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Rama Phosphates Limited

**19TH ANNUAL REPORT
2003 - 2004**

BOARD OF DIRECTORS

CHAIRMAN AND MANAGING DIRECTOR

D.J. Ramsinghani

DIRECTORS

D N Singh

C R Malaviya

V T Khardekar

M.K. Jain – Nominee Director of IDBI

B. S. Gupta – Nominee Director of IIBI

Silpita Guha – Nominee Director of UTI

CHIEF EXECUTIVE OFFICER AND MANAGER

A N Manudhane

COMPANY SECRETARY

J K Parakh

BANKERS

Bank of India

State Bank of Indore

Central Bank of India

Syndicate Bank

State Bank of Hyderabad

AUDITORS

M/s. Dayal & Lohia

Chartered Accountants

Mumbai

REGISTERED OFFICE

812, Raheja Chambers, Nariman Point,
Mumbai 400 021

REGISTRARS & TRANSFER AGENTS

INTIME SPECTRUM REGISTRY LTD.

C-13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup West,

Mumbai 400078

Tel.No. 55555454 Fax No.:55555353

Email : isrl@intimespectrum.com

ADMINISTRATIVE OFFICES

Indore

Rama House, 4 Saket Nagar,

Indore 452001 Madhya Pradesh

Pune

P.O. Loni Kalbhor, Tal. Haveli,

Dist. Pune – 412 201

Udaipur

4807/8, Umra Village,

Jamarkotra Road, Teh. Girva,

Udaipur (Rajasthan) 313 001

WORKS

Indore

20/4 KM Stone, Indore – Ujjain Road

(Dharampuri), Dist. Indore,

Madhya Pradesh – 453 551.

Pune

P.O. Loni, Kalbhor, Tal. Haveli,

Dist. Pune 412 201

Udaipur

4807/8, Umra Village,

Jamarkotra Road, Teh. Girva,

Udaipur (Rajasthan) 313 001

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Wednesday the 29th day of December 2004 at 10.00 a.m. at M.C. Ghia Hall, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001 to transact the following business :-

1. To receive, consider and adopt the Profit & Loss Account for the year ended 30th June 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 N Singh who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

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

“RESOLVED THAT M/s Dayal and Lohia, Chartered Accountants be and they are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration to be fixed by the Board of Directors of the Company.”

4. To consider and if thought fit, to pass, with or without modification, the following resolution 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. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 1,50,00,000 (One Crore Fifty Lacs) Equity Shares of Rs 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each and 50,00,000 (Fifty Lacs) Unclassified Shares of Rs 10/- (Rupee Ten Only) each be and is hereby altered by reclassifying 50,00,000 (Fifty lacs) Unclassified Shares of Rs 10/- (Rupees Ten Only) each into 50,00,000 (Fifty 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 there from the existing Clause VI and substituting in its place and stead the following as new Clause VI :

VI The Authorised Share Capital of the Company is Rs 30,00,00,000/- (Rupees Thirty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs 10/- each (Rupees Ten Only) and 1,00,00,000 (One Crore) 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.”

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

"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 there from the existing Article 2 and substituting in its place and stead the following as new Article 2 :

2. The Authorised Share Capital of the Company is Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 2,00,00,000 (Two Crore) Equity shares of Rs. 10/- (Rupees Ten only) each and 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each.

6. To consider and if thought fit, to pass, with or without modification, the following resolution 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 be increased from Rs. 30,00,00,000/- (Rupees Thirty Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs 10/- (Rupees Ten Only) each and 1,00,00,000 (One Crore) Preference Shares of Rs. 10/- (Rupees Ten Only) each to Rs. 41,00,00,000/- (Rupees Forty One Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs.10/- each (Rupees Ten Only) each and 2,10,00,000 (Two Crore Ten Lacs) Preference Shares of Rs.10/- (Rupees Ten Only) each."

