



RAMSARUP INDUSTRIES LIMITED

ANNUAL REPORT 2008-09

FORWARD-LOOKING STATEMENT

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, the words like 'plans', 'expects', 'anticipates', 'believes', 'intends', 'estimates', or other similar expressions as they relate to Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements, on the basis of any new information, future event, subsequent development or otherwise



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Ramsarup Industries Limited

Registered Office: Hastings Chambers, 7C, Kiran Shankar Roy Road, 1st floor, Kolkata -700 001

NOTICE

To the Members

NOTICE is hereby given that the 30th Annual General Meeting of Ramsarup Industries Limited will be held on Thursday, the 24th day of September, 2009 at Somany Conference Hall, Merchants' Chamber of Commerce, 15 - B, Hemanta Basu Sarani, Kolkata - 700 001 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and the Profit and Loss Account for the year ended on that date along with the reports of Auditors and Directors thereon.

2. To elect a director in place of Mr. Aayush Lohia, who retires by rotation and being eligible, offers himself for re-election.

3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification following Resolution as an Ordinary Resolution:

"RESOLVED THAT M/s P.K. Lilha & Co., Chartered Accountants be and are hereby re-appointed as Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and the Board of Directors be and is hereby authorised to determine the remuneration payable to the Company's Auditors in consultation with them."

SPECIAL BUSINESS:

To consider and, if thought fit, to pass, with or without modification(s), the following Resolutions:

4. As a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof (the "Companies Act"), the provisions of Chapter XIII-A 'Guidelines for Qualified Institutions Placement' of SEBI (Disclosure & Investor Protection)

Guidelines, 2000, as amended from time to time, (the "SEBI DIP Guidelines"), the provisions of the Foreign Exchange Management Act, 2000 ("FEMA"), Foreign Exchange Management (Transfer or Issue of Security by a Person resident outside India) Regulations, 2000, as amended from time to time, and such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable and relevant, as amended from time to time and issued by the Government of India (the "GOI"), the Reserve Bank of India (the "RBI"), the Foreign Investment Promotion Board (the "FIPB"), the Securities and Exchange Board of India (the "SEBI"), Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be applicable and the enabling provisions of the Listing Agreements entered into by the Company with the Stock Exchanges on which the equity shares of the Company are listed (the "Listing Agreements") and Memorandum and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions, if any, of the GOI, RBI, FIPB, Stock Exchanges and any other appropriate authorities, institutions or bodies, as may be necessary and subject to such conditions as may be prescribed/ stipulated by any of them while granting such approvals, consents, permissions and sanctions which may be agreed/accepted to by the Board of Directors of the Company (hereinafter referred to as the "Board" which shall be deemed to include any committee thereof, constituted or to be constituted to exercise its powers), the Board be and is hereby authorized, in its absolute discretion, to create, offer, issue, and allot, in one or more tranches, equity shares (hereinafter referred to as 'Specified Securities' within the meaning of SEBI DIP Guidelines) for an amount up to Rs. 4,800 Million (Four Thousand Eight Hundred Million Only), inclusive of such premium, as may be finalized by the Board to qualified institutional buyers as defined in the SEBI DIP

Guidelines (the "QIBs"), pursuant to the qualified institutions placement at such price being not less than the price determined in accordance with the SEBI DIP Guidelines and such issue and allotment to be made on such terms and conditions as may be decided by the Board at the time of issue or allotment of the Specified Securities.

RESOLVED FURTHER THAT the relevant date for the purpose of pricing of the Specified Securities proposed to be issued in accordance with SEBI DIP Guidelines, shall be the date of the meeting in which the Board (which expression includes any committee thereof constituted or to be constituted to exercise its powers) decides to open the issue of the Specified Securities, subsequent to the receipt of shareholders' approval in terms of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and other applicable laws, regulations and guidelines in relation to the proposed issue of the Specified Securities, through a qualified institutions placement in accordance with Chapter XIII-A of the SEBI DIP Guidelines as mentioned in the resolution above.

