

RAINBOW DENIM LTD.

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5th Annual Report 2003-2004

BOARD OF DIRECTORS

CHAIRMAN

R L RAMSINGHANI

MANAGING DIRECTOR

H D RAMSINGHANI

WHOLETIME DIRECTOR

S S ARORA

DIRECTORS

D J RAMSINGHANI

D N SINGH

M P TEJWANI

MAHENDRA LODHA

P N K RAO – Nominee Director of IDBI

J PREMKUMAR – Nominee Director

COMPANY SECRETARY

R D JOG

AUDITORS

M/s DAYAL & LOHIA

CHARTERED ACCOUNTANTS

BANKERS

BANK OF INDIA

DENA BANK

ARAB BANGLADESH BANK LTD.

REGISTERED OFFICE & WORKS

VILLAGE CHAUNDHERI,

P O DAPPAR, TEHSIL DERABASSI,

DIST PATIALA, PUNJAB 140506.

Email : rainbow@rainbowdenim.com

CORPORATE OFFICE

812, RAHEJA CHAMBERS,

NARIMAN POINT,

MUMBAI 400 021

Email : raindenim@vsnl.com

REGISTRARS & TRANSFER AGENTS

INTIME SPECTRUM REGISTRY LTD.

C-13, PANNALAL SILK MILLS

POUND,

L B S MARG, BHANDUP (WEST)

MUMBAI 400 078

TEL : 55555454. FAX : 55555353

Email : isrl@intimespectrum.com

NOTICE

NOTICE is hereby given that the Fifth Annual General Meeting of the Members of Rainbow Denim Limited will be held on Thursday the 30th day of September 2004 at 10.00 A.M. at the Registered Office of the Company at Village Chaundheri, P O Dappar, Tehsil Derabassi, District Patiala, Punjab 140506 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit and Loss Account for the six months period ended March 31, 2004 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr D J Ramsinghani who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr M P Tejwani who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 16, 94 and other applicable provisions, if any, of the Companies Act, 1956 the Authorised Share Capital of the Company of Rs. 25,00,00,000/- (Rupees Twenty five Crore Only) divided into 1,20,00,000 (One Crore Twenty Lacs) Equity Shares of Rs 10/- (Rupees Ten Only) each and 1,30,00,000 (One Crore Thirty Lacs) Unclassified Shares of Rs 10/- (Rupee Ten Only) each be and is hereby altered by reclassifying 1,30,00,000 (One Crore Thirty lacs) Unclassified Shares of Rs 10/- (Rupees Ten Only) each into 70,00,000 (Seventy Lacs) Preference Shares of Rs 10/- (Rupees Ten Only) each and 60,00,000 (Sixty Lacs) Equity Shares of Rs 10/- (Rupees Ten Only) each.”

“FURTHER RESOLVED THAT consequent upon classification of unclassified shares as above the composition of the Authorised Share Capital of the Company shall stand altered and accordingly the Memorandum of Association of the Company be and is hereby altered by deleting therefrom the existing Clause V and substituting in its place and stead the following as new Clause V :

V. The Authorised Share Capital of the Company is Rs 25,00,00,000/- (Rupees Twentyfive Crore Only) divided into 1,80,00,000 (One Crore Eighty lacs) Equity Shares of Rs 10/- each (Rupees Ten Only) and 70,00,000 (Seventy Lacs) Preference Shares of Rs 10/- (Rupees Ten Only) each with the rights, privileges and conditions attaching thereto as may be provided by the Articles of Association of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide and/or subdivide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, guaranteed, qualified or special rights, privileges and conditions as may be determined by or in accordance with the Articles of Association of the Company and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company but subject always to the provisions of the Companies Act, 1956 (1 of 1956) including amendments thereto from time to time.

“FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to the above resolution.”
6. To consider and if thought fit, to pass with or without modification, as a Special Resolution the following :

“RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions of the Companies Act, 1956, the Articles of Association of the Company be and is hereby altered by deleting therefrom the existing Article 2A and substituting in its place and stead the following as new Article 2A :

2A. The Authorised Share Capital of the Company is Rs. 25,00,00,000/- (Rupees Twentyfive Crore Only) divided into 1,80,00,000 (One Crore Eighty Lacs) Equity shares of Rs. 10/- (Rupees Ten only) each and 70,00,000 (Seventy Lacs) Preference Shares of Rs. 10/- (Rupees Ten Only) each.

