RED HERRING PROSPECTUS
Dated August 1, 2008
Please read Section 60B of the Companies Act, 1956
100% Book Built Issue

RESURGERE MINES & MINERALS INDIA LIMITED

(We were originally incorporated as "Exfin Shipping (India) Private Limited" on March 24, 1987 under the Companies Act, 1956. For details of change in our Company's name and registered office, see the section "History and Certain Corporate Matters" beginning on page 93 of this Red Herring Prospectus.)

Registered Office: 156, Maker Chambers – III, Nariman Point, Mumbai – 400 021, Maharashtra, India
Company Secretary and Compliance Officer: Mr. Rakesh Gupta
Telephone: +91 22 6658 2500 **Fax**: +91 22 6658 2511 **Email**: cosec@resurgere.in Website: www.resurgere.in

PUBLIC ISSUE OF 4,450,000 EQUITY SHARES OF RS. 10/- EACH OF RESURGERE MINES & MINERALS INDIA LIMITED ("RESURGERE" OR "THE ISSUER" OR "OUR COMPANY") AT A PRICE OF RS. [●]/- PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) FOR CASH AGGREGATING RS. [●] MILLION (HEREINAFTER REFERRED TO AS "THIS ISSUE"). THIS ISSUE COMPRISES OF RESERVATION OF 250,000 EQUITY SHARES AGGREGATING RS. [●] MILLION FOR ELIGIBLE EMPLOYEES ON A COMPETITIVE BASIS AND THE "NET ISSUE" TO THE PUBLIC OF 4,200,000 EQUITY SHARES AGGREGATING RS. [●] MILLIONS. THE NET ISSUE WOULD CONSTITUTE 14.72% OF THE POST ISSUE PAID-UP CAPITAL OF OUR COMPANY.

PRICE BAND: RS. 263/- TO RS. 272/- PER EQUITY SHARE OF FACE VALUE RS 10/-

THE ISSUE PRICE IS 26.3 TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND 27.2 TIMES OF THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND

In case of revision in the Price Band, the Bidding Period shall be extended for three additional working days after such revision, subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE), by issuing a press release and by indicating the change on the websites of the Book Running Lead Manager ("BRLM") and the terminals of the member of the Syndicate.

Pursuant to Rule 19(2)(b) of the Securities Contracts Regulation Rules, 1957 (SCRR), this Issue is for less than 25% of the post Issue share capital and is therefore being made through a 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In addition, in accordance with Rule 19(2)(b) of the SCRR, a minimum of two million securities are being offered to the public and the size of the Issue shall aggregate to at least Rs. 1,000 million. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 30% 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.

RISKS IN RELATION TO FIRST ISSUE

This being the first issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs. 10 per Equity Share and the Issue Price is [●] times the face value. The Issue Price (as determined by our Company, in consultation with the BRLM, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to the statements in the section "Risk Factors" beginning on page xii of this Red Herring Prospectus.

IPO GRADING

This Issue has been graded by CRISIL Limited as 1/5 (One on Five), indicating fundamentals of the issue are poor relative to other listed equity securities in India. For details see "General Information" beginning on Page 12 of this Red Herring Prospectus.

COMPANY'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Issue that is material in the context of the 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 offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated **January 24, 2008** and **January 9, 2008**, respectively. For the purposes of the Issue, the **NSE** shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGER	REGISTRAR TO THE ISSUE
MOTILAL OSWAL INVESTMENT ADVISORS PVT. LTD. 113/114, Bajaj Bhawan, 11th Floor, Nariman Point, Mumbai 400 021, India. Tel: +91 22 3980 4380, Fax: +91 22 3980 4315 Email: resurgere.ipo@motilaloswal.com Website: www.motilaloswal.com Contact Person: Mr Paresh Raja	INTIME SPECTRUM REGISTRY LIMITED **INTIME SPECTRUM REGISTRY LIMITED** C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078 Tel: +91 22 2596 0320, Fax: +91 22 2596 0328/29 Email: rmmil.ipo@intimespectrum.com Website: www.intimespectrum.com Contact Person: Mr Sachin Achar

BID/ISSUE PROGRAM

BID/ISSUE OPENS ON: AUGUST 11, 2008	BID/ISSUE CLOSES ON: AUGUST 13, 2008

TABLE OF CONTENTS

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the following meanings in this Red Herring Prospectus.

Term	Description
"We", "us", "our", the "issuer", the "Company", "our Company", "Resurgere"	Unless the context otherwise requires or implies, Resurgere Mines & Minerals India Limited, a public limited company incorporated under the Companies Act, 1956.

Company Related Terms

Term	Description
Articles/Articles of Association	Articles of Association of our Company, as amended.
Auditors	The statutory auditors of our Company, Singrodia Goyal & Co., Chartered Accountants.
Banda Mines	Iron ore mines situated at Banda village in Maharashtra.
Board of Directors/Board	The Board of Directors of our Company, as constituted from time to time, or a committee thereof.
Director(s)	The director(s) on the Board of our Company, as appointed from time to time.
Environment Act	Environment Act, 1986 as amended from time to time.
ESPL	Eminent Steel Private Limited (Formerly called as Eminent Mining Private Limited)
Singhbhum Mines/ Jharkhand Mines/Tatiba Mines	Iron ore mines situated at Tatiba, Singhbhum in Jharkhand.
MC Rules	Mineral Concession Rules, 1960
MMDR Act	Mines and Minerals (Development and Regulations) Act, 1957, as amended from time to time.
Maharajpur Mines	Iron ore mines situated at Maharajpur in Orissa.
Memorandum/Memorandum of Association	Memorandum of Association of our Company, as amended.
Mineral Policy	National Mineral Policy, 1993
Mines Act	Mines Act, 1952 as amended from time to time.
Mining Lease(s)	Mining Lease(s) means the original mining lease granted by the respective State Government to the leaseholder with respect to the Nuagoan Mines, Maharajpur Mines, Tatiba Mine and Yelwan Jugai Mine
Nuagaon Mines	Iron ore mines situated at Nuagaon in Orissa.
Promoters	Mr. Subhash A. Sharma and Mrs. Neelam Subhash Sharma
Promoter Group or Promoter Group Companies	The companies or individuals referred to in the section "Our Promoters and Promoter Group Companies" beginning on page 111 of this Red Herring Prospectus.
Raising and Purchasing Agreements	The agreements entered into for raising and extraction of iron ore and subsequent purchase thereof with respect to the Nuagaon Mines, Maharajpur Mines and Jharkhand Mines.
Registered Office	The registered office of the Issuer, located at 156, Maker Chambers-III, Nariman Point, Mumbai – 400021, Maharashtra, India.
RMMIL	Resurgere Mines & Minerals India Limited
RSPL	Runwell Steel Private Limited (Formerly called as Runwell Mining Private Limited)
SPPL	Spear Petroleum Private Limited
Subsidiary	The subsidiary of our Company being WMPL
VSPL	Victory Sponge Private Limited ((Formerly called as Victory Mining

Term	Description
	Private Limited)
WMPL	Warana Minerals Private Limited
Water Act	Water (Prevention and Control of Pollution) Act, 1974
Yelwan Jugai Mines	Bauxite mines situated at Yelwan Jugai, Maharashtra.

Issue Related Terms

Term	Description
Allot/Allotment/Allotted/ allotment/allotted/ Allocated/allocated/ allocation	Unless the context otherwise requires or implies, the issue/allotment of Equity Shares pursuant to this Issue.
Allottee	A successful Bidder to whom Equity Shares are/ have been Allotted.
Banker(s) to the Issue	ICICI Bank Limited, HDFC Bank Limited, Axis Bank Limited, BNP Paribas and Standard Chartered Bank.
Bid	An indication to make an offer during the Bidding Period by a prospective investor to subscribe for or purchase the 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.
Bid-cum-Application Form	The form in terms of which the Bidder shall make an offer to subscribe for or purchase the Equity Shares and which will be considered as the application for Allotment pursuant to the terms of the Red Herring Prospectus and the Prospectus.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid-cum-Application Form.
Bidding Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date (inclusive of both days) and during which prospective Bidders can submit their Bids including any revisions thereof.
Bid/Issue Closing Date	The date after which the members of the Syndicate will not accept any Bids for this Issue, which shall be notified in a widely circulated English national newspaper, a widely circulated Hindi national newspaper and a widely circulated Marathi newspaper.
Bid/Issue Opening Date	The date on which the members of the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in a widely circulated English national newspaper, a widely circulated Hindi national newspaper and a widely circulated Marathi newspaper.
Book Building Process	The book building process as described in Chapter XI of the SEBI Guidelines, in terms of which the Issue is being made.
BRLM/Book Running Lead Manager	Motilal Oswal Investment Advisors Private Limited (MOIAPL)
BSE	Bombay Stock Exchange Limited
CAN/Confirmation of Allocation Note	The note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process.
Cap Price	The higher end of the Price Band, in this Issue being Rs. 272, above which the Issue Price will not be finalised and above which no Bids will be accepted.
Co-BRLMs/CBRLMs / Co-Book Running Lead Managers	PL Capital Markets Private Limited (PLCM) and Ashika Capital Limited (ACL)
CDSL	Central Depository Services (India) Limited.
Companies Act	The Companies Act, 1956, as amended from time to time.
Cut-off Price / Cut-off	Any price within the Price Band finalised by our Company, in consultation with the BRLM. A Bid submitted at the Cut-off Price by a Retail Individual Bidder is a valid Bid. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-

Term	Description
	Institutional Bidders are not entitled to Bid at the Cut-off Price.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/DP	A depository participant as defined under the Depositories Act.
Designated Date	The date on which the Escrow Collection Banks transfer the funds from the Escrow Account of our Company to the Public Issue Account, after the Prospectus is filed with the RoC, following which the Board shall Allot Equity Shares to successful Bidders.
Designated Stock Exchange	The National Stock exchange of India Limited.
Red Herring Prospectus	This Red Herring Prospectus issued in accordance with Section 60B of the Companies Act and the SEBI Guidelines, which does not contain, *inter alia,* complete particulars of the price at which the Equity Shares are offered and the size of the Issue.
ECS	Electronic Clearing System.
Eligible NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe for or purchase the Equity Shares pursuant to the terms of the Red Herring Prospectus.
Employee or Eligible Employee (in the context of Employee Reservation Portion)	Permanent employees and directors of our Company, whether a whole time director, part time director excluding the Promoter Directors who are Indian nationals resident in India on the date of submission of Bid Cum Application form. In addition, such person should be an employee or director during the period commencing from the date of filing of the Red Herring Prospectus with the ROC upto the Bid/Issue Closing Date.
Employee Reservation Portion	The portion of this Issue being up to 250,000 Equity Shares available for allocation to the Employees.
Equity Shares	Equity shares of our Company of face value of Rs. 10 each, unless otherwise specified in the context thereof.
Escrow Account	An account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder will issue cheques or drafts in respect of the Margin Amount when submitting a Bid and the remainder of the Bid Amount, if any, collected thereafter.
Escrow Agreement	An agreement dt: July 22, 2008 entered into among our Company, the Registrar, the Escrow Collection Bank(s), the BRLM, the Co-BRLMs and the Syndicate Members 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 that are clearing members and registered with SEBI as Bankers to the Issue with whom the Escrow Account will be opened, comprising ICICI Bank Limited, HDFC Bank Limited, Axis Bank Limited, BNP Paribas and Standard Chartered Bank.
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended from time to time.
FII	Foreign Institutional Investors, as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time, and 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.
Fiscal/fiscal/Financial Year/financial year/FY	A period of twelve months ending March 31 of that particular year, unless otherwise stated.
Floor Price	The lower end of the Price Band, in this Issue being Rs. 263, below

Term	Description
	which the Issue Price will not be finalised and below which no Bids will be accepted.
FVCI	Foreign Venture Capital Investors, as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time.
GIR Number	General Index Register Number.
Indian Accounting Standards	Accounting Standards issued by The Institute of Chartered Accountants of India.
Industrial Policy	The policy and guidelines relating to industrial activity in India issued by the Ministry of Commerce and Industry, Government of India, as updated, modified or amended from time to time.
Investment Agreements	The Shareholders agreement, Share Subscription agreement and Inter-se agreement dated November 27, 2007 between our Company, our Promoters, Promoter Group Companies and Merrill Lynch International, or, the Shareholders agreement and Share Subscription agreement dated Feburary 21, 2008 between our Company, our Promoters, Promoter Group Companies, India Business Excellence Fund-I and IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust - India Business Excellence Fund.)
Issue	The public issue of 4,450,000 Equity Shares.
Issue Price	The final price at which Equity Shares will be Allotted in the Issue, as determined by our Company, in consultation with the BRLM, on the Pricing Date.
Margin Amount	The amount paid by the Bidder at the time of submission of the Bid, which may range between 10% and 100% of the Bid Amount.
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Mutual Fund Portion	5% of the QIB Portion, equal to a minimum of 126,000 Equity Shares, available for allocation to Mutual Funds from the QIB Portion.
National Investment Fund	National Investment Fund as set up by resolution number F.No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Official Gazette.
Net Issue	Issue of 4,200,000 Equity shares to public.
Non-Institutional Bidders	All Bidders that are not Qualified Institutional Buyers or Retail Individual Bidders and have bid for an amount more than Rs.100,000
Non-Institutional Portion	The portion of the Net Issue being not less than 10% of the Issue consisting of 420,000 Equity Shares, available for allocation to Non-Institutional Bidders.
Non-Residents/NRs	All eligible Bidders that are persons resident outside India, as defined under FEMA, including Eligible NRIs, FIIs and FVCIs.
NRI/Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, such term as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
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 and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA. OCBs are not permitted to invest in this Issue.
Pay-in Date	The Bid/ Issue Closing Date with respect to the Bidders whose

Term	Description
	Margin Amount is 100% of the Bid Amount or the last date specified in the CAN sent to the Bidders with respect to the Bidders whose Margin Amount is less than 100% of the Bid Amount.
Pay-in Period	(i) With respect to Bidders whose Margin Amount is 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the Bid/Issue Closing Date; and (ii) With respect to Bidders whose Margin Amount is less than 100% of the Bid Amount, the period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date specified in the CAN.
Price Band	The price band with a minimum price (Floor Price) of Rs. 263 per Equity Share and a maximum price (Cap Price) of Rs. 272 per Equity Share, including all revisions thereof.
Pricing Date	The date on which the Issue Price is finalised by our Company in consultation with the BRLM.
Prospectus	The prospectus to be filed with the RoC after the Pricing Date containing, *inter alia*, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information.
Public Issue Account	The account opened with the Bankers to the Issue to receive money from the Escrow Account in relation to the Issue on the Designated Date.
QIBs or Qualified Institutional Buyers	As defined under the SEBI Guidelines to include public financial institutions as defined in Section 4A of the Companies Act, FIIs, scheduled commercial banks, mutual funds, multilateral and bilateral development financial institutions, VCFs, FVCIs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of Rs. 250 million, pension funds with a minimum corpus of Rs. 250 million and National Investment Fund.
QIB Margin Amount	An amount representing at least 10% of the Bid Amount that the QIBs are required to pay at the time of submitting a Bid.
QIB Portion	The portion of the Net Issue being at least 60% of the Net Issue consisting of 2,520,000 Equity Shares, to be allotted to QIBs on a proportionate basis.
Refund Account	The account opened with (an) Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount shall be made.
Refund Banker	The Escrow collection bank registered with SEBI as Bankers to the Issue with whom the Refund Account will be opened and from which refunds, if any, of the whole or part of the Bid Amount shall be made, in this case being ICICI Bank Limited
Registrar/Registrar to the Issue	Intime Spectrum Registry Limited, having its office as indicated on the cover page.
Retail Individual Bidders	Bidders (including HUFs) who have bid for Equity Shares of an amount less than or equal to Rs. 100,000.
Retail Portion	The portion of the Issue being not less than 30% of the Net Issue consisting of 1,260,000 Equity Shares, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders to modify the quantity of Equity Shares or the Bid price in any of their Bid-cum-Application Forms or any previous Revision Form(s).
RHP or Red Herring Prospectus	The Red Herring Prospectus dated August 1, 2008 issued in accordance with Section 60B of the Companies Act and the SEBI Guidelines, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue.
RoC	The Registrar of Companies, Maharashtra, located at Mumbai.