RESOLVED FURTHER THAT the issue to the holders of the Specified Securities shall be, inter alia, subject to the following terms and conditions:

- i) the Specified Securities to be so created, offered, issued and allotted shall be subject to the provisions of the Memorandum and Articles of Association of the Company; and
- ii) the equity shares proposed to be issued through the qualified institutions placement in accordance with the SEBI DIP Guidelines shall rank pari-passu with the then existing equity shares of the Company in all respects including dividend.
- iii) the allotment of Specified Securities shall be completed within 12 months from the date of this resolution approving the proposed issue or such other time as may be allowed by the SEBI DIP Guidelines from time to time; and
- iv) the Specified Securities shall not be eligible to be sold for a period of one year from the date of allotment, except on a recognized stock exchange, or except as may be

permitted from time to time by the SEBI DIP Guidelines.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the board be and is hereby authorized to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final offer documents(s), determining the form and manner of the issue, including the class of investors to whom the Specified Securities are to be issued and allotted, number of Specified Securities to be allotted, issue price, face value, execution of various transactions documents, as it may in its absolute discretion deem fit and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Specified Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to appoint such consultants, lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, lawyers and any other advisors, professionals and intermediaries and all such agencies as may be involved or concerned in such offerings of Specified Securities and to remunerate them by way of commission, brokerage, fees or the like and to enter into and execute all contracts, agreements arrangements/ MOUs /documents with such agencies as may be required or desirable in connection with the issue of equity shares including the listing of the Specified Securities, if any on any stock exchanges.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to take all actions to give effect to the aforesaid resolutions and is authorized to take such steps and to do all such acts, deeds, matters and things and accept any alterations or modification(s) as they may deem fit and proper and give such directions as may be necessary to settle any

question or difficulty that may arise in regard to issue and allotment of equity shares including but not limited to:

- (a) Approving the offer document and filing the same with any authority or persons as may be required;
- (b) Approving the issue price, the number of equity shares to be allotted, the basis of allocation and allotment of equity shares;
- (c) To affix the Common Seal of the Company on any agreement(s)/ documents as may be required to be executed in connection with the above, in the presence of any Director of the Company and persons authorized who shall sign the same in token thereof;
- (d) Arranging the delivery and execution of all contracts, agreements and all other documents, deeds, and instruments as may be required or desirable in connection with the issue of equity shares by the Company;
- (e) Taking decision to open the issue, decide bid opening and closing date;
- (f) Opening such bank accounts and demata accounts as may be required for the transactions;
- (g) To do all such acts, deeds, matters and things and execute all such other documents and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transactions;
- (h) To make all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;
- (i) Making applications for listing of the equity shares of the Company on one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s).

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred by this resolution on it, to any Committee of Directors or any other Director(S) or Officer(S) of the company give effect the resolution.

5. As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 81(1), 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the provisions of the Memorandum and Articles of Association of the Company and in accordance with listing agreements entered into by the Company with the Stock Exchanges where the shares of the Company are listed and subject to the approval of the Government of India (hereinafter referred to as "GOI"), Securities and Exchange Board of India (hereinafter referred to as "SEBI"), Reserve Bank of India (hereinafter referred to as "RBI") and all other appropriate authorities and departments, if and to the extent necessary and such other approvals, permissions and sanctions, as may be necessary, and subject to such condition(s) and modification(s) as may be prescribed or imposed by any of them while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors of the Company and /or a duly Authorised Committee thereof for the time being exercising the powers conferred by the Board of Directors (hereinafter referred to as the 'Board'), at its sole discretion, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot Equity Shares / any securities convertible into Equity Shares whether optionally or otherwise / securities linked to Equity Shares / Global Depository Receipts(GDRs)/ American Depository Receipts(ADRs)/ Foreign Currency Convertible Bonds(FCCBs) / Non-Convertible Debt Bonds with or without Warrants / any other financial instrument (hereinafter referred to as 'securities') for an aggregate amount not exceeding US\$ 100 million (US Dollars One Hundred million only) equivalent to approximately Rs. 4800 Million (Rupee Four Thousand Eight Hundred Million only) in one and/or various tranches and / or rupee equivalent thereof subscribed in rupees and / or foreign currency(ies), to the existing shareholders / Foreign Investors (whether institutions and / or incorporated bodies and / or individuals or otherwise) / Overseas Corporate Bodies / Non-Resident Indians / Foreign Institutional Investors

/ Financial Institutions / Banks / Insurance Companies/Pension Funds/Mutual Funds and to such other persons/entities as may be considered to be in the best interest of the Company and whether or not such investors are members of the Company through prospectus / letter of offer / circular and / or on preferential /private placement basis, at such time or times, in such tranche or tranches, at such price or prices, at a discount or premium to market price, in such manner and on such terms and conditions including security, rate of interest etc., as may be decided or considered appropriate by the Board at the time of such issue or allotment considering the prevailing market conditions and other relevant factors and in consultation with the Lead Manager(s) and advisors."