7. To consider and if thought fit, to pass with or without modification, as a Special Resolution the following :
 “RESOLVED THAT pursuant to the provisions of Section 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of the Memorandum and Articles of Association of the Company and Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the Guidelines / Rules / Regulations issued / made by the Securities and Exchange Board of India (SEBI) and other concerned authorities and departments and subject further to such approvals, consents and sanctions as may be required and subject to such conditions, restrictions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any duly authorised Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), the consent of the members be and it is hereby accorded to the Board to offer, issue and allot in one or more tranches upto 45,13,300 (Forty five Lacs Thirteen Thousand Three Hundred) Equity Shares of Rs. 10/- (Rupees Ten Only) each for cash or otherwise at par for an aggregate nominal amount not exceeding Rs. 4,51,33,000/- (Rupees Four Crore Fifty one Lacs Thirty three Thousand Only) on private placement basis / preferential allotment/ on conversion of loans or any combination thereof to Financial Institutions and/or Banks whether or not such persons / parties are members of the Company and in such form and manner and at such time or times as the Board may in its absolute discretion deem fit and expedient.”

“FURTHER RESOLVED THAT the relevant date for the purpose of SEBI Guidelines for Preferential Issue for pricing of the resultant shares shall be August 30, 2004.”

“FURTHER RESOLVED THAT the Equity Shares to be issued and allotted as aforesaid shall rank pari passu in all respects with the existing Equity Shares issued by the Company.”

“FURTHER RESOLVED THAT the Equity Shares to be issued and allotted as aforesaid be listed on all the Stock Exchanges where the existing Equity Shares issued by the Company are presently listed.”

“FURTHER RESOLVED THAT the Board be and it is also hereby authorised to finalise the terms and conditions attached to the issue of Equity Shares as aforesaid as the Board may in its absolute discretion deem fit and that for the purpose of giving effect to the above Resolution the Board be and it is hereby further authorised to take all such actions and to give all such directions or do all such acts, deeds, matters and things as may be necessary or desirable and to settle any question or difficulty that may arise in this regard as it may in its absolute discretion deem fit in order to give effect to this Resolution without being required to obtain any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

8. To consider and if thought fit, to pass with or without modification, the following as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of Section 81, 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the provisions of the Memorandum and Articles of Association of the Company and Listing Agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the Guidelines / Rules / Regulations issued / made by the Securities and Exchange Board of India (SEBI) and other concerned authorities and departments and subject further to such approvals, consents and sanctions as may be required and subject to such conditions, restrictions and modifications as may be prescribed or imposed by any of them while granting such approvals, consents and sanctions and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any duly authorised Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), the consent of the members be and it is hereby accorded to the Board to offer, issue and allot in one or more tranches upto 70,00,000 (Seventy Lacs) Optionally Convertible Cumulative Preference Shares of Rs.10/- (Rupees Ten Only) each for cash or otherwise at par for an aggregate nominal amount not exceeding Rs. 7,00,00,000/- (Rupees Seven Crore Only) on private placement / preferential allotment basis /on conversion of loans or any combination thereof to Financial Institutions and/or Banks whether or not such persons/parties are members of the Company and in such form and manner and at such time or times as the Board may in its absolute discretion deem fit and expedient as per the terms and conditions as may be stipulated by the Financial Institutions/Banks and agreed upon by the Board.”

“FURTHER RESOLVED THAT the Board be and is hereby authorized to issue, offer and allot, at the

exercise price determined in accordance with the SEBI Guidelines on Preferential Issue, such number of Equity Shares as may be necessary as per the terms of the issue and that all such Equity Shares shall rank *pari passu* with the existing Equity Shares issued by the Company and shall be listed on all the Stock Exchanges where the existing Shares are listed."

"FURTHER RESOLVED THAT the Board be and it is also hereby authorised to finalise the terms and conditions attached to the issue of Preference Shares as aforesaid as the Board may in its absolute discretion deem fit and expedient as per the terms and conditions as may be stipulated by the Financial Institutions/Banks and agreed upon by the Board and as shall be in accordance with the SEBI Guidelines on Preferential Allotments and that for the purpose of giving effect to the above Resolution the Board be and it is hereby further authorised to take all such actions and to give all such directions or do all such acts, deeds, matters and things as may be necessary or desirable and to settle any question or difficulty that may arise in this regard as it may in its absolute discretion deem fit in order to give effect to this Resolution without being required to obtain any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

"FURTHER RESOLVED THAT the relevant date for the purpose of SEBI Guidelines for Preferential Issue for pricing of the resultant shares shall be August 30, 2004."