Term	Description
RTGS	Real Time Gross Settlement.
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act as amended from time to time..
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI Guidelines	The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, as amended from time to time.
SEBI MAPIN Regulations	The Securities and Exchange Board of India (Central Database of Market Participants) Regulations, 2003, as amended from time to time.
Stock Exchanges	The BSE and NSE.
Syndicate Agreement	The agreement dated July 22, 2008 entered into among our Company and the members of the Syndicate, in relation to the collection of Bids in this Issue.
Syndicate Members	Motilal Oswal Securities Limited, Prabhudas Lilladher Private Limited, Ambit Capital Private Limited and Elara Securities (India) Private Limited.
Syndicate or members of the Syndicate	The BRLM, Co-BRLMs and the Syndicate Members.
Takeover Code	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time.
TRS or 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, Co-BRLMs and the Syndicate Members.
Underwriting Agreement	The agreement to be entered into among the Underwriters and our Company on or after the Pricing Date.
U.S. GAAP	Generally accepted accounting principles in the United States of America.
VCFs	Venture Capital Funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time.

Industry Related Terms

Term	Description
BT	Billion Tonnes.
CLO	Calibrated Lump Ore.
CIS	Commonwealth of Independent States
CAPEXIL	Chemicals and Allied Products Export Promotion Council.
DMT	Dry Metric Tonne
Fe	Measure for Iron Content in Ores.
FIEO	Federation of Indian Export Organisations.
FIMI	Federation of Indian Mineral Industries.
IBM	Indian Bureau of Mines
IISI	International Iron and Steel Institute
ISO	International Organisation for Standardisation
LO	Lump Ore.
MT	Metric Tonne.
PMT	Per Metric Tonne.
SO	Size Ore.
UKAS	United Kingdom Accreditation Service.

Term	Description
WMT	Wet Metric Tonne.

Abbreviations

Abbreviation	Full Form
ACL	Ashika Capital Limited
AGM	Annual General Meeting.
Air Act	Air (Prevention and Control of Pollution) Act, 1981, as amended from time to time.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
CAGR	Compounded Annual Growth Rate.
CEPS	Cash Earning Per Share
CIN	Corporate Identification Number
CMD	Chairman cum Managing Director.
CMRI	Central Mining Research Institute
CY	Calendar Year
DIN	Director Identification Number.
RHP	Red Herring Prospectus.
EBIDTA	Earnings Before Interest, Depreciation, Tax and Amortisation.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.
ESI	Employee's State Insurance.
ESIC	Employee's State Insurance Corporation.
FCNR Account	Foreign Currency Non-Resident Account.
FDI	Foreign Direct Investment, as understood under applicable Indian regulations.
FICCI	Federation of Indian Chamber of Commerce and Industries
FIPB	The Foreign Investment Promotion Board of the Government of India.
FY	Financial year.
GDP	Gross Domestic Product.
GoI/Government of India/ Government	The Government of India.
HNI	High Net-worth Individuals
HUF	Hindu Undivided Family.
I.T. Act	The Income Tax Act, 1961, as amended from time to time.
ICC	Indian Chamber of Commerce.
INR	Indian Rupees
IPO	Initial Public Offering.
IRDA	The Insurance Regulatory and Development Authority constituted under the Insurance Regulatory and Development Authority Act, 1999, as amended from time to time.
Km / km(s)	Kilometere(s)
MOIAPL	Motilal Oswal Investment Advisors Private Limited
N.A.	Not Applicable.
NAV	Net Asset Value.
NRE Account	Non-Resident External Account.
NRO Account	Non-Resident Ordinary Account.
P.A.	Per annum.
P/E Ratio	Price/Earnings Ratio.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PLCM	PL Capital Markets Private Limited
PLR	Prime Lending Rate.
RBI	The Reserve Bank of India.
RoNW	Return on Net Worth.

Abbreviation	Full Form
Rs./Rupees	Indian Rupees.
SEZ	Special Economic Zone.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
U.S. / U.S.A	The United States of America.
UIN	Unique Identification Number.
USD or US $	United States Dollar.
Water Act	The Water (Prevention and Control of Pollution) Act, 1974, as amended from time to time.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless indicated otherwise, the financial data in this Red Herring Prospectus is derived from our restated financial statements prepared in accordance with generally accepted accounting principles followed in India ("Indian Accounting Standards "), the Companies Act and the SEBI Guidelines. Our fiscal year commences on April 1 and ends on March 31, so all references to a particular fiscal year are to the 12-month period ended March 31 of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

There are significant differences between Indian Accounting Standards, generally accepted accounting principles in the United States ("U.S. GAAP") accordingly, the degree to which the Indian Accounting Standards 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, Indian Accounting Standards , the Companies Act and the SEBI Guidelines. Any reliance by persons not familiar with Indian accounting practices, Indian Accounting Standards, the Companies Act and the SEBI Guidelines on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited. Our Company has not attempted to quantify those differences or their impact on the financial data included herein, and you should consult your own advisors regarding such differences and their impact on our financial data. For more information on these differences, see the section "Summary of Significant Differences among Indian Accounting Standards and U.S. GAAP" beginning on page 213 of this Red Herring Prospectus.

In this Red Herring Prospectus, unless otherwise specified or the context otherwise requires, all references to "India" are to the Republic of India and all references to the "Government" are to the Government of India. All references to the "USA", the "United States" or the "U.S." are to the United States of America, together with its territories and possessions.

Currency of Presentation

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to US$ or USD are to United States Dollars, the official currency of the United States of America.

Industry and Market Data

Unless stated otherwise, industry data used in this Red Herring Prospectus has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that the industry data used in this Red Herring Prospectus is reliable, it has not been verified by any independent source.

Further, the extent to which the market data presented 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 the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “potential”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “may”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions.

Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. These forward looking statements are based on our current plans and expectations and are subject to a number of uncertainties and risks that could significantly affect our current plans and expectations, and our future financial condition and results of operations. These factors include, but are not limited to:

- The ability to successfully implement our strategy and our growth and expansion plans;
- Changes in the value of the Rupee and other currency changes;
- Changes in political conditions in India.

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 forward-looking statement.

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

- Decline in exports to China;
- Decline in iron ore prices;
- Decline in our mineral resources;
- Our ability to obtain approvals and clearances necessary to operate or grow our business;
- Our ability to respond to competition;
- Challenges relating to our expansion plans;
- Our dependence on a limited number of customers for our iron ore and bauxite business;
- Our dependence on key personnel;
- Conflicts of interest with affiliated companies;
- Regulatory actions that apply to our business;
- Technological failures and natural disasters; and
- Developments affecting the Indian economy and the economies of the regional markets we serve.

Neither our Company, its Directors and officers, any Underwriter, nor any of their respective affiliates or associates has 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, the BRLM and Co-BRLMs will ensure that investors in India are informed of material developments until such time as the grant of the final listing and trading permissions by the Stock Exchanges for the Equity Shares allotted pursuant to this Issue.

For further discussion of factors that could cause our actual results to differ, see the section titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page xii and 204, respectively. 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 BRLM nor any member 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, the BRLM, the Co-BRLM will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchanges.”

Forward Looking Statement speaks only as of the date of this Red Herring Prospectus. Neither our Company, our Directors and officers, the Underwriters, nor any of their respective affiliates and associates has any obligation to update or otherwise revise any statements reflected 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, the BRLM and Co-BRLM will ensure that investors in India are informed of material developments until such time as the grant of the final listing and trading permissions by the Stock Exchanges for the Equity Shares allotted pursuant to this Issue.

SECTION II: RISK FACTORS

RISK FACTORS

An investment in our Company's Equity Shares involves a high degree of risk. You should consider the following risks and uncertainties and all information in this Red Herring Prospectus before deciding to invest in our Company's Equity Shares. If any of the following risks or uncertainties discussed in this Red Herring Prospectus occur, our Company's business, prospects, financial condition, and results of operations could suffer, the trading price of our Company's Equity Shares could decline, and you may lose all or part of your investment.

This Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our Company's results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus.

In this section, a reference to the "Company" means Resurgere Mines & Minerals India Limited. Unless the context otherwise requires, references to "we", "us", or "our" refers to Resurgere Mines & Minerals India Limited, and its Subsidiary and Group Companies taken as a whole.

A INTERNAL RISK FACTORS

1. Pending legal proceedings

An appeal preferred by our Company against the decision of National Consumer Redressal Forum is pending before the Supreme Court. The aforesaid appeal has been preferred against M/s Sun Pharmaceutical Industries Limited and Bright State Co. Limited. The amount involved is approximately Rs. 4.47 million plus an interest amounting to Rs. 7.18 million upto March 31, 2008. No assurance can be given as to whether the said matter will be settled in favour of or against our Company. Nor can any assurance be given that no further liability will arise out of the said appeal. For details please refer to section titled 'Legal and Other Information' beginning on page no. 221 of this Red Herring Prospectus.

Besides this proceeding, there are no pending notices or proceedings against the Company, its Promoters, Directors, group companies, companies promoted by any Promoter/s, partnership firms where any Promoter/s is a partner, or any Hindu Undivided Families where any Promoter/s are kartas.

2. Significant portion of our revenues comes from raising, purchasing and processing of iron ore from two mines situated in Orissa. Any disruption or discontinuance of our rights with respect to the same may affect our revenues and profitability.

We have long term contracts to raise iron ore and to then purchase the same ("**Raising and Purchasing Agreements**") with the Leaseholders of two mines in Orissa, namely the Nuagaon Mines and the Maharajpur Mines. Whereas, the Nuagaon mines accounted for 48% of our revenues for FY 2007-2008 the Maharajpur mines accounted for 35% of our revenues for FY 2007-2008. Since, a significant portion of our revenues for the last year have come through these mines, our operations and profitability would be severely affected if our rights to raise and purchase under the Raising and Purchasing Agreements are disturbed or discontinued by any reason whatsoever. Reasons which could cause our rights to be disturbed or discontinued include, (i) a termination or breach of any of the Raising and Purchasing Agreements and/or the Mining Leases, (ii) non renewal of any of the Raising and Purchasing Agreements and/or the Mining Leases, (iii) any delay or failure by us or the Leaseholders in complying with applicable contractual, statutory and/ or regulatory requirements, or, (iv) any dispute with regard to the title or rights in relation to the said mines.

Under the Mining Lease, the Leaseholders are required to comply with various statutory and regulatory requirements and compliance thereof must be reported on a periodic basis. In the event, the Leaseholders do not comply with relevant statutory or regulatory requirements, the State Government would be at liberty to take appropriate action, including terminating the Mining Leases, which would in turn adversely affect our operations and profitability.

Additionally, the State Government is at liberty to terminate the Mining Lease at any time. Further, the Leaseholder may terminate the Raising and Purchasing Agreements at any time by serving an eighteen month notice on the Company. There is no indemnity or similar provision under the Raising and Purchasing Agreements to safeguard the interests of our Company in case the Leaseholder decides to terminate the Raising and Purchasing Agreements. Any of these terminations would be detrimental to the operations and profitability of our Company.

3. ***The present operations at the Nuagoan Mines and the Jharkhand Mines are being carried out under deemed renewal provisions since the respective Mining Leases have expired, prior to the expiry whereof the respective applications for renewals of the Mining Leases have been made to the State Government and are pending consideration. Our operations and profitability would be adversely affected, if the respective State Governments do not renew the Mining Leases.***

In respect of the Nuagoan Mine and Jharkhand Mine, the Mining Leases have expired.The Mining Lease with respect to the Nuagaon Mine expired on March 3, 1999 and the Mining Lease with respect to the Jharkhand mine expired on September 4, 1989.The Leaseholder/s has made an application for renewal of the said Mining Leases within the stipulated time frame of one year prior to expiration of the Mining Lease. The said applications were made on March 2, 1998 and September 4, 1988 in respect of the Nuagaon Mine and Jharkhand Mine respectively. The present mining operations at the aforesaid mines are being carried out under the provisions of Rule 24A (6) of the Mineral Concession Rules, 1960 which provides that if the Leaseholder makes an application for renewal one year prior to expiration of the Mining Lease, the rights under the Mining Lease continue until the relevant State Government passes any adverse order thereon. The relevant State Governments are however yet to take action with regard to renewal of the Mining Leases. If either of the Mining Leases is not renewed, our operations and profitability would be adversely affected

4. ***Our wholly owned subsidiary Warana Minerals Private Limited (WMPL) has 60% interest in the partnership firm Shri Warana Minerals, which has a mining lease for Bauxite in Yelwan Jugai, Maharashtra. Any dispute amongst the partners or any disruption or discontinuance of the mining lease may adversely affect our profitability.***

Shri Warana Minerals **("the Firm"),** a partnership firm wherein our wholly owned subsidiary, WMPL has a 60% interest as partner, holds a Bauxite Mining Lease in Yelwan Jugai in the state of Maharashtra. Our profitability or financial position may be adversely affected if the operations of the Firm are disrupted or discontinued on account of various reasons including (i) any dispute inter-se between the partners of the said Firm, (ii) if any partner of the said Firm grants any rights in relation to the said mines, to any third party without our consent, (iii) a termination or breach of the Mining Lease, (iv) any delay or failure in complying with applicable contractual, statutory and/or regulatory requirements, or, (v) any dispute with regard to the title or rights in relation to the said mine (vi) adverse outcome of any pending legal proceeding, which may be discovered in the course of time and of which we are not aware of at present.

Currently we do not have any raising and purchasing or similar agreement with the Firm. In case, we are unable to execute such agreement; the long term purchase of bauxite ore from the Firm may not be possible, which may adversely affect our financial position.

Management Perception:

Based on our due diligence done by us at the time of acquiring shares of WMPL, we have not come across any pending legal or statutory proceedings either by or against WMPL. In the event that any such pending legal or statutory proceeding is discovered or any notices are served on WMPL, by any statutory or regulatory authority regarding the same, we to the extent of our shareholding in WMPL would be held liable if any adverse order / judgment are passed in those proceedings.

Under the Indian Partnership Act, 1932, a partner has unlimited liability for any act of any of the partners on behalf of the firm. Since WMPL is the partner of Shri Warana Minerals, the entire assets of WMPL may potentially become liable for the debts of the Firm, which may in turn affect our financial position

5. ***Our Company has applied for a mining lease in connection with an iron ore mine located at Banda in Maharashtra ("Application"). The Application is under process at the level of the Collector, Sindhudurg and if lease is not granted in a timely manner or at all, our future operations may be adversely affected.***

We have made an application for the grant of a minimg lease with respect to an iron ore mine located at Banda in Maharashtra on December 15, 2006. Pursuant to our application for grant of mining lease, we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai stating that our application is under process at the level of the Collector Sindhudurg. In case, our application is not considered favourably and the lease is not granted to us in a timely manner or at all, our Company's future operations may be adversely affected.

Further there is no estimate as to any proved or probable reserves of the said mine since mining lease is yet to be executed in our favour. We cannot assure you that the iron ore deposits at Banda iron ore mine will yield sufficient reserves, nor can the volume of reserves that may mature be predicted.

Any deficiency in this regard may adversely affect our future profitability and proposed operations.

6. ***Our operations and profitability would be severely hampered if our right to extract and purchase iron ore from the Jharkhand Mines is disturbed or discontinued by any reason whatsoever.***

We currently have the right to raise iron ore from a mine in Singhbhum, Jharkhand, (namely the Jharkhand Mines), and to then purchase the same, by virtue of an Agreement for Raising Iron Ore and an Agreement for Sale of the same, both dated November 24, 2007.

Our operations and profitability would be severely affected if our rights to raise and purchase under the Raising and Purchasing Agreements are disturbed or discontinued by any reason whatsoever. Reasons which could cause our rights to be disturbed or discontinued in connection with the Singhbhum Mines include, (i) a termination or breach of any of the Raising and Purchasing Agreements and/or the Mining Lease, (ii) a failure to renew any of the Raising and Purchasing Agreements and/or the Mining Lease, (iii) any delay or failure by us or these parties in complying with applicable contractual, statutory and/or regulatory requirements, or, (iv) any dispute with regard to the interest or rights in relation to the said mines.

7. ***The project has not been appraised by any independent financial institutions / bank. In the event of failure to yield the desired results, our profitability may be adversely affected.***

The project, for which we intend to use a significant part of our Issue proceeds has not been appraised independently by any financial institution.

<u>Management Perception:</u>

Although, ICICI Bank and Union Bank of India has sanctioned a term loan *vide* sanction letter dated December 7, 2007 and December 12, 2007, we cannot assure the actual feasibility of the project. If the project does not yield desired results, our profitability would be adversely affected.

8. ***Withdrawal or modification of the Wagon Investment Scheme by the Indian Railways may adversely affect our profitability.***

We have procured a no objection certificate from the competent authority permitting us to avail the benefits of the Wagon Investment Scheme under the prescribed guidelines of Indian Railways.