"RESOLVED FURTHER THAT the consent of the Company be and is hereby accorded to the Board to enlist the securities at any Stock Exchange in India and/ or Singapore/Luxemburg/London, AIM and/ or any of the Overseas Stock Exchange(s)."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, issue of securities in international offering shall comply with necessary regulatory requirements and may have all or any terms or combination of terms in accordance with the international practice including but not limited to conditions in relation to payment of interest, additional interest, premium on redemption, pre-payment and any other debt service payment whatsoever and all such terms as are provided in international offerings of this nature including terms for issue of additional Equity Shares, variation of conversion price of the securities during the duration of the securities etc."

"RESOLVED FURTHER THAT the Board is also authorised to enter into and execute all such arrangements with any Lead Managers / Underwriters / Depositories / Custodians and all such agents as may be involved or concerned in such offering of securities and to remunerate them including by way of payment of commission, brokerage, fees or the like."

"RESOLVED FURTHER THAT the Company and / or any agency or body authorized by the Company

may issue Depository Receipts representing the underlying Equity Shares / Convertible Bonds issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international regulations and practices and under the norms and practices prevalent in international markets."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of Equity Shares as may be required to be issued and allotted upon conversion of any securities referred to above, as may be necessary in accordance with the terms of the offering and all such shares to rank pari-passu with the existing Equity Shares of the Company in all respects."

"RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of Equity Shares / Securities / Instruments / Depository Receipts or securities representing the same, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable and to settle any questions, difficulty or doubt that may arise in regard to the offering, issue, allotment and utilization of the issue proceeds, as it may, in its absolute discretion, deem fit and proper."

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING, IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.
2. Information required under the provisions of clause 49 of the Listing Agreement, is given in the Corporate Governance Report annexed to the Director's Report.

3. Members/Proxies should bring duly filled Attendance Slips sent herewith for attending the meeting.
4. Register of Members and share transfer books of the Company will remain closed from 18th September 2009 to 24th September 2009 (inclusive of both days).
6. Pursuant to 205A of the Companies Act, 1956 and the introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividend which remains unclaimed / unpaid for a period of seven years is being regularly transferred to the "Investors Education & Protection Fund" constituted by the Central Government and the Shareholders would not be able to claim any amount of the dividend so transferred to the fund. As such, Shareholders who have not encashed their dividend warrants are requested in their own interest to write to the company immediately, claiming dividends declared by the company, if any, during the years 2001-02 and onwards and still remaining outstanding.
5. Members are requested to notify change of address, bank mandate & nomination for shares held in demat form, should be notified only to the respective Depository participants where the member has opened its demat account. The Company or its share transfer agent will not act on any direct requests from these Members for change of such details. However, for any change in particulars for shares held in physical form change should be sent to the Registrar & share transfer agent of the company M/s Link Intime India Pvt. Ltd. at 59C, Chowringhee Road, 3rd Floor, Kolkata-700020.
6. Members holding shares in demat form may please note that the Bank account details given by them to their depository participants (DPs) and passed on to the Company by such DPs would be printed on the dividend warrants of the concerned members. However, if any member wants to receive dividend in any other bank account, he/she should change / correct the bank account details with the concerned DPs. The company would not entertain any such requests from the shareholders directly for deletion/change in the Bank account details.
7. Corporate Members intending to send their authorised representative are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorising their representative to attend and vote on their behalf at the Annual General Meeting.
8. Members desirous of obtaining any information about the accounts and operations of the company are requested to address their questions in writing, at least 7 (Seven) days in advance of the meeting, at the Registered office of the Company to keep the information available at the meeting.
9. Documents referred to the accompanying Notice and Explanatory Statement are open for inspection at the Registered Office of the Company during office hours on all working days (Monday to Friday) between 11:00 a.m. and 1:00 p.m. up to the date of meeting and will also be available for inspection at the meeting.
10. Members who have shareholdings in multiple accounts in identical names or joint accounts in the same order are requested to send all the share certificate(s) to the Registrars & Share Transfer Agents, M/s Link Intime India Pvt. Ltd. at 59C, Chowringhee Road, 3rd Floor, Kolkata-700020 for consolidation of all such shareholdings into one account to facilitate better service.
11. Individual shareholders can now take the facility of making nomination of their holding. The nominee shall be the person in whom all rights of transfer and/or amount payable in respect of Shares shall vest in the event of the death of the shareholder and the joint-holder(s), if any. A minor can be a nominee provided the name of the guardian is given in the nomination form. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. For further detail in this regard shareholders may contact M/s Link Intime India Pvt. Ltd.