9. To consider and if thought fit, to pass with or without modification, as an Ordinary Resolution the following :

"RESOLVED THAT pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, the consent of the members be and it is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall include any committee thereof as may be constituted by the Board of Directors for any specific purpose) for mortgaging and/or charging on such terms and conditions, with such ranking for priority as may be agreed upon with the Banks/Financial Institutions at such time or times and in such form and manner as it may think fit, the whole or substantially the whole of the Company's undertaking(s) as the case may be in favour of the Trustees (to be appointed by the Board) and/or such other Banks/Financial Institutions as may be required to secure borrowings upto an aggregate amount not exceeding Rs. 9,00,00,000/- (Rupees Nine Crores Only) by issue of Non-convertible Debentures / Bonds to be issued in one or more tranches to various Banks/Financial Institutions on such terms and conditions and in such form and manner and at such time or times as the Board may in its absolute discretion deem fit and expedient together with interest at the respective agreed rates, compound interest, additional interest, liquidated damages, accumulated interest, commitment charges, premium on prepayment or redemption, costs, charges, expenses and other monies covered by the respective documents to be entered into by the Company in respect of the said issue of Non-Convertible Debentures / Bonds."

"FURTHER RESOLVED THAT the mortgage / charge to be created by the Company as aforesaid may rank prior / *pari passu* / subservient with / to the mortgages and/or charges already created or to be created in future by the Company and as may be agreed upon between the Company and the Banks / Financial Institutions."

"FURTHER RESOLVED THAT the Board be and is hereby authorised to appoint the Trustees for the said Debentures, to enter into necessary agreements with them as they may deem fit and to fix their remuneration."

"FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents / deeds/ writings / papers / agreements as may be required and to do all acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the issue of Non-convertible Debentures and/or creation of mortgage / charge as aforesaid as it may in its absolute discretion deem fit in order to give effect to this Resolution without being required to obtain any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution."

10. To consider and if thought fit, to pass with or without modification, as an Ordinary Resolution the following :

"RESOLVED THAT the consent of the Members be and it is hereby accorded pursuant to the provisions of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956 to the Board of Directors

of the Company (which term shall include a committee thereof) for creating such Mortgage and/or charge on such terms and conditions and in such form and manner as it may deem fit the whole or substantially the whole of the Company's undertaking(s) including the present and future properties whether movable or immovable as the case may be together with the power to take over the management of the business and concern of such undertaking of the Company in certain events to and in favour of the following :

1. Industrial Development Bank of India Ltd. to secure the Funded Interest Term Loan up to an amount not exceeding Rs 1000 lacs.
2. Industrial Investment Bank of India Ltd. to secure the Funded Interest Term Loan up to an amount not exceeding Rs 250 lacs.
3. Export Import Bank of India to secure the Funded Interest Term Loan up to an amount not exceeding Rs 60 lacs.
4. Bank of India to secure the Funded Interest Term Loan up to an amount not exceeding Rs 1200 lacs.
5. Dena Bank to secure the Funded Interest Term Loan up to an amount not exceeding Rs 650 lacs.

together with interest thereon at the agreed rates, compound interest, additional interest, commitment charges, liquidated damages, premia on prepayment, costs, charges, expenses and other monies payable by the Company in terms of the respective Loan Agreements entered into/to be entered into by the Company."

"FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to finalise and execute all such deeds, documents, agreements and writings as may be necessary for creating the aforesaid mortgage and/or charge and to agree to any modifications or variations thereto on such terms and conditions that they may deem fit, proper or appropriate in their absolute discretion and to do all such acts, deeds and things as may be necessary, expedient or desirable to give effect to the above resolutions."

NOTES

1. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Item No. 5 to 10 is annexed hereto.
2. The Auditors Certificate obtained pursuant to SEBI Guidelines for Preferential issue of shares will be open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days prior to the date of the ensuing Annual General Meeting and will also be placed before the said meeting.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday the 23rd day of September, 2004 to Thursday the 30th day of September, 2004 (both days inclusive).
5. Members desirous of seeking any information concerning the Accounts are requested to address their queries, in writing, to the Company at the Corporate Office at least seven days before the date of the Meeting so that the requested information can be made available at the time of the meeting.
6. Members/Proxies should bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.

By Order of the Board

For **RAINBOW DENIM LTD.**

Place : Mumbai
Dated : July 30, 2004

R. D. JOG
COMPANY SECRETARY

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956 WITH REFERENCE TO THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE FIFTH ANNUAL GENERAL MEETING OF THE COMPANY.

The Industrial Development Bank of India (IDBI) had referred the proposal for restructuring of the Company's Debts under the Corporate Debt Restructuring (CDR) Mechanism. Accordingly, the CDR Empowered Group has approved the restructuring of the debts of the Company subject to fulfillment of certain conditions by the Company/Promoters.