Management Perception:

We will be investing in 6 (Six) railway rakes comprising of 61 Wagons each. This will enable us to obtain assured supply of Twenty Four railway rakes every month with 10% concession in freight and twelve more rakes per month without freight concession. We are yet to enter into an agreement with the Indian Railways under the said scheme and any withdrawal of the said scheme may affect our revenues and profitability adversely**.**

9. ***Our current operations are concentrated in one State in India, namely Orissa. Our strategy of expanding our operations to other parts of India as well as venturing in mining of other minerals such as bauxite may not yield desired/expected results, thereby adversely hampering our profitability.***

Our operations are currently geographically concentrated in the State of Orissa. Our business is therefore significantly dependent on the general economic condition and activity in Orissa, and the Central and State Government policies relating to mining activities.

Management Perception:

We are in the process of expanding our operations to other parts of India, namely Jharkhand and Maharashtra and also intend to venture into the business of bauxite mining. We may not be able to take advantage of any expansion opportunities outside our current markets. This may place us at a competitive disadvantage and limit our growth opportunities. We face additional risks if we undertake projects in other areas of mining where we do not possess the same level of familiarity as our competitors, including but not limited to:

- obtaining the necessary plant and machinery and labour in sufficient amounts and on acceptable terms;
- obtaining necessary governmental and other approvals in time or at all;
- failure to realize expected synergies and cost savings;
- attracting potential clients in a market in which we do not have significant experience; and
- cost of hiring new employees and absorbing increased infrastructure costs.

We may not be able to successfully manage some or all of the risks of such an expansion, which may have a material adverse effect on our results of operations.

10. ***CRISIL Research has assigned an IPO grade of 1/5 to our Issue. 1/5 (pronounced as "one on five"indicates that the fundamentals of the Issue are poor relative to other listed equity securities in India.***

    CRISIL grading reflects weak management capability of the Company and its present uncertain business model, which is based on its entry into agreements with mine leaseholders on the one hand, and sub contracting mining activity to third parties on the other. The Company's financial returns are also vulnerable to spot price movements of iron ore, as it sells most of its ore through traders in the spot market.

    The company management lacks depth since the key management personnel, with the exception of the Managing director and whole-time director, have a limited understanding of the business. The grading also reflects Company's below-average corporate governance structure, especially with respect to the management oversight.

    For more details on CRISIL grading rational, please refer page 17 on IPO Grading.

11. ***The lack of adequate, timely and cost effective transportation could adversely affect the sale of iron ore fines, which may adversely affect our operations and profitability.***

    We depend on transportation infrastructure and related facilities for the transportation of iron ore fines. These transportation costs constitute a significant portion of the cost of extraction and sale of iron ore fines from mines. Any increase in transportation costs or any disruption in timely transportation services, may adversely impact our revenues and profitability.

12. ***Under the Mining Lease/s, the State Government has pre-emptive rights in connection with the purchase of any minerals and ores extracted from the land in question, at fair market price, which if exercised, would be detrimental to the profitability of our Company.***

    Under the Mining Lease/s, the State Government has right of pre-emption for purchase of any quantity of minerals and ores extracted from the mine, at fair market price from the Leaseholder, which if exercised, would be detrimental to our rights to the purchase the said minerals/ores under various Raising and Purchasing agreements, and accordingly would adversely affect our revenues and profitability.

13. ***Our operations are subject to environmental and health and safety laws and regulations which could expose us to significant increased compliance costs and litigation relating to environmental and health and safety issues.***

    Our operations are subject to environmental laws and health and safety regulations. There is a risk that our past, present or future operations have not met or will not meet environmental requirements and that we may not get the required approvals for our proposed expansion, in a timely manner or at all. If we fail to get the requisite approvals or breach these environmental requirements, we may incur fines or penalties, be required to curtail or cease operations or be subject to significantly increased compliance costs or significant costs for rehabilitation or rectification works, which could have an adverse effect on our results of operations and financial condition.

14. ***We require certain registrations and permits from government and regulatory authorities in the ordinary course of business and the failure to obtain them in a timely manner or at all may adversely affect our operations.***

    We require statutory and regulatory approvals and permits to execute our projects, and carry out our various operations, the applications for which needs to be made at appropriate stages. We cannot assure you that we will receive these approvals on time, at all, or in accordance with our current plans and proposed expansions and ventures.

15. ***We are dependent on steel industry for our growth. Fluctuations in the demand for steel could adversely affect our business.***

Sales prices and volumes in the iron ore mining industry depend primarily on the prevailing and expected level of demand for iron ore in the world steel industry. A number of factors, the most significant of which is the prevailing level of worldwide demand for steel products, influence the world steel industry. During periods of sluggish or declining regional or world economic growth, demand for steel products generally decreases, which usually leads to corresponding reductions in demand for iron ore. The prices of steel products are influenced by many factors, including demand, worldwide production capacity, capacity-utilisation rates, raw-material costs, exchange rates, trade barriers and improvements in steel-making processes. Accordingly, any significant decrease in demand for steel products or decline in the price of these products could result in reduced iron ore demand and iron ore prices which could significantly reduce our revenues, thereby materially adversely affecting our results of operations and financial condition.

16. ***The prices of our product are highly cyclical and volatile. The revenues and profitability of our company may accordingly be adversely affected.***

Our financial results are sensitive to the market prices of iron ore, which are cyclical and volatile. In addition, because there is no futures market for iron ore, we have not entered into transactions that seek to hedge or mitigate our exposure to movements in these iron ore prices, and we do not currently intend to enter into such transactions in the near future.

Changes in world market prices of iron ore could affect the results of our mining iron ore fines and export activities. The changes in these prices result from factors, which are beyond our control, such as iron ore demand, transportation costs, the available supply of various grades and types of iron ore and, consequently, the outcome of yearly contract price negotiations between the large international iron ore miners and exporters with large steel producers in Asia and Europe. Any sustained reduction in iron ore prices could impact our revenues adversely impacting our profitability.

Iron ore prices have varied significantly in the past and could vary significantly in the future as well. Driven primarily by strong demand from Chinese steel makers, together with a modest expansion in other markets, the global iron ore market experienced high demand and according to the Iron Ore Manual, 2005, contract prices of iron ore grew by 71.5% during the calendar year 2005, in respect of European steel mills, and Japanese fiscal year 2005, in respect of Japanese steel mills. Recent press releases by large iron ore miners indicate that they have concluded price negotiations with certain European and Japanese steel mills, for a 19% increase in prices for iron ore fines for 2006, as compared to 2005*. We cannot guarantee that a similar price increase will be agreed with Chinese steel companies or that iron ore demand and prices will remain at current levels or that iron ore prices will increase in the future. Prolonged declines in world market prices for iron ore, or a failure for price increases to match inflation levels, would have a material adverse effect on our operations and profitability.

** Source - IISI, Steel Statistical Yearbook, 2006*

17. ***We do not have a substantial domestic market for sale of iron ore fines. We rely on export sales for sale of our iron ore fines. Any decline in export of iron ore fines whether due to economic or regulatory changes, or otherwise, may hamper our business and profitability.***

The current demand for iron ore fines, in the domestic market is very low. In the domestic sector essentially the secondary steel makers use fines for their production as the major producers either have captive mines or have long-term contracts with the public sector National Mineral Development Corporation for their requirements. In the event of any downward trend in the export of iron ore fines whether due to economic or regulatory changes or otherwise, the domestic mining industry, and consequently our profitability would be adversely affected.

18. ***Export sales of our iron ore fines are to China only. Hence, we entirely depend on China for sales of our iron ore fines. Any reduction in demand of iron ore fines in the Chinese markets, whether due to economic or regulatory changes or otherwise, may hamper our operations and profitability.***

The recent growth of the Chinese economy, and associated demand for steel in China, is the primary driver of import demand for iron ore in China. All of our direct export of iron ore fines are, and in the past, have been, made to China. If demand from the Chinese market decreases, or if we lose sales to competitors in the Chinese export market, or, if iron ore export spot prices to China reduce significantly, our operations and profitability would be adversely affected.

19. We have not entered into any long term contract for sale of our products and rely on spot market sales.

We currently have no long-term contracts to sell iron ore. Long-term contracts are typically entered into for a specific period with respect to volume and are negotiated as to price on an annual basis. As a result, our profitability would be adversely affected if we are unable to obtain new orders to replace our short-term arrangements as we complete our obligations under existing arrangements, or, if spot prices decline significantly and we are unable to enter into long-term contracts at suitable prices.

20. We have a limited customer base for iron ore fines and depend on them for our revenues. Termination of relationships with our customers may adversely affect our profitability.

We sell iron ore fines primarily to customers in China. Our profitability would be adversely affected if our relationship with any of our customers in China is terminated or otherwise prejudiced, and we are unable to secure suitable alternative customers.

21. Adverse foreign exchange fluctuations and appreciation of the Rupee against other foreign currency may hamper our export obligations and overall profitability.

Our assets, earnings and cash flows are influenced by movements in exchange rates of other currencies against the Rupee, particularly movements in the U.S. dollar. All of our direct exports are denominated in U.S. dollars. The exchange rate between the rupee and U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate significantly in the future. Because our financial statements and the majority of our costs are in Rupees, appreciation of the Rupee against the U.S. dollar without offsetting improvement in U.S. dollar denominated iron ore prices, could adversely affect our results of operations and financial condition.

22. We have not placed orders for certain plant and machinery and railway rakes. Any delay in delivery or installation of the plant and machinery or implementation of our project may have an adverse impact on the financial position of our Company.

Substantial portion of the Issue proceeds shall be used for procurement of various plant and machineries and railway rakes. We have not placed orders worth of Rs. 301.03 millions for plant and machinery which constitutes 23% of the total orders to be placed for plant and machineries. Further out of the total 6 railway rakes to be ordered for the proposed expansion, we have placed orders only for 3 railway rakes. . Any delay in delivery or commercial installation of plant and machineries may result into time and cost overrun which may adversely affect the financial position of the Company.

23. We are exposed to a number of operating risks and perils. Any accidents, interruptions or other unforeseen and unexpected events may have an adverse impact on the operations of the Company.

The business of mining and processing iron ore is subject to many risks and hazards, including industrial accidents, mine collapses or cave-ins, periodic interruptions due to inclement or hazardous weather conditions, power interruption, critical equipment failure, fires, flooding and unusual or unexpected geological or mining conditions. Such risks could result in an interruption of mining operations, personal injury, environmental damage, monetary losses and possible legal liability.

As a result, accidents or other unforeseen events could have a material adverse effect on our results of operations and financial position.

24. Each Mine is subject to minimum extraction limits, and as such the economic exploitation of the same is curtailed, which in turn restricts our operations and profitability.

Under the Raising and Purchasing Agreements for each mine we have undertaken to extract a specified quantity of iron ore for each month, failing which we are bound to deposit a calculated amount with respect to any shortfall in such specified quantity. If the said minimum extraction limits are not met annually, the aforementioned deposit is liable to be forfeited which would adversely affect our profitability.

25. Our Company may become liable to pay damages to third parties in the event that our Company's actions in the exercise of its rights, causes any third party damage.

As per the terms of the Mining Lease/s, the Leaseholders and any other person who has rights to use the relevant mining area must ensure that they exercises their rights in a manner that does not cause obstruction or interference to mining and mining related operations by third parties. Further, the Leaseholder and/or the Company, as the case may be, would be liable for any damage caused by any such obstruction or interference.

26. There are various uncertainties inherent in estimating the commercial viability and profitability of extracting, processing and selling minerals and/or ores. The output of our iron ore products is based on the estimates made by us on the basis of past experience. Actual output of these products may vary with the estimates made by us and may be materially different from mineral/ore quantities and qualities that we may actually recover.

The reserves of each mine are estimated quantities of minerals/ores that have the potential to be economically mined and processed under present and anticipated conditions so as to extract their mineral content. There are numerous uncertainties inherent in estimating the quantities and qualities of such reserves and in projecting potential future rates of mineral/ore production and sale, including factors which are beyond our control.

Reserve estimation is a subjective process of estimating deposits of minerals that cannot be measured in an exact manner, and the accuracy of any reserve estimate is a function of the quality of available data and engineering and geological interpretation and judgement. Estimates of different engineers may vary, and results of our mining and production subsequent to the date of an estimate may lead to revision of estimates. Reserve estimates and estimates of mine life may require revisions based on actual production and other factors. Fluctuations in operating costs and the market price of ore or reduced recovery rates (of ore extraction), or increased production or transportation costs, or a slump in demand, may render the extraction, processing and sale of minerals/ores economically unattractive. This in turn would adversely affect our profitability and operations.

27. Presently, we rely on third parties to provide us with plant, machinery and other facilities and services that are integral to our mining business. In the event of any delay, failure or inability to obtain adequate and timely services, our business and operations may be adversely affected.

Presently, we rely on third-party contractors to provide plant and machinery, and other facilities and services including labour, required for our operations. Although, we propose to acquire plant and machinery of our own and develop our own infrastructure and logistics through the proceeds of this Issue, nonetheless, we will continue to depend on such third parties to provide facilities and services in the future. Any failure to obtain adequate and timely services in this regard may adversely affect our business.

Further, we are also exposed to movements in the prices charged by external suppliers, such as fuel, electricity and other energy providers, railway, sea freight and road transport service providers, which are critical to our business, as well as movements in wages, royalties, taxes and other governmental charges relating to mining and processing operations. A significant increase in one or more of these cost items for a sustained period could have an adverse effect on our operations and financial condition. In addition, unforeseen adverse changes in quality or reductions in the quantity of supplies provided to us by our external suppliers may also adversely affect our operations and financial condition.

28. ***We are subject to competition from other mining companies in both domestic and foreign markets, which may significantly affect the fixation and realisation of the price for our products. This, in turn, may materially affect the profitability of the Company.***

    We compete with a large number of domestic as well as international mining companies. Some of these competitors have substantially more resources and a greater marketing scale than we do. Competition from foreign or other Indian iron ore producers may result in our losing market share and revenues. Competitive activity in these markets can have a significant adverse impact on the price we realise for our products, and could therefore have a material adverse effect on our profitability.

29. ***We have high working capital requirements. If we experience insufficient cash flows to meet required payments on our debt and working capital requirements, there may be an adverse effect on our financial condition and results of operations.***

    Our business requires a significant amount of working capital. A large part of our working capital requirements may be attributed to our inventory which comprises manufactured/processed iron ore, bauxite and iron ore for our trading activities. Continued increases in working capital requirements may have an adverse effect on our financial condition and results of operations.

30. ***Our success depends in large part upon our senior management, directors and key personnel and our ability to retain them and attract new key personnel when necessary.***

    Our success depends on the continued services and performance of the members of our management team and other key employees. If one or more members of our senior management team are unable or unwilling to continue in their present positions, they could be difficult to replace and our business could be adversely affected. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. As such, any loss of services of our senior management personnel or key employees could adversely affect our business, results of operations and financial condition. Further, except for Key Man Insurance on the life of our Managing Director we have not taken 'key man' life insurance policies for other senior members of our management team or other key personnel.

31. ***Our Promoters and principal shareholders will hold a majority of our Equity Shares after the Issue and can therefore determine the outcome of shareholder voting.***

    Upon completion of the Issue, the members of our Promoter Group will collectively hold approximately 56.12% of the paid-up equity capital of the Company. So long as our Promoters and our principal shareholders own a majority of our Equity Shares, they will be able to elect our entire Board of Directors and control most matters affecting us, including the appointment and removal of our officers, our business strategy and policies, any determinations with respect to mergers, and acquisitions or dispositions of assets, our dividend policy and our capital structure and financing. Further, the extent of their shareholding in us may result in, delay, or prevent a change of management or control of our company, even if such a transaction may be beneficial to our other shareholders.

32. ***Our Company has in the last 12 months issued Equity Shares at a price which may be lower than the Issue Price.***

    In the 12 months prior to the date of filing of the Red Herring Prospectus, our Company has issued Equity Shares which may be lower than the Issue Price. The requisite particulars of such allotments have been detailed on page 26.

