on January 30, 1996
	Central Sales Tax	Certificate for exemption from central sales tax under the Central Sales Tax Act, 1956 by which the following goods are exempted from payment of central sales tax: Expanded Polystyrene/ Polyethylene sheets, expanded polythene cap liners, thermoformed articles and crown closures/printed sheets, polymerized compound, metal coating fluids	No.ADM/DNH/ACST/EXEMPT/ST/1419	July 24, 2002	May 6, 2011
4	State Sales	Certificate of registration for	DNH/ST/1513	June 4,	The

Sl. No	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
	Tax	a dealer having one place of business in the union territory of Dadra and Nagar Haveli under the Dadra and Nagar Haveli Sales Tax Regulation, 1978		1996	certificate is valid until cancelled
5	VAT	TIN number under VAT Regulation, 2005	26000001513	Not Applicable	Not Applicable
6	Petroleum Act	License under the Petroleum Act, 1934	2/2005	July 7, 2005	December 31, 2007
7	Employees Provident Fund	Allotment for separate code number under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952	GJ/SRT/30622	September 9, 1996	Not Applicable

- The Company has made an application before the Directorate of Industries, Dadra and Nagar Haveli, Silvassa under the single window investor friendly time bound system (SWIFT) dated September 21, 2007 for consent to operate a unit under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974.

3. Approval of our unit in Survey No. 396, Village Chandrani, Taluka Anjar, Kutch.

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	018725	April 1, 2006	Not Applicable
		License to work a factory under the Factories Act, 1948	0187 25	June 4, 2006	December 31, 2007
2	Contract	Certificate of	49/2003	June 19, 2003	Not Applicable

	Labour	registration under the Contract Labour (Regulation & Prohibition) Act, 1970			
3	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	Registration number is AAACH6882JXM018	August 18, 2004	Not Applicable
4	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	24510400627	December 19, 2002	Not Applicable
5	Vat/ SST	Certificate of registration under sales tax	24010400627	September 28, 2005	Not Applicable
6	Weights and Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	0063 for one electronic weighing scale	March 3, 2007	March 2, 2008
		Certificate of verification from the office of controller of	0023 for two steel yard type weighing scale	April 12, 2007	April 11, 2008

		legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985			
		Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	0022/31 for one electronic road weighbridge	April 12, 2007	April 11, 2008
7	Insecticide Act	License to manufacture insecticides under the Insecticides Act, 1968	License number 489	March 26, 2004.	December 31, 2007.
8	Professions, Trades, Callings and Employments	Certificate of registration under the Gujarat State Tax on Professions, Trades, Callings and Employment Act, 1976.	PR 0104000001	February 25, 2003.	Not Applicable
9	Petroleum Act	License to import and store petroleum under the Petroleum Act, 1934	License number: P/HQ/GJ/15/4569(P 67103)	July 30, 2004	December 31, 2009
10	Solvent	License under	102/2006FO/LDO	January 17,	December 31,

	License	the Solvent Raffinate and Slop (Acquisition, Sale, Storage and prevention of use in automobiles) Order, 2000		2006	2008
11	Employees' Provident Fund	Allotment of code number under the Employees Provident Fund and Miscellaneous Provisions Act, 1952	GJ/41180	June 11, 2002	Not Applicable

- An application has been made in June 8, 2007 to the Member Secretary, Pollution Control Board for extension of Board's authorisation for a period of 5 years for consent under the Air (Prevention and Control of Pollution) Act, 1981, the Water (Prevention and Control of Pollution Act, 1974 and authorisation for operating a facility for collection, storage and transportation of hazardous wastes under Hazardous Waste (Management and Handling Rules, 1989.

4. Unit located in M/s Kunstoff Polymers plot number 24 and 25, Bollaram, Medak (Mosquito coil)

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	60861	August 8, 1999	Not Applicable
		License to work a factory under the Factories Act, 1948	32008	May 10, 2004	The license shall be valid until cancelled.
2	Contract Labour	Certificate of registration under the Contract Labour (Regulation & Prohibition) Act, 1970	D/CL-PE/DCL-12122/53/04	December 31, 1999	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
3	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	Registration No. AAACH 6882J XM012	May 17, 2004	Not Applicable
4	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	APPCB/ZO/ RCP/BLRM/ 35/W&A/2007-1358	March 20, 2007	January 31, 2011
	Water Pollution	Consent under the Water (Prevention and Control of Pollution) Act, 1974	APPCB/ZO/ RCP/BLRM/ 35/W&A/2007-1358	March 20, 2007	January 31, 2011
	Hazardous waste	Authorization for operating a facility for collection, storage and transportation of hazardous wastes under Hazardous Waste (Management and Handling) Rules, 1989	APPCB/ZO/ RCP/BLRM/ 35/HWM/2007	March 20, 2007	January 31, 2011
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	PJT/06/1/CST/1453/87-88	August 17, 1987	Valid until cancelled.
6	State Sales Tax	Certificate of registration under AP General Sales Tax Act, 1957	APGST RC No.PG/SN/2747/87-88 PJT/06/1/APGST/1928/87-88	August 17, 1987	The certificate is valid from July 15, 1987 until cancelled
7	VAT	VAT certificate under the APVAT	TIN number 28450192401	September 24, 2005	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		Act, 2005			
8	Weights & Measures	Certificate of verification from the office of controller of legal metrology under the A.P Standard of Weights and Measures (Enforcement) Act, 1985	581659 No.177	June 28, 2006	June 27, 2008
		Certificate of verification from the office of controller of legal metrology under the A.P Standard of Weights and Measures (Enforcement) Act, 1985	581658 No.177	June 28, 2006	June 27, 2008
9	Insecticide Act	License to manufacture insecticides under the Insecticides Act, 1968	245/99	February 13, 2007	December 31, 2008
10	Professions, Trades, Callings and Employments	Certificate of enrolment under the Andhra Pradesh Professions, Trades, Callings and Employments Act, 1987	PJT/06/1/PT/ENT/2179/2006-2007	September 20, 2006	Not Applicable
11	Petroleum Act	License under the Petroleum Act, 1934	P/SC/AP/15/72(P37100)	March 13, 2006	December 31, 2008
12	Employees State Insurance	Certificate of registration under the Employees State Insurance Act, 1948	Code No. 52-24168-101	February 17, 2005	Not Applicable
13	Employees Provident	Allotment of code number under the	Code number: MP	September 28, 1999	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
	Fund	Employees Provident Fund and Miscellaneous Provisions Act, 1952	9732		

5. **Approval of the unit located at Plot No. 125 B, IDA, Bollaram, Aminpur Medak (closures unit)**

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	60827	No issue date	Not Applicable
		License to work a factory under the Factories Act, 1948	31709	No issue date	Valid till cancelled
2	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882J XM009	May 17, 2004	Not Applicable
		Customs Private Bonded Warehousing	License No 01/2004	December 16, 2005	February 8, 2008
3	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	APPCB/ZO/RCP/BLRM/75/W&A/2007-1357	March 20, 2007	February 28, 2011
4	Water Pollution	Consent under the Water (Prevention and Control of Pollution) Act, 1974	APPCB/ZO/RCP/BLRM/75/W&A/2007-1357	March 20, 2007	February 28, 2011
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	PJJ/06/1/CST/1453/87-88	August 17, 1987	Valid until cancelled.
6	State Sales Tax	Certificate of registration under AP General Sales Tax Act, 1957	APGST RC No.PG/SN/2747/87-88 PJT/06/1/APG	August 17, 1987	The certificate is valid from July 15, 1987 until

			ST/1928/87-88		cancelled
7	VAT	VAT registration certificate in accordance with APVAT Act, 2005	TIN no. 28450192401	September 24, 2005	Not Applicable
8	Weights & Measures	Certificate of verification from the office of controller of legal metrology under the A.P Standard of Weights and Measures (Enforcement) Act, 1985	170443 No. 177	May 31, 2006	May 30, 2008
		Certificate of verification from the office of controller of legal metrology under the A.P Standard of Weights and Measures (Enforcement) Act, 1985	1473025	June 26, 2006	June 25, 2008
9	Professions Trades, Callings and Employment.	Certificate of enrolment under the Andhra Pradesh Professions, Trades, Callings and Employments Act, 1987	PJT/06/1/PT/ENT/2179/2006-2007	September 20, 2006	Not Applicable
10	Petroleum Act	License under the Petroleum Act, 1934	P/SC/AP/15/326(146614)	August 26, 2006	December 31, 2009
11	Employees State Insurance	Certificate of registration under the Employees State Insurance Act, 1948	52-1565-66	March 27, 1998	Not Applicable
12	Employees' Provident Fund	Allotment of code number under Employees Provident Fund and Miscellaneous Provisions Act, 1952	No. AP/32749	August 21, 1998	Not Applicable

6. Unit located in C/ 45, phase 1, IDA, Jeedimetla, Hyderabad-55

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	67524	No issue date	Not Applicable
		License to work a factory under the Factories Act, 1948.	42189	July 18, 2002	License shall be valid unless it has been duly cancelled.
2	Central Excise Registration	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882 JXM008	May 27, 2004	Not Applicable
3	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	PJJ/06/1/CST/ 1453/87-88	August 17, 1987	Not Applicable
4	State Sales Tax	The Andhra Pradesh General Sales Tax Act, 1957	Certificate of registration APGST RC NO PG/SN/2747/87-88	August 17, 1987	Valid from July 15, 1987 till cancelled.
		The Andhra Pradesh General Sales Tax Act, 1957	Registration number PJM/06/01/SEC-5B/G2/274/2001-2002	August 24, 2001	Not Applicable
5	VAT	VAT certificate of registration in accordance with APVAT Act, 2005	28450192401	March 17, 2003	Not Applicable
6	Professional tax	Certificate of enrolment under the Andhra Pradesh Professions, Trades,	PJT/06/1/PT/ ENT/2179/2006-2007	September 20, 2006	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		Callings and Employments Act, 1987			
7	Employees State Insurance	Certificate of Registration under the Employees State Insurance Act, 1948	52-22007-90	March 31, 2003	Not Applicable
8	Employees' Provident Fund	Allotment of code number under the Employees Provident Fund and Miscellaneous Provisions Act, 1952	Code No.AP/HY/SAO/KKP/46020	January 2, 2004	Not Applicable

7. **Consents and approvals in closures division located at Plot No 16 New Industrial Area-II, Mandideep, Raisen (BHOPAL)**

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	Not applicable	No issue date	Not Applicable
		License to work a factory under the Factories Act, 1948	58/10523/RSN/2m(i)	January 23, 2007	December 31, 2007
2	Contract Labour	Certificate of registration under the Contract (Regulation and Abolition) Act, 1970	6/RAS/2001	March 19 , 2001	Not Applicable
3	Central Excise	Certificate of registration for	AAACH6882JXMOO2	May 13, 2004	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		manufacture of excisable goods under the Central Excise Rules, 2002			
4	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	No1405/RO/MPPCB/2006	May 24, 2006	April 30, 2008
	Water Pollution	Consent order under the Water (Prevention and Control of Pollution) Act, 1974	No. 1403/RO/MPPCB/2006	May 24, 2006	April 30, 2008
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	BPL/V/XXXIX/422-C this has been in effect from November 15, 1995	October 24, 1989	Not Applicable
6	State Sales Tax	Certificate of registration under AP General Sales Tax Act, 1957	BPL/V/XXXIX/773/9 this has been in effect from November 15, 1995	May 14, 1990	Not Applicable
7	VAT	TIN number issued by the Commissioner, Commercial Tax M.P from the commercial tax department	TIN no: 23544000773 Commercial Tax Number: 050507739S	Not Applicable	Not Applicable
8	Weights & Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	3071 for mechanical scales.	September 20, 2007	September 19, 2008
		Certificate of verification from the	3071 for electronic scales	September 20, 2007	September 19, 2008

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985			
9	Petroleum Act	License under the Petroleum Act, 1934 for importation of 30 KL of petrol	P/HQ/MP/15/2538(P17930	October 11, 2002	December 31, 2007.
10	Professions, Trades, Callings and Employment.	Certificate of registration under the Madhya Pradesh Professional Tax Act, 1995	For persons: PT/BPL/V/XXXIX /627 For employer: PT/BPL/V/XXXIX /169	April 25, 1996 April 8, 1996	Not Applicable Not Applicable
11	Employees State Insurance	Certificate of registration under the Employees State Insurance Act, 1948	18-10102-67 Bima Shakha 2	January 1991.	Not Applicable
12	Employees' Provident Fund	Allotment for separate code under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.	Establishment Code number MP/7122	September 30, 1991.	Not Applicable

8. Unit in Bhopal manufacturing mosquito coil located at plot no 9 and 12 New Industrial Area –II Mandideep (Bhopal).

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	Not applicable	No issue date	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		License to work a factory under the Factories Act, 1948	73/15309/RSN/2mi	January 23, 2007	December 31, 2007.
2	Contract Labour	Certificate of registration under the Contract (Regulation and Abolition) Act, 1970	Registration No.OS/RAS/2000	October 18, 2000	Not Applicable
		License under the Contract Labour (Regulation & Prohibition) Act, 1970 for M/s Pal and Sons and M/s D.S Contractors	21/RAS/2000	October 18, 2000	December 31, 2007
3	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882JXM 020	May 13, 2004	Not Applicable
4	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	No.4364/TS/MPPC B/006	May 5, 2006	June 30, 2008
	Water Pollution	Consent order under the Water (Prevention and Control of Pollution) Act, 1974	4362/TS/MPPCB/2 006	May 5, 2006	June 30, 2008
	Hazardous waste	Authorization for operating a facility for collection , storage and transportation of hazardous wastes under Hazardous Waste (Management and Handling) Rules, 1989 for spent oil	1865/HSMD/MPP CB/2003	July 17, 2003	License granted for 5 years from the date of issue.
	Hazardous waste	Authorization for operating a facility for collection , storage and transportation of	1865/HSMD/MPP CB/2003	July 17, 2003	License granted for 5 years from the date of

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		hazardous wastes under Hazardous Waste (Management and Handling) Rules, 1989 for discarded drums of hazardous chemicals			issue.
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	GHG/05/06/1383	November 22, 1999	Not Applicable
6	State Sales Tax	Registration certificate	GHG-050622573(S)	November 22, 1999	Not Applicable
7	VAT	TIN number issued by the Commissioner, commercial tax M.P from the commercial tax department	TIN NO. 23504102257 Commercial Tax no. 050622573S	Not Applicable	Not Applicable
8	Weights & Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985.	3071	September 20, 2007	September 19, 2008
9	Insecticide Act	License to manufacture insecticides under the Insecticides Act, 1968	License number LXXXVIII	March 30, 2000	December 31, 2007.
10	Professions, Trades, Callings and Employment.	Certificate of registration under the Madhya Pradesh Professional Tax Act, 1995	For persons PT/BPL/V/XXXIX /569 For employers PT/BPL/V/XXXIX /164	April 25, 1996 April 8, 1996	Not Applicable
11	Petroleum Act	License under the Petroleum Act, 1934	P/CC/MP/15/113(P 163509)	February 8, 2002	December 31, 2007

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
12	Employees State Insurance	Certificate of registration under the Employees State Insurance Act, 1948	18/13425-34	August 30, 2001	Not Applicable
13	Employees' Provident Fund	Allotment for separate code under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.	Establishment Code number MP/13167	February 20 , 2001	Not Applicable

9. Bhopal Polymer located at 15 New Industrial Area –II, Mandideep, Raisen (BHOPAL)

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	Not Applicable	No issue date	Not Applicable
		License to work a factory under the Factories Act, 1948	21/11396/RSN/ 2mi	January 1, 2007	December 31, 2007
3	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	Registration number is AAACH6882JX M003	May 13, 2004	Not Applicable
4	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	No 2331/RO/MPPC B/2005	August 31, 2005	December 31, 2007
	Water Pollution	Consent order under the Water (Prevention and Control of Pollution) Act, 1974	No 2329/RO/MPPC B/2005	August 31, 2005	December 31, 2007
5	Central Sales	Certificate of registration	BPL/V/XXXIX/	September	Not

	Tax	under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	461-C this has been in effect from November 15, 1995	9, 1990	Applicable
6	State Sales Tax	Registration certificate under the Madhya Pradesh Sales Tax Act	083/BPL/V/XX XIX/896/0 this has been in effect from November 15, 1995	November 20, 1991	Not Applicable
7	VAT	TIN number issued by the Commissioner, commercial tax M.P from the commercial tax department	TIN 23144000896 Commercial Tax Number: 050508960S	Not Applicable	Not Applicable
8	Weights & Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985.	55/8287	September 21, 2007	September 20, 2008
9	Professions, Trades, Callings and Employment.	Certificate of registration under the Madhya Pradesh Professional Tax Act, 1995	For persons PT/BPL/V/XX XIX/569 For employers PT/BPL/V/XX XIX/164	April 25, 1996 April 8, 1996	Not Applicable Not Applicable
10	Employees State Insurance	Certificate of registration under the Employees State Insurance Act, 1948	18-10682-90-Bima -1	September 14, 1993	Not Applicable
11	Employees Provident Fund	Allotment for separate code under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.	Establishment code : 9732	December 27, 1995	Not Applicable

10. Plot No.471 Birsinghapur; PO Barjora, District Bankura

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	3BK/X/2000	May 8, 2000	Not Applicable
		License to work a factory under the Factories Act, 1948	14661	January 18, 2007	December 31, 2007
2	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882JXM016	May 18, 2004	Not Applicable
4	Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974	420-7/mpbd-cont(1186)/02	August 30, 2005	April 30, 2008
		Authorisation for operating a facility for collection, storage and transportation of hazardous wastes under the Hazardous Waste (Management and Handling) Rules, 1989	99/2S(HW)-1757/2004	September 16, 2004	June 30, 2009
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled.
6	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules, 1995	AW/1591	April 7, 2005	Not Applicable
7	VAT	Certificate of registration	19200513002	September 4,	Not

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
		under the West Bengal Value Added Tax Rules, 2005		2006	Applicable
8	Weights & Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	195368 for non automatic weighing scale	December 12, 2006	December 11, 2007
		Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	195369 for non automatic weigh bridge	December 12, 2006	December 11, 2007
9	Insecticide Act	License to manufacture insecticides under the Insecticides Act, 1968	53/2/PP-ILC/H-3	April 11, 2000	December 31, 2007
10	Professional Tax	Certificate of Enrolment under West Bengal State Tax on Professions, Trades , Callings and Employment Act, 1979	ECN1074954	August 29, 1986	Not Applicable
		Certificate of Registration under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	RCN0327271	May 2, 2000	Not Applicable
11	Petroleum Act	License under the Petroleum Act, 1934	P/HQ/WB/15/843(P 18561)	August 29, 2001	December 31, 2009
12	Employees' Provident Fund	Allotment of code number under the Employees Provident Fund and Miscellaneous Provisions Act, 1952	WB/DGP/39084 and WB/DGP/39085	November 9, 2000	Not Applicable

11. 15 B.K Paul Temple Road, Belur, Howrah

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	42-Hw/X/83	September 1, 1983	Not Applicable
		License to work a factory under the Factories Act, 1948	12253	September 1, 1983	December 31, 2007
2	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882JXM 007	May 18, 2004	Not Applicable
3	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974	Memo number : C090/3-PCB/How/480-2005	March 31, 2005	March 31, 2008.
4	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled.
5	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules, 1995	AW/1591	April 7, 2005	Not Applicable
6	VAT	Certificate of registration under the West Bengal Value Added Tax Rules,	19200513002	September 4, 2006	Not Applicable

		2005			
7	Weights and Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	No. 227434 for Mechanical weigh bridge -25000kgs Platform scale 2000kgs Platform scale - 300 kgs	September 12, 2007	September 11, 2008
8	Professional Tax	Certificate of Enrolment under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	ECN1074954	August 29, 1986	Not Applicable
		Certificate of Registration under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	RCN0327271	May 2, 2000	Not Applicable

- Application has been made to the Regional Director, Employees State Insurance Corporation for issuance of duplicate certificate of registration under the Employees State Insurance Act, 1948 having the code number: 41-11736-C-67-SF dated January 2, 2007.