12. In all correspondence with the Company or with its Share Transfer Agents, members are requested to quote their folio number and in case their shares are held in the dematerialised form, they must quote their Client ID Number and their DPID Number.

13. As an austerity measure, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

14. MEMBERS MAY PLEASE NOTE THAT NO GIFT/GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

Registered Office:

Hastings Chambers,
7C, Kiran Shankar Roy Road, 1st floor,
Kolkata - 700 001

Date: 1st September, 2009

By order of the Board

For **Ramsarup Industries Limited**

Sd/-

Gajendra Kumar Singh

Company Secretary

ANNEXURE TO THE NOTICE

Explanatory Statement

Pursuant to Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item No. 4 and 5 accompanying Notice dated 1st September, 2009.

Item No. 4:

The Company proposes to make an offering of Equity Shares for an aggregate amount not exceeding 4,800 million (Four Thousand Eight Hundred million only) in one and/or various tranches.

As required under Section 81/81(1A) of the Companies Act, 1956 and all other relevant provisions of the Companies Act, 1956, read with the SEBI Guidelines, the approval of members is required by way of Special Resolution for offering of further Equity shares.

None of the promoters, Directors or key persons in the management of the Company intends to subscribe to the Equity Shares proposed to be issued. None of the Directors of the Company may be regarded as interested or concerned in the said resolution. The Directors consider the proposal to be in the interest of the Company and accordingly recommend the same for your approval.

Item No. 5:

The Company proposes to make an offering of Equity Shares / any securities convertible into Equity Shares whether optionally or otherwise / securities linked

to Equity Shares / Depository Receipts / Foreign Currency Convertible Bonds / Non-Convertible Debt Bonds with or without Warrants / any other financial instrument (hereinafter referred to as 'securities') for an aggregate amount not exceeding US\$ 100 million (US Dollars One Hundred million only) in one and/or various tranches equivalent to approximately Rs. 4800 Million (Rupee Four Thousand Eight Hundred Million only) in the international market to the existing shareholders / Foreign Investors (whether institutions and / or incorporated bodies and / or individuals or otherwise) / Overseas Corporate Bodies / Non-Resident Indians / Foreign Institutional Investors / Financial Institutions / Banks / Insurance Companies / Pension Funds / Mutual Funds and to such other persons/ entities as may be considered to be in the best interest of the Company and whether or not such investors are members of the Company through prospectus / letter of offer / circular and / or on preferential / private placement basis.

Funds from the issue would be utilized for replacement of high cost debt including any pre-payment of the existing FCCBs / ECBs, meeting the capital expenditure requirements as well as for long term working capital, modernization and general corporate purposes etc.

Pursuant to the issuance and allotment of the securities by the Company as mentioned above, the holders of the said securities would be entitled to convert their respective securities into Equity Shares of your Company, ranking pari passu in all respects

with the existing Equity Shares of the Company, in this regard, it may be mentioned that as per applicable laws and regulations there is no prescribed limit for foreign shareholding in the sector in which the Company is engaged and non-resident shareholders are permitted to hold up to 100% of the issued and paid up share capital of the Company subject to applicable laws and regulations.

As required under Section 81/81(1A) of the Companies Act, 1956 and all other relevant provisions of the Companies Act, 1956, read with the SEBI Guidelines, the approval of members is required by way of Special Resolution for offering of further securities.

None of the promoters, Directors or key persons in the management of the Company intends to subscribe to the Securities proposed to be issued. None of the Directors of the Company may be regarded as interested or concerned in the said resolution. The Directors consider the proposal to be in the interest of the Company and accordingly recommend the same for your approval.