Date of allotment and date on which fully paid up	Name of the Allottee	Number of Equity Shares	Issue Price (Rs.)	Nature of allotment
July 26, 2007		250,000	125	Preferential allotment to Friend and other bodies corporate
		250,000	125	
		250,000	125	
		250,000	125	
		1,000,000		
November 2, 2007		28,800	125	Preferential allotment to Friends and Promoter Group Companies
		81,000	125	
		5,000	125	
		20,000	125	
		5,000	125	
		1,160,000	125	
		40,000	125	
		20,000	125	
		1,359,800		
November 6, 2007		5,000	130	Preferential allotment to Friends and other bodies corporate
		5,000	130	
		10,000	130	
		5,000	130	
		8,000	130	
		200,000	130	
		233,000		
November 7, 2007		8,000	135	Preferential allotment to Friends, Relatives and other bodies corporate
		8,000	135	
		50,000	135	
		50,000	135	
		5,000	135	
		5,000	135	
		10,000	135	
		11,000	135	
		12,000	135	
		25,000	135	
		108,000	135	
		5,000	135	
	Niranjan Kanchanlal Nanavati (HUF)	5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		5,000	135	
		10,000	135	
		20,000	135	
		35,000	135	
		5,000	135	
		10,000	135	
		10,000	135	
		437,000		
December 1, 2007	Merrill Lynch International	3,000,000	210	Allotment to Private

				Equity Investor Merrill Lynch International
February 21, 2008	Investor India Business Excellence Fund-I	357,500	250	Allotment to Pre-IPO Investor India Business Excellence Fund-I
February 21, 2008	IL&FS Trust Co Ltd (Trustees to Business Excellence Trust-India Business Excellence Fund)	192,500	250	Allotment to Pre-IPO Investor India Business Excellence Fund

For more details please refer to the Section "Capital Structure" beginning at page 23 of this Red Herring Prospectus.

33. ***Materialisation of our contingent liabilities, which have not been provided for, as set forth in the restated standalonebalance sheet as of March 31, 2008, either wholly or in any part, could adversely affect our profitability and the financial condition of the Company.***

Our Company has contingent liabilities of Rs. 1140.44 million that are not provided for, as set forth in its restated standalone balance sheet as of March 31, 2008. For further information, please see Annexure 14 of the restated standalone financial statements as of March 31, 2008 beginning on page 170 of this Red Herring Prospectus. If these contingent liabilities materialise, fully or partly, our financial condition could be adversely affected.

B. EXTERNAL RISK FACTORS

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

1. ***A significant change in the Government of India's economic liberalization and deregulation policies could disrupt our business and cause the price of our Equity Shares to decline.***

Our assets and customers are predominantly located in India. The Government has traditionally exercised and continues to exercise a dominant influence over many aspects of the economy. Its economic policies have had and could continue to have a significant effect on private sector entities, including us, and on market conditions and prices of Indian securities, including the Equity Shares. Any significant change in the government's policies or any political instability in India could adversely affect business and economic conditions in India and could also adversely affect our business, our future financial performance and consequently the market price of our Equity Shares.

2. ***We face intense competition which significantly affects the determination of the price, quality, and nature of our products and services, and which in turn may have an adverse impact on our profitability.***

We conduct our business under a highly competitive environment. Competition is characterized by many factors, including substitute products, price, quality, service, location, reputation and credit availability. Additionally, we may face competition from new entrants in the industry.

3. ***Our inability to reduce costs and maintain low-cost, efficient operations as a result of a sustained material fall in world commodity prices, an appreciable rise in production costs or a decline in production volumes may adversely affect our competitiveness and long term profitability.***

The competitiveness and long-term profitability of our Company are, to a significant degree, dependent upon its ability to reduce costs and maintain low-cost, efficient operations. Our Company's operational costs are significantly affected by production volumes and therefore the ability to maintain or increase production levels and maximise capacity utilisation is a key factor in determining its overall cost competitiveness. Our Company's ability to maintain earnings and undertake capital expenditure would be adversely affected in the event of a sustained material fall in world commodity prices, an appreciable rise in its production costs or a decline in its production volumes. There can be no assurance that our Company will be able to maintain or reduce operational costs or maintain or increase its production volumes in the future.

4. ***Natural calamities could have a negative impact on the Indian economy and cause our business to suffer.***

   India has experienced natural calamities such as earthquakes, tsunami, floods and drought in the past few years. The extent and severity of these natural disasters has an impact on the Indian economy. Any negative impact of natural disasters on the Indian economy could adversely affect our business and the market price of our Equity Shares.

5. ***After this Issue, the price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

   Prior to this Issue, there has been no public market for our Equity Shares. The trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including results of our operations and the performance of our business, competitive conditions, general economic, political and social factors, volatility in the Indian and global securities markets, trends in general business, the performance of the Indian and the global economy and significant developments in India's fiscal regime. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially issued will correspond to the prices at which they will trade in the market subsequent to this Issue.

6. ***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. Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies. These problems include 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, from time to time, disputes have occurred between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. Similar problems could occur in the future and, if they do, they could harm the market price and liquidity of our Equity Shares.

7. ***Our Company is subject to risk arising from changes in interest rates and banking policies.***

   We are dependent on various banks for arranging our working capital requirements, term loans, etc. Accordingly, any change in the existing banking policy or increase in interest rates may have an adverse impact on our Company's operations and/or profitability.

8. ***Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

   External factors such as potential terrorist attacks, acts of war or geopolitical and social turmoil in other parts of the world could result in increased volatility in Indian and/or overseas markets, constrain our ability to do business, increase our costs and negatively affect our stock price.

Notes to Risk Factors:

1. Public Issue of 4,450,000 Equity Shares of Rs. 10 each for cash at a price of [●] per Equity Share, aggregating Rs. [●] million. The Issue comprises a Net Issue to the public of 4,200,000 Equity Shares and an Employee Reservation Portion of 250,000 Equity Shares. The Net Issue will constitute 14.72% of the fully diluted post-Issue Equity Share capital of our Company.

2. The net worth of our Company was Rs. 646.24 millions as of March 31, 2007 and Rs. 2144.76 millions as of March 31, 2008, as per the standalone restated financial statements of our Company prepared in accordance with Indian Accounting Standards and the Companies Act and restated in accordance with the SEBI Guidelines. For more information, see the section "Financial Statements" beginning on page 121 of this Red Herring Prospectus.

3. The book value per Equity Share was Rs. 36.90 as of March 31, 2007 and Rs. 89.03 as of March 31, 2008 as per the standalone restated financial statements of our Company prepared in accordance with Indian Accounting Standards and the Companies Act and restated in accordance with the SEBI Guidelines. For more information, see the section "Financial Statements" beginning on page 121 of this Red Herring Prospectus.

4. The average cost of acquisition of the Equity Shares by our Promoter, Mr. Subhash Sharma is Rs. 2.71 per Equity Share and Rs. 0.38 per Equity Share by Mrs. Neelam Sharma. The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking the average of the amount paid by our Promoters to acquire the Equity Shares issued by our Company. For details, see the section "Capital Structure" beginning on page 23 of this Red Herring Prospectus.

5. The aggregate amount of related party transactions is Rs. 695.42 millions for the period ended March 31, 2008, Rs. 72.49 Millions for the year ended March 31, 2007, Rs. 27.21 Millions for the year ended March 31, 2006, Rs. 47.41 Millions for the year ended March 31, 2005 and, Rs. 6.10 Millions for the year ended March 31, 2004. For further details with regard to related party transactions, see the section "Related Party Transactions" beginning on page 118 of this Red Herring Prospectus.

6. Other than as stated in the section "Capital Structure - Notes to the Capital Structure" beginning on page 24 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration other than cash.

7. For details of transactions in the securities of our Company by the Promoters, the Promoter Group and the Directors in the last six months, see the section "Capital Structure - Notes to the Capital Structure" beginning on page 24 of this Red Herring Prospectus.

8. For information on changes in our Company's name, registered office and objects clause of the Memorandum of Association of our Company, see the section "History and Certain Corporate Matters" beginning on page 93 of this Red Herring Prospectus.

9. Except as disclosed in the sections "Our Promoters and Promoter Group Companies" and "Our Management" beginning on pages 111 and 99, respectively, of this Red Herring Prospectus, none of the Promoters, Directors or key managerial employees have any interest in our Company except to the extent of any remuneration that may be paid to them for rendering professional services and reimbursement of expenses and to the extent of the Equity Shares held by them or held by the companies or firms in which they are interested as directors, members or partners and to the extent of the benefits arising out of such shareholding. For details of the shareholding of the Promoters, Directors and companies in which the Promoters and Directors are interested as members or directors, see the section "Capital Structure" beginning on page 23 of this Red Herring Prospectus.

10. For any clarification or information relating to the Issue, investors may contact the BRLM, the Co-BRLMs or our Company, who will provide or make available such clarification or information to the investors at large. No selective or additional information would be available for a section of investors in any manner whatsoever.

11. Investors may contact the BRLM, the Co-BRLMs and the Syndicate Members for any complaints pertaining to the Issue.

12. Investors are advised to refer to the section "Basis for the Issue Price" beginning on page 47 of this Red Herring Prospectus.

13. Investors may note that in case of over-subscription in the Issue, allotment to Qualified Institutional Bidders, Non-Institutional Bidders and Retail Bidders shall be on a proportionate basis. For more information, see the section "Issue Procedure - Allotment - Basis of Allotment" beginning on page 269 of this Red Herring Prospectus.

14. Trading in the Equity Shares for all investors shall be in dematerialised form only.

SECTION III: INTRODUCTION

SUMMARY

The following summary highlights information contained elsewhere in this Red Herring Prospectus. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information about us and our financial statements, including the notes thereto, appearing elsewhere in this Red Herring Prospectus. For a discussion of certain matters that should be considered by investors prior to making investments in our Equity Shares, see the section "Risk Factors" beginning on page xii of this Red Herring Prospectus.

INDUSTRY OVERVIEW

Iron Ore

Introduction

Making up 5 percent of Earth's crust, iron is the fourth most abundant rock-forming element. Iron ore is the primary source of iron for the world's iron and steel industries and is the cheapest and most widely used metal.

Iron ore is the primary component of the world's production of steel, with substantially all (approximately 98%) of the iron ore produced worldwide consumed in steel making. Iron ore demand, and therefore pricing depends on the global steel industry. Conditions in the steel industry tend to reflect global economic conditions; however, because demand for steel is driven by basic components of industrial and economic growth, such as heavy construction and automotive industries, from time to time regional differences exist in the demand for steel and, therefore, in iron ore demand.

The Global Iron Ore Market

The iron ore industry is enjoying continued boom conditions, as demand continues to soar on the back of the developing world's rapid industrialization. The market remains tight, and supply systems are stretched, leading to unprecedented increase in prices. After rising by as much as 14% a year, global iron ore consumption is expected to continue to grow at over 3% annually to more than 1.9 billion tones by 2011.

Iron ore producers historically fell into two basic categories, captive producers and exporters. Captive producers were those owned by the steel companies, generally selling their production exclusively to their owner(s) – customer(s). The producers were dominantly captive in the past, but this has and will continue to change. Steel producers may maintain a minority or strategic interest in iron ore companies, but want flexibility of supply. Iron ore is predominantly sold via long-term contracts that specify certain volumes that the steel producer must take. In both Asia and Europe, steel producers form buying cartels. Prices are negotiated annually in so-called mating seasons.

The price of iron ore products is based principally on iron (Fe) content. A premium is paid for products with a higher Fe content or products with particularly desirable characteristics, such as low silica, phosphorus and aluminium content. Iron ore contract prices are generally set annually with reference to benchmark prices negotiated with steel producers by the world's three largest iron ore producers, Companhia Vale do Rio Doce S.A. (CVRD), Rio Tinto plc (Rio Tinto) and BHP Billiton plc (BHP Billiton). Benchmarks are established at the beginning of the calendar year with European steel producers and at the beginning of the Japanese fiscal year (which commences on April 1) with Japanese steel producers. According to the Iron Ore Manual, 2005, for the pricing periods encompassing calendar year 2005 and Japanese fiscal year 2005 (April 1, 2005 to March 31, 2006), benchmark prices for iron ore increased by 71.50%. Recent news reports indicate that major iron ore producers have concluded negotiations with certain European and Japanese steel mills that have increased benchmark prices for the iron ore fines, they supply to these markets, by 19% in the year 2006. However, negotiations are still currently on with Chinese steel mills.

BUSINESS OVERVIEW

We are engaged in the business of extraction, processing and sale of mineral products and exploration and development of mining assets. Our diverse product range includes various forms of iron ore such as Lump ore, Size ore, Calibrated Lump ore (CLO) and iron ore fine etc. and bauxite. We sell all these products domestically except iron ore fines which we export to China.

We believe we are one of the few Companies in the mining industry to have obtained ISO 9001:2000 and ISO 14001:2004 Certification from UKAS, United Kingdom. Furthermore, our Company is a recognised Star Trading House of India and is also member of various business councils i.e. CAPEXIL, FIEO, FIMI etc.

We currently operate in Nuagaon, Kendujhargarh district and Maharajpur, Mayurbhanj district of Orissa and we purport to commence operations at Tatiba mine in Singhbhum district of Jharkhand in the near future. We have entered in to long term contracts for these mines, Nuagoan, Tatiba and Maharajpur, with the leaseholders for raising and purchasing of iron ore. All the three mines carry high quality iron ore of about 62% - 64% Fe content.

We have made an application to the Collector of Sindhudurg district for the grant of an iron ore mining lease over an area of 108.77 hectares in village Banda, District Sindhudurg in Maharashtra.In response to our application we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai dated September 13, 2007 stating that our application is under process at the office of the Collector of Sindhudurg. We have also applied for two prospecting leases of iron ore in Banda region to the Collector of Sindhudurg district. Further, we are also engaged in merchant export of iron ore fines to China.

Through our wholly owned subsidiary M/s. Warana Minerals Private Limited (WMPL), we hold a 60% interest in a registered partnership firm, Shri Warana Minerals which is engaged in the business of mining bauxite ore under the 30 year mining lease with respect to a bauxite mine situated in Yelwan Jugai, Maharashtra.

The mining assets of our Company, except Banda mine, have cumulative estimated reserve of 74.82 million tonnes of iron ore and 4.92 million tonnes of bauxite as certified by Central Mining Research Institute as per their certificate dated July 25, 2007 and September 3, 2007 respectively, break up of which can be seen as under:

Sr. No.	Description of mine	Estimated Reserves (million tonnes)
	Iron Ore Mines	
1.	Nuagaon , Orissa	12.37
2.	Maharajpur , Orissa	42.08
3.	Tatiba, Jharkhand	20.37
4.	Banda , Maharashtra	NA*
	Total	**74.82**
	Bauxite Mine	
1.	Yelwan Jugai, Maharashtra	4.92

* No estimate has been made as to any proved or probable reserves that may exist at Banda iron ore mine, because the mining lease is yet to be executed in our favour.

Our Operational Income and Profit after Tax (PAT) after restatement of financial statements for the financial year ending March 31, 2007 was Rs. 1642.43 millions and Rs. 303.67 millions respectively and for year ending March 31, 2008 it was Rs. 4030.04 millions and Rs. 665.62 millions respectively. Our Operational Income and PAT have grown at 93% and 251% year on year basis during the financial year 2006-2007 and 145% and 119% year on year basis during the financial year 2007-2008 respectively.

COMPETITIVE STRENGTHS

- **High grade iron ore products**

  The iron ore supply in respect of the mines for which we have entered into extraction and purchase agreements, consists principally of hematite ore with a Fe content of predominantly greater than 62%. The greater the Fe content of the iron ore, the more efficient it is to process the ore. In addition, our iron ore has other characteristics, which we believe contribute to its quality, such as:

  - higher reducibility allows greater productivity for our ultimate customers, the steel producers;
  - low moisture content, which means lower transportation and distribution costs; and
  - low rates of impurities such as silica, phosphorus, alumina and sulphur.

  We believe our high grade products and ore quality gives us a strong competitive advantage and helps us to command premium pricing, stimulate demand for our products and enjoy customer loyalty.

- **Proximity to National Highway**

  The Maharajpur iron ore mine is situated within a distance of approximately 5 kms on national highway No.6. This enables customers to economically and expediently transport our products.

- **Diverse product portfolio**

  Currently, our product portfolio includes iron ore variants such as LO, SO, CLO and fines. Considering the increasing demand of bauxite on account of increasing demand of aluminum and aluminum products, we have ventured into bauxite mining. With this product line diversification, we expect to improve our revenues as well as profits.

- **Assured supply of railway rakes under Wagon Investment Scheme (WIS)**

  Today, movement of iron ore fines from eastern India to the ports for the purpose of exports is not an economically viable proposition on account of significantly higher road transportation costs and non-availability of comparatively cheaper railway rakes.

  Considering the increasing demand of railway rakes in the vicinity, the Indian Railways had initiated ‘Wagon Investment Scheme’ wherein customers investing in one railway rake will be assured of supply of four rakes every month with 10% concession in freight. In addition, two bonus rakes per month will be supplied without any concession in freight.