- Application has been made to the Assistant Commissioner, Employees Provident Fund for issuance of duplicate copy of the Provident Fund registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 having the code numberWB/24688 dated January 4, 2007.

12. Unit in Bhuniya Raichak, Haldia, Sutahata, Mednipur East, West Bengal

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	2-MD(E)/X/05	January 1, 2005	Not Applicable

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
		License to work a factory under the Factories Act, 1948	15948	January 31, 2007	December 31, 2007
2	Contract Labour	Certificate of registration under the Contract Labour (Regulation & Prohibition) Act, 1970	7/CON/R/2004	October 26, 2004	Not Applicable
		License under the Contract Labour (Regulation and Prohibition) Act, 1970 to M/s Dibyendu Pal for the work of civil and mechanical work.	80/Con/L/04	December 31, 2005	December 31, 2007
3	Central Excise	Certificate of registration for dealership of excisable goods under the Central Excise Rules, 2002	AAACH6882JXD009	July 23, 2004	Not Applicable
		Certificate of registration for manufacturing of excisable goods under the Central Excise Rules, 2002	AAACH6882JXM021	July 23, 2004	Not Applicable
4	Pollution	Consent to establish (NOC) from environmental point of view	976-1521/WPB(HRO)-K/2	February 12, 2007	February 28, 2011
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled.
6	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules, 1995	AW/1591	April 7, 2005	Not Applicable
7	VAT	Certificate of registration under the West Bengal	19200513002	September 4, 2006	Not Applicable

Sl. No.	Subject Matter	Description	Reference/ License No.	Issue Date	Expiry Date/ Period of validity
		Value Added Tax Rules, 2005			
8	Weights and Measures	Certificate of verification under Weights and Measures (Enforcement)Act, 1985	No.554925 for cast iron test weights of denomination	June 21, 2005	June 22, 2008
		Certificate of verification under Weights and Measures (Enforcement)Act, 1985	081327	September 25, 2007	September 25, 2008
9	Professional Tax	Certificate of enrolment under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	ECN1074954	August 29, 1986	Not Applicable
		Certificate of registration under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	RCN0327271	May 2, 2000	Not Applicable
10	Petroleum Act	License under the Petroleum Act, 1934	P/HQ/WB/15/2456 (P125525)	December 29, 2005	December 31, 2008
11	Employees State Insurance	Certificate of registration under the Employees State Insurance Act, 1948	Allotment Code number: 41-5979-90	March 9, 2005	Not Applicable

- The Haldia unit is depositing the provident fund under the code no. 16595 under the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

- An application for renewal of consent application dated July 10, 2007 has been made by the Company to the Environmental Engineer, West Bengal Pollution Control Board for renewal till 2009.

13. **Unit located at Brahmanpur P.S Haripal district Hoogly, West Bengal**

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	19-Hg/X/89	September 1, 1989	Not Applicable
		License to work a factory under the Factories Act, 1948	12856	January 16, 2007	December 31, 2007
3	Central Excise	Certificate of registration for dealership of excisable goods under the Central Excise Rules, 2002	AAACH6882J XD007	May 11, 2004.	Not Applicable
		Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882J XMOO1	May 11, 2004	Not Applicable
4	Pollution	Consent order under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981	752/PCB/Hgy/104-97	May 23, 2005	January 31, 2007
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled.
6	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules ,1995	AW/1591	April 7, 2005	Not Applicable
7	VAT	Certificate of registration under the West Bengal Value Added Tax Rules, 2005	19200513002	September 4, 2006	Not Applicable
8	Weights and Measures	Certificate of verification from the office of controller of legal	026868	January 12, 2007	January 12, 2008

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		metrology under the Standard of Weights and Measures (Enforcement) Act, 1985			
9	Petroleum	License under the Petroleum Act, 1934 for import of 18K.L of petroleum of class A	P/HQ/WB/15/736(P1663)	March 15, 1996	December 31, 2008
10	Professional Tax	Certificate of Enrolment under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	ECN1074954	August 29, 1986	Not Applicable
		Certificate of Registration under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	RCN0327271	May 2, 2000	Not Applicable

- Application has been made to the Assistant Commissioner; Employees Provident Fund for issuance of duplicate copy of the Provident Fund registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 having the code number WB/28109 dated January 4, 2007.

- An application has been made to the Environmental Engineer, West Bengal pollution control board dated March 28, 2007 for renewal of consent on air and water pollution.

14. For unit located at 71/3 Dharamtala Road, PO Ghusuri, Howrah

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	5-Hw/X/94	September 12, 1994	Not Applicable
		License to work a factory under the Factories Act, 1948	12987	September 12, 1994	December 31, 2007
2	Central	Certificate of registration	AAACH6882J	May 18,	Not

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
	Excise	for manufacture of excisable goods under the Central Excise Rules, 2002	XM010	2004.	Applicable
3	Pollution	Consent to operate under of the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981	CO25/4-PCB/How/511-2005	April 29, 2005	March 31, 2008
4	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled
5	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules, 1995	AW/1591	April 7, 2005	Not Applicable
6	VAT	Certificate of registration under the West Bengal Value Added Tax Rules, 2005	19200513002	September 4, 2006	Not Applicable
7	Weights and Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	No. 046936	April 12, 2007	April 11, 2008
8	Professional Tax	Certificate of Enrolment under West Bengal State Tax on Professions, Trades , Callings and Employment Act, 1979	ECN1074954	August 29, 1986	Not Applicable
		Certificate of Registration under West Bengal State Tax on Professions, Trades, Callings and	RCN0327271	May 2, 2000	Not Applicable

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		Employment Act, 1979			

- Application has been made to the Assistant Commissioner, Employees Provident Fund for issuance of duplicate copy of the Provident Fund registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 having the code numberWB/36122 dated January 4, 2007.

15. Unit located at 12, Duffer Street, Liluah

Sl. No.	Subject Matter	Description	Reference /License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	19-Hw/X/95	March 1, 1995	Not Applicable
		License to work a factory under the Factories Act, 1948	13479	March 1, 1995	December 31, 2007
2	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882JX M005	May 26, 2004	Not Applicable
3	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	Memo number 848-2N-125/2005 Consent to establish the proposed unit is given by the West Bengal Pollution Control Board for manufacturing of	November 14, 2005	Not Applicable
	Water Pollution	Consent under the Water (Prevention and Control of Pollution) Act, 1974			Not Applicable

Sl. No.	Subject Matter	Description	Reference /License No.	Issue Date	Expiry Date/ Period of validity
	Hazardous waste	Authorization for operating a facility for collection , storage and transportation of hazardous wastes under Hazardous Waste (Management and Handling) Rules, 1989	printed metal sheets. The NOC is valid upto April 30, 2010 for expansion project		Not Applicable
5	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled.
6	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules, 1995	AW/1591	April 7, 2005	Not Applicable
7	VAT	Certificate of registration under the West Bengal Value Added Tax Rules, 2005	19200513002	September 4, 2006	Not Applicable
8	Weights and Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	091504	December 18, 2006	December 17, 2007
9	Professional Tax	Certificate of Enrolment under West Bengal State Tax on Professions, Trades , Callings and Employment Act,	ECN1074954	August 29, 1986	Not Applicable

Sl. No.	Subject Matter	Description	Reference /License No.	Issue Date	Expiry Date/ Period of validity
		1979			
		Certificate of Registration under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	RCN0327271	May 2, 2000	Not Applicable

- Application has been made to the Regional Director, Employees State Insurance Corporation for issuance of duplicate certificate of registration under the Employees State Insurance Act, 1948 having the code number: 41-11736-D-67-SF dated January 2, 2007.

- Application has been made to the Assistant Commissioner, Employees Provident Fund for issuance of duplicate copy of the Provident Fund registration under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 having the code numberWB/24688A dated January 4, 2007.

- A license has been issued subject to the provisions of West Bengal Solvent, raffinates, slops and other Equivalent Petroleum products (Acquisition, Sale Storage and prevention of automobiles) Order, 2003 license number CG/SOL-NAP/HARE ST106/66 dated June 28, 2006 and is valid till June 28, 2008.

- Application has been made to the Environmental Engineer; West Bengal Pollution Control Board dated October 24, 2007 for consent to operate under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974.

16. Consents for office at 8/1 Lalbazar Street, Calcutta -1

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1	Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981 to operate diesel generator set.	Issue memo number :1801/4A/ANA&T/ G/272/2003-04 Consent letter no: H00835	December 29, 2003	December 14, 2008
2	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules,	No. 1591(AW) C (Central	August 31, 1974	The certificate is valid until cancelled.

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		1957			
3	State Sales Tax	Certification of registration under the West Bengal Sales Tax Rules ,1995	AW/1591	April 7, 2005	Not Applicable
4	VAT	Certificate of registration under the West Bengal Value Added Tax Rules, 2005	19200513002	September 4, 2006	Not Applicable
5	Profession al Tax	Certificate of Enrolment under West Bengal State Tax on Professions, Trades , Callings and Employment Act, 1979	ECN1074954	August 29, 1986	Not Applicable
		Certificate of Registration under West Bengal State Tax on Professions, Trades, Callings and Employment Act, 1979	RCN0327271	May 2, 2000	Not Applicable

- Application has been made to the registering authority, shops and establishments for renewal of certificate of registration dated October 3, 2007 for renewal till October 2, 2010.
- Application for grant of duplicate certificate of registration in respect of registration number 41-11736-67-SF has been made under Employees State Insurance Act, 1948 on January 2, 2007.
- Application for grant of duplicate certificate of registration in respect of code number WB/16595 was made under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 on January 4, 2007.

1. Unit located at EPIP, Amingaon, Guwahati-31, Assam.

Sl. No	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1	Factory	Certificate of registration under the Factories Act, 1948	KAM/689	April 25, 2006	Not Applicable

		License to work a factory under the Factories Act, 1948	Serial number 3789/ZxC689	April 25, 2006	December 31, 2006
2	Contract Labour	Certificate of registration under the Contract Labour (Regulation & Prohibition) Act, 1970	115124/36	February 13, 2003	Not Applicable.
		License under the Contract Labour (Regulation & Prohibition) Act, 1970	License No.1899 is granted to Shri Gyandeep Das	February 1, 2006	January 31, 2007
		License under the Contract Labour (Regulation & Prohibition) Act, 1970	License No.1994 is granted to United Brothers	July 4, 2006	July 3, 2007
		License under the Contract Labour (Regulation & Prohibition) Act, 1970	License No.1833 Prasanta Talukdar	March 19,2005	March 18, 2007
		License under the Contract Labour (Regulation & Prohibition) Act, 1970 for packaging, machine and others	License No. 1810 is granted to Shri Gautam Sarinah	February 22, 2006	February 21, 2007.
3	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	Registration number: AAACH6882JXM014	June 7, 2004	Not Applicable
		Certificate of registration for dealership of excisable goods under the Central Excise Rules, 2002	Registration number: AAACH6882JXD001	June7, 2004	Not Applicable
4	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	GAU (C)/4-388	February 21, 2002	Valid until cancelled.
5	State Sales Tax	Certification of registration	GAU(C)/AGST-3699	February 28, 2002	Not Applicable
6	VAT	VAT certificate	GST 18450033508	N.A	Not Applicable

7	Weights and Measures	Certificate of verification from the office of controller of legal metrology under the Standard of Weights and Measures (Enforcement) Act, 1985	Book no: 7319 The weigh bridge is under relocation process and stamping will be done by the legal metrology after relocation.	September 9, 2005	Not Applicable
		Certificate of registration under Standards of Weights and Measures (Enforcement)Act, 1985	ILM/G-68/1603	February 12, 2004	February 12, 2009
		Certificate of registration under Standards of Weights and Measures (Packaged Commodities) Rules, 1977	ASA/2166/2004	March 1, 2004	Not Applicable
8	Insecticide Act	License to manufacture insecticides under the Insecticides Act, 1968	License N.Agri/Dev/PP/MF/97/2004-05/16	December13, 2004	December 31, 2008
9	Petroleum Act	License under the Petroleum Act, 1934	P/HQ/AS/15/547(P20908)	July 13, 2004.	December 31, 2008.
10	Employees' Provident Fund	Allotment of code number under the Employees Provident Fund and Miscellaneous Provisions Act, 1952	AS/5140	June 25, 2003	Not Applicable

- Application has been made for renewal of factory license to the Chief Inspector of Factories for the year 2007 dated November 29, 2006 with the reference number ML/P&A/Fact/06-07/756.
- Application for obtaining certificate of registration under the Assam Professions, Trades, Callings and Employments Taxation Act, 1947 dated December 16, 2005.
- Application for issuance of duplicate registration certificate under the Employees State Insurance Act, 1948 for registration number 43-3714-100 has been made to the Branch Manager, regional office, ESIC with the reference number ML/P&A/E.S.I/06-07/ dated December 22, 2006.
- Application has been made to the Member Secretary, Pollution Control Board; Assam for renewal of Water and Air consent with reference number ML/PCBA/ACF/06-07/577 dated April 26, 2006.

2. Unit in Survey No.161/2 village Khutli, near Khanvel, , U.T of Dadra and Nagra Haveli, Silvassa-396230

Sl. No	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	327	December 31, 1996	Not Applicable
		License to work a factory under the Factories Act, 1948	327	February 7, 1996	December 31, 2007
2	Central Excise	Certificate of registration for manufacture of excisable goods under the Central Excise Rules, 2002	AAACH6882JXMO17	May 19, 2004	Not Applicable
3	Air Pollution	Consent under the Air (Prevention and Control of Pollution) Act, 1981	PCC/DG/DD/DNH	November 24,2006	August 31, 2007
	Water Pollution	Consent under the Water (Prevention and Control Pollution) Act, 1974	WP/DCF/DMN	November 24, 2006	August 31, 2007
4	Central Sales Tax	Certificate of registration under the Central Sales Tax Act, 1956 read with Central Sales Tax (Registration and Turnover) Rules, 1957	DNH/CST/1469	March 31 , 1995	The certificate expired on January 30, 1996
	Central Sales Tax	Certificate for exemption from central sales tax under the Central Sales Tax Act, 1956 by which the following goods are exempted from payment of Central Sales Tax: Expanded Polystyrene/ Polyethylene sheets, expanded polythene cap liners, thermoformed articles and crown closures/printed sheets, polymerized compound, metal coating fluids	No.ADM/DNH/ACST/EXEMPT/ST/1419	July 24, 2002.	May 6, 2011.
5	State Sales Tax	Certificate of registration for a dealer having one place of business in the union territory of Dadra and Nagar Haveli under	DNH/ST/1513	June 4, 1996	The certificate is valid until cancelled.

Sl. No	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
		the Dadra and Nagar Haveli Sales Tax Regulation, 1978			
6	VAT	TIN number under VAT Regulation , 2005	26000001513.	N.A.	Not Applicable
7	Petroleum Act	License under the Petroleum Act, 1934	2/2005	July 7 , 2005	December 31, 2007
8	Employees' Provident Fund	Allotment for separate code number to Manaksia Crowns Limited under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.	GJ/SRT/30622	September 9, 1996.	Not Applicable

3. Approval of our unit in Survey No. 396, Village Chandrani, Taluka Anjar, Kutch.

Sl. No.	Subject Matter	Description	Reference/License No.	Issue Date	Expiry Date/ Period of validity
1.	Factory	Certificate of registration under the Factories Act, 1948	018725	April 1, 2006	Not Applicable
		License to work a factory under the Factories Act, 1948	0187 25	June 4, 2006	December 31, 2007
2	Contract Labour	Certificate of registration under the Contract Labour (Regulation & Prohibition) Act, 1970	49/2003	June 19, 2003	Not Applicable
3	Central Excise	Certificate of registration for manufacture of excisable goods under the	Registration number is AACH6882JXM018	August 18, 2004	Not Applicable

		Central Excise Rules, 2002			

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OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Public Issue

The Board of Directors has, pursuant to resolution passed at its meeting dated April 29, 2006, authorised the Public Issue subject to the approval by the shareholders of our Company under section 81(1A) of the Companies Act.

Our shareholders have authorised the Public Issue by a special resolution in accordance with section 81(1A) of the Companies Act, passed at the annual general meeting of our Company on September 28, 2006 at the Registered Office of our Company.

Prohibition by SEBI

Our Company, our Directors, our Promoter and companies in which our Directors are associated as directors, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI.

Further, our Directors, our Promoter and companies in which our Directors are associated as directors have confirmed that they have not been detained as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are pending against them.

Eligibility for the Issue

We are eligible for the Issue as per Clause 2.3.1 of the SEBI Guidelines as explained under:

Clause 2.3.1 of the SEBI Guidelines states as follows:

"2.3.1 A listed company shall be eligible to make a public issue of their equity shares or of any other securities which may be converted into or exchanged with equity shares at a later date:

Provided that *the aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e. offer through offer document + firm allotment + promoters contribution through the offer document), issue size does not exceed 5 times its pre-issue net worth as per the audited balance sheet of the last financial year.*

Provided (further) that, *in case there is a change in the name of the issuer company within the last 1 year (reckoned from the date of filing of the offer document), the revenue accounted for by the activity suggested by the new name is not less than 50% of its total revenue in the preceding 1 full year period."*

The Issue size of up to Rs. [•] million does not exceed five times the pre-issue net worth as per the audited accounts of Fiscal Year 2007 which is Rs. 13,012.75 million (i.e, five multiplied by Rs. 2,602.55 million). Hence, we are eligible for the Public Issue under Clause 2.3.1 of the SEBI Guidelines.

Disclaimer Clause

AS REQUIRED, A COPY OF THE RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO 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 PUBLIC ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, ICICI SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED PUBLIC ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, ICICI SECURITIES LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED January 29, 2007 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992 WHICH READS AS FOLLOWS:

"WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID PUBLIC ISSUE.

ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH OUR COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE PUBLIC ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY OUR COMPANY, WE CONFIRM THAT:

i. THE RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE PUBLIC ISSUE;

II. ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID PUBLIC ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY SEBI, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND

III. **THE DISCLOSURES MADE IN THE 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 PUBLIC ISSUE.**

IV. **BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.**

V. **WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

VI. **UNDER CLAUSE 4.10.1(a) OF THE SEBI GUIDELINES THE REQUIREMENT OF PROMOTER'S CONTRIBUTION AND LOCK IN FOR THREE YEARS AND ONE YEAR, RESPECTIVELY, IS NOT APPLICABLE TO OUR COMPANY. HOWEVER THE PROMOTERS AND PROMOTER GROUP HAVE VOLUNTARILY AGREED TO LOCK-IN THEIR ENTIRE SHAREHOLDING FOR A PERIOD OF ONE (1) YEAR FROM THE DATE OF ALLOTMENT OF SHARES IN THIS ISSUE. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS AND PROMOTER GROUP HAVE BEEN OBTAINED IN THIS REGARD."**

The filing of the Red Herring Prospectus does not, however, absolve our Company from any liabilities under section 63 and section 68 of the Companies Act or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Public Issue. SEBI further reserves the right to take up at any point of time, with the BRLM any irregularities or lapses in the Red Herring Prospectus.

The Book Running Lead Manager and our Company accept no responsibility for statements made otherwise than in the Red Herring Prospectus or in the advertisement or any other material issued by or at our instance and anyone placing reliance on any other source of information would be doing so at his own risk.

All legal requirements pertaining to the Public Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of section 60B of the Companies Act, 1956. All legal requirements pertaining to the Public Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of section 56, section 60 and section 60B of the Companies Act.

Undertaking

As per clause 6.3 of the SEBI Guidelines, we confirm that other than the disclosures made in the instant Red Herring Prospectus, nothing material has changed in respect of disclosure made by us at the time of our previous issue made in 1986.

Disclaimer from our Company and the BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of the above mentioned entities and anyone placing reliance on any other source of information, including our website, www.manaksia.com 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 us dated and the Underwriting Agreement to be entered into among the Underwriters and us.

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 or at bidding centres etc.

We shall not be liable to the Bidders for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

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 majors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised 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 the applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds and to permitted non residents including Eligible NRIs, FIIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Red Herring Prospectus does not, however, constitute an invitation to subscribe to Equity Shares offered hereby in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 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 Red Herring Prospectus has been filed with SEBI for observations. Accordingly, the Equity Shares, represented thereby may not be offered or sold, directly or indirectly, and this 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 Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in our 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 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, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold in the United States to "Qualified Institutional Buyers" as defined in Rule 144A under the Securities Act in reliance on Rule 144A under the Securities Act, and 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 jurisdictions where those offers and sales occur.

Disclaimer Clause of the BSE

Bombay Stock Exchange Limited ("**the Exchange**") has given vide its letter dated February 26, 2007, 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:

(i) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
(ii) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
(iii) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company

and it should not for any reason be deemed or construed to mean that this 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 CSE

As required, a copy of this Red Herring Prospectus has been submitted to CSE. CSE has given vide its letter dated April 16, 2007, permission to our Company to use CSE's name in this Red Herring Prospectus as one of the stock exchanges on which our further securities are proposed to be listed. CSE has scrutinised this Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. CSE does not in any manner:

(i) warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; or
(ii) warrant that our Company's securities will be listed or will continue to be listed on CSE; or
(iii) take any responsibility for the financial or other soundness of our Company, its promoters, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that this Red Herring Prospectus has been cleared or approved by CSE. 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

CSE 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. The disclaimer clauses given above will be updated on receipt of in-principle approval from the CSE.

Disclaimer Clause of the NSE

As required, a copy of this offer document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter ref: NSE/LIST/43848-P dated April 11, 2007 permission to the Issuer to use the Exchange's name in this offer document as one of the stock exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized 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 any 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.

UNDERTAKING FROM PROMOTERS AND DIRECTORS

Our Company accepts full responsibility for the accuracy of the information given in the prospectus and confirms that to the best of their knowledge and belief, there are no other facts, the omission of which makes any statement in the Red Herring Prospectus misleading and they further confirm that they have made all reasonable enquiries to ascertain such facts. Our Company further declares that the stock exchanges to which an application for official quotations are proposed to be made does not take any responsibility for the financial soundness of this offer or for the price at which the Equity Shares are offered or for the correctness of the statement made or opinions expressed in this prospectus. The promoters/directors declare and confirm that no information/material likely to have a bearing on the decision of investors in respect of the shares offered in terms of this prospectus has been suppressed, withheld and/or incorporated in the manner that would amount misstatement/misrepresentation, and in the event of its transpiring at any point of time till allotment/refund, as the case may be, that any information/material has been suppressed/with held and/or amounts to a misstatement/misrepresentation, the promoter/directors undertake to refund the entire application monies to all the subscribers within 7 days thereafter without prejudice to the provisions of section 63 of the Companies Act.

Filing

A copy of this Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Ground Floor, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

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 The Registrar of Companies, Office of the Registrar of Companies, West Bengal, Nizam Palace, IInd MSO Building Kolkata -

700020 and a copy of the Prospectus required to be filed under Section 60 of the Companies Act will be delivered for registration to the RoC.

Listing

Our existing Equity Shares are listed on the CSE.

Applications have been made to the BSE, NSE and CSE for permission to deal in and for an official quotation of the Equity Shares. The BSE shall be the Designated Stock Exchange with which the basis of allocation will be finalised for the Public Issue.

If the permission to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchanges, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes 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 our Company shall, on and from expiry of 8 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.

Our Company shall ensure that all steps for completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges mentioned above are taken within 7 working days of finalisation of the basis of allotment for the Public Issue.

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, the Auditors, the Legal Advisors, the Bankers to the Public Issue; and (b) the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bankers and the Registrar to the Public Issue to act in their respective capacities, have been obtained and 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 have not been withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

M/s SRB Associates, Chartered Accountants, our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report has not been withdrawn up to the time of delivery of this Red Herring Prospectus for registration with the RoC.

Expert Opinion

Except as stated in the section titled "Financial Statements" and "Statement of Tax Benefits" beginning on pages 136 and 43 respectively of this Red Herring Prospectus, we have not obtained any expert opinions.

Expenses of the Public Issue

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. The estimated expenses of the Issue are as follows:

Rs. million

Activity	Expense for the Public Issue	Percentage of total Issue size	Percentage of total Issue expenses
Lead Management, underwriting and selling commissions*	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Printing and Stationary expenses	[•]	[•]	[•]
Others (Registrar fees, legal fees etc.)	[•]	[•]	[•]
Total estimated Issue expenses	[•]	[•]	[•]

* Will be incorporated after finalisation of Issue Price

Fees Payable to the Book Running Lead Manager and Syndicate Members

The total fees payable to the BRLM and the Syndicate Members (including underwriting commission) will be as stated in the Engagement Letter, a copy of which is available for inspection at the corporate office of our Company and reimbursement of their out of pocket expenses.

Fees Payable to the Registrar to the Issue

The fees payable 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 per the Memorandum of Understanding signed with our Company a copy of which is available for inspection at the corporate office of our Company. Our Company shall bear such expenses.

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.

Particulars regarding Public or Rights Issues during the Last Five Years

No public or rights issue has been made our Company in the last five years.

Issues otherwise than for Cash

We have not issued any Equity Shares for consideration otherwise than for cash save and except as mentioned in the chapter titled "Capital Structure" under the heading notes to capital structure.

Commission and Brokerage paid on Previous Issues of our Equity Shares

There has been no public issue by our Company since the initial pubic listing.

Companies under the Same Management

There are no companies under the same management within the meaning of erstwhile Section 370 (1B) of the Companies Act other than the Subsidiaries and group companies, details of which are provided in the section titled "Our Promoter and Promoter Group" beginning on page 122 of this Red Herring Prospectus.

Promise vs. Performance – Last Three Issues

There has been no public issue in the last three years.

Promise vs. Performance – Last Issue of Group/Associate Companies

There has not been any public issue by any of the Promoter group companies. For further details see the section titled "Our Promoter and Promoter Group" beginning on page 122 of this Red Herring Prospectus.

Outstanding Debentures or Bonds

Except as described in the section titled "Financial Indebtedness" beginning on page 136 of this Red Herring Prospectus, our Company does not have any outstanding debentures or bonds.

Outstanding Preference Shares

Our Company had issued 1,187,000 5% optionally convertible non-cumulative redeemable preference shares of Rs. 20/- each on September 16, 2006. For further details see the section titled "Our Promoter and Promoter Group Companies" beginning on page 122 of this Red Herring Prospectus.

Stock Market Data of our Equity Shares

Our Company's Equity Shares are listed on the CSE, our Company's stock market data have been given for CSE.

There has been no trading of our Equity Shares on CSE during the last three (3) years.

Other Disclosures

Except as disclosed in the section "Capital Structure" beginning on page 21 of this Red Herring Prospectus, our Promoter group, or the directors of our Promoter companies or our Directors have not purchased or sold any securities of our Company during a period of six months preceding the date on which this Red Herring Prospectus is filed with SEBI.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and us will provide for retention of records with the Registrar to the Issue for a period of at least one year from the last date of despatch of the letters of allotment, demat credit and refund orders 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.

Status of Complaints

a. Total number of complaints received during last financial year (2005-06): None
b. Total number of complaints received during current financial year (2006-07): None
c. Total number of complaints received till the filing of the RHP: None
d. Status of the complaints: Not applicable

The Memorandum of Understanding between the Registrar to the Public Issue and us, will provide for retention of records with the Registrar to the Public Issue for a period of at least one year from the last date of dispatch of letters of allotment, demat credit, refund orders to enable the investors to approach the Registrar to the Public Issue for redressal of their grievances.

All grievances relating to the Public Issue may be addressed to the Registrar to the Public Issue, giving full details such as name, address of the applicant, application number, number of shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

Disposal of Investor Grievances by our Company

We estimate that the average time required by us or the Registrar to the Public Issue for the redressal of routine investor grievances shall be ten working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. Sandeep Sultania, 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:

8/1 Lal Bazar Street,
3rd floor
Kolkata 700001
India
Tel: +91-33-2231-0050 (3 lines)
Fax: +91-33-2230-0336/2242-8470
E-mail: info@manaksia.com

Changes in Auditors

There has been no change in the auditors in , Fiscal Year 2005, Fiscal Year 2006 and Fiscal Year 2007.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits during last five years except as stated in the Chapter titled “Capital Structure” on page 21 of the Red Herring Prospectus.

Revaluation of Assets

Neither we nor any of our Subsidiaries have revalued our assets in the last five (5) years.

SECTION VII: ISSUE INFORMATION

ISSUE STRUCTURE

The present Public Issue of 15,500,000 Equity Shares at a price of Rs. [●] per Equity Share for cash aggregating Rs. [•] is being made through the 100% Book Building Process. The Public Issue comprises of a Net Issue of 15,400,000 Equity Shares.

	QIB Bidders	Non Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
Number of Equity Shares available for allocation*	Up to 7,700,000 Equity Shares or Net Issue less allocation to Non Institutional Bidders and Retail Individual Bidders.	At least 2,310,000 Equity Shares or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	At least 5,390,000 Equity Shares or Net Issue less allocation to QIB Bidders and Non Institutional Bidders.	Up To 100,000 Equity Shares.
Percentage of Issue Size available for allocation	Up to 50% of Net Issue or Net Issue less allocation to Non Institutional Bidders and Retail Individual Bidders.	At least 15% of Net Issue or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	At least 35% of Net Issue or Net Issue less allocation to QIB Bidders and Non Institutional Bidders.	Up to 0.14% of Issue
Basis of Allocation if respective category is oversubscribed	Proportionate.	Proportionate.	Proportionate.	Proportionate
Minimum Bid	Such number of Equity Shares in multiples of 40 Equity Shares so that the Bid Amount exceeds Rs. 100,000.	Such number of Equity Shares in multiples of 40 Equity Shares so that the Bid Amount exceeds Rs. 100,000.	40 Equity Shares.	40 Equity Shares
Maximum Bid	Such number of Equity Shares, not exceeding the Net Issue, subject to applicable limits.	Such number of Equity Shares so that the Bid does not exceed the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of 40 Equity Shares so that the Bid Amount does not exceed Rs. 100,000.	400 Equity Shares
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.

	QIB Bidders	Non Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
Bid/Allotment Lot	40 Equity Shares in multiples of 40 Equity Shares	40 Equity Shares in multiples of 40 Equity Shares	40 Equity Shares in multiples of 40 Equity Shares	40 Equity Shares in multiples of 40 Equity Shares
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply**	Public financial institutions, as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, foreign institutional investors registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, State Industrial Development Corporations, permitted insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with minimum corpus of Rs. 250 million and pension funds with minimum	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible NRIs, scientific institutions societies and trusts.	Resident Indian Individuals, HUFs (in the name of the Karta) and Eligible NRIs applying for Equity Shares such that the Bid Amount does not exceed Rs. 100,000 in value.	Eligible Employee

	QIB Bidders	Non Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	corpus of Rs. 250 million in accordance with applicable law.			
Terms of Payment	Margin Amount applicable to QIB Bidders at the time of submission of Bid cum Application Form to the BRLM.	Margin Amount applicable to Non Institutional Bidders at the time of submission of Bid cum Application Form to the Syndicate Members.	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid cum Application Form to the Syndicate Members.	Margin Amount applicable to Retail Individual Bidders at the time of submission of Bid cum Application Form to the Syndicate Members
Margin Amount	10% of Bid Amount.	100% of Bid Amount.	100% of Bid Amount.	100% of Bid Amount

* Subject to valid Bids being received at or above the Public Issue Price. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, if the aggregate demand by Mutual Funds is less than 385,000 Equity Shares (assuming QIB Portion is 50% of the Net Issue size, i.e. 7,700,000 Equity Shares), the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders. In the event that the aggregate demand in the QIB Portion has been met, under-subscription, if any, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange.

** 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.

Withdrawal of the Public Issue

Our Company, in consultation with the BRLM, reserves the right not to proceed with the Public Issue at anytime after the Bid/ Public Issue Opening Date but before Allotment, without assigning any reason therefore.

Letters of Allotment or Refund Orders

We shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allocation. Applicants residing at 15 centres where clearing houses are managed by the RBI, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit & 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/Public Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be send a letter through ordinary post intimating them about the mode of credit of refund within 15 days of closure of the Public Issue.

Interest in Case of Delay in Despatch of Allotment Letters/ Refund Orders.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, our Company undertakes that:

- Allotment shall be made only in dematerialised form within 15 days from the Bid/ Public Issue Closing Date;
- Despatch of refund orders shall be done within 15 days from the Bid/ Public Issue Closing Date; and
- Our Company shall pay interest at 15% per annum, if Allotment is not made, refund orders are not despatched and/ or demat credits are not made to investors within the 15 day time prescribed above.

We will provide adequate funds required for despatch of refund orders or Allotment advice to the Registrar to the Public Issue.

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 encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Bid/Public Issue Programme

Bidding Period/Public Issue Period

BID/PUBLIC ISSUE OPENS ON	**Monday, December 17, 2007**
BID/PUBLIC ISSUE CLOSES ON	**Wednesday, December 19, 2007**

Bids and any revision in Bids shall be accepted **only between 10 a.m. and 3 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form and uploaded till such time as permitted by the Stock Exchanges on the Bid/Public Issue Closing Date.

The price band will be decided by our Company in consultation with the BRLM and announced and advertised at least one day prior to the issue opening date/bid opening date. In the meantime, the investors may be guided by the price of our Equity Shares listed on the CSE. The Price Band shall be advertised at least one day prior to the Bid Opening Date/Public Issue Opening date in The Economic Times,(editions: Ahmedabad, Bangalore, Mumbai, New Delhi, Hyderabad, Chennai, Pune and Kolkata) an English language newspaper with wide circulation, in Kalantar, (edition: Kolkata) a Bengali language newspaper with wide circulation and in Navbharat Times, (editions: Mumbai and Delhi) a Hindi Newspaper with wide circulation.

Our Company reserves the right to revise the Price Band during the Bidding Period in accordance with SEBI Guidelines. 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/Public Issue Opening Date.

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

PUBLIC ISSUE PROCEDURE

Book Building Procedure

The Public Issue is being made through the 100% Book Building Process wherein up to 50% of the Net Issue will be available for allocation on a proportionate basis to QIBs, including up to 5% of the QIB Portion which shall be available for allocation to Mutual Funds only. Further, not less than 35% of the Net Issue shall be available for allocation on a proportionate basis to the Retail Individual Bidders and not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Public Issue Price.

Bidders are required to submit their Bids through the Syndicate. However, the Bids by QIBs shall be submitted only to the BRLM. In case of QIB Bidders, our Company, in consultation with BRLM, may reject their Bid at the time of acceptance, of the Bid cum Application Form, provided that the reasons for rejecting the same are provided to such Bidders in writing. In case of Non Institutional Bidders, 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 dematerialized form. The Equity Shares on Allotment shall be traded only in the dematerialized 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 the Red Herring Prospectus. The Bidder 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 allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, 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 authorized our Company to make the necessary changes in this 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 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
Indian public and Eligible NRIs applying on a non-repatriation basis	White
Non Residents, Eligible NRIs or FIIs applying on a repatriation basis	Blue
Eligible Employees	Pink

Who can Bid?

1. Indian nationals resident in India who are majors in single or joint names (not more than three);
2. 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;

3. Eligible NRIs on a repatriation basis or a non-repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not permitted to participate in this Issue;
4. Companies and corporate bodies registered under the applicable laws in India and authorized to invest in equity shares;
5. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorized under their constitution to hold and invest in equity shares;
6. Scientific and/or industrial research organizations authorized to invest in equity shares;
7. Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to the RBI regulations and the SEBI guidelines and regulations, as applicable);
8. Mutual funds registered with SEBI;
9. FIIs registered with SEBI, on a repatriation basis;
10. Multilateral and bilateral development financial institutions;
11. Venture capital funds registered with SEBI;
12. Foreign venture capital investors registered with SEBI;
13. State industrial development corporations;
14. Insurance companies registered with the Insurance Regulatory and Development Authority, India;
15. As permitted by the applicable laws, provident funds with minimum corpus of Rs. 250 million and who are authorized under their constitution to invest in equity shares;
16. Pension funds with a minimum corpus of Rs. 250 million and who are authorized under their constitution to invest in equity shares; and
17. Eligible Employees of our Company.

Application 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 385,000 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.

The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. 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.

As per 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 equity shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in 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.

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 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.

Application by Eligible NRIs/FIIs registered with SEBI / FVCIs registered with SEBI on a repatriation basis

Eligible NRIs are required to comply with the following:

1. Individual Eligible NRIs can obtain the Bid cum Application Form from the Registered Office, our corporate office, members of the Syndicate or the Registrar to the Issue.

2. Eligible NRI Bidders may note that only such Bids as are accompanied by payment in free foreign exchange shall be considered for allotment. Eligible NRIs who intend to make payment through the Non-Resident Ordinary (NRO) accounts shall use the Bid cum Application Form meant for resident Indians (White in colour).