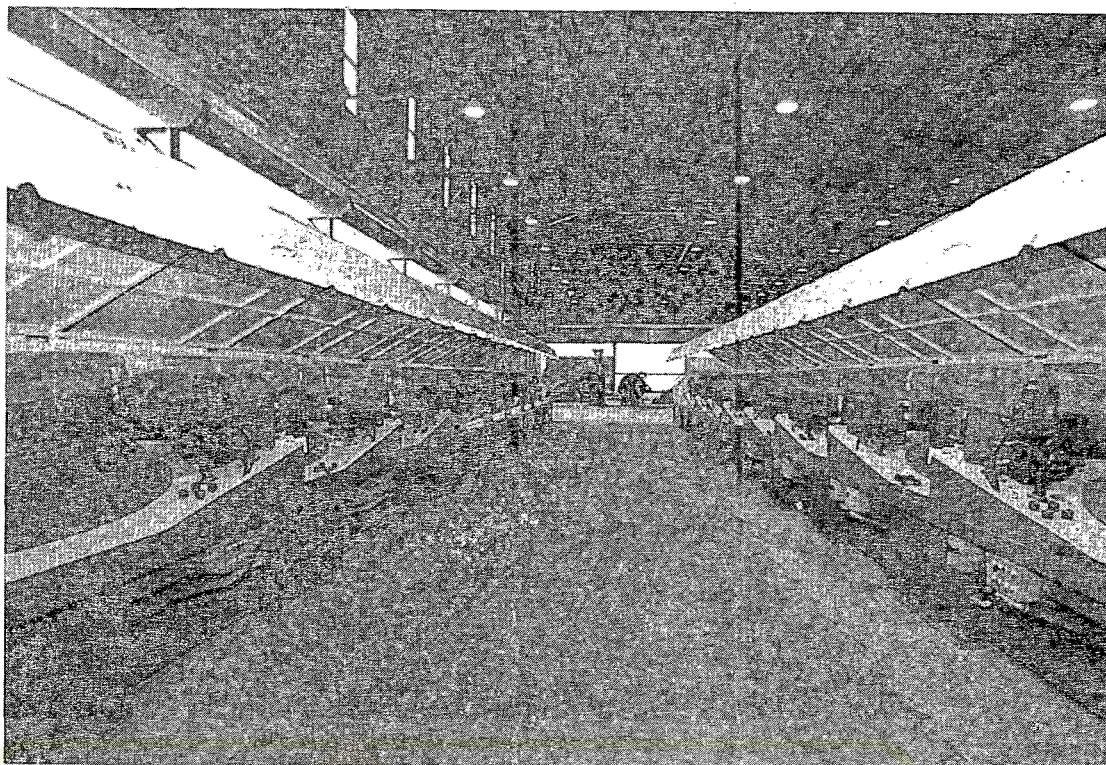
Registered Office: By order of the Board
Hastings Chambers, For **Ramsarup Industries Limited**
7C, Kiran Shankar Roy Road, 1st floor,
Kolkata - 700 001 Sd/-
Date: 1st September, 2009 **Gajendra Kumar Singh**
Company Secretary

Ramsarup Industries Limited

Details of the Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (In pursuance of clause 49(IV)(G) of the Listing Agreement)

Name of the Director	Mr. Aayush Lohia
Date of Birth	3rd April 1980
Date of Appointment	27.06.2003
Expertise in specific functional areas	He is having more than Eight years of experience in marketing of Iron and Steel products.
Qualifications	Commerce Graduate & Post Graduate Diploma in Management (Marketing and Sales)
Directorships held in other companies (excluding foreign companies & Private Limited Company)	Ramsarup Vyapaar Limited Nexus Minmet Merchandising Pvt. Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS



Indian economy

Economic Overview

The past year was one of extraordinary global economic turbulence. The affects have also spread to a number of Emerging Market Economies (EME) globally. It has already slowed consumer demand. During the first half of 2008-09, the world economy was dominated by increased oil prices. This led to inflationary pressures in the Indian economy. The second half witnessed severe liquidity crunch in the global markets on account of mounting financial losses in the developed economies. Indian economy has itself faced the effects of this turmoil with the GDP growth falling under 7% after growing more than 9% over the last 3 years. It resulted from both counts – while rising inflation led to a severe cut in the consumer spending; the drying liquidity led to lower availability of funds thereby rising interest rates. To counter the negative fallout of the global slowdown on the Indian economy, Government responded by providing three focused fiscal stimulus packages in the form of tax relief and increased expenditure on public projects along with RBI taking a number of monetary easing and liquidity enhancing measures.

Industry overview

Power sector

India's power deficit has steadily increased over the years to 11.1% in FY09 with the peak power deficit at 11.9%. Accordingly, the 11th 5-Year Plan lays strong emphasis on augmenting the country's power generation capacity with planned capacity addition of 78,700MW over the plan period (FY08-12), with an additional 92.5GW generation capacity envisaged in the 12th 5-Year Plan.

Transmission and distribution

With the Government's consistent focus on our generation, the transmission and distribution segment as always been neglected and attracted significantly less investments in comparison to generation. Therefore, the investment ratio between generation and T&D in India has historically been 1:0.5 against the ideal investment ratio of 1:1. In most states, the existing distribution network has been formed by expanding and interconnecting smaller and disjointed networks. In this backdrop, the T&D system is saddled with deficiencies leading to high losses and low reliability.