  We have already procured no objection certificate from the competent authority permitting us to avail benefit of the said Wagon Investment Scheme under the prescribed guidelines of Indian Railways. We will be investing in 6 (Six) railway rakes comprising of 61 Wagons each. This will enable us assured supply of 24 railway rakes every month with 10% concession in freight and twelve more rakes per month without freight concession. This will smoothen the movement of iron ore fines from mines to the nearest ports for export, thereby enabling us to generate revenue from the by-product which otherwise would have been a waste product for us.

- **Abundance of rich iron ore reserves**

  We have significant reserves of high quality iron ore. We have extraction and purchase rights over two mines in Orissa having significant reserves and one in Jharkhand having good resources of iron ore containing rich Fe content.

  In addition to the above, we have also entered into long term purchase contract for purchase of iron ore fines from one mine located in the state of Madhya Pradesh. All these fines are being exported to China. This arrangement shall provide voluminous quantity of iron ore to us and shall enable us to be more competitive. A synopsis of iron ore reserves available with us is given hereunder:

Sr. No.	Iron ore mines	Proved	Probable	Possible	Total
		(million tonnes)			
1	Nuagaon	07.07	03.53	01.77	12.37
2	Maharajpur	24.39	11.79	05.90	42.08
3	Jharkhand	11.64	05.82	02.91	20.37
	Total	**43.10**	**21.14**	**10.58**	**74.82**

- **Accretion and development of mining assets**

  We are in the process of obtaining a new mining lease for an iron ore mine in the state of Maharashtra or which we have made an application to the Collector of Sindhudurg district and in response we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai dated September 13, 2007 stating that our application is under process at the office of the Collector of Sindhudurg. We have also applied for two prospecting leases of iron ore in Banda region District Sindhudurg.

  We have recently acquired interest in one mining lease over bauxite mines in Yelwan Jugai, Maharashtra through our wholly owned subsidiary M/s. Warana Minerals Private Limited (WMPL)

- **Proximity to China, thereby having operational and synergic benefits as compared to other competing countries**

  China, over the last few years, has emerged as the largest consumer of iron ore fines. India being the nearest source for procurement of iron ore fines by China, the Indian iron ore suppliers have been the biggest beneficiaries of increased demand of fines in China. We believe that the close geographical proximity of China shall always allow us to be amongst the preferred suppliers and we shall be able to command better price as against our competing countries.

- **Located in the vicinity of large number of steel manufacturing units**

  Our present mining assets are located in the state of Orissa and Jharkhand which has substantial steel manufacturers located in and around the state. This close proximity has given us an advantage of meeting the rising demand of our products locally thereby enabling us to increase our sales at a comparatively faster pace.

- **Experienced Management Team**

  We have qualified and experienced professionals possessing knowledge and specialization in a wide area and spectrum of mining, technical know-how, engineering and commercial domain.

OUR BUSINESS STRATEGY

Our business strategy is based on our long term objective to be one of the prominent players in the mining industry. We intend to achieve this objective through adoption of the following business strategy:

- **Volume driven growth**

  To capitalize on the growing demand for iron ore, and looking at the ever increasing prices, we intend to increase our production significantly. We believe that we can achieve sustainable growth in volumes, driven by mechanized open cast mining methods at all the mining locations.

- **Acquiring and developing mineral assets**

  We intend to consider additional opportunities to acquire and operationalise additional mineral assets as they become available. We have in the past applied, and may in the future apply, for prospecting or mining leases for minerals including iron ore.

- **Operation driven by customers satisfaction**

  Our operations, inspite of ever increasing demand in the domestic and International markets, have always been driven by the customer satisfaction model of operations. Further, the high grade of iron ore production capability of Nuagaon and Maharajpur mines has contributed to the retention of the existing customers.

- **Focus on New Market**

  Currently majority of our exports of iron ore fines is to China due to proximity and also it being one of the largest consumers of iron ore fines. We intend to seek a diversification in our customer base by targeting a greater number of customers in China as well as seeking to develop a customer base in other countries of Asia including Japan and South Korea for supply of fines.

- **Long term tie up with the Indian Steel Manufacturers**

  Orissa being the focal point of Industrial capex planned for development of steel industries in the region, we have plans to enter into long term commitments and arrangements for supply of CLO to major players in the steel industry.

- **Investment in Logistics Infrastructure to improve operational efficiencies**

  Considering the significant logistics problems and time and cost involved in moving the goods from mines to the port or to the customer’s place, we propose to develop our own logistics infrastructure in the long term in consultation with the local authorities. The said infrastructure shall help us in easy movement of goods from mines at comparatively cheaper cost and within the desired time frame resulting into faster realisation of proceeds as well as increase in our profitability.

  Further, having our own logistics infrastructure in place, we shall have better negotiating power as we can negotiate the prices on C&F basis delivering the goods directly to customer’s place.

- **Product line diversification**

  We intend to become one amongst the leading players in the mining industry with its vast product portfolio. With this vision, we purport to venture into mining of others minerals and resources which inter-alia may include copper, manganese, zinc and others.

THIS ISSUE

Equity Shares offered: Issue	**4,450,000 Equity Shares**
Of which: Of which Employee Reservation Portion	250,000 Equity Shares
Net Issue	4,200,000Equity Shares
Of which:	
1. QIB Portion *Of which:* Mutual fund Portion Balance for all QIB Portion including Mutual Funds.	At least 2,520,000 Equity Shares 126,000 Equity Shares 2,394,000 Equity Shares
B) Non-Institutional Portion	Upto 420,000 Equity Shares available for allocation on a proportionate basis.
C) Retail Portion	Upto 1,260,000 Equity Shares available for allocation on a proportionate basis.
Equity Shares outstanding prior to the Issue	24,091,550 Equity Shares
Equity Shares outstanding after the Issue	28,541,550 Equity Shares
Use of proceeds by our Company	See the section “Objects of the Issue” beginning on page 34 of this Red Herring Prospectus

SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from the Consolidated restated financial statements of our Company as of and for the fiscal years ended March 31, 2008 and standalone restated financial statements of our Company as of and for the fiscal years ended March 31, 2004, 2005, 2006 and 2007 and 2008, prepared in accordance with Indian Accounting Standards and the Companies Act and restated in accordance with the SEBI Guidelines as described in the Auditors' Report included in the section "Financial Information" beginning on page 121 of this Red Herring Prospectus.

The summary financial information of our Company presented below should be read in conjunction with the respective financial statements and the notes (including accounting polices) thereto included in "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 121 and 204, respectively, of this Red Herring Prospectus.

Indian Accounting Standards differs in certain significant respects from U.S. GAAP. For more information on these differences, see the section "Summary of Significant Differences among Indian Accounting Standards and U.S. GAAP, beginning on page 213 of this Red Herring Prospectus.

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES (As Restated)

(Rs. In Millions)

			As at March 31, 2008
A.	**Fixed Assets:**	-	-
	Gross Block		26.00
	Less : Depreciation		4.87
	Net Block		**21.13**
	Add: Capital Work in Progress	-	601.30
	Total	**A**	**622.42**
B.	**Investments**	**B**	**194.70**
C.	**Goodwill on Consolidation**		7.66
D.	**Current Assets, Loans & Advances**	-	-
	Inventories		573.96
	Sundry Debtors		742.42
	Cash and Bank Balances		124.44
	Other Current Assets, Loans and Advances		1,230.48
	Total	**D**	**2,671.30**
E.	**Liabilities& Provisions**	-	-
	Secured Loans		442.38
	Unsecured Loans		109.33
	Current Liabilities and Provisions		753.00
	Total	**E**	**1,304.71**
F.	**Deferred Tax Liability**	**F**	**35.16**
G.	**Grand Total (A+B+C+D-E-F)**		**2,156.20**
H.	**Represented by**		
	Share Capital		240.91
	Reserves and Surplus		2,029.92
	Share Application Money		
	Less: Miscellaneous Expenditure not written off/ adjusted		114.62
	Grand Total		**2,156.20**

STATEMENT OF CONSOLIDATED PROFIT AND LOSSES ACCOUNT (As Restated)

(Rs. In Millions)

	Year Ended March 31, 2008
Income	**-**
Sales of Products Manufactured	2,813.04
Sales of Products Traded	1,217.00
Other Income	13.55
Increase / (Decrease) in Stocks	201.41
Total Income :	**4,245.00**
Expenditure	**-**
Materials, Production & Operating Expenses	2,824.55
Employee Costs	19.30
Administrative & Selling Expenses	325.27
Total Expenditure :	**3,169.12**
Profit Before Interest, Depreciation and Tax	**1,075.88**
Interest & Financial Charges	39.57
Depreciation	2.44
Net Profit before tax	**1,033.87**
Taxation	-
- Current Tax	331.60
- Fringe Benefit Tax	0.68
- Deferred Tax Liability/(Assets)	35.97
Net Profit after tax	**665.62**
(Short) / Excess Provision in respect of income tax for earlier years	22.03
Prior Period Items	0.24
Depreciation of earlier years	-
Net Profit after tax as per audited financial statements (A)	**643.35**
Adjustments on account of restatements:(As per Ann.4-B)	**22.27**
Net Profit/(Loss) as restated (A + / (-) B)	**665.63**
Profit/(Loss) Available for Appropriation as restated	**665.63**
Appropriations:	
- Transferred to General Reserve	-
- Proposed Dividend	-
- Tax on Dividend	-
Total Appropriations	**-**
Balance carried forward to Balance Sheet as restated	**665.63**

STATEMENT OF STANDALONE ASSETS AND LIABILITIES (As Restated)

Rs. in millions

			As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
A.	**Fixed Assets:**	-	-	-			
	Gross Block		26.00	28.57	26.56	18.64	12.86
	Less : Depreciation		4.87	5.36	3.69	1.58	1.47
	Net Block		**21.13**	**23.21**	**22.87**	**17.06**	**11.39**
	Add: Capital Work in Progress	-	601.29	-	-	5.24	-
	Total	**A**	**622.42**	**23.21**	**22.87**	**22.30**	**11.39**
B.	**Investments**	**B**	**191.07**	**-**	**-**	**-**	**0.05**
C.	**Deferred Tax Assets**	**C**	-	**0.81**	-	-	-
D.	**Current Assets, Loans & Advances**	-					
	Inventories		573.95	337.59	98.28	90.61	50.46
	Sundry Debtors		742.42	336.98	141.02	2.09	7.32
	Cash and Bank Balances		124.22	31.11	17.52	18.61	29.53
	Other Current Assets, Loans and Advances		1,230.48	295.51	235.76	202.85	101.35
	Total	**D**	**2,671.07**	**1,001.19**	**492.58**	**314.16**	**188.66**
E.	**Liabilities& Provisions**	-					
	Secured Loans		442.38	65.14	85.92	14.12	14.47
	Unsecured Loans		109.34	-	-	-	-
	Current Liabilities and Provisions		752.92	313.83	294.49	274.03	145.92
	Total	**E**	**1,304.64**	**378.97**	**380.41**	**288.15**	**160.39**
F.	**Deferred Tax Liability**	**F**	**35.16**	**-**	**1.30**	**0.89**	**0.28**
G.	**Grand Total (A+B+C+D-E-F)**		**2,144.76**	**646.24**	**133.74**	**47.42**	**39.43**
H.	**Represented by**						
	Share Capital		240.91	175.12	45.00	35.00	35.00
	Reserves and Surplus		2,018.23	324.14	87.74	2.42	2.23
	Share Application Money			146.98	1.00	10.00	2.20
	Less: Miscellaneous Expenditure not written off/ adjusted		114.38	-	-	-	0.00
	Grand Total		**2,144.76**	**646.24**	**133.74**	**47.42**	**39.43**

STATEMENT OF STANDALONE PROFIT AND LOSS (As Restated)

(Rs. In Millions)

	Year Ended March 31, 2008	Year Ended March 31, 2007	Year Ended March 31, 2006	Year Ended March 31, 2005	Year Ended March 31, 2004
Income					
Sales of Products Manufactured	2,813.04	1,386.77	658.65	-	-
Sales of Products Traded	1,217.00	255.66	191.37	678.90	1,010.41
Income from Business of Clearing, Forwarding, and Customs House Agents	-	-	0.25	0.97	7.52
Other Income	13.55	0.89	0.91	8.08	0.44
Increase / (Decrease) in Stocks	201.41	190.83	10.69	28.13	50.46
Total Income :	**4,245.00**	**1,834.15**	**861.87**	**716.08**	**1,068.83**
Expenditure					
Materials, Production & Operating Expenses	2,824.55	1,231.86	619.75	403.18	669.21
Employee Costs	19.30	6.87	4.26	3.67	1.06
Administrative & Selling Expenses	325.27	84.87	88.39	300.88	391.10
Total Expenditure :	**3,169.12**	**1,323.60**	**712.40**	**707.73**	**1,061.37**
Profit Before Interest, Depreciation and Tax	**1,075.88**	**510.55**	**149.47**	**8.35**	**7.46**
Interest & Financial Charges	39.57	9.02	2.57	3.22	3.07
Depreciation	2.44	2.20	2.11	1.32	0.69
Net Profit before tax	**1,033.87**	**499.33**	**144.79**	**3.81**	**3.70**
Taxation					
- Current Tax	331.60	184.40	49.00	0.95	1.04
- Fringe Benefit Tax	0.68	0.65	0.69	-	-
- Deferred Tax Liability/(Assets)	35.97	(2.11)	0.42	0.59	0.25
Net Profit after tax	**665.62**	**316.39**	**94.68**	**2.27**	**2.41**
(Short) / Excess Provision in respect of income tax for earlier years	22.03	-	-	-	-
Prior Period Items	0.24	-	-	-	-
Depreciation of earlier years	-	-	-	(0.42)	-
Net Profit after tax as per audited financial statements(A)	**643.35**	**316.39**	**94.68**	**2.69**	**2.41**
Adjustments on account of restatements:(As per Ann.4-B)	**22.27**	**(12.72)**	**(8.20)**	**(1.31)**	**1.38**
Net Profit as restated (A + / (-) B)	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**
Profit Available for Appropriation as restated	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**
Appropriations:					
- Transferred to General Reserve	-	-	1.30	-	-
- Proposed Dividend	-	2.40	1.01	1.05	-
- Tax on Dividend	-	0.41	0.15	0.14	-
Total Appropriations	**-**	**2.81**	**2.46**	**1.19**	**-**
Balance carried forward to Balance Sheet as restated	**665.62**	**300.86**	**84.02**	**0.19**	**3.79**

GENERAL INFORMATION

Our Company was incorporated as a private limited company under the name of "Exfin Shipping (India) Private Limited" on March 24, 1987 under the Companies Act, 1956 . Subsequently, pursuant to a special resolution of the shareholders at an EGM held on October 24, 1996, our Company became a public limited company and the word "private" was deleted from its name. A fresh certificate of incorporation consequent upon the change of name was granted on January 27, 1997 by the Registrar of Companies, National Capital Territory of Delhi and Haryana in the name of "Exfin Shipping (India) Limited." The name of our Company was further changed from "Exfin Shipping (India) Limited." to "Resurgere Mines & Minerals India Limited" pursuant to a special resolution of the shareholders at an EGM held on December 26, 2006. The certificate of incorporation to reflect the new name was issued on January 5, 2007 by the RoC.

For details of changes in the registered office, see the section "History and Certain Corporate Matters" beginning on page 93 of this Red Herring Prospectus.

Registered Office of our Company

Resurgere Mines & Minerals India Limited,
156, Maker Chambers-III,
Nariman Point,
Mumbai – 400 021,
Maharashtra, India.
Tel: +91 22 6658 2500
Fax: +91 22 6658 2511
Website: www.resurgere.in

Corporate Identity Number: U 74140 MH1987 PLC 172412.

Our Company is registered at the Registrar of Companies, Mumbai, located at Everest, 5th Floor, 100 Marine Drive, Mumbai – 400 020, Maharashtra, India.

Board of Directors

Our Company's Board of Directors comprises the following:

Sr. No.	Name	Designation	Age (Years)	Address
1	Mr. Subhash A. Sharma	Chairman cum Managing Director & CEO	40	E-4, Sukhdayak Society, J.B. Nagar, Andheri (E), Mumbai – 400 059
2.	Mr. Amit Sharma	Whole Time Director	35	7A-12, Sangeeta Apt., Juhu Road, Santacruz (West), Mumbai – 400 049
3.	Mr. Ishwar Das Agarwal	Independent Director	67	Flat No. 1701, 17th Floor, , Tower No. 1, Planet Godrej,, K. Khadye Marg,, Mahalaxmi (E) Mumbai - 400 011.
4.	Mr. Burzin Somandy	Independent Director	38	Flat no. 12, 3rd Floor, Ganpat Niketan, Junction 1st & 18th Road, Khar (West), Mumbai -400 052

For further details regarding the Board of Directors, please see the section "Our Management" beginning on page 99 of this Red Herring Prospectus.