"FURTHER RESOLVED THAT consequent upon the aforesaid increase 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 there from the existing Clause VI and substituting in its place and stead the following as new Clause VI :

- VI. The Authorised Share Capital of the Company is Rs 41,00,00,000/- (Rupees Forty One Crore Only) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs 10/- each (Rupees Ten Only) and 2,10,00,000 (Two Crore Ten 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."

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

"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 2 and substituting in its place and stead the following as new Article 2 :

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2. The Authorised Share Capital of the Company is Rs. 41,00,00,000/- (Rupees Forty One Crore Only) divided into 2,00,00,000 (Two Crore) Equity shares of Rs. 10/- (Rupees Ten only) each and 2,10,00,000 (Two Crore Ten Lacs) Preference Shares of Rs. 10/- (Rupees Ten Only) each.
8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“RESOLVED THAT in accordance with the provisions of Section 100 to 104 and other applicable provisions, if any, of the Companies Act, 1956 and the enabling provisions in the Memorandum and Articles of Association of the Company, the Listing Agreements with Stock Exchanges and in accordance with the Guidelines issued by the Securities and Exchange Board of India (SEBI) and clarifications thereon from time to time and subject to confirmation of the High Court/Tribunal/ Board for Industrial and Financial Reconstruction as may be applicable and such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions 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 committee thereof) the consent of the Company be and it is hereby accorded to the Board for cancellation of 60% of existing Equity Shares having face value of Rs. 10/- each on the terms and conditions detailed hereinbelow :

- a) Upon the Order of the High Court/Tribunal being finally effective, the Company shall determine a Record date for the purpose of cancellation of the existing paid up equity share capital in the ratio of Six (6) Equity Shares of Rs. 10/- each out of every Ten (10) Equity Shares of Rs. 10/- each held by the Equity Shareholders.
- b) The remaining Four (4) Equity Shares of Rs. 10/- each out of the Ten (10) Equity Shares of Rs. 10/- each shall continue to be held by the Equity Shareholders as fully paid-up Equity Shares of Rs. 10/- each without any alteration to the rights attached thereto.
- c) No fractional Certificates shall be issued by the Company in respect of fractional entitlements, if any to which the members may be entitled on cancellation of the Equity Shares and the Board shall instead consolidate all fractional entitlements and thereupon issue and allot equity Shares in lieu thereof to a Director or an Officer of the Company who shall hold the shares in trust on behalf of such members with the express understanding that such Director or Officer to whom such Equity Shares shall be allotted shall sell the same in the market at the best available price and pay to the Company the net sale proceeds thereof whereupon the Company shall distribute such net sale proceeds to the members in proportion to their respective fractional entitlements.
- d) The remaining Equity Shares shall continue to be listed on the Stock Exchange(s).

“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.”

9. To consider and if thought fit, to pass with or without modification, the following resolution 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,

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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 1,34,80,000 (One Crore Thirty Four Lacs Eighty Thousand) Equity Shares of Rs. 10/- (Rupees Ten Only) each for cash or otherwise at par for an aggregate nominal amount not exceeding Rs. 13,48,00,000/- (Rupees Thirteen Crore Forty Eight Lacs Only) on private placement basis / preferential allotment/ on conversion of loans or any combination thereof to Promoters, Financial Institutions and 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 November 29, 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 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."

10. To consider and if thought fit, to pass with or without modification, the following resolution 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 1,10,00,000 (One Crore Ten Lacs) 4% 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. 11,00,00,000/- (Rupees Eleven Crores Only) on private placement / preferential allotment basis/on conversion of loans or any combination thereof to Financial Institutions and 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."

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“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 one or more Stock Exchanges.”

“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 November 29, 2004.”