Bids and revision to the Bids must be made:

a) On the Bid cum Application Form or the Revision Form, as applicable, and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

b) In a single name or joint names (not more than three and in the same order as their Depository Participant details).

c) By Eligible NRIs – Bids for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of Allocation and for a Bid Amount of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of Allocation.

d) By FIIs /FVCIs registered with SEBI – for a minimum of such number of Equity Shares and in multiples of 40 thereafter such that the Bid Amount exceeds Rs. 100,000.

e) In the names of individuals, or in the names of FIIs or FVCIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding Eligible NRIs) or their nominees.

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 U.S. 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. We will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Our Company does not require any approval for the Issue of Equity Shares to Eligible NRIs, FIIs, foreign venture capital investors registered with SEBI and multilateral and bilateral development financial institutions and other Eligible NRIs. As per the RBI regulations, OCBs are not permitted to participate in the Issue.

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 Public Issue.

Participation by Associates of the BRLM and Syndicate Members:

Associates of the BRLM and the Syndicate Members may bid and subscribe to Equity Shares in the Public Issue either in the QIB Portion or in Non Institutional Portion as may be applicable to such investors. Such bidding and subscription may be on their own account or on behalf of their clients. Allotment to all investors including associates of the BRLM and the Syndicate Members shall be on a proportionate basis.

However, the BRLM and Syndicate Members shall not be entitled to subscribe to this Public Issue in any manner except towards fulfilling their underwriting obligation.

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.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of 40 Equity Shares and in multiples of 40 Equity Shares thereafter and it must be ensured that the Bid Amount 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 purchase Equity Shares at the final Public 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 40 Equity Shares. A Bid cannot be submitted for more than the Public Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI guidelines, a QIB Bidder cannot withdraw its Bid after the Bid /Public Issue Closing Date.

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 are not entitled to the option of bidding at Cut-off Price.

(c) **For Eligible Employees:** Bids must be for a minimum of 40 Equity Shares and in multiples of 40 Equity Shares thereafter. The maximum Bid by an Eligible Employee in the Employee Reservation Portion cannot exceed 400 Equity Shares.

Information for the Bidders:

(a) Our Company will file the Red Herring Prospectus with the RoC at least (3) three days before the Bid/Public Issue Opening Date.

(b) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.

(c) Investors who are interested in subscribing for our Company's Equity Shares should approach the BRLM or the Syndicate Members or their authorized agent(s) to register their Bid.

(d) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of a member of the Syndicate. Bid cum Application Forms, which do not bear the stamp of a member of the Syndicate will be rejected.

Method and Process of Bidding

(a) Our Company and the BRLM shall declare the Bid/Public Issue Opening Date and the Bid/Public Issue Closing Date at the time of filing the Red Herring Prospectus with RoC and also publish the same in three widely circulated newspapers (one each in English, Bengali and Hindi). This advertisement shall contain the minimum disclosures as specified under Schedule XX-A of the SEBI Guidelines. The members of the Syndicate shall accept Bids from the Bidders during the Bidding/Public Issue Period in accordance with the terms of the Syndicate Agreement. Investors who are interested in subscribing to our Equity Shares should approach any of the members of the Syndicate or their authorized agent(s) to register their Bid.

(b) The Bidding 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 Period will be published in three widely circulated newspapers (one each in English, Bengali and Hindi) and the Bidding Period may be extended, if required, by an additional three days, subject to the total Bidding Period not exceeding (10) ten working days.

(c) Each Bid cum Application Form will give the Bidder the choice to bid for up to three optional prices (for details, see the section titled "Public Issue Procedure - Bids at Different Price Levels" beginning on page 297 of this Red Herring Prospectus) 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 Public Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Public Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.

(d) The Bidder cannot bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to a 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 Bids 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 allocation or allotment of Equity Shares in this Public Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the section titled "Public Issue Procedure - Build up of the Book and Revision of Bids" beginning on page 297 of this Red Herring Prospectus.

(e) The members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip ("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.

(f) During the Bidding Period, Bidders may approach a member 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 this Red Herring Prospectus.

(g) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "Issue Procedure - " beginning on page 292 of this Red Herring Prospectus.

Bids at different price levels

(a) The Price Band will be advertised at least one day prior to the Bid/Issue Opening date in Economic Times (editions: Ahmedabad, Bangalore, Mumbai, New Delhi, Hyderabad, Chennai, Pune and Kolkata), an English language newspaper with wide circulation, Kalantar (edition: Kolkata), a Bengali newspaper with wide circulation and Nava Bharat Times (edition: Mumbai and New Delhi) a Hindi newspaper with wide circulation. The Bidders can bid at any price within the Price Band, in multiples of Re. 1.

(b) In accordance with the SEBI Guidelines, our Company reserves the right to revise the Price Band during the Bidding Period. 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/Public Issue Opening date in Economic Times (editions: Ahmedabad, Bangalore, Mumbai, New Delhi, Hyderabad, Chennai, Pune and Kolkata), an English language newspaper with wide circulation, Kalantar (edition: Kolkata), a Bengali newspaper with wide circulation and Nava Bharat Times (edition: Mumbai and New Delhi), a Hindi newspaper with wide circulation.

(c) In case of revision in the Price Band, the Public Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding/Public Issue Period, if applicable, will be widely disseminated by notification to the BSE, the NSE and the CSE by issuing a public notice in three widely circulated newspapers (one each in English, Bengali and

Hindi) and also by indicating the change on the websites of the BRLM and at the terminals of the members of the Syndicate.

(d) Our Company in consultation with the BRLM can finalise the Public Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the Bidders.

(e) The Bidder can bid at any price within the Price Band. The Bidder has to bid for the desired number of Equity Shares at a specific price. **Retail Individual Bidders applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB Bidders and Non Institutional Bidders in excess of Rs. 100,000 and such Bids from QIBs and Non Institutional Bidders shall be rejected.**

(f) 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 deposit the Bid Amount based on the Cap Price in the Escrow Account. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, who Bid at Cut-off Price (i.e. the total number of Equity Shares allocated in the Public Issue multiplied by the Public Issue Price), the Retail Individual Bidders, who Bid at Cut-off Price, shall receive the refund of the excess amounts from the Escrow Account or the Refund Account, as the case may be.

(g) 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 Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Public 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.

(h) 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 Escrow Account or the Refund Account, as the case may be.

(i) In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain 40 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 shall open Escrow Accounts with the Escrow Collection Banks in whose favour the Bidders shall write 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 would be deposited in the Escrow Account. The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The monies in the Escrow Account shall be maintained by the Escrow Collection Bank(s) for and on behalf of the Bidders. The Escrow Collection Bank(s) 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 Account to the Public Issue Account and the Refund Account as per the terms of the Escrow Agreement.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between us, the, the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Public Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Accounts

Each Bidder, shall pay the applicable Margin Amount, 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 see section titled "Public Issue Procedure - Payment Instructions" beginning on page 305 of this 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.

Each category of Bidders i.e. QIB Bidders, Non Institutional Bidders, Retail Individual Bidders, Eligible Employees 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 in the section titled "Issue Structure" beginning on page 292 of this 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 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, which shall be a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLM. 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 members of the Syndicate do not waive such payment, 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 our Company shall pay interest at 15% per annum for any delay beyond the periods as mentioned above.

Application in the Issue

Equity Shares being issued through the Red Herring Prospectus can be applied for in the dematerialized form only.

PAYMENT INSTRUCTIONS

Our Company shall open Escrow Accounts with the Escrow Collection Bank(s) 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 Account

(i) The Bidders for whom the applicable margin is equal to 100% shall, with the submission of the Bid cum Application Form draw a payment instrument for the Bid Amount in favour of the Escrow Account and submit the same to the members of the Syndicate.

(ii) In case the above Margin Amount paid by the Bidders during the Bidding Period is less than the Issue Price multiplied by the Equity Shares allocated to the Bidder, the balance amount shall be paid by the Bidders into the Escrow Account within the period specified in the CAN which shall be subject to a minimum period of two days from the date of communication of the allocation list to the members of the Syndicate by the BRLM.

(iii) The payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident QIB Bidders: **"Escrow Account – Manaksia Public Issue-QIB-R"**

(b) In case of Non Resident QIB Bidders: **"Escrow Account- Manaksia Public Issue-QIB-NR"**

(c) In case of resident Bidders: **"Escrow Account – Manaksia Public Issue-R"**

(d) In case of Non Resident Bidders: **"Escrow Account – Manaksia Public Issue-NR"**

(e) In case of Eligible Employees **: "Escrow Account – Manaksia Public Issue – Eligible Employees"**

(i) 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.

(ii) 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.

(iv) Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable on the Equity Shares allocated, will be refunded to the Bidder from the Refund Account.

(v) The monies deposited in the Escrow Account will be held for the benefit of the Bidders till the Designated Date.

(vi) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Account as per the terms of the Escrow Agreement into the Issue Account.

(vii) On the Designated Date and not later than 15 days from the Bid/Public 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 banker's 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/stock invest/money orders/postal orders will not be accepted.

Payment by Stock invest

In terms of the Reserve Bank of India's Circular No. DBOD No. FSC BC 42/24.47.00/2003-04 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.

Electronic registration of Bids

(a) The members of the Syndicate will register the Bids using the on-line facilities of the BSE and the NSE. 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.

(b) The BSE and the NSE 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 authorized 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 download 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.

(c) The aggregate demand and price for Bids registered on the electronic facilities of the BSE and the NSE will be displayed on-line at all bidding centers and on the websites of the BSE and the NSE. A graphical representation of consolidated demand and price would be made available at the bidding centers during the Bidding Period. Such graphical representation of demand and bid prices shall be updated at periodic intervals not exceeding 30 minutes.

(d) 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 Bidder(s)
- Investor category – individual, corporate, or Mutual Fund etc.
- Numbers of Equity Shares bid for
- Bid price
- Bid cum Application Form number
- Margin Amount paid upon submission of Bid cum Application Form
- Depository participant identification no. and client identification no. of the beneficiary account of the Bidder

(e) 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.

(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 BSE and the NSE 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 the BSE and the NSE ; 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, our Promoter, our Promoter group, our management or any scheme or project of our Company.

(h) It is also to be distinctly understood that the approval given by the BSE, the NSE and the CSE should not in any way be deemed or construed that this Red Herring Prospectus has been cleared or approved by the BSE, the NSE and the CSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that our Equity Shares will be listed or will continue to be listed on the BSE, the NSE and the CSE.

Build up of the Book and Revision of Bids

(a) Bids registered through the members of the Syndicate shall be electronically transmitted to the BSE and 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 on a regular basis.

(c) 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 during the Bidding/Issue Period using the printed Revision Form which is a part of the Bid cum Application Form.

(d) 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.

(e) 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.**

(f) 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 Red Herring Prospectus. In case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(g) 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.**

(h) Only Bids that are uploaded on the online IPO system of the NSE and the BSE shall be considered for Allocation. In case of discrepancy of data between the BSE and the NSE and the members of the Syndicate, the decision of the BRLM based on the physical records of Bid cum Application Forms, shall be final and binding on all concerned.

Price Discovery and Allocation

(a) After the Bid /Issue Closing Date, the BRLM will analyse the demand generated at various price levels.

(b) Our Company, in consultation with the BRLM, shall finalise the "Issue Price" and the number of Equity Shares to be allocated in each investor category.

(c) The allocation to Non-Institutional Bidders and Retail Individual Bidders of at least 15% and 35% of the Net Issue respectively, the allocation to QIBs for up to 50% of the Issue and the allocation to Eligible Employees would be on proportionate basis, in the manner specified in the SEBI Guidelines and this Red Herring Prospectus, in consultation with Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price.

(d) Undersubscription, if any, in any category of the Issue would be allowed to be met with spill over from any of the other categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. However, if the aggregate demand by Mutual Funds is less than 385,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and be allocated proportionately to the QIB Bidders.

(e) Allocation to Non Residents applying on a repatriation basis will be subject to the terms and conditions stipulated by the RBI while granting permission for the transfer of Equity Shares to them and to applicable law.

(f) 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.

(g) We reserve the right to cancel the Issue any time after the Bid/Issue Opening Date but before the Allotment without assigning any reasons whatsoever.

(h) In terms of the SEBI Guidelines, 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 Members shall enter into an Underwriting Agreement upon finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, we would update and file the updated Red Herring Prospectus with the RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price and Issue size and would be complete in all material respects.

Advertisement regarding Public Issue Price and Prospectus

After filing of the Prospectus with the RoC, a statutory advertisement will be issued by our Company in a widely circulated English national newspaper, a Hindi national newspaper and a Bengali newspaper. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(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. Investors should note that our Company shall ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue;

(b) The BRLM or members of the Syndicate would then send the CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder; and

(c) Such Bidders who have been allocated Equity Shares and who have already paid the Margin Amount for the said Equity Shares 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 Accounts. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

INVESTORS ARE ADVISED TO INSTRUCT THEIR DEPOSITORY PARTICIPANT TO ACCEPT THE EQUITY SHARES THAT MAY BE ALLOTTED TO THEM PURSUANT TO THIS ISSUE.

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 Bid applications received. Based on the electronic book, QIBs will be sent a CAN on or prior to [●], 2007, 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 physical book prepared by the Registrar. Subject to SEBI Guidelines, 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 and specified in the physical book. As a result, a revised CAN may be sent to QIBs, on or prior to [●], 2007, 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 Bid/Issue Closing Date. After the funds are transferred from the Escrow Account to the Issue Account and the Refund Account on the Designated Date, our Company would ensure the credit to the successful Bidders' depository accounts of the allotted Equity Shares to the allottees within two working days from the date of Allotment.

(b) As per the SEBI Guidelines, **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 Companies Act and the Depositories Act.

Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated to them pursuant to this Public Issue.

Letters of Allotment or Refund Orders

We shall give credit to the beneficiary account with Depository Participants within two working days from the date of the Allotment. 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 /Public Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, we undertake that:

- Allotment and transfer shall be made only in dematerialised 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
- We shall pay interest at 15% per annum (for any delay beyond the 15 day time period as mentioned above), if Allotment is not made, refund orders are not dispatched and/or demat credits are not made to investors within the 15 day time prescribed above.

GENERAL INSTRUCTIONS

Do's:

a) Check if you are eligible to apply.

b) Read all the instructions carefully and complete the Bid cum Application Form (white, blue or pink in colour) as the case may be.

c) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be allotted in the dematerialized form only.

d) Ensure that the Bids are submitted at the bidding centers only on forms bearing the stamp of a member of the Syndicate.

e) Ensure that you have been given a TRS for all your Bid options.

f) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS.

g) For all Bid(s) irrespective of the amount, each of the Bidders, should mention their Permanent Account Number (PAN) allotted under the I.T. Act. The copies of the PAN card or PAN allotment letter should be submitted with the Bid cum Application Form.

h) 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

i) Ensure that the Demographic Details are updated, true and correct, in all respects.

j) QIBs shall submit Bids only to the BRLM or Syndicate Members duly appointed in this regard.

Don'ts:

(a) Do not Bid for lower than the minimum Bid size.

(b) Do not Bid/revise Bid price to less than 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, by money order or by postal order or by stock invest.

(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, Non Institutional Bidders, for whom the Bid Amount exceeds Rs. 100,000).

(g) Do not fill up the Bid cum Application Form such that the Equity Shares bid for exceeds the Public 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.

(h) **Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.**

Bids and Revisions of Bids

Bids and revisions of Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (white, blue or pink colour).

(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 Bid cum Application Form or in the Revision Form.

(d) The Bids from the Retail Individual Bidders must be for a minimum of 40 Equity Shares and in multiples of 40 Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.

(e) For Non Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares in multiples of 40 Equity Shares such that the Bid Amount exceeds Rs. 100,000. Bids cannot be made for more than the Issue. 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 or regulations.

(g) 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 details

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THE 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.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name and 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 demographic details of the Bidders such as address, bank account details for printing on refund orders or give credit through ECS and occupation ("Demographic Details"). Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the refund orders/ECS credit for refunds/CANs/Allocation advice and printing of Company particulars on the refund order and the Demographic Details given by Bidders in the Bid cum Application Form would not be used for these purposes by the Registrar. Hence, Bidders are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Bid cum Application Form, the Bidder would 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.

Refund orders/allocation advices/CANs would be mailed at the address of the Bidder as per the Demographic Details received from the Depositories. Bidders may note that 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 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 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, then such Bids are liable to be rejected.

Bidder's Bank Details

Bidders should note that on the basis of names 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 will obtain from the Depository the Bidder bank Account details. These bank account details would be printed on the refund order, if any, to be sent to Bidders or used for sending the refund through ECS, 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 credit of refund to Bidders at the Bidders sole risk and neither the BRLM nor our Company shall have any responsibility and undertake any liability for the same.

Bids under Power of Attorney

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, our Company reserves the right to reject such Bids in whole or in part.

In case of the Bids made pursuant to a power of attorney by FIIs, FVCIs, VCFs and Mutual Funds, 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 lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to reject such Bid in whole or in part.

Our Company, in its absolute discretion, reserves 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 the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on the refund order and mailing of the refund order/CANs/allocation advice, 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 to the Issue shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Bids made by Insurance Companies

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, our Company reserves the right to reject such Bids in whole or in part.

Bids made by Provident Funds

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, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefore.

SUBMISSION OF BID CUM APPLICATION FORM

All Bid cum Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts equivalent to the Margin Amount 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 center 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.

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. No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

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.

Our Company reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories.

Bids in the Employee Reservation Portion

1. Bids in the Employee Reservation Portion may be made by Eligible Employees only.
2. In case of Bids by Eligible Employees, Bids must be made only in the prescribed Bid Cum Application Form (pink in colour).
3. The sole/first Bidder should be the Eligible Employee.
4. The Eligible Employee should mention his or her employee number at the relevant place in the Bid Cum Application Form.
5. Bids by Eligible Employees in the Employee Reservation Portion have to be received at or above the Issue Price for being considered for allocation in the Employee Reservation Portion.

6. Bids by Eligible Employees can also be in the “Net Issue to the Public”, and such bids will not be considered as multiple Bids.
7. Bids by Eligible Employees can also be in the “Net Issue to the Public”, and such bids will not be considerd as multiple Bids.
8. The Bid should be for a minimum of 40 Equity Shares and in multiples of 40 Equity Shares thereafter
9. The maximum Bid by the Eligible Employee under the Employee Reservation Portion shall not exceed 400 Equity Shares.
10. Allotment in the Employee Reservation Portion would be on a proportionate basis.

‘PAN’

Every Bidder or in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. **The copy of the PAN card(s) or PAN allotment letter(s) is required to be submitted with the Bid cum Application Form. Applications without this information and documents will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.