Company Secretary and Compliance Officer

Mr. Rakesh Gupta
156, Maker Chambers-III,
Nariman Point,
Mumbai – 400 021,
Maharashtra, India
Tel: +91 22 6658 2500
Fax: +91 22 6658 2511
Email: cosec@resurgere.in
.

Legal Advisors to the Issue

J. Sagar Associates
Vakils House,
18 Sprott Road,
Ballard Estate,
Mumbai – 400 001
Tel: +91 22 6656 1500
Fax: +91 22 66561515/ 16
Email: mumbai@jsalaw.com

Bankers to our Company

State Bank of India
Industrial Finance Branch,
The Arcade, 2nd Floor,
World Trade Centre,
Cuffe Parade, Colaba,
Mumbai – 400 005
Tel: +91 22 2215 5297
Fax: +91 22 2216 0918
Email: sbi.08965@sbi.co.in

Union Bank of India
Mumbai Samachar Marg Branch,
66/80, Mumbai Samachar Marg,
Mumbai – 400 023
Maharashtra,
India
Tel: +91 22 2267 4938
Fax: +91 22 2264 2785
Email: union@bom3.vsnl.net.in

Bank of India
Darabshaw House,
Narottam Morarji Marg,
Ballard Estate Branch,
Mumbai- 400 038
Tel: +91 22 2204 5181
Fax: +91 22 2261 8590
Email: boiballarbr@mtnl.net.in

ICICI Bank Ltd.
240, Navasari Building
D.N. Road, Fort,
Mumbai- 400 005
Tel: +91 22 6757 5363
Fax: +91 22 6757 5454
Email: rahul.shri@icicibank.com

ISSUE MANAGEMENT TEAM

Book Running Lead Manager

Motilal Oswal Investment Advisors Pvt Ltd.
113/114, Bajaj Bhawan, 11th Floor,
Nariman Point,
Mumbai – 400 021. .
Tel: +91 22 3980 4380
Fax: +91 22 3980 4315
Email: resurgere.ipo@motilaloswal.com
Website: www.motilaloswal.com
Contact Person: Mr. Paresh Raja

Co-Book Running Lead Managers

PL Capital Markets Pvt. Ltd.
3rd floor, Sadhana House,
570 P B Marg, Worli,
Mumbai - 400 018
Tel: +91 22 6632 2222
Fax: +91 22 6632 2229
Email: resurgereipo@plindia.com
Website: www.plindia.com
Contact Person: Sonali Jain

Ashika Capital Limited
1008, Raheja Centre,
214, Nariman Point,
Mumbai – 400 021.
Tel: +91 22 6611 1700
Fax: +91 22 6611 1710
Email: mbd@ashikagroup.com
Website: www.ashikadirect.com
Contact Person: Mr. Nithin Kanuganti

Registrar to the Issue

Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai 400 078
Tel: +91 22 2596 0320
Fax: +91 22 2596 0328 /29
Email: rmmil.ipo@intimespectrum.com
Website: www.intimespectrum.com
Contact Person: Mr. Sachin Achar

Syndicate Members

Motilal Oswal Securities Limited,
81/82, Bajaj Bhawan,
8th Floor, Nariman Point,
Mumbai – 400 021
Tel: +91 22 3980 4200
Fax: +91 22 2288 3821
Email: resurgere.ipo@motilaloswal.com
Website: www.motilaloswal.com
Contact Person: Mr. Shrikrishna Appa Haryan

Prabhudas Lilladher Pvt Limited
3rd Floor, Sadhana House,
570 P. B. Marg, Worli,
Mumbai – 400 018
Tel: +91 22 6632 2222
Fax: +91 22 6632 2229
Email: resurgereipo@plindia.com
Website: www.plindia.com
Contact Person: Mr. Manish Bhatt

Ambit Capital Private Limited
Ambit House,
449, Senapati Bapat Marg,
Lower Parel,
Mumbai – 400 013.
Tel: +91 22 3043 3070
Fax: +91 22 3043 3100
E-mail: jitendrapanda@ambitcapital.com
Contact Person: Mr. Jitendra Panda

Elara Securities (India) Private Limited,
205, Trade Centre,
Bandra Kurla Complex,
Bandra (East),
Mumbai – 400 051
Tel: +91 22 4062 6868
Fax: +91 22 4062 6869
E-**mail**: Nalin.pant@elaracapital.com
Contact Person: Mr. Nalin Pant

Advisors to our Company

Ladderup Corporate Advisory Private Limited
104, Mittal Court,
A Wing, Nariman Point
Mumbai – 400 021
Tel: +91 22 4033 6363
Fax: +91 22 4033 6364
Email: resurgere.ipo@ladderup.com
Website: www.ladderup.com
Contact Person: Mr. Saurabh Agarwal

Bankers to the Issue and Escrow Collection Banks

ICICI Bank Limited
Capital Markets Division
30, Mumbai Samachar Marg
Mumbai – 400 001

HDFC Bank Limited
Maneckji Wadia Bldg;
Nanik Motwani Marg
Fort, Mumbai – 400 001

Tel: +91 22 22627600
Fax: +91 22 22611138
Email: sidhartha.routray@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Sidhartha Sankar Routray

Axis Bank Limited
Maker Tower "E", 3rd Floor
Cuffe Parade, Colaba
Mumbai – 400 005
Tel: +91 22 67071657
Fax: +91 22 22155157
Email: prashant.fernandes@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Prashant Fernandes

Standarad Chartered Bank
270, D N Road,
Fort,
Mumbai – 400 001
Tel: +91-22-2268 3965 / 2209 2213 / 2268 3958
Fax: 91-22- 2209 6069
Email: rajesh.malwade@in.standardchartered.com
Contact Person: Mr Rajesh Malwade.

Refund Banker to the Issue

ICICI Bank Limited
Capital Markets Division
30, Mumbai Samachar Marg
Mumbai – 400 001
Tel: +91 22 22627600
Fax: +91 22 22611138
Email: sidhartha.routray@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Sidhartha Sankar Routray

Auditors

Singrodia Goyal & Co.
Chartered Accountants
A/ 201, Rajeshri Accord,
Telly Cross Lane,
Off S. N.Road,
Andheri (East),
Mumbai – 400 069
Tel: +91 22 2683 6363
Fax: +91 22 2682 6464
Email: info@sgco.co.in
Website: www.sgco.co.in

Tel: +91 22 66573535
Fax: +91 22 24963871
Email: deepak.rane@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Deepak Rane

BNP PARIBAS
1 Forbes, 6th Floor, 1,
Dr. V. B. Gandhi Marg,
Mumbai – 400 023
Tel: +91 22 66182500, 66182650
Fax: +91 22 6633 7521
Email: amar.kampani@asia.bnpparibas.com
Website: www.asia.bnpparibas.com
Contact Person: Mr. Amar Kampani

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, credit of allotted shares in the respective beneficiary accounts and refund orders.

Monitoring Agency

There is no requirement to appoint a Monitoring Agency for this Issue in terms of clause 8.17 of the SEBI DIP Guidelines.

Credit Rating

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

Inter Se Allocation of Responsibilities amongst the BRLM and C0-BRLMs

S.No.	Particulars	Responsibility	Co-ordination
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	MOIAPL	MOIAPL
2.	Due diligence of our Company including its operations/management/ business/plans/legal, etc. Drafting and design of the Red Herring Prospectus and of statutory advertisements including a memorandum containing salient features of the Prospectus. The BRLM shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and SEBI including finalization of the Prospectus and RoC filing.	MOIAPL	MOIAPL
3.	Drafting and approval of all statutory advertisement	MOIAPL	MOIAPL
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned above, including road show presentations, corporate advertising, brochures, etc.	MOIAPL	MOIAPL
5.	Appointment of printers, the Registrar to the Issue and the Bankers to the Issue.	MOIAPL	MOIAPL
6.	Appointment of advertising agency.	MOIAPL	MOIAPL
7.	International institutional marketing of the Issue, which will cover, inter alia:	MOIAPL/PLCM/ACL	MOIAPL
	• Preparing the road show presentation and frequently asked questions;		
	• Finalizing the list and division of investors for one-to-one meetings; and		
	• Finalising the road show schedule and the investor meeting schedules.		
8.	Domestic institutional marketing of the Issue, which will cover, inter alia:	MOIAPL/PLCM/ACL	MOIAPL
	• Finalising the list and division of investors for one-to-one meetings; and		
	• Finalising the road show schedule and the investor meeting schedules.		
9.	Non-institutional and retail marketing of the Issue, which will cover, inter alia:	MOIAPL/PLCM/ACL	MOIAPL
	• Formulating marketing strategies and preparation of publicity budget;		
	• Finalising media and public relations strategy;		
	• Finalising centres for holding conferences for press, brokers, etc.;		

	• Follow-up on distribution of publicity and Issue material including forms, the Prospectus and deciding on the quantum of Issue material;		
	• Finalising collection centres and arranging for selection of underwriters and execution of an underwriting agreement; and		
10.	Coordination with the Stock Exchanges for book building software, bidding terminals and mock trading.	MOIAPL/PLCM/ACL	MOIAPL
11.	Finalization of Pricing, in consultation with Company	MOIAPL	MOIAPL
12.	Post-Bidding activities including management of escrow accounts, co-ordination of non-institutional allocation, coordination with the Registrar to the Issue and Bankers to the Issue, intimation of allocation and dispatch of refunds to Bidders, etc. The post-Issue activities will involve essential follow up steps, including the finalization of trading, dealing of instruments and dispatch of certificates and demat of delivery of shares with the various agencies connected with these activities such as the Registrar to the Issue, the Bankers to the Issue and the bank handling refund business. The BRLM shall be responsible for ensuring that these agencies fulfill their functions and for enabling them to discharge their responsibilities through suitable agreements with our Company.	MOIAPL	MOIAPL

IPO Grading

CRISIL has assigned a CRISIL IPO Grade '1/5' (pronounced 'one on five') to the proposed initial public offer of Resurgere Mines & Minerals India Limited (RMMIL). This grade indicates that the fundamentals of the Issue are poor in relation to other listed equity securities in India.

Grading Rationale

In order to arrive at the overall grade, CRISIL has considered the following broad parameters :

- Business prospects and financial performance
- Management capability
- Corporate governance

The grading reflects weak management capability of RMMIL and its present uncertain business model, which is based on its entry into agreements with mine leaseholders on the one hand, and sub contracting actual mining activity to third parties on the other. The tenability of the business model will be particularly tested when competition in the mining industry intensifies over the next 2-3 years. The company's financial returns are also vulnerable to spot price movements of iron ore, as it sells most of its ore through traders in the spot market.

The company management lacks depth since the key management personnel, with the exception of the Managing Director and whole-time director, have a limited understanding of the business. The grading also reflects RMMIL's below-average corporate governance structure, especially with respect the management oversight.

Weak management capability constrained by a limited track record in the iron ore business

The management depicts a limited understanding of the business as reflected in its significant dependence on third-party consultants for making its business plants and financial projections.

Moreover, the management has a limited track record in the iron ore mining business. RMMIL has been into iron ore business only for the past 3 years and has currently a minuscule share (1.3 per cent) in the domestic iron ore market. Its strong performance in the last 2 years has been significantly driven by the buoyant iron ore market conditions in the last few years. We believe that the buoyancy in the iron ore market has not tested the management capability, and it will be truly tested post 2009-10 with the increase in competition in the mining industry.

CRISIL also believes that the management lacks depth of layers. The promoter and the whole-time director take key business decisions; the company continues to depend heavily on them.

Non-renewal of lease a threat to business continuity

While mining leases of Nuagaon and Tatiba have already expired, that of Maharajpur is due for expiry in April 2009. Currently, the company is operating on these mines under the provision of Rule 24A (6) of the Mineral Concession Rules, 1960, which allows that if an application Rules, 1960, which allows that if an application for the renewal of a mining lease is made within the time referred to in sub-rule (1), that is, at lest 12 months before the date on which the lease is due to expire, is not disposed of by the State Government before the date of expiry of the lease, the period of the lease shall be deemed to have been extended by a further period till the State Government passes order thereon. Although applications for renewal have already been made, or will be made in due course, the possibility of non-renewal of the lease in favour of the existing leaseholder cannot be ignored.

Domestic iron ore market to witness increased competition post 2009-10

CRISIL expects the competition in the domestic iron ore market to intensify post 2009-10, due to the marginalisation of small re-roller and induction furnace-based long-steel manufactures, using sponge iron as input, by large integrated steel plants using iron ore largely from their captive mines. The same will trigger a shakeout in small-scale steel plants, causing demand for sponge iron to decline. As small sponge iron units are key customers of small-scale merchant iron ore suppliers, it will adversely affect the latter's ability to sell as well as pricing power.

The strategy of selling in spot market is myopic; absence of long-term contracts could prove costly in the long run

RMMIL's selling strategy has been to sell only in the spot market and it sells most of its output to traders, Hence, it currently does not enjoy any long term relationship with any of its buyers. Post 2009-10, ensuring offtake through the mechanism of long term contracts and/or having established business relationship directly with the end-user industry will be critical for sustaining competitive pressure on the business. Therefore, in our opinion, the absence of such mechanism is likely to have an adverse impact on the company's business prospects.

Status of corporate governance is below par

The company has put in place the corporate governance structure only in the recent past. Systems and practice related to this aspect are not yet fully evolved and developed. Independent directors have limited ability to exercise management oversight, as most of them do not have a complete understanding of the company's business.

Disclaimer

A CRISIL IPO grading is a one-time assessment and reflects CRISIL's current opinion on the fundamentals of the grade equity issue in relation to other listed securities in India. A CRISIL IPO grading is neither an audit of the issuer by CRISIL nor is it a credit rating. Every CRISIL IPO grading is based on the information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the grading is based. A CRISIL IPO grading is not a recommendation to buy / sell or hold the graded instrument; it does not comment on the issue price, future market price or suitability for a particular investor.

CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of CRISIL IPO grading.

Trustees

As the Issue consists of the issue of equity shares, the appointment of trustees is not required.

Book Building Process

Book Building refers to the process of collection of bids from investors on the basis of this Red Herring Prospectus. The Issue Price is fixed after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

(1) Our Company;

(2) Book Running Lead Manager, in this case being Motilal Oswal Investment Advisors Pvt Limited

(3) Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as underwriters, in this case being Motilal Oswal Securities Limited.

(4) Registrar to this Issue, in this case being Intime Spectrum Registry Limited.

In terms of Rule 19 (2)(b) of the Securities Contract Regulation Rules, 1957 ("SCRR"), this being an Issue for less than 25% of the post–Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60 % of the Net Issue will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, up to 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and up to 30% of the Net Issue will 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, up to 250,000 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 Issue Price.

Under the SEBI Guidelines, QIBs are not allowed to withdraw their Bids after 3 p.m. on the Bid/Issue Closing Date. In addition, QIBs are required to pay the QIB Margin Amount, representing at least 10% of the Bid Amount, upon submission of their Bids and allocation to QIBs will be on a proportionate basis. For details, see the section "Issue Structure" beginning on page 240 of this Red Herring Prospectus.

Our Company will comply with the guidelines issued by SEBI in connection with the issue of securities by an Indian company to the public in India. In this regard, our Company has appointed MOIAPL as the BRLM to manage the Issue and to procure subscriptions to the Issue.

The process of book building under the SEBI Guidelines is subject to change. Investors are advised to make their own judgment about an investment through this process prior to submitting a Bid in the Issue. Steps to be taken by the Bidders for bidding:

- Check eligibility for making a Bid. See the section "Issue Procedure" of the Red Herring Prospectus;
- Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid-cum-Application Form;
- Ensure that the Bid-cum-Application Form is duly completed as per the instructions given in the Red Herring Prospectus and in the Bid-cum-Application Form; and
- Ensure that the Bid-cum-Application Form is accompanied by the Permanent Account Number as may be applicable, together with necessary documents providing proof of address. For details, see the section "Issue Procedure" of the Red Herring Prospectus.

Illustration of Book Building and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration 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. 20 to Rs. 24 per share, an issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below, the illustrative book would be as given below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book as shown below indicates the demand for the shares of our Company at various prices and is collated from bids from various investors.