11. 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 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, and subject to such approvals, permissions and sanctions as may be required and subject to such terms, conditions, alterations, modifications and changes, if any, that may be specified under any such approvals, permission and sanction by the authorities, consent of the members be and is hereby given to the Board of Directors of the Company (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) to negotiate and finalise the terms and conditions for the sale/ transfer of the Pune Fertilizer Unit (“the Undertaking”) as a going concern, together with all assets and liabilities of the Undertaking situate at and standing on At Post Loni Kalbhor, Pune-Solapur Road, Taluka Haveli, Dist. Pune 412 201 and that the Board of Directors be and it is hereby authorised to negotiate, finalise and settle the amount/value of consideration in the manner and on such terms and conditions as may be deemed appropriate and to sign, execute and deliver such deeds, documents and agreements as may be deemed necessary in this regard.”

12. 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 163 and other applicable provisions, if any, of the Companies Act, 1956 and in supersession of the Resolution passed at the Thirteenth Annual General Meeting held on the 19th day of June, 1998, the Company hereby accords its consent to the keeping of the Register and Index of Members and Debentureholders and copies of all Annual Returns prepared under Section 159 and 160 together with the copies of certificates and documents required to be annexed thereto under Section 160 and 161 of the Companies Act, 1956 at Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai 400 078.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary, expedient and desirable to give effect to the above Resolution.”

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NOTES

1. The Explanatory Statement pursuant to the provisions of section 173 of the Companies Act, 1956 in respect of Special Business specified in the Notice is annexed hereto.
2. 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 DULY COMPLETED NOT LESS THAN FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. In accordance with the decision of the Board of Directors and as per provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001 as amended, the resolutions proposed vide Item No. 8 and Item No. 11 in the Notice are proposed to be transacted through postal ballot only. The Postal Ballot Forms are dispatched along with this Notice to all the shareholders. The Shareholders are requested to return the Ballot Form duly completed in the enclosed self-addressed (postage pre-paid) envelope, after indicating their assent/dissent to the Resolutions proposed vide Item Nos. 8 and 11 in the Notice, so as to reach the Company not later than the close of working hours of Monday, December 27, 2004. The results shall be declared at the Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday the 22nd day of December 2004 to Wednesday the 29th day of December 2004 (both days inclusive).
5. Information required to be furnished as per the Listing Agreement about Director proposed to be reappointed at the forthcoming Annual General Meeting is annexed hereto.
6. Pursuant to the provision of Section 205(A) of the Companies Act, 1956, unclaimed Dividend upto the year ended June 30, 1996 has been transferred to the Credit of the Investor Education and Protection Fund ("the Fund"). The unclaimed Dividend for the period ended December 31, 1997 will be transferred to the said Fund after a period of seven years from the date of transfer of such dividend to the unclaimed/unpaid Dividend Account i.e. in August 2005. No claim shall lie against the Fund or the Company in respect of the unclaimed Dividend after the same is transferred to the Fund.
7. Members desirous of seeking any information concerning the Accounts are requested to address their queries in writing to the Managing Director 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.
8. Members are requested to bring their copies of the Annual Report to the Meeting since copies of the Annual Report will not be distributed at the Meeting.

Registered Office
812, Raheja Chambers,
Nariman Point
Mumbai : 400 021

Place : Mumbai
Date: November 5, 2004

By Order of the Board
For RAMA PHOSPHATES LIMITED
J K PARAKH
COMPANY SECRETARY

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 173 OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS SPECIFIED IN THE NOTICE CONVENING THE NINETEENTH ANNUAL GENERAL MEETING OF THE COMPANY.**ITEM NO 3**

Section 224A of the Companies Act, 1956 requires that in case of companies where the shareholding of Financial Institutions/Banks is more than 25% of the paid up share capital of the company, the appointment of Auditors should be made by a Special Resolution. As the shareholding of Financial Institutions and Banks exceeds the aforesaid limit, Special Resolution is proposed for the appointment of M/s Dayal and Lohia as the Auditors of the Company.

None of the Directors are in any way concerned or interested in the said Resolution.