Right to Reject Bids

In case of QIB Bidders, our Company in consultation with the BRLM 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, Retail Individual Bidders and Eligible Employees , our Company has 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. Age of first Bidder not given;
3. In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no such partnership firm, shall be entitled to apply;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
6. PAN not stated**.** See section titled “Public Issue Procedure—PAN” beginning on page 316 of this Red Herring Prospectus;
7. Bids for lower number of Equity Shares than specified for that category of investors;
8. Bids at a price less than 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 number of Equity Shares, which are not in multiples of 40;
12. Category not ticked;
13. Multiple Bids as defined in this Red Herring Prospectus;
14. In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
15. Bids accompanied by stock invest/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 Members;
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 this Red Herring Prospectus and as per the instructions in this 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 depositary participant's identity (DPID) and the beneficiary account number;
21. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations. For further details see titled "Issue Procedure – Bids at Different Price Levels" beginning on page 305 of this Red Herring Prospectus;
22. Bids by OCBs;
23. Bids by U.S. persons other than "qualified institutional buyers" as defined in Rule 144A of the U.S. Securities Act, 1933;
24. Bids by QIBs not submitted through members of the Syndicate; and

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 Public Issue shall be allotted only in a de-materialised 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 agreements have been signed among our Company, the respective Depositories and the Registrar to the Public Issue:

a) an agreement dated July 15, 2005 between NSDL, us and Registrar to the Issue;
b) an agreement dated September 16, 2004 between CDSL, us and Registrar to the Issue.

All Bidders can seek Allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

a) 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.

b) 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.

c) 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.

d) 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.

e) 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.

f) 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.

g) 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.

h) The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

BASIS OF ALLOCATION.

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 category. The Allotment to all successful Retail Individual Bidders will be made at the Issue Price.

- The Net Issue less allocation to Non Institutional Bidders and QIB Bidders shall be available for allocation 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 valid Bids in this category is for less than or equal to 5390000 Equity Shares at or above the Public Issue Price, full allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

- If the valid Bids in this category are for more than 5390000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of 40 Equity Shares and in multiples of one Equity Shares 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 category. The Allotment to all successful Non Institutional Bidders will be made at the Issue Price.

- The Issue 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 valid Bids in this category is for less than or equal to 2310000 Equity Shares at or above the Issue Price, full allotment shall be made to Non Institutional Bidders to the extent of their valid Bids.

- In case the valid Bids in this category are for more than 2310000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis up to a minimum of 40 Equity Shares and in multiples of one Equity Shares thereafter. For the method of proportionate basis of allocation refer below.

C. For 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 Net Issue less allocation to Non-Institutional Portion and Retail Portion shall be available for proportionate allocation to QIB Bidders who have bid in the Public 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 an amount of up to 385,000 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 385,000 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. For the purposes of this paragraph it has been assumed that the QIB Portion for the purposes of the Issue amounts to 50% of the Net Issue size, i.e. 7,700,000 Equity Shares.

- 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 Public 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.

Under subscription, if any, in any category would be allowed to be met with spill over form any other category at the sole discretion of our Company and the BRLM, in accordance with applicable laws, rules and regulations.

D. FOR ELIGIBLE EMPLOYEES

- Bids received from Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allocation to all successful Bidders in the Employee Reservation Portion will be made at Issue Price.

- If the aggregate demand in the Employee Reservation Portion is less than or equal to 100,000 Equity Shares at or above the Issue Price, full Allocation shall be made to such Bidders in the Employee Reservation Portion to the extent of the demand.

- If the aggregate demand in the Employee Reservation Portion is more than 100,000 Equity Shares at or above the Issue Price, the Allocation shall be made on a proportionate basis. For the definition of term "Eligible Employee" for the purposes of the Employee Reservation Portion please refer to section titled "Definitions and Abbreviation" beginning on page i of this Red Herring Prospectus.

Method of Proportionate basis of allocation in the Issue

Bidders will be categorized according to the number of Equity Shares applied for by them.

(a) 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.

(b) 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.

In all Bids where the proportionate allotment is less than 40 Equity Shares per Bidder, the allotment shall be made as follows:

- Each successful Bidder shall be allotted a minimum of 40 Equity Shares; and
- 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.

If the proportionate allotment to a Bidder is a number that is more than 40 but is not a multiple of one (which is the market 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. All Bidders in such categories would be allotted Equity Shares arrived at after such rounding off.

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 Equity 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. The basis of allocation on a proportionate basis shall be finalised in consultation with the Designated Stock Exchange.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Public Issue details

Sr. No	Particulars	Public Issue details
1	Public Issue size	200 million Equity Shares
2	Allocation to QIB (up to 50% of the Net 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

S.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 Mutual Funds), 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

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 Red Herring Prospectus in the section titled "Issue Structure" beginning on page 292 of this Red Herring Prospectus.
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:

    1. For QIBs other than Mutual Funds (A1 to A5) = Number of Equity Shares Bid for X 95 /495
    2. 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
    3. 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.

COMMUNICATIONS

All future communication 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.

Disposal of Investor Grievances by our Company

We estimate that the average time required by us or the Registrar to the Public Issue for the redressal of routine investor grievances shall be seven days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have appointed Mr. Sandeep Sultania, 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:

Manaksia Limited8/1 Lalbazar Street
Kolkata 700001
Ph: +91-33-2221-0050 (3 lines), + 91 33 2243 5053/5054/5556
Fax: +91-33-2220-0336/2242-8470
Website: www.manaksia.com
E-mail: info@manaksia.com

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."

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS

Our Company shall give credit of Equity Share allotted to the beneficiary account with Depository Participants within 15 working days of the Bid Closing Date / Issue Closing Date. Applicants residing at 15 centres where clearing houses are managed by the Reserve Bank of India (RBI) will get refunds through ECS only (subject to availability of all information for crediting the refund through ECS).

In case of other applicants, our Company 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, except for Bidders who have opted to receive refunds through the ECS facility.

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 15 working days of closure of the Issue.

Our Company shall ensure dispatch of refund orders, if any, by "Under Certificate of Posting" or registered post or speed post or ECS, as applicable, only at the sole or First Bidder's sole risk within 15 (fifteen) days of the Bid Closing Date/Public Issue Closing Date, and adequate funds for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer.

Our Company shall ensure dispatch of allotment advice, refund orders and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the allotment to the Stock Exchanges within 2 (two) working days of date of Allotment.

Our 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 7 (seven) working days of the finalisation of the basis of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, we further undertake that:

- Allotment of Equity Shares shall be made only in dematerialised form within 15 (fifteen) days of the Bid /Issue Closing Date;

- dispatch of refund orders, except for Bidders who have opted to receive refunds through the ECS facility, within 15 (fifteen) working days of the Bid /Issue Closing Date would be ensured; and

- we shall pay interest at 15% (fifteen) per annum (for any delay beyond the 15 (fifteen) day time period as mentioned above), if Allotment is not made and refund orders are not dispatched and/or demat credits are not made to investors within the 15 (fifteen) day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance pursuant to their letter No. F/8/S/79 dated July 31, 1983, as amended by their letter No. F/14/SE/85 dated September 27, 1985, addressed to the stock exchanges, and as further modified by SEBI's Clarification XXI dated October 27, 1997, with respect to the SEBI Guidelines.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by us, as an Escrow Collection Bank and payable at par at places where Bids are received, except for Bidders who have opted to receive refunds through the ECS facility. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Mode of Making Refunds

The payment of refund, if any, would be done through the following methods in the following order of preference:

1. NEFT - 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.

2. ECS - Payment of refund would be done mandatorily through ECS for applicants having an account at any of the 15 centres where clearing houses for ECS are managed by the Reserve Bank of India, namely Ahmedabad, Bangalore, Bhubneshwar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna and Thiruvananthapuram. This mode of payment of refunds would be subject to availability of complete bank account details including the nine digit Magnetic Ink Character Recognition (MICR) code as appearing on a cheque leaf, from the depository. The payment of refund through ECS is mandatory for applicants having a bank account at any of the 15 centers named hereinabove, except where applicant is otherwise disclosed as eligible to get refunds through direct credit or RTGS.

3. Direct Credit – Applicants having their bank account with the Refund Bank shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to the eligible applicant's bank account with the Refund Bank. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.

4. RTGS – Applicants having a bank account at any of the 15 centres detailed above, and whose Bid amount exceeds Rs, 1 million, shall be eligible to exercise the option to receive refunds, if any, through RTGS. All applicants eligible to exercise this option shall mandatorily provide the IFSC code in the Bid cum Application form. In the event of failure to provide the IFSC code in the Bid cum Application form, the refund shall be made through the ECS or direct credit, if eligibility disclosed. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

   Note: Wherever payments cannot be made through NEFT or ECS or direct credit and the refund amount exceeds one million, such applicants shall have the option to receive the refund payment through RTGS.

Please note that only applicants having a bank account at any of the 15 centres where clearing houses for ECS are managed by the RBI are eligible to receive refunds through the modes detailed in (1), (2) and (3) above. For all the other applicants, including applicants who have not updated their bank particulars along with the nine digit MICR Code, the refund orders would be despatched "Under Certificate of Posting" for refund orders of value up to Rs. 1,500 and through Speed Post/Registered Post for refund orders of Rs. 1,500 and above.

Undertaking by our 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 7 working days of finalisation of the basis of allotment;
- that the funds required for dispatch of refund orders or allotment advice by registered post or speed post 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 Bid/Issue Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
-

Utilisation of Public Issue proceeds

Our Board of Directors certifies that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- details of all monies utilised out of the Issue referred to herein above, shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilised;
- details of all unutilized monies out of the Issue, if any, referred to herein above, shall be disclosed under the appropriate head in our balance sheet indicating the form in which such unutilised monies have been invested.

Our Company 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, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 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 the 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 investment. Under the current foreign investment policy, foreign equity participation up to 100% is permissible under the automatic route in the aluminium processing sector.

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 post-Issue share capital.

As per the RBI regulations, OCBs cannot participate in this Issue.

Transfers of equity shares previously required the prior approval of the FIPB. However, vide a RBI circular dated October 4, 2004 issued by the RBI, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy, (ii) the non-resident shareholding is within the sectoral limits under the FDI policy, and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Subscription by foreign investors (NRIs/ FIIs)

It is to be distinctly understood that there is no reservation for Non-Residents, NRIs and FIIs and all Non-Resident, NRI and FII applicants will be treated on the same basis as 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 the post-Issue paid-up capital of our Company (i.e., 10% of 69,534,050 Equity Shares). In respect of an FII investing in our 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 or 5% of total issued capital of our Company in case such sub account is a foreign corporate or an individual.

As of now, the aggregate FII holding in our Company cannot exceed 24% of the total issued capital of our Company. With approval of our Board and that of the shareholders by way of a special resolution, the aggregate FII holding limit can be enhanced up to 100%; however as of the date of this Red Herring Prospectus no such resolution has been recommended to our shareholders for approval.

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 (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) 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.

The above information is given for the benefit of the Bidders. Our Company or the BRLM is/are not liable for any amendments or modification or changes in applicable laws or regulations, which may happen after the date of this 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.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

Pursuant to Schedule II of the Companies Act and the SEBI Guidelines, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in the Articles of Association and capitalized/defined terms herein have the same meaning given to them in the Articles of Association.

SHARES

5. Subject to the provisions of these Articles and of Section 80 of the Act, our Company shall have power to issue Preference Shares, which are, or at the option of our Company are to be liable to be redeemed on such terms and in such manner as our Company may determine.

6. Subject to the provisions of the Act, the shares shall be under the control of the Board, who may allot or otherwise dispose of the same to such persons on such terms and conditions at such times, either at par or at a premium or at a discount and for such considerations as the Board thinks fit, provided that no option or right to call for the allotment of any shares shall be given to any person or class of persons except with the sanction of our Company in a General Meeting and any debenture, debenture stocks, bonds or other securities with the option or right to allotment of or conversion into shares shall not be issued except with the sanction of our Company in a General Meeting.

MODIFICATION OF RIGHTS

7.(i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of Sections 106 and 107 of the Act, and whether or not our Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that clause, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these Articles relating to general meetings shall mutates mutants apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one third of the issued shares of the class in question.

8. 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 by the creation or issue of further shares ranking pari passu therewith.

TRUSTS NOT RECOGNISED

9. Except as required by Law, no person shall be recognized by our Company as holding any shares upon any trust and our Company shall not be bound by or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

SHARE CERTIFICATE

10. Subject to the provisions of the Companies (Issue of Shares Certificates) Rules, 1960, or any statutory modification or re enactment thereof, share certificate shall be issued as follows :

i) The Certificate of title to shares shall be issued under the seal of our Company (affixed in presence of two Directors and secretary or some other persons appointed by the Board for the purpose, all of whom shall sign such share certificates) within three months after allotment of the shares (or within such other period as conditions of the issue shall provide) or within two months after the application for the registration of transfer of shares is received.

ii) Every member shall be entitled to receive :

(a) One Certificate for all his shares without payment, or

(b) Several Certificates, each for one or more of his shares, upon payment of Re. 1/- for every certificate after the first which does not comprise shares in lots of market units of trading; or

(c) Several Certificates without payment as per the directions of the Stock Exchange in which the shares of our Company are listed.

iii) Every Certificate shall specify the name of the person in whose favour the Certificate is issued, the shares to which it relates and the amount paid up thereon.

iv) In respect of any share or shares held jointly by several persons, our Company shall not be bound to issue more than one certificate for a share to one of several joint holders (the person’s first name in the Register) shall be sufficient delivery to all such holders.

v) If any certificate be old, decrepit, worn-out, torn or defaced or, where the cages on its reverse side for recording transfers have been duly utilized, then upon surrender thereof to our Company, the Board may order the same to be cancelled and may issue a new certificate in lieu thereof without payment. If any certificate be lost or destroyed, then upon proof thereof to the satisfaction of the Board and on such indemnity and payment of out of pocket expenses incurred by our Company in investigating evidence, as the Board thinks fit, a new certificate in lieu thereof may be given. Subject to the other provisions of the Articles for every such new certificate and for every new certificate issued on consolidation or sub-division of certificates, there shall be paid to our Company, if the Board so determines, a sum not exceeding Re. 1/-.

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

vii) Notwithstanding the provisions contained hereinabove, the Board may refuse applications for issue of Share Certificates for sub-division or consolidation of shares into denominations of less than 25, except when such sub-division or consolidation is required to be made to comply with a statutory order or an order of a competent court of law.

JOINT HOLDERS OF SHARES

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

(i) Our Company shall not be bound to register more than four persons as the joint-holders of any share.

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

(iii) On the death of any one of such joint-holders the survivor or survivors shall be the only person or persons recognized by our Company as having any title to or interest in such share but the board may require such evidence of death as it may deem fit.

COMMISSION & BROKERAGE

12. (i) Our Company may exercise the powers of paying commission conferred by Section 76 of the Act, provided that the rate per cent, or the amount of the commissions paid or agreed to be paid shall be disclosed in the manner required by that Section.

(ii) Subject to the provisions of Section 76 of the Act, the rate of the commission shall not exceed the rate of five percent of the price at which the shares in respect whereof the same is paid are issued or an amount equal to five percent of such price, as the case may be, and in case of debentures two and half percent of the price at which debentures are issued.

(iii) The Commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or debentures or partly in one way and partly in the other.

(iv) Our Company may also pay such brokerage as may be lawful on any issue of shares or debentures.

CALLS ON SHARES

13. The Board may, from time to time, subject to the terms on which any shares may have been issued, make calls on an uniform basis on all shares falling under the same class as it thinks fit, upon the members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by way or premium) held by them receptively and not made payable at fixed times by conditions of allotment thereof and each member shall pay the amount or every call so made on him to the persons and at the time and places appointed by the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing such call was passed unless the same is expressly made effective on any other date under such resolution.

15. Not less than 21 days notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

16. A call may be made payable in instalments.

17. The Board may, at its discretion, revoke or postpone the call or extend the time for payment thereof.

18. If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof the holders for the time being of the share in respect of which the call shall have made or the installment shall be due, shall pay interest for the same at the rate of 9 per cent per annum (or at such other rate as the Board may determine) from the day appointed for the payment thereof to time of actual payment but the Board shall be at liberty to waive payment of the interest wholly or in part.

19. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installment at fixed times (whether on account of the nominal value of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Board and of which due notice had been given and all provisions herein contained in respect of calls shall apply to such amount or installment accordingly.

20. The Board may receive from any member willing to advance the same all or any part of the money due upon the shares held by him beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so much thereof, as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, our Company may pay interest at such rate as may be agreed but the member shall not be entitled to dividend or to participate in the profits of our Company or to any voting rights in respect of money so paid by him until our Company or to any voting rights in respect of money so paid by him until the same would but for such payment become presently payable money so paid in excess of the amount of calls until appropriated towards

satisfaction of any call shall be treated as advance to our Company and not a part of capital and shall be payable at any time if the Board so decides.

FORFEITURE AND LIEN

21. If any member fails to pay the whole or any part of any call or installment of a call or any money due in respect of any shares (either by way of nominal value of shares or by way of premium and/or interest thereon) on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment or other money remains unpaid serve a notice on such member or on the person (if any) entitled to the share by transmission requiring him to pay the same together with any interest that may have accrued and all the expenses that may have been incurred by our Company by reason for such non-payment.

22. The notice shall name a day (not being less than 21 days from the date of notice) and a place or places on and at which such call or installment other money and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place or places appointed, the share in respect of which such call was made or installment is payable or any other money is due will be liable to be forfeited.

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

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

25. Any share so forfeited shall be deemed to be the property of our Company and the Board may sell, re-allot or otherwise dispose of the same in such manner as it thinks fit. The Board may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annual the forfeiture thereof upon such conditions as it thinks fit.

26. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall, notwithstanding the forfeiture, remain liable to pay, and shall forthwith pay to our Company, all calls or installments, interest and expenses owing upon or in respect of such share, at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at the rate of 12 per cent per annum (or such other rates as the Board determines) and the Board may enforce the payment thereof, all or any part

thereof, without any deduction or allowance for the value of shares at the time of forfeiture, but shall not be under any obligation to do so.

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

28. A duly verified declaration in writing that the declarant is a Director or secretary of our Company and that certain shares in our Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares and such declaration and the receipt of our Company for the consideration, if any, given for the shares on the sale or disposition thereof shall constitute a good title to such shares; and the person to whom any such share is sold shall be registered as the holder of such share and shall not be bound to see to application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

29. The provisions of Articles 21 to 28 hereof shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time (whether on account of the nominal value of a share or by way of premium) as if the same had been payable by virtue of a call duly made and notified.

30. Our Company shall have a first and paramount lien upon every partly paid-up share registered in the name of each member (whether solely or jointly with others) and upon and proceeds of sale thereof for all money (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that provisions of these Articles are to have full effect and such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed, the registration of a transfer of a share shall operate as a waiver of our Company's lien, if any, on such share.

Provided that the Board may, at any time declare any share to be wholly or in part exempt from the provisions of this clause.

31. No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums, presently payable by him, have not been paid or in regard to which our Company has exercised any right of lien.

32. For the purpose of enforcing such lien the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have elapsed and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such shares for 14 days after the date of such notice.

33. The net proceeds of the sale shall be received by our Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable

as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale.

34. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers by these presents given; the Board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings, nor to the application of purchase money and after his name has been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale be in damage only and against our Company exclusively.

35. Where any share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered upto our Company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered up.

TRANSFER AND TRANSMISSION

36. Save as provided in section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of transferor and by or on behalf of the transferee has been delivered to our Company within the time prescribed by section 108 of the Act together with the certificate of shares or if no such certificate is in existence alongwith the letter of allotment of shares. The transferor shall be deemed to remain the holder of such share, until the name of the transferee is entered in the Register in respect thereof.

37. The instrument of transfer of shares shall be in form prescribed by the Act and/or Rules framed there under. It shall contain the name father / husband's name, address, occupation of the transferee. Each signature to such transfer shall be duly attested by the signature of one witness who shall add his address.

38. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall, in the case of a partly paid share, be effected unless our Company gives notice of the applications to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these articles our Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice entered in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

39. Before registering any transfer tendered for registration our Company may, if it so thinks fit, give notice by letter posted in the ordinary course to registered holder that such transfer deed has been lodged and that unless objection is made the transfer will be registered and if such registered holder fails to lodge and objection in writing at the office of our Company within 10 days from the posting of such notice to him he shall be deemed to have admitted the validity of the said transfer. Where no notice is received by the registered holder, our Company shall be deemed to have decided not to give notice and in any event the non-

receipt by the registered holder of any notice shall not entitle him to make any claim of any kind against our Company or the Board in respect of such non-receipt.

40. Neither our Company nor its Board shall incur any liability for registering or effecting transfer of the share apparently made competent parties, although the same may be reasons of any fraud or other cause not known to our Company or its Board, be legally inoperative or insufficient to pass the property in the shares proposed or professed to be transferred; and although the transfer may, as between the transferor and transferee, be liable to be set aside and not withstanding that our Company may have notice that such instrument of transfer was signed or executed and delivered by the transferor in blank as to the name of the transferee, or particular of the shares transferred; or otherwise in defective manner. In every case the persons registered as transferee his executors, administrators or assigns alone shall be entitled to be recognized as the holder of such share and the previous holder of such share shall, so far as our Company is concerned, be deemed to have transferred his whole title thereto.

41. (i) Subject to the provisions of Section 111 of the Act, the Board without assigning any reason for such refusal may, within two months from the date on which the instrument of transfer was delivered to or the intimation of transmission was lodged with our Company, refuse to register or acknowledge any transfer of or the transmission by operation of law of the right to a share (whether fully paid up or not) to a transferee of whom the Board does not approve or where our Company has a lien on such shares. The Board at its absolute discretion shall have the power to require a member who is resident in India upon his becoming a non-resident to transfer his shares to a transferee who shall be of Indian nationality and resident in India. The Board may also likewise refuse to register a transfer when any statutory prohibition or any attachment or prohibitory order of a competent authority restrain the Board from transferring the shares out of the name of the transferor or when a transferor object to the transfer provided he serves on our Company within a reasonable time a prohibitory order of a court of competent jurisdiction. Provided however that the registration of a share shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to our Company on any account whatsoever except a lien on shares.

(ii) Without prejudice to the above the Directors shall be entitled to refuse an application for transfer of less than 25 Equity Shares of our Company, subject, however, to the following exceptions :-

a) Transfer of Equity Shares made in pursuance of any statutory provision or an order or a competent Court of law.

b) Transfer of the entire holding of Equity Shares by members holding less than 25 Equity Shares (i) by a single transfer to single or joint names; or (ii) to one or more transferees whose total holding in our Company will not be less than 25 Equity Shares after the said transfer.

c) Transfer of not less than 25 Equity Shares in the aggregate in favour of the same transferee in two or more transfer deeds submitted together within which one or more relate/s to the transfer of not less than 25 Equity Shares.

42. No transfer shall be made to a person of unsound mind or a firm except as required by law.

43. Every instrument of transfer title shall be left at the office for registration, accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the Share and such other evidence as the Board may require to prove the of the transferor or his right to transfer the share. Every instrument of transferor which shall be retained by our Company and the transferee shall be registered as a member in respect of such shares, but any instrument of transfer which the Board may refuse to register, shall be returned to the person depositing the same. The Board may waive the production of any certificate upon evidence satisfactory to it of its loss of destruction.

44. If the Board refuses whether in pursuance of these presents or otherwise to register the transfer of, or the transmission by operation of law of the right to, any share, our Company shall, within two months from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, was lodged with our Company, send to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal.

45. No fee shall be charged for registration of transfer, grant of probate, grant of letters of administration, certificate of death or marriage, power of attorney or other similar instruments.

46. On giving seven days notice by advertisement in a newspaper circulating in the District in which the Office of our Company is situated, the Register of Members may be closed and registration of transfers may be suspended during such time as the Board thinks fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.

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

48. Any committee or guardian, curator bonis or other legal curator of a lunatic, idiot or non compos mentis member or any person becoming entitled to or to transfer a share in consequence of the death or bankruptcy or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give), be registered as a member in respect of such share or may, subject to the regulations as to transfer hereinbefore contained, transfer such share. This Article is hereinafter referred to as "The Transmission Article".

49. If the person so becoming entitled to share under the Transmission Article shall elect to be registered as holder of the share himself, he shall deliver or send to our Company a notice in writing signed by him stating that he so elects. If he shall elect to transfer the shares to some other person he shall execute an instrument of transfer in accordance with the provisions of these Articles relating to transfer of shares. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid.

50. A person so becoming entitled under the Transmission Article shall, subject to the provisions of these Articles, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the share except that he shall not, before being registered as a member in respect of the share, be entitled to exercise in respect thereof any right conferred by membership in relation to meetings of our Company.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold of all dividends, bonuses or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

51. The Articles providing for the transfer and transmission of shares, shall mutatis mutandis apply to the transfer and transmission of debentures of our Company.

Definition 51 A:-

DEMATERIALIZATION OF SECURITIES

1) For the purpose of this Article

"Beneficial Owner" means a person or persons whose name is recorded as such with the Depository.

"Registered Owner" means Depository whose name is entered as such in the register of issuer.

"SEBI" means the Securities and Exchange Board of India.

"Depository" means a Company formed and registered under the Companies Act, 1956, and which has been granted a Certificate of Registration to act as Depository under the Securities and Exchange Board of India Act, 1992 and

"Security" means such security as may be specified by SEBI from time to time.

DEMATERIALISATION OF SHARES

2) Notwithstanding anything contained in this Article, our Company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depository Act, 1996.

OPTION FOR INVESTORS

3) Every person subscribed to securities offered by our 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 in the manner provided by the Depositories Act, 1996 and our Company shall, in the manner and within the time prescribed, issued to the Beneficial Owner the required certificates of securities.

If a person opt to hold his security with a Depository, our Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the security.

SECURITY IN DEPOSITORY TO BE IN FUNGIBLE FORM

4) All securities held by a Depository shall be dematerialized nothing contained in Sections 153, 153A, 153B, 187B, 187C and 372 of the Companies Act, 1956 shall apply to a Depository in respect of the securities held by it on behalf of the Beneficial Owner.

RIGHTS OF DEPOSITORIES AND BENEFICIAL OWNERS

5) a) Notwithstanding anything to the contrary contained in the Act, or these Articles, a depository shall be deemed to be the Registered Owner for the purpose of effecting the transfer of ownership of security on behalf of the Beneficial Owner.

b) Save as otherwise provided in (a) 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.

c) Every person holding securities of our Company and whose name is entered as the Beneficial Owner in the records of the Depository, shall be deemed to be a member of our Company, the Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

SERVICE OF DOCUMENTS

6) Notwithstanding anything contained in the Act or these Articles, where securities are held in a Depository, the records of the Beneficial Ownership may be served by such Depository on our Company by means of electronic mode or by delivery of floppies or discs.

TRANSFER OF SECURITIES

7) Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee, both of whom are entered as Beneficial Owners in the records of a Depository.

ALLOTMENT OF SECURITIES DEALT WITH IN A DEPOSITORY

8) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, our Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

DISTINCTIVE NUMBER OF SECURITIES HELD IN A DEPOSITORY

9) Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by our Company shall apply to securities held with a Depository.

REGISTER AND INDEX OF BENEFICIAL OWNERS

10) The Register and Index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and security holders for the purpose of these Articles.

ALTERATION OF CAPITAL

52. Our Company may be ordinary Resolution from time to time :-

    a) Increase its Authorised Share Capital by creation of new shares of such amount as may be deemed expedient;

    b) Consolidate and divide all or any of its Share Capital into shares of larger amount than its existing shares;

    c) Subdivide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

    d) 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 the shares so cancelled.

53. The resolution whereby any share is subdivided or consolidated may determine that, as between holders of the shares resulting from such subdivision or consolidation, one or more of such shares shall have some preference or special advantage as regards dividend, capital voting or otherwise over or as compared with the other or others subject nevertheless to the provisions of Sections 85, 87, 88, 93 and 108 of the Act.

54. Our Company may, by Special Resolution and subject to the provisions of Section 100 to 104 of the Act, reduce its Capital and Capital Redemption Reserve Account or Share Premium Account in any manner and subject to any incident authorized and consent required by law.

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

STOCKS

56. Our Company may, by Ordinary Resolution, convert any paid-up shares into stock and reconvert any stock into paid-up shares of any denomination.

57. Where any share has been converted into stock the several holders of such stock may, thenceforth, transfer their respective interests therein or any part of such interests in the same manner, and subject to the same ebullitions, as would have applied to the transfer of shares from which the stock arose or as near thereto as the circumstances would admit. The Board may from time to time, fix the minimum amount of stock transferable, and restrict or forbid the transfer of fractions of that minimum but the minimum shall not exceed the nominal amount of the shares from which the stock arose.

58. The holders of stock shall, according to the amount of the stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of our Company and other matters, as if they held the shares from which the stock arose, but no such privilege or advantage (except participation in the dividends and profits of our Company) shall be conferred by any such part of stock as would not, if existing in shares, have conferred the privilege or advantage.

59. Such of the Articles of our Company (other than those relating to share warrants), as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" therein shall include "Stock" and "Stockholder" respectively.

SHARE WARRANTS

60. Our Company may issue share warrants subject to, and in accordance with the provisions of Sections 114 and 155, and accordingly the Board may in its discretion, with respect to any share which is fully paid up, on application in writing signed by the person registered as holder of the share and on receiving the share certificate (if any) and authenticated by such evidence (if any) as to the identity of such person and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

61. (i) The bearer of a share warrant may at any time deposit the warrant at the office of our Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of our Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares included in the deposited warrant.

(ii) Not more than one person shall be recognized as depositor of the share warrant.

(iii) Our Company shall, on two days' written notice, return the deposited share warrant to the depositor.

62. (i) Subject as herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a meeting of our Company or attend or vote or exercise any other privileges of a member at a meeting of our Company, or be entitled to receive any notices from our Company.

(ii) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holder of the shares included in the warrant, and he shall be a member of our Company.

63. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

LOANS AND DEBENTURE

64. The Board may, from time to time, at its discretion, subject to the provisions of Section 58A, 292 and 293 of the Act, raise or borrow from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purposes of our Company; provided that the Board shall not, without the sanction of our Company in general meeting, borrow any sum of money which together with moneys already borrowed by our Company (apart from temporary loans obtained from Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the paid-up capital of our Company and its free reserves, that is to say, reserves not set aside for any specific purpose.

65. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respect as it thinks fit, and in particular by issue of bonds, notes perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property of our Company (both present and future), but shall not create a charge on its uncalled capital for the time being without the sanction of our Company in the General Meeting.

66. If any uncalled Capital of our Company is included in or charged by any mortgage or other security, the Board may by instrument under the Seal authorize the person in whose favour such mortgage or security is executed or any other person in trust for him to collect money in respect of calls made by the Board on members in respect of such uncalled capital and the provisions hereinbefore contained in regard to call shall mutatis mutandis apply to calls made under such authority; and such authority may be made exercisable either conditionally or unconditionally, either presently or continently and either to the exclusion of the Directors power or otherwise and shall be assignable if expressed so to be.

67. 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, drawings, allotment of or conversion into shares, appointment of Directors and otherwise subject to the provisions of Article 6 hereinbefore contained. Debentures, debenture-stock, bonds, and other securities may be made assignable free from any equity between our Company and the person to whom the same may be issued.

68. The Directors or any of them may guarantee the whole or any part of the loans or debts raised or incurred by or on behalf of our Company or any interest payable thereon, and shall be entitled to receive such payment as consideration for the giving of any such guarantee as may be determined by the Board with power to it to indemnify the guarantors

from or against liability under their guarantees by means of a mortgage or charge on the undertaking of our Company or upon any of its property or assets or otherwise. If the Directors or any of them or any other persons, shall become personally liable for the payment of any sum primarily due from our 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 our Company by way of indemnity to secure the Directors or persons so becoming liable as aforesaid from any loss in respect of such liability.

GENERAL MEETINGS

69. In addition to any other meetings, general meetings of our Company shall be held within such intervals as are specified in Section 166(1) of the Act and subject to the provisions of Section 166(2) of the Act at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual general meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of our Company except the statutory meeting convened under the provisions of next following Article, shall be called as "Extra ordinary general meeting".

70. A general meeting of our Company, which shall be called the Statutory Meeting, shall be held within period as is specified in Section 165(1) of the Act at such time and place as may be determined by the Board, who shall comply with all the requirements of Section 165 of the Act.

71. The Board may, whenever it thinks fit, call an Extra-ordinary General Meeting provided however if at any time there are not in India Directors capable of acting who are sufficient in number to form a quorum, any Directors may call an Extra-ordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board. The Board shall on requisition of the members in accordance with Section 169 of the Act proceed to call an Extra-ordinary General Meeting. The requisitions may, in default of the Board convening the same, convene the Extra-ordinary General Meeting as provided by Section 169 of the Act in the manner as is specified in that Section.

PROCEEDINGS AT GENERAL MEETING

72. No business shall be transacted at any general meeting unless a quorum of members, which shall be five members present in person save as herein otherwise provided, is present at the time when the meeting proceeds to business.

73. The Chairman of the Board shall be entitled to take the chair at every general meeting. If there be no such Chairman, or if at any general meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the members present shall choose another Director as Chairman, and if no Directors are present, or if at all the Directors present decline to take the chair, then the members present shall, on a show of hands or on a poll if properly demanded, elect one of their members, being a member entitled to vote, to be Chairman of the meeting.

74. If within half an hour from the time appointed for the meeting a quorum be not present, the meeting if convened upon a requisition of shareholders shall be dissolved but in any other case it shall stand adjourned to the same day in the next week at the same time and place, unless the same shall be a public holiday when the meeting shall stand adjourned to the next day not being a public holiday at the same time and place or to such other day and at

such other time and place as the Board may determine and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for the meeting, those members who are present and not being less than two persons shall be a quorum and may transact the business for which the meeting was called.

75. (i) The Chairman of a general meeting may adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(ii) When a meeting is adjourned for thirty days or more, or in case of a meeting adjourned for want of quorum when a Board determines a different day, time and place than as would have been determined automatically by virtue of Article 74, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting, but otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

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

77. Any act of or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by our Company in general meeting shall be sufficiently so done or passed is effected by an Ordinary Resolution as defined in Section 189(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189(2) of the Act.

78. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

VOTE OF MEMBERS

79. (i) Save as herein provided on a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a Proxy on behalf of a holder of Equity Shares or as a duly authorized representative of a body corporate (being a holder of Equity Shares). If he is not entitled to vote in his own right, shall have one vote.

(ii) Save as herein provided, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.

80. Where a company or a body corporate (hereinafter called “member company”) is a member of our Company, a person, duly appointed by resolution in accordance with the provisions of Section 187 of the Act to represent such member company at a meeting of our Company, shall not, by reason of such appointment, be deemed to be a proxy, and the lodging with our Company at the Office or production at the meeting of a copy of such resolution duly signed by one Director of such member company and certified by him as being a true copy of the resolution shall be accepted by our Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the member company which he represents, as that member company could exercise if it were an individual member.

81. If any member be a lunatic, idiot or non compos mentis, he may vote whether on a show of hands or at a poll by his committee, curator bonis or other legal curator and such last mentioned persons may give their votes by proxy provided that forty eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote he shall satisfy the Board of his right under the Transmission Article to the share in respect of which he proposes to exercise his right under these articles, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

82. Where there are joint registered holders of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto; and if more than one of such joint-holders be present at any meeting, either personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purposes of this Article be deemed joint-holders thereof.

83. The instrument appointing a proxy shall be in writing under the hand of the appointee or of his Attorney duly authorized in writing or if such appointee is a body corporate be under its common seal or the hand of its officer or Attorney duly authorized.

84. The instrument appointing a proxy and a power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power or authority, shall be deposited at the Office not less than forty eight hours before the time for holding the meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of proxy shall not be treated as valid.

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

86. Every instrument appointing a proxy shall, as nearly as circumstances will admit be in either of the forms set out in Schedule IX to the Act.

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

88. (i) Any objection as to the admission or rejection of a vote, either, on a show of hands, or on a poll made in due time, shall be referred to the Chairman who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.

(ii) 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 purposes.

DIRECTORS

(i) GENERAL PROVISIONS

89. Until otherwise determined by our Company in General Meeting the number of directors shall not be less than three nor more than twenty.

90. Subject to the provisions of Section 255 Act not less than two thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation, who shall be appointed in terms of Section 255, 256, 257, 260 and/or 262 of the Act.

91. The First Directors shall be

i) Shri Basant Kumar Agrawal
ii) Shri Suresh Kumar Agrawal
iii) Shri Basudeo Agrawal

92. Unless otherwise determined by our Company in General Meeting, directors shall not be required to hold any share in the Capital of our Company as qualification share but nevertheless shall be entitled to attend and speak at any General Meeting of our Company and separate meeting of the holder of any class of shares in our Company.

93. (i) Each director shall be entitled to receive out of the funds of our Company by way of remuneration of his service in attending meeting of the Board or a Committee thereof, a minimum fee of Rs 500/- for each committee meeting and Rs 1000/- for each Board meeting or any sum as may be decided by the Board from time to time subject to a maximum of such sum as prescribed under the Companies Act, 1956, and rules made thereunder including any statutory modification thereof. The Directors may waive their fees for any meeting or period.

(ii) The Directors shall also be entitled to receive further remuneration by way of commission at the rate of 3% (% if our Company has a managing or wholetime Director or manager) of the net profits of our Company computed in the manner referred to in Section 198(i) of the Act and such remuneration shall be divided to in Section 198(i) of the Act and such remuneration shall be divided amongst Directors in such proportion and manner as the Board may from time to time determine and in default of such determination shall be divided amongst the Directors equally.

(iii) The Directors shall be entitled to be paid all fees for filing documents, which they may be required to file under the Act.