Bid Quantity	Bid price (Rs.)	Cumulative equity shares Bid for	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

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

Withdrawal of the Issue

Our Company, in consultation with the BRLM reserves the right not to proceed with the Issue at any time after the Bid/Issue Opening Date but before the Allotment, without assigning any reason therefore. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Bid/Issue Program

BID/ISSUE OPENING DATE	**August 11, 2008**
BID/ISSUE CLOSING DATE	**August 13, 2008**

Bids and any revision in Bids shall be accepted **only between 10.00 a.m and 3.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form **except that on the Bid/Issue Closing Date, Bids shall be accepted only between 10.00 a.m and 1.00 p.m (Indian Standard Time)** and uploaded till (i) 5.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) till such time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is up to Rs. 100,000 after taking into account the total number of applications received upto the closure of timings for acceptance of application forms as stated above and reported by BRLM to the Stock Exchanges within half an hour of such closure. Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 1.00 p.m (Indian Standard Time) on the Bid/Issue Closing Date.

Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, which may lead to some Bids not being uploaded due to lack of sufficient time to upload, such Bids that cannot be uploaded will be rejected and hence will not be considered for allocation under this issue. Bids will only be accepted on working days, i.e., Monday to Friday (excluding any public holiday).

Our Company, in consultation with the BRLM reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Guidelines, provided that the Cap Price is less than or equal to 120% of the Floor Price. The Floor Price can be revised up or down up to a maximum of 20% of the Floor Price disclosed in this Red Herring Prospectus.

Bidders may please note that in case of discrepeancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the details as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

In case of revision in the Price Band, the Bidding Period shall be extended for three additional working days after such revision, subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLM and the terminals of the other members of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price but prior to filing of the Prospectus with the RoC, our Company intends to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be issued and sold in this issue. Pursuant to the terms of the Underwriting Agreement, BRLM and Co-BRLMs shall be responsible for bringing in the amount devolved in the event that the members of the Syndicate do not fulfil their underwriting obligations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions to closing, as specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

Name and Address of the Underwriter	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (Rs. in millions)
Motilal Oswal Investment Advisors Pvt Ltd. 113/114, Bajaj Bhawan, 11th Floor, Nariman Point, Mumbai – 400 021	**[●]**	**[●]**
PL Capital Markets Private Limited 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai - 400018	**[●]**	**[●]**
Ashika Capital Limited 1008, Raheja Centre, 214, Nariman Point, Mumbai – 400 021.	**[●]**	**[●]**
Prabhudas Lilladher Private Limited 3rd Floor, Sadhana House, 570, P. B. Marg, Worli, Mumbai - 400018	**[●]**	**[●]**
Ambit Capital Private Limited Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013	**[●]**	**[●]**
Elara Securities (India) Private Limited, 205, Trade Centre, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051	**[●]**	**[●]**

Total	**[●]**	**[●]**

(This portion has been intentionally left blank and will be completed before filing of the Prospectus with the RoC.)

The above-mentioned amount is an indicative underwriting and will be finalised after determination of the Issue Price and actual allocation of the Equity Shares. The Underwriting Agreement is dated [●], 2008 and shall be approved by the Board of Directors.

Allocation among the Underwriters may not necessarily be in the proportion of their underwriting commitments. Notwithstanding the above table, the BRLM, Co-BRLM and the Syndicate Members shall be responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure/subscribe for Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The BRLM and Co-BRLMs shall be responsible for bringing in amounts devolved in the event that other members of the Syndicate do not fulfil their underwriting obligations.

In the opinion of the Board of Directors (based on a certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. All the above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

CAPITAL STRUCTURE

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

Rs. in millions, except share data

	Share Capital as on the date of filing of this Red Herring Prospectus	Nominal Value	Aggregate value at Issue Price
A	**Authorised share Capital**		
	30,000,000 Equity Shares of Rs. 10 each	300.00	
B	**Issued, Subscribed and Paid Up Capital before this Issue**		
	24,091,550 Equity Shares of Rs. 10 each	240.92	**[●]**
C	**Present Issue in terms of this Red Herring Prospectus**		
	4,450,000 Equity Shares of Rs. 10 each	44.50	**[●]**
D	**EMPLOYEE RESERVATION PORTION**		
	250,000 Equity Shares of Rs. 10 each	2.50	**[●]**
E	**Net Issue**		
	4,200,000 Equity Shares of Rs. 10 each at a price of Rs. [●] per share.	42.00	**[●]**
F	**Issued, Subscribed and Paid Up Equity Capital after this Issue**		
	28,541,550 Equity Shares of Rs 10 each	285.42	**[●]**
G	**Share Premium Account**(1)		
	Before the Issue	1085.96	**[●]**
	After the Issue	**[●]**	**[●]**

(1)***The amount standing in the Securities Premium Account, on a pre-Issue basis, is Rs. 1085.96 millions. The increase in the Securities Premium Account as a result of this Issue will be completed only after the Issue Price is determined.***

(1) History of change in authorised capital

a. Pursuant to a resolution of our shareholders at an EGM dated November 30, 1993 the authorized share capital of our Company was increased from Rs. 500,000/- divided into 5,000 Equity Shares of Rs. 100/- each to Rs. 2,500,000/- comprising of 25,000 Equity Shares of Rs. 100/- each.

b. Pursuant to a resolution of our shareholders at an EGM dated September 10, 1998 the authorized share capital of our Company was increased from Rs. 2,500,000/- divided into 25, 000 Equity Shares of Rs. 100/- each to Rs. 5,000,000/- comprising of 50, 000 Equity Shares of Rs. 100/- each.

c. Pursuant to a resolution dated September 15, 2003 the authorized share capital of our Company was increased from Rs. 5,000,000/- divided into 50,000 Equity Shares of Rs. 100/- each to Rs. 10,000,000/- comprising of 100,000 Equity Shares of Rs. 100/- each.

d. Pursuant to a resolution of our shareholders at an EGM dated March 11, 2004 the authorized share capital of our Company was increased from Rs. 10,000,000/- divided into 100,000 Equity Shares of Rs. 100/- each to Rs. 50,000,000/- comprising of 500,000 Equity Shares of Rs. 100/- each.

e. Pursuant to a resolution of our shareholders at an EGM dated March 5, 2007, the Equity Shares of face value of Rs. 100 /- each were sub-divided into Equity Shares of Rs. 10/- each.

f. Pursuant to a resolution of our shareholders at an EGM dated March 5, 2007, the authorized share capital of our Company was increased from Rs. 50,000,000 divided into 5,000,000 Equity Shares of Rs. 10/- each to Rs. 300,000,000/- comprising of 30,000,000 Equity Shares of Rs. 10/- each.

Notes to the Capital Structure

1. **Share Capital History of our Company**

The following is the history of the Equity Share capital issue of our Company:

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment/ particulars of consolidation / split	Cumulative No. of equity shares	Cumulative Paid up Capital (Rs.)	Cumulative Share Premium (Rs.)
March 24, 1987	20	100	100	Cash	Subscription at the time of Incorporation	20	2,000	-
September 15, 1987	480	100	100	Cash	Fresh allotment to Erstwhile Promoters	500	50,000	-
August 24, 1988	600	100	100	Cash	Fresh allotment to Erstwhile Promoters	1,100	110,000	-
January 2, 1990	400	100	100	Cash	Fresh allotment to Erstwhile Promoters,	1,500	150,000	-
July 15, 1993	500	100	100	Cash	Fresh allotment to Erstwhile Promoters and Relatives	2,000	200,000	-
November 30, 1993	1,000	100	100	Cash	Fresh allotment to Erstwhile Promoters.	3,000	300,000	-
December 20, 1993	2,000	100	100	Cash	Fresh allotment to Erstwhile Promoters, their Relatives and Associates	5,000	500,000	-
July 30, 1994	1,000	100	100	Cash	Allotment to Erstwhile Promoters and their Relatives	6,000	600,000	-
January 9, 1995	2,000	100	100	Cash	Fresh allotment to Erstwhile Promoter and Associate.	8,000	800,000	-
August 31, 1995	6,000	100	100	Cash	Fresh allotment to Erstwhile Promoters and their Relatives	14,000	1,400,000	-
June 1, 1996	3,000	100	100	Cash	Fresh allotment to Erstwhile Promoters, their Relatives and Associates	17,000	1,700,000	-
December 2, 1996	2,000	100	100	Cash	Fresh allotment to Associates of Erstwhile Promoters.	19,000	1,900,000	-
March 31,	6,000	100	100	Cash	Fresh allotment to	25,000	2,500,000	-

1998					Erstwhile Promoters			
September 20, 2003	75,000	100	100	Cash	Fresh allotment to Promoters and relatives	100,000	10,000,000	-
March 29, 2004	250,000	100	100	Cash	Fresh allotment to Promoters and relatives.	350,000	35,000,000	-
April 4, 2005	100,000	100	100	Cash	Fresh allotment to Promoters	450,000	45,000,000	-
March 5, 2007	Equity shares of face value Rs.100 each were sub-divided into equity shares of face value Rs.10 each					4,500,000	45,000,000	
March 5, 2007	3,283,000	10	10	Cash	Fresh allotment to Promoters and Promoter Group Companies	7,783,000	77,830,000	-
March 31, 2007	9,728,750	10	Nil	N.A.	Bonus issue in the ratio of 1.25:1	17,511,750	175,117,500	-
July 26, 2007	1,000,000	10	125	Cash	Preferential allotment to Corporate Body **	18,511,750	185,117,500	115,000,000
November 2, 2007	1,359,800	10	125	Cash	Preferential allotment Friends and relatives**	19,871,550	198,715,500	271,377,000
November 6, 2007	233,000	10	130	Cash	Preferential allotment to Friends and relatives**	20,104,550	201045500	299,337,000
November 7, 2007	437,000	10	135	Cash	Preferential allotment to Friends and relatives**	20,541,550	205,415,500	353,962,000
December 1, 2007	3,000,000	10	210 *	Cash	Allotment to Merrill Lynch International	23,541,550	235,415,500	953,962,000
February 21, 2008	357,500	10	250	Cash	Allotment to India Business Excellence Fund-I	23,899,050	238,990,500	1,039,762,000
February 21, 2008	192,500	10	250	Cash	Allotment to IL&FS Trust Co Ltd. (Trustees of Business Excellence Trust - India Business Excellence Fund)	24,091,550	240,915,500	1,085,962,000

*The Price Band has been fixed at Rs. 263 to Rs. 272 per Equity Share. As the Floor Price is Rs. 263 per Equity Share, 20% discount to the Floor price sets the Investor Purchase Price at Rs. 210, which is the price at which the allotment was made to Merrill Lynch International. Thus, no adjustments need to be done as per the Investment Agreements. The net purchase price of Investor therefore remains at Rs. 210 per Equity Share.

**

Date of allotment and date on which fully paid up	Name of the Allottee	Number of Equity Shares	Issue Price (Rs.)	Nature of allotment
July 26, 2007	Pacific Corporate Services Ltd.	250,000	125	Preferential allotment to Friend and other bodies corporate
	Prikar Venture Capital Pvt Ltd.	250,000	125	
	Budha Mall Dugar	250,000	125	
	Silver Cross Marketing Pvt Ltd.	250,000	125	
		1,000,000		
November 2, 2007	Ketan karani	28,800	125	Preferential allotment to Friends and Promoter Group Companies
	Kishor Doshi	81,000	125	
	Mamal J. Karani	5,000	125	
	Madhu S. Jhunjhunwala	20,000	125	
	Hiten Hirji Shethia	5,000	125	
	Runwell Steel Private Limited	1,160,000	125	
	Eminent Sponge Private Limited	40,000	125	
	Yasmin Lukmani	20,000	125	
		1,359,800		
November 6, 2007	Damodar Realtors Pvt Limited	5,000	130	Preferential allotment to Friends and other bodies corporate
	Shobhan B. Patel	5,000	130	
	Mamata S. Kamath	10,000	130	
	Natvarlal Chunilal Raval	5,000	130	
	Vibha Hemal Shah	8,000	130	
	Pravin Jain	200,000	130	
		233,000		
November 7, 2007	Rajay Investments Pvt. Ltd.	8,000	135	Preferential allotment to Friends, Relatives and other bodies corporate
	Sudhir Banarsilal Tulsyan	8,000	135	
	Ajay Upadhyaya	50,000	135	
	Haren Textiles Pvt. Ltd.	50,000	135	
	Sejal S. Shah	5,000	135	
	Sunil K. Shah	5,000	135	
	Ashok Brijlal Modi	10,000	135	
	Ashok B. Modi (HUF)	11,000	135	
	Ketan Dalal	12,000	135	
	Kokila Ashok Modi	25,000	135	
	Protos Engineering Co. Pvt. Ltd.	108,000	135	
	Niranjan Kanchanlal Nanavati	5,000	135	
	Niranjan Kanchanlal Nanavati (HUF)	5,000	135	
	Bina Niranjan Nanavati	5,000	135	
	Chirag Niranjan Nanavati	5,000	135	
	Mitika Niranjan Nanavati	5,000	135	
	Rachita Niranjan Nanvati	5,000	135	
	Kamlesh Shantilal Sonawala	5,000	135	
	Raoul Sudhir Thakersey	5,000	135	
	Leena C Thakersey	5,000	135	
	Chandrahas K. Thakersey	5,000	135	
	Nikita S. Kothari	5,000	135	
	Prakash Kacholia	10,000	135	
	Jagdish U Thakersey	20,000	135	
	Krishna Kumar Karwa	35,000	135	
	Stallion Impex (P) Ltd.	5,000	135	
	Nilesh Shah	10,000	135	
	Nilesh Shah (HUF)	10,000	135	
		437,000		

Promoters' Holding

The table below represents the Promoters' Holding before this Issue:

Name	Date of Allotment / Transfer/ Acquisition	Consideration (In Rupees)	No. of Equity Shares	Face Value (Rs.)	Issue Price/ Acquisition Price	Nature of Issue	% of holding
Mr. Subhash Sharma	April 4, 2003	900,000	9,000	100	100	Transfer	
	September 20, 2003	1,250,000	12,500	100	100	Allotment	
	March 29, 2004	10,000,000	100,000	100	100	Allotment	
	April 1, 2004	20,000	200	100	100	Transfer	
	April 4, 2004	30,000	300	100	100	Transfer	
	April 4, 2005	10,000,000	100,000	100	100	Allotment	
	September 30, 2006	0	49,400	100	0	Transmission	
	September 30, 2006	13,571,250	-90,475	100	150	Transfer	
	March 5, 2007	33,000	-220	100	150	Transfer	
	March 5, 2007	N.A.	1,807,050	10		Subdivision of Equity Shares of Rs. 100/- to Rs. 10/- per share	
	March 5, 2007	5,655,000	5,65,500	10	10	Allotment	
	March 31, 2007	0	29,65,688	10	0	Bonus	
	April 15, 2007	270,000	27,000	10	10	Transfer	
	August 14, 2007		1,125	10	10	Transfer	
	Total Holding		**5,366,363**				22.27%
Mrs. Neelam Sharma	September 20, 2003	1,250,000	12,500	100	100	Allotment	
	September 30, 2006	0	1,35,000	100	0	Transmission	
	March 5, 2007	N.A.	14,75,000	10	Nil	Subdivision of Equity Shares of Rs. 100/- to Rs. 10/- per share	
	March 31, 2007	0	18,43,750	10	0	Bonus	
	Total Holding		**3,318,750**				13.78%
Total Promoter Holding			**86,85,113**				**36.05%**

2. **Promoter's Contribution and Lock-in**

The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Clause 4.6 of the SEBI Guidelines.

(a) ***Details of Promoter's contribution locked-in for three years***

Pursuant to the SEBI Guidelines, an aggregate of 20% of the post-Issue shareholding of the Promoter shall be locked-in for a period of three years. The details of such lock-in are given below:

Sr. No.	Name of the Promoter	Date of Allotment	No of Shares	Nature of Allotment	Face Value (Rs.)	Issue Price (Rs.)	% of Post Issue paid-up capital	Lock in Period
1	Mr. Subhash A. Sharma	March 31, 2007	2,258,813	Bonus	10	Nil	7.91%	Three Years
		April 4, 2005	1,000,000	Allotment	10	10	3.50%	
		March 29, 2004	313,050	Allotment	10	10	1.10%	
	Total		**3,571,863**				**12.51%**	
2	Mrs. Neelam Sharma*	March 31, 2007	1,843,750	Bonus	10	Nil	6.46%	Three Years
		September 30, 2006	300,087	Transmission	10	Nil	1.05%	Three Years
	Total		**2,143,837**				**7.51%**	
	Grand Total		**5,715,700**				**20.02%**	

*Shares held jointly with Subhash Sharma, Neelam Sharma being the first holder.