As a part of the Debt Restructuring Proposal, it is proposed to issue Optionally Convertible Cumulative Preference Shares and/or Non-Convertible Debentures and/or Equity Shares on such terms and conditions as may be agreed upon between the Company and the Institutions/Banks.

The Resolutions vide Item Nos. 5 & 6 relate to changes in the Authorised Share Capital of the Company by classification of the Unclassified Share Capital of the Company with a view to accommodate the fresh issue of Equity Shares and the consequential amendments to the Capital Clause (Clause V) of the Memorandum of Association and relevant article of the Articles of Association of the Company.

The Resolution vide Item No. 7 is for seeking the approval of members to issue and allot Equity Shares at par as per the terms of Restructuring Proposal.

The disclosures as required in compliance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 are as follows:

1. The object/s of the issue through preferential offer:
As stated earlier the preferential offer is being made to various Banks/Financial Institutions as a part of the Corporate Debt Restructuring Scheme.
2. Intention of the promoters/directors/key management persons to subscribe to the offer :
Not Applicable since the preferential offer is being made only to Banks/Financial Institutions. None of the Promoters / Directors / Key Management Personnel shall subscribe to the offer.
3. Equity Shareholding pattern before and after the offer based on the understanding arrived at between the Company and the Banks/Financial Institutions, shortly to be reduced in writing:

Category	Shareholding pattern before the offer		Shareholding pattern after the offer	
	No of Shares	%	No of Shares	%
Promoters	4793930	46.09	4793930	32.14
Foreign Collaborators	NIL	N A	NIL	N A
Banks/Financial Institutions	61750	0.59	4575050	30.67
F I I s	NIL	N A	NIL	N A
Mutual Funds	308650	2.97	308650	2.07
Domestic Companies	193809	1.86	193809	1.30
Non Domestic Companies	NIL	N A	NIL	N A
Non Resident Indians	72700	0.70	72700	0.49
General Public	4971631	47.79	4971631	33.33
TOTAL	10402470	100.00	14915770	100.00

4. Proposed time within which the allotment will be completed :
The Company shall complete the allotment within 15 days from the date of passing of the resolution at the Annual General Meeting or within 15 days from the date of receipt of such approvals, consents and sanctions as may be necessary, whichever is later.
5. The identity of the proposed allottees and the percentage of the post preferential issue equity capital that may be held by them :

The identity of the proposed allottees and the post issue equity capital that may be held by them is as follows :

Name of the proposed Allottee	Post issue equity capital which may be held	
	No of Shares	%
Industrial Development Bank of India	25,53,300	17.12
Industrial Investment Bank of India Ltd.	4,10,000	02.75
Bank of India	15,50,000	10.39

6. Relevant date for the purpose of pricing
The relevant date for purpose of determining of the pricing of issue of shares is August 30, 2004 i.e. 30 days prior to the date of the Annual General Meeting.
7. The Equity Shares issued as aforesaid shall be subject to lock in as per the SEBI Guidelines on Preferential Issue.
8. A copy of the Auditors Certificate upon receipt shall be available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days upto the date of the meeting and will also be placed before the meeting.

Under Section 81, 81(1A) of the Companies Act, 1956, shareholders approval by a Special resolution is required for issue of Shares to persons other than shareholders of the Company. Since the Equity Shares are proposed to be allotted to persons/parties who may not be shareholders of the Company, the consent of the members is being obtained by means of Special Resolution as required by the said Section.

Resolution vide Item No. 8 is for seeking the approval of the members to issue and allot Optionally Convertible Cumulative Preference Shares (OCCP) on such terms and conditions as may be decided as per the terms of restructuring Proposal.

The disclosures as required in compliance with the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 are as follows :

1. The object/s of the issue through preferential offer :
As stated earlier the preferential offer is being made to various Banks/Financial Institutions as a part of the Corporate Debt Restructuring Scheme.
2. Intention of the promoters/directors/key management persons to subscribe to the offer :
Not Applicable since the preferential offer is being made only to Banks/Financial Institutions. None of the Promoters/Directors/Key Management Personnel shall subscribe to the offer.
3. Equity Shareholding pattern before and after the offer based on the understanding arrived at between the Company and the Banks/Financial Institutions, shortly to be reduced in writing:

Category	Shareholding pattern before the offer		Shareholding pattern after the offer	
	No of Shares	%	No of Shares	%
Promoters	4793930	32.14	4793930	21.87
Foreign Collaborators	NIL	N A	NIL	N A
Banks/ Financial Institutions	4575050	30.67	11575050	52.82
F I I s	NIL	N A	NIL	N A
Mutual Funds	308650	2.07	308650	1.41
Domestic Companies	193809	1.30	193809	0.88
Non Domestic Companies	NIL	N A	NIL	N A
Non Resident Indians	72700	0.49	72700	0.33
General Public	4971631	33.33	4971631	22.69
TOTAL	14915770	100.00	21915770	100.00

The pre-shareholding pattern is after considering allotment of 45,13,300 Equity Shares as proposed vide Item No. 7 of the Notice. The post-shareholding pattern is on the assumption that the entire 70,00,000 OCCPs would be allotted and the options in respect thereof would be exercised for conversion of all the OCCPs into Equity Shares in the ratio of one Equity Share for every OCCP held.

4. Proposed time within which the allotment will be completed :

The Company shall complete the allotment within 15 days from the date of passing of the resolution at the Annual General Meeting or within 15 days from the date of receipt of such approvals, consents and sanctions as may be necessary, whichever is later.

5. The Identity of the proposed allottees and the percentage of the post preferential issue Equity Capital that may be held by them.

As stated the allotment shall be done to Banks/Financial Institutions. The exact No. of OCCPs allotted shall be determined upon finalisation of terms of the Corporate Debt Restructuring Scheme in consultation with the respective Banks and Financial Institutions. The No. of shares arising out of conversion of OCCPs shall be determined upon the options exercised for conversion of the said OCCPs. The exercise price for the Optimally Convertible Cumulative Preference Shares shall be worked out in accordance with the SEBI Guidelines for Preferential Issue.

6. Relevant date for the purpose of pricing

The relevant date for purpose of determining of the pricing of issue of OCCPs is August 30, 2004 i.e. 30 days prior to the date of the Annual General Meeting.

7. The Equity Shares issued as aforesaid shall be subject to lock in as per the SEBI Guidelines on Preferential Issue.

8. A copy of the Auditors Certificate upon receipt shall be available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days upto the date of the meeting and will also be placed before the meeting.
Under Section 81, 81(1A) of the Companies Act, 1956, shareholders approval by a Special resolution is required for issue of OCCPs to persons other than shareholders of the Company. Since the OCCPs are proposed to be allotted to persons/parties who may not be shareholders of the Company, the consent of the members is being obtained by means of Special Resolution as required by the said Section.

Resolution proposed vide Item No. 9 is for seeking the approval of the members to issue and allot Non-Convertible Debentures as per the terms of the Restructuring Proposal.

Resolution proposed vide Item No. 10 is for seeking the approval of the members for creation of mortgage on the whole or substantially the whole the Company's undertaking(s) including the present and future properties whether movable or immovable for securing the funded interest term loans as detailed in the resolution.

None of the Directors are in any way concerned or interested in the aforesaid Resolutions.

By Order of the Board
For **RAINBOW DENIM LTD.**

R. D JOG
COMPANY SECRETARY

Place : Mumbai

Dated : July 30, 2004

INFORMATION PURSUANT TO CLAUSE 49 (VI) OF THE LISTING AGREEMENT

As required under the Listing Agreement the particulars of Directors who are proposed to be re appointed at the forthcoming Annual General Meeting are given below :

a) Mr D J Ramsinghani

Mr D J Ramsinghani has been a Director of the Company since 2001 and has over 40 years of rich and varied experience in the field of business and industry. He is presently the Managing Director of Rama Phosphates Ltd.

He is a Director of the following Companies :

Rama Phosphates Ltd.; Rainbow Agri Industries Ltd.; Rama Industries Ltd.; Goodearth Credit & Investment Ltd.

He is a Committee Member / Chairman in the following Companies :

Rama Phosphates Limited : Shareholders Committee, Share Transfer Committee- Chairman

(b) Mr. M.P. Tejwani

Mr Tejwani has been a Director of the Company since 2002. He is M.A, B.Sc and a Certified Associate of Indian Institute of Bankers and has over 48 years experience in the field of Banking and Finance. He has held senior positions in several companies/institutions out of which for eleven years he was with EXIM Bank from where he retired as the Executive Director.

He is a Director of the following companies :

Rainbow Agri Industries Ltd.; Premium Financial Services Ltd.; Rama Capital & Fiscal Services Pvt. Ltd.; Jyoti Structures Ltd.; Goodearth Credit and Investment Ltd.

He is a Committee Member / Chairman in the following Companies :

Jyoti Structures Ltd.

Audit Committee – Chairman; Remuneration Committee - Chairman; Share Transfer and Shareholder's Committee – Chairman