(iv) The Directors shall be entitled to be paid their reasonable traveling, hotel and other expenses incurred in consequence of their attending any Board and Committee Meetings and General Meetings of our Company or otherwise incurred in the execution of their duties as Directors and/or in connection with the business of our Company, if any Director, being willing, is appointed to an executive office either whole-time or part-time or is called upon to perform extra services or to make any special exertions for any of the purposes of our Company or in giving special attention to the business of our Company or as a member of a Committee of the Board then, subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profit or both or in any other manner as may be determined by it and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

(v) The remuneration of the Directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day to day.

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

95. A Director of this Company may be or become a director of any other Company promoted by this Company or in which it may be interested as a member, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such Company.

96. Subject to the provisions of Section 297 of the Act neither shall a Director be disqualified by reason of his office as such from holding office under our Company nor from contracting with our Company either as a vendor, purchaser or otherwise for goods, materials or survives or for underwriting the subscription of any shares in or debentures of our Company or as lender, agent, broker, lessor, lessee or otherwise nor shall any such contract or arrangement entered into by or on behalf of our Company with a relative of such Director, or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director, be void nor shall any Director so contracting or being so interested be liable to account to our Company for any profit realized by any such contract or arrangement by reason of such Director holding office or of the fiduciary relation thereby established.

97. Every Director who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, entered into or to be entered into, by or on behalf of our Company not being a contract or arrangement entered into or to be entered into between our Company and any other Company where any of the Directors of our Company or two or more of them together holds or hold not more than two percent of the paid up share capital in the other Company shall disclose the nature of his concern or interest at a meeting of the Both as required by Section 299 of the Act. A General Notice, renewable in the last month of each financial year of our Company, that a Director is a director or a member of any specified body corporate or is a member of any specified firm and is to be regarded as concerned or interested in any subsequent contract or arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract or arrangement so made and, after such general notice, it shall not be necessary to give special notice relating to any particular contract or arrangement with such body corporate or firm, provided such special notice is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. Every Director shall be bound to give and from time

to time renew a general notice as aforesaid in respect of all bodies corporate of which he is a Director or member and of all firms of which he is a member.

(ii) APPOINTMENT AND RETIREMENT OF DIRECTORS

98. Our Company in General Meeting may, subject to the provisions of these Articles and the Act, at any time elect any person to be a Director and may from time to time increase or reduce the number of Directors.

99. The Board shall have power, at any time and from time to time, to appoint any person (other than a person who has been removed from the office of a Director of our Company) as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of our Company and shall then be eligible for re-appointment.

100. If the office of any Director appointed by our Company in general meeting be vacated before his term of office will expire in the normal course, the Board at a meeting of the Board may fill the resulting casual vacancy. Any person so appointed shall hold office only upto the date upto which the director in whose place he is appointed would have held office if it had not been vacated as aforesaid.

101. The Board may appoint any person to act as Alternate Director to act for a Director during this absence for a period of not less than three months from the state in which meeting of the Board are ordinarily held and the Alternate Director so appointed shall not hold office as such for longer period than that permissible to the original Director in whose place he has been appointed and shall vacate the office if and when the original Director returns to the State. The Alternate Director shall be entitled to notice of the meeting of the Board and to attend and vote there accordingly, but he shall not be required to hold any qualification share, if any.

102. (i) Our Company shall, subject to the provisions of the Act, be entitled to agree with any person, firm, corporation, government or authority that he or it shall have the right to appoint his or its nominee on the Board of Directors of our Company upon such terms and conditions as the Board may deem fit. Such nominees and their successors in office appointed under these Articles shall be called Special Directors. If so agreed by our Company Special Directors shall be entitled to hold office until requested to retire by the person, firm, corporation, government or authority who may have appointed him/them and will not be bound to retire by rotation. A Special Director shall not be required to hold any qualification shares, if any. As and whenever a Special Director vacates office, whether upon request as aforesaid or by death, resignation or otherwise, the person, firm, corporation, government or authority who appointed such Special Director may appoint any other Director in his place. The Special Director may at any time by notice in writing to our Company resign his office. Subject as aforesaid, a Special Director shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of our Company.

(ii) Whenever our Company enters into a contract with any person or persons for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or enter into any other arrangement, the Board shall have, subject to the provisions of Section 255 of the Act, the power to agree that such person or persons shall have the right to appoint or nominate, by a notice in writing addressed to our Company, one or more directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such Director or Directors may not be liable to retire by rotation nor be required to hold any qualification shares. Such Directors may also be removed from time to time by the person or persons aforesaid, who may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such Director or Directors ceasing to hold that office for any reason whatsoever. The Director appointed or nominated under this Article shall be entitled to exercise and enjoy all or any of the rights and privileges exercised and enjoyed by the Directors of our Company including the payment of remuneration and traveling experiences to such Director or Directors as may be agreed by our Company with such person or persons aforesaid.

(iii) Any Trust Deed for securing debentures or debenture-stock may, if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of debentures or debenture-stock, of some person to a Director or Directors of our Company and may empower such Trustees or holders of debentures or herein referred to as “Debenture Director” and the term “Debenture Director” means the Director for the time being in office under this Article. The Debenture Director(s) shall not be bound to hold any qualification shares and shall not be liable to retire by rotation or be removed by our Company. The Trust Deed may contain such ancillary provisions as may be arranged between our Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

(iv) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by our Company to The Industrial Credit and Investment Corporation of India Limited (ICICI), The Industrial Development Bank of India (IDBI), Industrial Finance Corporation of India (IFCI), Life Insurance Corporation of India (LIC), General Insurance Corporation of India (GIC) and Unit Trust of India (UTI) or to any other Finance Corporation or Credit Corporation or any other Finance Company Body out of any loans granted by them to our Company or so long as ICICI, IDBI, IFCI, LIC, GIC, UTI or any other Finance Corporation or Credit Corporation or any other Finance Company or body (each of which ICICI, IDBI, IFCI, LIC, GIC, UTI or any other Finance Corporation or Credit Corporation or any other Finance Company or Body is hereinafter in this Article referred to as (“the Corporation”) continue to hold Debentures in our Company or so long as the Corporation holds shares in our Company as a result of underwriting or so long as any liability of our Company arising out of any guarantee furnished by the Corporation on behalf of our Company remains outstanding, the Corporation shall have a right in accordance with the terms and conditions of agreement, if any, between our Company and the Corporation, to appoint from time to time, any person or persons as a Director or Directors, whole time or non-whole time, (which Director or Directors is/ are hereinafter referred to as “Nominee Director/s”) on the Board of our Company and to remove from such office any person or persons in his or their place/s. The Board of Directors of our Company shall have no power to remove from office the Nominee Director/s. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in our Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors. Subject as aforesaid the Nominee Director/s shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of our Company. The Nominee Director/s so appointed shall hold the said of his only so long as moneys remain owing by our Company to the Corporation or so long as the Corporation holds Debentures or Shares in our Company or the Liability of our Company arising out of any Guarantee furnished by the Corporation on behalf of our Company 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 our Company to the Corporation is paid off or on the Corporation ceasing to hold Debentures / Shares acquired in the manner referred hereinabove in our Company or on the satisfaction of Liability of our Company arising out of any Guarantee furnished by the Corporation.

The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and Meetings of the Committee, of which the Nominee Director/s is/are member/s and shall also be entitled to receive the minutes of such meetings. The Corporation shall also be entitled to receive the minutes of such meetings. The Corporation shall also be entitled to receive all such notices / minutes.

Our Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of our Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of our Company, the fees, commission, moneys and remuneration in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by our Company directly to the Corporation. Any expenses that may be incurred by the Directorship shall also be paid or reimbursed by our Company to the Corporation or as the case may be, to such Nominee Director/s.

Provided that if any such Nominee Director/s is/are officer/s of the Corporation, the sitting fees in relation to such Nominee Director/s shall accrue to the Corporation and the same shall accordingly be paid by our Company directly to the Corporation.

Provided also that in the event of the Nominee Director/s being appointed as Wholetime Director/s such Nominee Director/s shall exercise such powers and duties as may be approved by the Corporation and have such rights as are usually exercised by or available to the Wholetime Director/s in the management of our Company. Such Nominee Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

103. At each Annual General Meeting of our Company one third of the Directors for the time being liable to retire by rotation and if their number is not three or a multiple of three then the number nearest there to shall retire from office. The Directors to retire at such Annual General Meeting shall be the Directors (other than Managing Director and/or any other Director or Directors appointed or nominated under Article 102 hereof, who are not liable to retire) who shall have been longest in office since their last election. As between Directors who became Directors on the same day those to retire shall (in default of agreement between them) be determined by lot. For the purpose of this Article a Director appointed to fill a vacancy under the provisions of Article 100, shall be deemed to have

been in office since the date on which the Director in whose place he was appointed was last elected as a Director.

104. The Office of a Director shall be deemed to have been vacated :

a) If so facto, in the eventualities mentioned in Section 283 of the Act;

b) In the event of the resignation by a Director or the withdrawal of his nomination in the case of a Director appointed or nominated under Article 102 hereof on the date on which the letter of resignation or the letter of withdrawal of his nomination, as the case may be, is received by our Company.

(iii) PROCEEDINGS OF THE BOARD

105. The Board shall meet together at least once in every three months for the dispatch of business and may adjourn and otherwise regulate its meetings and proceedings, as it thinks fit; provided at least four such meetings shall be held in every year. Notice in writing of every meeting of the Board shall be given to every Director. The meetings of the Board shall be held at such place and at such time and date as may be mentioned in the notice calling the meeting.

106. A Director may, at any time and, the Secretary shall upon the request of a Director made at any firm, convene a meeting of the Board.

107. The Board may elect a chairman of its meetings and determine the period for which he is to hold office. If no such chairman is elected, or if at any meeting the chairman is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their members to be the chairman of the meeting.

108. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall, unless the chairman adjourns it until an appointed date and time otherwise, automatically stand adjourned till the same day in the next week, at the same time and place, as if that day is public holiday, till the next succeeding day which is not a public holiday at the same time and place.

109. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under these articles of the Act for the time being vested in or exercisable by the Board.

110. Subject to the provisions of the Act, questions arising at any meeting shall be decided by a majority of votes, each Director having one vote, and in case of an equality of votes, the Chairman shall have a second or casting vote.

111. The Board may, subject to the provisions of the Act, from time to time and at any time, delegate any of its powers to a Committee consisting of such Director or Directors as it thinks fit and may, from time to time, revoke such delegation. Any Committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are

applicable thereto, and are not superseded by any regulations made by the Board under this article.

112. All acts done by any meeting of the Board or of a committee thereof or by any person acting as a Director shall, notwithstanding that it may afterwards be discovered that there was some defect in the appointment of any such directors, committee or person acting as aforesaid or that they or any of them were disqualified or that his appointment had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such appointment was duly made and every such person was duly qualified. Provided always that nothing in this Article shall be deemed to give validity to acts done by such director, committee or person acting as aforesaid after it has been shown that there was some defect in any appointment or that they or any of them were disqualified or that their appointment had been terminated.

113. Save in those cases where a resolution is required by the Act (particularly by Section 262, 292, 297, 316, 372(5) and 386 of the Act) to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors or to all the members of the Committee of the Board, as the case may be then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members of the Committee at their usual address in India, and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution.

114. Subject to the provisions of the Act the Control of our Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as our Company is authorized to exercise and do in addition to the powers and authorities by these presents or otherwise expressly conferred upon them. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act, or any other statute or by the Memorandum of our Company or by these Articles or otherwise to be exercised or done by our Company in General Meeting. Provided further that in the exercising any such power or doing any such act or thing. The Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of our Company or in these Articles, or in any regulations made by our Company in General Meeting, but no regulation made by our Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(iv) POWERS OF THE BOARD

115. Without prejudice to the general powers conferred by the last proceeding Article and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, it is hereby declared that the Directors shall have the following powers, that is to say, power :

(i) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of our Company.

(ii) To pay and charge to the capital account of our Company any commission or interest lawfully payable thereout under the provisions of section 76 and 208 of the Act.

(iii) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for our Company any property, rights or privileges which our Company is authorized to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit, and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

(iv) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to our Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of our Company; and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of our Company and its uncalled capital or not so charged.

(v) To secure the fulfilment of any contracts or arrangement entered into by our Company by mortgage or charge of all or any of the property of our Company and its uncalled capital for the time being or in such manner, as they may think fit.

(vi) To accept from any Member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.

(vii) To appoint any person to accept and hold in trust for our Company any property belonging to our Company or in which it is interested or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any such trust and to provide for the remuneration of such trustee or trustees.

(viii) To institute, conduct, defend, compound or abandon any legal proceedings by or against our Company or its officers or otherwise concerning the affairs of our Company and also to compound and allow time for payment or a = satisfaction of any debts due and of any claims or demands by or against our Company and to refer any difference to arbitration and observe and perform and awards made thereon.

(ix) To act on behalf of our Company in all matters relating to bankrupts and insolvents.

(x) To make and give receipts, releases, and other discharges for moneys payable to our Company and for the claims and demands of our Company.

(xi) Subject to the provisions of Section 292, 293(1)(c), 295, 396, 370, 372 and 373 of the Act, to invest and deal with any moneys of our Company not immediately required for the purpose thereof upon such security (not being shares of this Company) without security and in such manner as they may think fit, and from time to time to vary or realize such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in our Company's own name.

(xii) To execute in the name and on behalf of our Company in favour of any Director or other person who may incur or about to incur any personal liability whether as principal or security for benefit of our Company such mortgages of our Company's property (present and future) as they think fit, any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

(xiii) To determine from time to time who shall be entitled to sign on our Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.

(xiv) To distribute by way of bonus amongst the staff of our Company a share or shares in the profits of our Company, and to give to any officer or other persons employed by our Company a commission on the profits of any particular business or transaction; and to charge such bonus or commissions as part of the working expenses of our Company.

(xv) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of our Company and the wives, widows and families or the dependants or connections of such persons, by building or contribution to the building of houses, dwellings or chawls, or by grants of money, pensions, gratuities, allowances, bonus or other payments; or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance, and other assistance as the Board shall think fit; and subject to the provisions of section 293(i)(e) of the Act. To subscribe or contribute or otherwise to assist or to guarantee money to charitable benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by our Company, either by reason of locality of operation, or of public and general utility or otherwise.

(xvi) Before recommending any dividend to set aside, out of the profits of our Company such sums as they may think proper for depreciation or to a Depreciation Fund or to an Insurance Fund or as a reserve fund or Sinking Fund or any special fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalizing dividends or for repairing, improving, extending and maintaining any of the property of our Company and for such other purposes (including the purposes referred to in preceding clause) as the Board may, in their absolute discretion, think conducive to the interest of our Company, and subject to section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than shares of our Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any part thereof for the benefit of our Company, in such manner and for such purposes as the Board, in their absolute discretion, think conducive to the interest of our Company notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of our Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a Reserve Fund or division of a Reserve Fund to another reserve fund or division of a Reserve Fund and with full power to employ the assets constituting all or any of the above fund, including the Depreciation Fund, in the business of our Company or in the purchase or repayment of debentures or debenture-stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.

(xvii) To appoint and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments or remuneration and to require security in such instance and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of our Company in any specified locality in India or elsewhere in such manner as they think fit, and the provisions contained in the four next following sub-clauses shall be without prejudice to the general power conferred by this sub-clause.

(xviii) To comply with the requirement of any local law which in their opinion it shall in the interest of our Company be necessary to be expedient to comply with.

(xix) From time to time and at any time to establish any local officer and a local brand for managing any of the affairs of our Company in any specified locality in India or elsewhere and to appoint any persons to be Members of such local boards or Managers to fix their remuneration.

(xx) Subject to Section 292 of the Act, from time to time, and at any time to delegate to any persons so appointed any of the powers authorities and discretions for the time being vested in the board, other than their power to make calls or to make loans, borrow moneys; and to authorize the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegations may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed or may annul or vary any such delegation.

(xxi) At any time from time to time by power of attorney under the seal of our Company, to appoint any person or persons to be Attorney or Attorneys of our Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorized by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and any such appointment may (if the Board thinks fit) be made in favour of the members or any of the members of any Local Board established as aforesaid or in favour of any company, or shareholders, directors, nominees or managers or any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such power of attorney may contain such power for the protection or convenience of persons dealing with such attorneys as the Board may think fit, and may contain powers enabling such delegates or attorneys as aforesaid to sub delegate all or any of the powers authorities and discretions for the time being vested in them.

(xxii) Subject to section 294, 294AA, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of our Company to enter into all such negotiations and contracts and rescind and vary all such contracts; and execute and do all such acts, deeds and things in the name and on behalf of our Company as they may consider expedient.

(xxiii) From time to time to make, vary and repeal bye-laws for the regulation of the business of our Company its officers and servants.

116. Our Company may exercise the powers conferred by Section 50 of the Act with regard to having an Official Seal for use aboard, and such powers shall be vested in the Board, and our Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of members or debenture-holders resident in such state or country and the Board may from time to time, make such regulations as it may think fit respecting the keeping of any such Foreign Register, such regulations not inconsistent with the provisions of sections 157 and 158 of the Act.

MANAGING / WHOLETIME DIRECTORS

117. Subject to the provisions of the Act, the Board may from time to time appoint one more Director to be Managing or Wholetime Director or Directors of our Company with such designations for such period and on such terms and conditions as the Board may consider fit and may, from time to time (subject to the provisions of any contract between him or them and our Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

118. (i) Subject to the provisions of section 255 of the Act, a Managing Director or Wholetime Director shall not while he continues to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him and our Company) he shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall if so ipso facto and immediately cease to be a Managing or Wholetime Director if he ceases to hold the office of Director for any reason whatsoever save that if he shall vacate office whether by retirement by rotation or otherwise under the provisions of the Act, at any Annual General Meeting and shall be re-appointed a Director at the same meeting he shall not, by reason only of such vacation, cease to be a Managing or Wholetime Director.

(ii) If at any time the total number of Managing and/or Wholetime Directors is more than one-third of the total number of Directors, the Managing and/or Wholetime Directors who shall not retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Managing and/or Wholetime Directors shall be determined by the date of their respective appointments as Managing and/or Wholetime Directors of our Company.

119. Subject to the provisions of Section 309, 310, 311 and 314 of the Act, a Managing or Wholetime Director may in addition to any remuneration payable to him as a Director of

our Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by our Company in General Meeting.

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

121. The Managing Director shall, subject to the control and supervision of the Board, have the powers of appointment and dismissal of Managers, Engineers, Assistants, Clerk and Labourers and shall have the power and control over the management of business of our Company with full powers to do all acts, matters and things deemed necessary, proper or expedient for carrying on the business of our Company including the power to make and sign all contracts and to draw, sign, accept, endorse and negotiate on behalf of our Company all bills of exchange, promissory notes, hundies, cheques, drafts, etc. All money belonging to our Company shall be paid to such Bankers as the Board shall deem expedient and all the receipts for money paid to our Company shall be signed by the Managing Director whose receipts shall be an effectual discharge for the money therein stated to have been received. The Managing Director may delegate some of the power to such other directors, managers, agents or other persons as he may think fit and shall have power to grant to such persons such powers of attorney as he may deem expedient and such powers at pleasure to revoke.