ITEM NO 4 to 10

The Industrial Development Bank of India Limited (IDBI) had referred the proposal to Corporate Debt Restructuring Cell (CDR) for restructuring of the Company's debts under the Corporate Debt Restructuring 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.

The Resolutions vide Item Nos. 4 to 7 relate to changes in the Authorised Share Capital of the Company by classification of the Unclassified Share Capital of the Company and the increase of the Authorised Capital with a view to accommodate the fresh issue of Equity Shares and OCCPs and the consequential amendments to the Capital Clause (Clause VI) of the Memorandum of Association and relevant article of the Articles of Association of the Company.

The Resolution vide Item No. 8 is for seeking the approval of members for derating (cancellation) of the Equity Capital of the Company in accordance with the terms of sanction of CDR. As per the sanction of CDR, the Equity Shares of Rs. 10/- would stand cancelled in the ratio of Six (6) Equity Shares of Rs. 10/- each out of every Ten (10) Equity Shares of Rs. 10/- each. The remaining Four (4) Equity Shares of Rs. 10/- each out of the Ten (10) Equity Shares will be continued to be held by the existing Equity Shareholders as the Equity Shares of Rs. 10/- each fully paid-up without any alteration to the rights attached thereto. This would result in cancellation of 60% of existing Equity Shares having face value of Rs. 10/- each. The cancellation of Equity Shares as above will be subject to receiving all such consents, sanctions and approvals as may be necessary including confirmation by the High Court/Tribunal.

The aforesaid resolution is proposed to be passed by way of Postal Ballot. Accordingly, Postal Ballot Forms are dispatched along with this Notice to all the shareholders. The Shareholders are requested to return the Ballot Form duly completed in the enclosed self-addressed (postage pre-paid) envelope, after indicating their assent/dissent to the Resolution proposed vide Item No. 8 in the Notice, so as to reach the Scrutinizer on or before Monday, 27th December 2004 to enable the scrutinizer to be in a position to submit his report to the Chairman of the Annual General Meeting who shall declare the results in the Annual General Meeting.

The Resolution vide Item No. 9 is for seeking the approval of members to issue and allot Equity Shares at par as per the terms of Restructuring Proposal approved by CDR cell. The allotment of Equity Shares shall be made after completion of the derating (cancellation) of the Equity Capital as stipulated under the CDR sanction.

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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 the Promoters and 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 :
The Promoters shall subscribe to 54,80,000 Equity Shares of Rs. 10/- each at par as a part of the Corporate Debt Restructuring Scheme.
3. Equity Shareholding pattern before and after the offer (Shareholding pattern before the offer is after considering derating to the extent of 40%-) based on the understanding arrived at between the Company and the Banks/Financial Institutions is as under :

Category	Shareholding pattern before the offer		Shareholding pattern after the offer	
	No of Shares	%	No of Shares	%
Promoters	2490819	44.82	7970819	41.87
Foreign Collaborators	NIL	N A	NIL	N A
Banks/Financial Institutions	955951	17.20	8955951	47.04
F I I s	NIL	N A	NIL	N A
Mutual Funds	5320	0.10	5320	0.03
Domestic Companies	195371	3.52	195371	1.03
Non Domestic Companies	NIL	N A	NIL	N A
Non Resident Indians	125320	2.26	125320	0.66
General Public	1784245	32.10	1784245	9.37
TOTAL	5557026	100.00	19037026	100.00

4. Proposed time within which the allotment shall be done
The allotment of Equity Shares shall be made after completion of the derating (cancellation) of the Equity Capital as stipulated under the CDR sanction and after receiving all such consents, sanctions and approvals as may be necessary.
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 Ltd.	2750000	14.45
Industrial Investment Bank of India Ltd.	1980000	10.40
Unit Trust of India	3270000	17.18
*Promoters / Relatives / Associates	5480000	28.79
TOTAL	13480000	70.82

* The shares aggregating of Rs. 548 lacs will be subscribed by one or more promoters belonging to the Ramsinghani family.