MANAGER, SECRETARY

122. Subject to the provisions of Sections 197A, 317, 388 and other applicable Sections of the Act the Board may, from time to time, appoint an individual as the Manager of our Company and may determine his powers and duties and fix his remuneration and the period for which and other terms and conditions on which he is to hold such office.

123. Subject to the provisions of Section 383A of the Act, the Board may, at any time and from time to time, appoint any individual possessing the prescribed qualification to be the Secretary of our Company and may determine his powers and duties and fix his remuneration and the period for which he is to hold such office.

124. (i) Subject to the provisions of Section 269 and 314 of the Act, a Director may be appointed as Manager or Secretary.

(ii) A provision of the Act or these Articles requiring or authorizing a thing to be done by a Director and the Manager or Secretary shall not be satisfied by its being done by the same persons acting both as Director and as, or in place of the Manager or Secretary.

THE SEAL

125. (i) The Board shall provide a seal for the purpose of our Company and shall have power, from time to time, to destroy the same and substitute a new seal in lieu thereof and, shall provide for the safe custody of the seal.

(ii) The seal shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and same as provided in Article 10(i) hereof except in the presence of at least two Directors or one Director and the Secretary or one Director and such other person as the Board may appoint for the purpose and such Directors, Secretary or other person as aforesaid shall sign every instrument to which the seal is so affixed in their presence.

AUTHENTICATION OF DOCUMENTS

126. Any Director or the Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of our Company and any books, records, documents and accounts relating to the business of our Company, and to certify copies thereof or extracts therefrom as true copies or extracts and where any books, records, documents or accounts are elsewhere than at the office, the local manager or other officer of our Company having the custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.

127. A document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the last preceding Article shall be conclusive evidence in favour of all persons dealing with our Company upon the faith thereof that such resolution has been duly passed or as the case may be that such extract is a true and accurate record of a duly constituted meeting of the Directors.

RESERVES

128. Subject to the provisions of the Act and the Rules prescribed there under the Board may, from time to time before recommending any dividend, set apart any such portion of the profits of our Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of our Company, for equalization of dividends, for the repairing, improving or maintaining any of the property of our Company and for such other purposes of our Company as the Board in its absolute discretion thinks conducive to the interests of our Company; and pending such application may, subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than shares of our Company) as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of our Company, and may divide the Reserves into such special funds as it thinks fit, with full power to employ the Reserves or any parts thereof in the business of our Company, and that without being bound to keep the same separate from the other assets. The Board may also carry forward any profits, which it may think prudent not to divide without setting them aside as a reserve.

129. All moneys carried to the Reserves shall nevertheless remain and be profits of our Company applicable, subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all the other moneys of our Company not immediately required for the purposes of our Company may, subject to the provisions

of Section 370 and 372 of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may, from time to time think proper.

CAPITALISATION OF RESERVES

130. Any general meeting may upon the recommendation of the Board resolve that any undivided profits of our Company standing to the credit of the reserves, or any Capital Redemption Reserve Account or in the hands of our Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the Share Premium Account be capitalized and distributed amongst such of the shareholders as would be entitled to receive the same proportions on the footing that they become entitled thereto as capital and that all or any part of such Capitalised Fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide any unissued shares, debentures, debenture-stock and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalized sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of our Company as fully paid bonus shares.

131. For the purpose of giving effect to any resolution under the preceding Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that cash payments shall be made to any members in order to adjust the rights of all parties and may vest such fractions in trustees upon such trusts for the persons entitled to the capitalised fund as may seem expedient to the Board. Where requisite a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective and binding against all such persons.

DIVIDENDS

132. Subject to the rights of members entitled to shares (if any) with preferential or special rights attached thereto, the profits of our Company (after making provisions, if any, for sinking, depreciation and reserve funds and for carrying forward balances for the next year) which it shall from time to time be determined to divide in respect of any year or that period shall be applied in the payment of a dividend on the equity shares of our Company subject as provided in Article 20 hereof, in proportion to the amounts paid up on this same but so that where capital is paid up in advance of calls carrying interest, such capital shall not rank for dividends or confer a right to participate in profits. All dividends shall be apportioned and paid pro rata according to the amount paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividends accordingly.

133. Our Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.

134. No larger dividend shall be declared than is recommended by the Board, but our Company in general meeting may declare a smaller dividend.

135. Subject to the provisions of Section 205 of the Act, no dividend shall be payable except out of the profits of our Company or out of money provided by the Central or State Government for the payment of the dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against our Company.

136. Subject to the provisions of the Act, the declaration of the Board as to the amount of the net profits of our Company shall be conclusive.

137. The Board may, from time to time, pay to the members such interim dividends as appear to the Board to be justified by the profits of our Company.

138. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to our Company on account of calls on shares or otherwise and may retain any dividends on which our Company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

139. The Directors may retain the dividend payable upon shares in respect of which any person is under "The Transmission Article" entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

140. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between our Company and the members, be said off against the call.

141. No dividend shall be payable except that in cash provided that nothing in the foregoing shall be deemed to prohibit the capitalization of profits of reserves of our Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on the shares held by the members of our Company.

142. A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by our Company.

143. Our Company may pay interest on capital raised for the construction of works or buildings when and so far as it shall be authorized to do by Section 208 of the Act.

144. No dividend shall be paid in respect of any shares except to the registered holder of such share or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a registered share holder to make a separate application to our Company for the payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 142.

145. Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such share.

146. Unless otherwise directed in accordance with Section 206 of the Act, any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant or money order sent through the post to the registered address of the members or person entitled thereto or, in the case of joint-holders, to the registered address of that one of the joint-holders who is the first named in the Register in respect of the joint-holding or to such persons and such address as the member or person entitled thereto or joint-holders, as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the persons to whom it is sent.

147. Our Company shall comply with the requirements of Section 205A of the Act, as regards any unpaid or unclaimed dividends declared by our Company.

ACCOUNTS

148. The Board shall, in accordance with Section 209 of the Act, cause to keep proper books of account at the office of our Company or at such other place as it may decide, which together with the relevant vouchers shall be preserved in good order for the period as required by Section 209(4A) of the Act.

149. (i) The books of account and other books and documents shall be open to inspection during business hours by any Directors, Registrar or other Government Officer authorized by the Central Government in this behalf.

(ii) The Board shall, from time to time determine whether and to what extent, and at what times and places and under what conditions or regulations, the books of account and books and documents of our Company, other than those referred to in Article 163 and 166 or any of them, shall be open to the inspection of the members not being Directors and no members (not being a Director) shall have any right of inspecting any books of account or book and document of our Company except as conferred by law or authorized by the Board or by our Company in general meeting.

150. At every Annual General Meeting the Board shall lay before our Company a Balance Sheet and Profit and Loss Account made up in accordance with the provisions of Section 210 of the Act and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Section 210, 211, 212, 215 and 216 and the schedule VI to the Act so far as they are applicable to our Company, but, save as aforesaid, the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of our Company that it may deem expedient.

151. There shall be attached to every Balance Sheet laid before our Company a report by the Board complying with the Section 217 of the Act.

152. A copy of every Balance Sheet (including the Profit and Loss Account, the Auditors' Report and every document required by law to be annexed or attached to the Balance Sheet) shall, as provided by Section 219 of the Act, not less than twenty-one days before the meeting be sent to every such member, debenture-holder, trustee and other person to whom the same is required to be sent by the said Section.

153. Every Balance Sheet and Profit and Loss Account when audited and approved by the General Meeting shall be conclusive except as regards any error discovered therein within

three months next after the approval thereof. Whenever any such error is discovered within the period the account shall forthwith be corrected and thenceforth shall be conclusive, subject to the approval of our Company in General Meeting.

AUDIT

154. Once at least in every year one or more Auditor shall examine the books of account of our Company or Auditors appointed in accordance with the provisions of the Act.

155. The Auditors Report (including the Auditors separate, special or supplementary report, if any shall be read before our Company in general meeting and shall be open to inspection by any member of our Company.

156. The appointment, remuneration, power, rights and duties of the Auditor or Auditors shall be regulated by section 224 to 229 and 231 of the Act.

SERVICE OF NOTICE AND DOCUMENTS

157. Our Company shall serve a notice or other document to its members in accordance with section 53 and 172 of the Act.

158. (i) Any notice required to be given by our Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by advertisement.

(ii) Any notice required to be or which may be given by advertisement shall be advertised once in one or more newspapers circulating in the neighbourhood of the office.

(iii) Any notice given by advertisement shall be deemed to have been given on the day on which the advertisement shall first appear.

159. 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 share which previously to his name and address being entered on the Register shall have been duly given to the person from whom he derives his title to such share.

160. Subject to the provisions of Section 497 and 509 of the Act, in the event of a winding up of our Company, every member of our Company who is not for the first time being in the place where the office of our Company is situated shall be bound, within eight weeks after the passing of an effective resolution to wind up our Company voluntarily or the making of an order for the winding up of our Company, to serve notice in writing on our Company appointing some householder residing in the neighbourhood of the office upon whom all summons, notices, processes, orders and judgements in relation to or under the winding up of our Company may be served and in default of such nomination, the liquidator of our Company shall be at liberty, on behalf of such members, to appoint some such person and service upon any such appointee whether appointed by the member or the liquidator shall be deemed to be good personal service on such member for all purposes, and where liquidator makes any such appointment he shall with all convenient speed give notice thereof to such member by advertisement in some daily newspaper circulating in the neighbourhood of the office or by a registered letter sent by post and addressed to such

member at his address as registered in the Register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of the post. The provisions of this article does not prejudice the right of the liquidator of our Company to serve any notice or document in any other manner prescribed by these Articles.

KEEPING OF REGISTERS AND INSPECTION

161. Our Company shall duly keep and maintain Register in accordance with sections 49(7), 58(A), 143, 150, 151, 152, 301, 303, 307, 370, 372 of the Act and Rule 7 of the Companies (Issue of Share Certificates) Rules 1960, at its office or such other places as may be decided by our Company in General Meeting by a special resolution subject to the provisions of the Act.

162. Our Company shall comply with the provisions of section 39, 118, 163, 192, 196, 219, 301, 302, 304, 307, 370 and 372 of the Act as to the supplying of copies of the Registers, deeds, documents, instruments, returns, certificates and books therein mentioned to the persons therein specified when so required by such persons on payment of the charges, if any, prescribed by the said sections.

163. Where under any provisions of the Act any person whether a member of our Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document required to be kept or maintained by our Company, the persons so entitled to inspection shall be permitted to inspect the same during the hours of 2 p.m. and 4 p.m. on such business days as the Act requires them to be open for inspection.

164. Our Company may, after leaving not less than 7 days' previous notice by advertisement in some newspaper circulating in the district in which the office is situated close the Register of Members or the Register of Debenture-holders, as the case may be for any periods not exceeding in aggregate 45 days' in each year but not exceeding 30 days at any one time.

MINUTES

165. The Board shall cause minutes of all proceedings of every General Meeting and of all proceedings of every meeting of the Board or every Committee of the Board to be kept in accordance with the provisions of section 193 of the Act, which shall be evidence of the proceedings recorded therein.

166. The Minute Books of General Meeting of our Company shall be kept at the office and shall be open to inspection by Members during the hours of 2 p.m. and 4 p.m. on such business days as the Act requires them to be open for inspection.

RECONSTRUCTION

167. On any sale of the undertaking of our Company the Board or the Liquidators on a winding up may, if authorized by Special Resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company whether in corporate in India or not either then existing or to be formed for the purchase in whole or in part of the property of our Company and the Board (if the profits of our Company permit) or the liquidators (in a winding up) may distribute such shares or securities, or any other property of our Company amongst the members without realization, or vest the same in trustees for them and any

Special Resolution may provide for the distribution or appropriation of the cash, shares or other securities, benefit or property, otherwise than in accordance with the strict legal rights of the members or contributories of our Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall be bound to accept and shall be bound by any valuation or distribution so authorized, and waive all rights in relation thereto, save only in case our Company is proposed to be or is in the course of being wound up, such statutory rights (if any) under section 494 of the Act, as are in capable of being varied or excluded by these Articles.

SECRECY

168. Every Director, Manager, Auditor, Secretary, Trustee for our Company, its members or debenture-holders, member of a committee, officer, servant, agent, accountant or other person employed in or about the business of our Company shall, if so required by the Board or the Managing Director before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of our Company with its customers and the state of accounts with individuals and in 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 board or by any general meeting or by a court of law 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 contained.

169. No member or other person (not being a Director) shall be entitled to enter upon the property of our Company or to inspect or examine the premise or properties of our Company without the permission of the Board or, subject to Article 149 to require discovery of or any information respecting any detail of the trading of our Company or any matter which is or may be in the nature of a trade, secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of our Company and which in the opinion of the Board, it will be expedient in the interest of our Company to communicate.

WINDING-UP

170. Upon the winding-up of our Company the holders of preference shares, if any shall be entitled to be paid all arrears of preferential dividend to the commencement of winding-up and also to be repaid the amount of capital paid up or credited as paid upon such preference shares held by them respectively, in priority to the Equity Shares but shall not be entitled to any further rights to participate in profits or assets; subject as aforesaid and to the rights of any other holders of shares entitled to receive preferential payment over the Equity Share in the event of the winding up of our Company, the holders of the Equity Share shall be entitled to be repaid the amount of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid up on such Equity Shares respectively, at the commencement of the winding up. If the assets shall be insufficient to repay the whole of the paid up Equity Capital such assets shall be distributed so that as nearly as may be the losses shall be borne by the members holding Equity Shares in proportion to the capital paid or which ought to have been paid on the Equity Shares held by them respectively at the commencement of the winding up, other than the amounts paid by them in advance of calls.

171. If our Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a Special Resolution of our Company and any other sanction required by the Act, divide among the contributors in specie or kind any part of the assets of our Company and may with the like sanction vest any part of the assets of our Company in trustees upon such trusts for the benefit of the contributors, or any of them as the Liquidators, with the like the sanction shall think fit.

MEMBERS

172. Every person who is a subscriber to the Memorandum and Articles and/or who intends to be or becomes a member of our Company shall, subject to the provisions of any law in force, be bound by the provisions of the Memorandum and Articles of our Company and any matter of dispute arising between our Company and any such person as regards mutual rights, obligations or otherwise shall be subject to the jurisdiction of the court having jurisdiction over the registered office of our Company in respect to the disputed matter.

INDEMNITY

173. (i) Subject to the provision of section 201 of the Act, every Director, Manager, Secretary and other Officer or Employee of our Company shall be indemnified against and it shall be the duty of the Directors to pay out of the funds of our Company all costs, losses and expenses (including traveling expenses) which any such Directors, Manager or Secretary or other Officer or Employee may incur or become liable to by reason of any contract entered into or any way in the discharge of his or their duties and in particular, and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him or them as such Director, Manager, Secretary, Officer or Employees in defending any proceedings whether civil or criminal, in which judgment is given in his or their favour or he or they is or are acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the court; and the amount for which such indemnity is provided shall immediately attach as a lien on the property of our Company and have priority as between the members over all other claims.

(ii) Subject to the provisions of the Act and so far as such provisions permit, no Director, Auditor or other officer of our Company shall be liable for Acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or act for conformity, or for any loss or expense happening to our Company through the insufficiency or deficiency of title to any property required by order of the Directors for or on behalf of our Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of our Company shall be vested, or for any loss occasioned by any error of judgment, omission, default or oversight on his part, or for any loss, damage or misfortune whatever which shall happen in the execution of the duties of his officer or in relation thereto, unless the same happens through his own dishonesty.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which have been attached to the copy of this Red Herring Prospectus, delivered to the Registrar of Companies for registration and also the documents for inspection referred to hereunder, may be inspected at the corporate office of our Company situated at 8/1 Lal Bazar Street, Kolkata 700001 from 10.00 am to 4.00 pm on working days from the date of this Red Herring Prospectus until the Bid/ Issue Closing Date.

Material Contracts

1. Engagement Letter dated May 30, 2006 for appointment of ICICI Securities Limited as BRLM.

2. Memorandum of understanding dated January 17, 2007 between our Company and the BRLM.

3. Memorandum of Understanding dated November 16, 2007 executed by our Company with the Registrar to the Public Issue.

4. Escrow Agreement dated December 6, 2007 between our Company the BRLM, the Escrow Collection Banks and the Registrar to the Issue.

5. Syndicate Agreement dated December 4, 2007 between our Company, the BRLM and the Syndicate Members.

6. Underwriting Agreement dated [•] between our Company, the BRLM and the Syndicate Members.

Material Documents

1. Our Memorandum of Association and Articles of Association as amended till date.
2. Our certificate of incorporation.
3. Shareholders' resolutions dated September 28, 2006 in relation to this Issue and other related matters.
4. Resolution of the Board dated April 29, 2006 authorising the Issue.
5. Report of the Auditors, M/s SRB & Associates, Chartered Accountants, prepared as per Indian GAAP and mentioned in this Red Herring Prospectus and letters from the auditors dated November 29, 2007.
6. Copies of annual reports of our Company and our Subsidiaries for the past five Fiscal Years.
7. Consents of the Auditors, M/s SRB & Associates, Chartered Accountants, for inclusion of their report on accounts in the form and context in which they appear in this Red Herring

Prospectus.

8. General powers of attorney executed by the Directors of our Company in favour of person(s) for signing and making necessary changes to this Red Herring Prospectus and other related documents.

9. Consents of Auditors, Bankers to our Company, the BRLM, Syndicate Members, Registrar to the Issue, Banker to the Issue, Domestic Legal Counsel to the Issue, International Legal Adviser to the BRLM, Directors of our Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.

10. Applications for in-principle listing approval from BSE, NSE and CSE all dated January 31, 2007.

11. In-principle listing approval dated February 26, 2007 April 11, 2007 and April 16, 2007 from BSE, NSE and CSE respectively.

12. Tripartite agreement between NSDL, our Company and the Registrar to the Issue dated July 15, 2005.

13. Tripartite agreement between CDSL, our Company and the Registrar to the Issue dated September 16, 2004.

14. Due diligence certificate dated January 29, 2007 to SEBI from ICICI Securities Limited.

15. SEBI observation letter dated November 27, 2007 and our in-seriatim reply to the same dated December 3, 2007.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

All the relevant provisions of the Companies Act 1956, and the guidelines issued by the Government of India or the 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made there under or guidelines issued, as the case may be.

We and the signatories mentioned below further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY ALL DIRECTORS

Mr. Basant Kumar Agrawal

Mr. Mahabir Prasad Agrawal

Mr. Suresh Kumar Agrawal

Mr. Sushil Kumar Agrawal

Mr. Sunil Kumar Agrawal

Mr. Nadia Basak

Mr. Debabrata Guha

Mr. Ajay Kumar Chakraborty

Mr. Kali Kumar Chaudhuri

Mr. Rabindra Nath Sengupta

Prof. Alak Ghosh

Ms. Smita Khaitan

SIGNED BY THE CHIEF FINANCIAL OFFICER

Dilip Patodia

Place: Kolkata
Date: December 5, 2007