We confirm that the minimum Promoter contribution of 20% which is subject to lock-in for three years does not consist of:

a) Shares acquired for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources or against shares which are otherwise ineligible for computation of the promoters' contribution.

b) Securities acquired by the promoters during the preceding one year, at a price lower than the price at which equity shares are being offered to public.

c) Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

d) Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the minimum promoters' contribution subject to lock-in.

e) Shares issued to promoters on conversion of partnership firms into limited company.

f) Shares with a contribution less than Rs.25,000/- per application from each individual and contribution less than Rs. 1,00,000/- from firms and companies.

g) Pledged securities held by promoters.

(b) ***Details of share capital locked-in for one year***

In addition to the Equity Shares proposed to be locked-in as part of the Promoter's contribution as stated above, the entire pre-Issue Equity Share capital of our Company will be locked-in for a period of one year from the date of allotment in this Issue. The total number of Equity Shares locked-in for one year from the date of allotment in this Issue is 18,375,850 Equity Shares, representing 64.38% of the post-Issue paid-up capital of our Company.

(c) ***Other requirements in respect of lock-in:***

Pursuant to Clause 4.15 of the SEBI Guidelines, locked-in Equity Shares held by the Promoter can be pledged with banks or financial institutions as collateral security for loans granted by such banks or financial institutions, provided that shares which are locked in as minimum promoters' contribution under clause 4.11.1 of the SEBI Guidelines may be pledged, only if, the loan has been granted by such banks or financial institutions for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Clause 4.16.1(a) of the SEBI Guidelines, Equity Shares held by shareholders other than the Promoter may be transferred to any other person holding shares which 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 Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended (the "Takeover Code"), as applicable.

Pursuant to Clause 4.16.1(b) of the SEBI Guidelines, Equity Shares held by the Promoter may be transferred to and among the Promoters or the Promoter Group or to a new Promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

In addition, Equity Shares held by the Promoter may be transferred as permitted under the SEBI Guidelines.

3. **Shareholding Pattern of our Company**

The table below presents our Company's shareholding before this Issue and as adjusted for this Issue:

	Pre-Issue		**Post-Issue**	
Name of Shareholder	**Number of Equity Shares**	**Percentage of equity share capital (%)**	**Number of Equity Shares**	**Percentage of equity share capital (%)**
Promoter				
Mr. Subhash A. Sharma*	5,366,363	22.28%	5,366,363	18.80%
Mrs. Neelam Sharma **	3,318,750	13.78%	3,318,750	11.63%
Sub-Total (A)	**8,685,113**	**36.06%**	**8,685,113**	**30.43%**
Promoter Group				
Runwell Steel Private Limited	3,517,500	14. 60%	3,517,500	12.32%
Runwell Steel Private Limited	1,704,450	7.08%	1,704,450	5.97%
Victory Sponge Private Limited	1,372,500	5.70%	1,372,500	4.81%
Smt. Satybhama Sharma	686,250	2.85%	686,250	2.40%
Mrs. Sunita Mishra	24,750	0.10%	24,750	0.09%
Mrs. Sarita Sharma	24,750	0.10%	24,750	0.09%

Mr. Budhi Prasad Sharma	2,250	0.01%	2,250	0.01%
Sub-Total (B)	**7,332,450**	**30.44%**	**7,332,450**	**25.69%**
Total (A) + (B)	**16,017,563**	**66.50%**	**16,017,563**	**56.12%**
Non-Promoters				
Directors	184,950	0.77%	[●]	[●]
Employees	60,125	0.25%	[●]	[●]
Sub-Total (C)	**245,075**	**1. 02%**	[●]	[●]
Others				
Merrill Lynch International	3,000,000	12.44%	[●]	[●]
India Business Excellence Fund-I	910,000	3.78%	[●]	[●]
IL&FS Trust Co Ltd. (Trustees of Business Excellence Trust - India Business Excellence Fund)	402,500	1.67%	[●]	[●]
Others	3,516,412	14.61 %	[●]	[●]
Sub Total (D)	**7,828,912**	**32.50%**	[●]	[●]
Employee Reservation	-	-	250,000	0.88%
Public	-	-	4,200,000	14.72%
Sub Total (E)	-	-	**4,450,000**	**15.60%**
Total (A + B + C + D + E)	**24,091,550**	**100.00%**	**28,541,550**	**100.00%**

* includes shares held by Mr. Subhash Sharma both individually and jointly with Mrs. Neelam Sharma.
** shares held jointly with Mr. Subhash Sharma, Mrs. Neelam Sharma being the first holder.

4. Our Company, the Directors, the Promoter, the Promoter Group Companies, their respective directors and the BRLM, the Co-BRLM has not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares from any person.

5. The list of the top 10 shareholders of our Company and the number of Equity Shares held by them is set forth below:

(a) The top 10 shareholders of our Company as on the date of filing of this Red Herring Prospectus with SEBI are as follows:

S.No.	Name of Shareholder	Number of Equity Shares	Percentage Shareholding (%)
1.	Mr. Subhash Sharma	5,366,363	22.27%
2.	Runwell Steel Private Limited	3,517,500	14.60%
3.	Mrs. Neelam Sharma	3,318,750	13.78%
4.	Merrill Lynch International	3,000,000	12.45%
5.	Eminent Steel Private Limited	1,704,450	7.07%
6.	Victory Sponge Private Limited	1,372,500	5.70%
7.	India Business Excellence Fund-I	910,000	3.78%
8.	Smt. Satybhama Sharma	686,250	2.85%
9.	IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust - India Business Excellence Fund)	402,500	1.67%
10.	Mr. Motilal Oswal	250,000	1.04%

(b) The top 10 shareholders of our Company as of ten days prior to the filing of this Red Herring Prospectus with SEBI are as follows:

S.No.	Name of Shareholder	Number of Equity Shares	Percentage Shareholding (%)
1.	Mr. Subhash Sharma	5,366,363	22.27%
2.	Runwell Steel Private Limited	3,517,500	14.60%
3.	Mrs. Neelam Sharma	3,318,750	13.78%
4.	Merrill Lynch International	3,000,000	12.45%
5.	Eminent Steel Private Limited	1,704,450	7.07%
6.	Victory Sponge Private Limited	1,372,500	5.70%
7.	India Business Excellence Fund-I	910,000	3.78%
8.	Smt. Satybhama Sharma	686,250	2.85%
9.	IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust - India Business Excellence Fund)	402,500	1.67%
10.	Mr. Motilal Oswal	250,000	1.04%

(c) The top 10 shareholders of our Company as of two years prior to the filing of the Red Herring Prospectus with SEBI are as follows:

S. No	Name of Shareholder	Number of Equity Shares of FV Rs. 100	Percentage Shareholding (%)
1.	Mr. Subhash Sharma	271,400	60.31%
2.	Mr. Pramod Sharma (Nominee of Raman Trust)	150,000	33.33%
3.	Mrs. Satyabhama Sharma	15,500	3.44%
4.	Mrs. Neelam Sharma	12,500	2.78%
5.	Mrs. Sarita Sharma	100	0.02%
6.	Mr. R.K. Mishra	100	0.02%
7.	Mrs. Sunita Mishra	100	0.02%
8.	Mr. S. Sheshadri	100	0.02%
9.	Mr. Budhi Prasad Sharma	100	0.02%
10.	Mr. Rajesh Sharma	100	0.02%

6. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares.

7. Our Company has no plans for an ESOP Scheme.

8. Our Company has not granted any optional shares to the Directors and Key Managerial Personnel

9. Our Company has not issued Equity Shares out of revaluation reserves or for consideration other than cash.

10. There have been no purchases, sale or transfers of Equity Shares by the Promoter and the Promoter Group entities within the last six months preceeding the date on which this Red Herring Prospectus is filed with SEBI.

11. In case of over-subscription in all categories, at least 60% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers, out of which 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder, if any, of the QIB Portion shall be available for allocation on a proportionate basis to all Qualified Institutional Buyers, including Mutual Funds, subject to valid Bids being received at or above Issue price. Further, upto 10% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and upto 30% 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. Upto 250,000 Equity Shares have been reserved for Eligible Employees.

12. Under-subscription, if any, in the Retail or Non-Institutional Portion would be allowed to be met with spill over from other categories or combination of categories at our discretion in consultation with the BRLM. Under-subscription in the Employee Reservation Portion would be allowed to be met with spill over from the Retail Portion or from any other categories at the discretion of the Issuer in consultation with the BRLM.

13. There would be no further Issue of capital whether by way of issue of bonus shares, preferential allotment, and 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 this Issue have been listed.

14. 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.

15. As on the date of this Red Herring Prospectus, the total number of holders of Equity Shares is 156.

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

17. There are no outstanding financial instruments or any rights, which would entitle the Promoters or the shareholders or any other person any option to acquire our Equity Shares after the IPO.

18. We presently do not intend or propose to alter our capital structure for a period of six months from the Bid/Issue opening date by way of split or consolidation of the denomination of Equity Shares or further issue of equity (including issue of securities convertible into or exchangeable for, directly or indirectly, for Equity Shares) whether preferential or otherwise. However, during such period or at a later date, we may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture by us or as consideration for such acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by our Board to be in our best interests.

19. An oversubscription to the extent of 10% of this Issue can be retained for the purpose of rounding off while finalizing the Basis of Allotment.

20. Except as disclosed in the section titled "Our Management" beginning on page 99 of this Red Herring Prospectus, none of our Directors or key managerial personnel holds any of the Equity Shares.

21. The Equity Shares offered through this Issue will be fully paid up.

22. Except as detailed hereunder, Equity Shares held by the Promoters are not subject to any pledge:

S.N.	Promoter	Pledgee	No. of Shares	Nature of Pledge
1.	Mr. Subhash Sharma	Union Bank of India	560,000	Pledged as security against Term loan
2.	Mr. Subhash Sharma	ICICI Bank Ltd	600,000	Pledged as security against Term loan

23. Pursuant to the SEBI DIP Guideline, the promoters' contribution has been brought in to the extent not less than the specified minimum lot and from person defined as Promoter.

24. Our Promoter and members of the Promoter Group will not participate in this Issue.

25. Only Eligible Employees can apply in this Issue under the Employee Reservation Portion. Bids by Eligible Employees can also be made in the Net Issue and such Bids shall not be treated as

multiple Bids. If the aggregate demand in the Employee Reservation Portion is greater than 250,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis. The unsubscribed portion, if any, from the Equity Shares in the Employee Reservation Portion will be treated as part of the Net Issue and allotment shall be made in accordance with the description in the section entitled "Issue Procedure" beginning page 245 of this Red Herring Prospectus.

OBJECTS OF THE ISSUE

The main object of raising the funds through this Issue is as follows:

i. Purchase of Plant and Machinery for setting up of our own extraction and crushing facilities at the mines.
ii. Purchase of railway rakes to set up our own logistics infrastructure facilities.
iii. Margin money for working capital

The main object clause and objects incidental or ancillary to the main objects clause of the Memorandum of Association of our Company enables us to undertake our existing activities and the activities for which the funds are being raised by our Company through this public issue. We further confirm that the activities of our Company carried out until now are in accordance with the objects of the Memorandum of Association of our Company.

The other object of this Issue is to get our Equity Shares listed on both Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), as we believe that the listing will enhance our visibility and brand image.

The net proceeds of this Issue, after deducting all issue related expenses, are estimated to be approximately Rs. [●] million (the "**Net Proceeds**").

Cost of Project

The following table summarizes the total estimated fund requirement:

(Rs. in millions)

Sr. No.	Particulars	Amount
1.	Purchase of Plant and Machineries at:	
	Nuagoan Mine	236.57
	Maharajpur Mine	452.73
	Jharkhand Mine	460.57
	Yelwan Jugai bauxite Mine	135.77
	Sub Total	**1,285.64**
2.	Purchase of 6 railway rakes	1,163.60
3.	Working Capital Margin	182.48
4.	Provision for Contingencies and Pre Operative Expenses	82.42
5.	General Corporate Purposes	100.00
	Sub Total	**2,814.14**
6.	Issue expenses	[●]
	Grand Total	[●]

Means of Finance

(Rs. in millions)

Particulars	Amount
Term Loans	860.00
Preferential allotment to Merrill Lynch International	430.00
Pre-IPO allotment	137.50
Net Proceeds of the public Issue	[●]
Internal Accruals	[●]
Total	[●]

The entire requirement of funds of Rs. [●] million is proposed to be financed through term loans to be raised from banks, private equity funding by Merrill Lynch International, Pre-IPO allotment, proceeds from this Issue and the shortfall, if any will be met through internal accruals. In case of any excess funds raised over and above the mentioned requirement of funds, the same will be used for general corporate purposes.

The public issue proceeds will be determined based on the Issue Price discovered through the 100% Book-Building process. In case of any variations in the actual utilization of funds earmarked for the above activities, increased fund deployment for a particular activity may be met with surplus funds, if any, available in the other areas and/or our internal accruals, and /or the term loans/working capital loans that may be availed from the Banks/Financial Institutions.

The proceeds of this Issue would be used to meet all or any of the uses of the funds described above.

We have incurred an expenditure of Rs. 883.24 millions, net of IPO expenses on the above project upto July 15, 2008 as certified by the statutory auditors, M/s Singrodia Goyal & Co., Chartered Accountants, vide their certificate dated July 29, 2008.

Appraisal Report

The projects for which Net Proceeds will be utilised have not been financially appraised and the estimates of the costs of projects mentioned above are based on internal estimates of our Company.

Details of the Fund Utilization

1. **Purchase of Plant and Machinery for setting up of own extraction and crushing facilities:**

   Presently, the extraction and processing activities of our Company at existing operational mining locations are outsourced to various service providers. In order to reduce our operational costs and to increase our volumes, in the near future, we intend to deploy our own machinery, labour and other material resources at our existing mining locations as well as at newer mining locations that we purport to undertake. The total cost of plant and machinery is Rs. 1,285.64 millions out of which orders worth Rs. 984.60 millions have already been placed.

   The mine wise details of proposed expenditure on plant & machinery are as specified hereunder:

   Nuagoan Mine:

   At Nuagoan mine, we shall be installing 2 crushing machines having total installed capacity of 400 tons per hour of ROM input along with our own set-up for extraction of ROM. The total cost of imported and indigenous plant & machinery for the proposed expansion at Nuagoan mine is estimated at Rs. 236.57 millions, based on the quotations received from various vendors. We have already placed orders for the main machineries required by us. The details of the same are as under:

(Rs. in millions)

Sr. No.	Description	Quote from	Order Placed	Qty	Unit Rate	Amount
Orders Placed						
I	**250 TPH Crusher Plant**					
1.	BL-Pegson Track Mounted Primary Jaw Crusher -- Model 1100 x 800	Voltas Limited	Yes	1	32.89	32.89
2.	BL-Pegson Track Mounted Secondary Crusher- Model Maxtrak 1300	Voltas Limited	Yes	1	40.89	40.89
3.	Power Screen 250 TPH Track Mounted Screening Plant - Model Chieftain 2400	Voltas Limited	Yes	1	24.33	24.33
II.	**150 TPH Crusher with Screening Plant**					
	BL-Pegson make Tarck Mounted Primary	Voltas	Yes	1	49.63	49.63

	Jaw Crusher -- Model Metrotrak 900x600 & BL-Pegson 1000SR Maxtrak Secondary Crushing Plant	Limited				
III.	**Layout, Designing & Installation For Crushers & Screening Machine**	Voltas Limited	Yes	1		4.79
IV	**Excavators**					
1.	Hyundai Hydraulic Excavator Model R360 LC-7	Voltas Limited	Yes	3	9.31	27.93
2.	Hyundai Hydraulic Excavator Model R210 LC-7	Voltas Limited	Yes	3	4.98	14.94
	Total (A)					**195.40**
Orders Yet to be Placed						
V	**Drilling Machine & Compressors***					
	Hydraulic Crawler Drill CM 470 (Top Hammer Version)	Atlas Copco	No	1	11.90	11.90
VI	**Payloader***					
	Komatsu WA470 Wheel Loader)	Larsen & Toubro	No	2	7.35	14.70
VII	JCB - 3DX Excavator Loader	JCB	No	1	1.84	1.84
VIII	Tipper (LPK 2516 Hyva - Tata Body)	Mithila Motors	No	3	1.82	5.47
IX.	Water Tanker for Water Sprinkling (With Chase & Body)	Local Assembling	No	1	1.20	1.20
X.	Weigh Bridge with Installation 100 Tons	Avery India Ltd	No	1	2.06	2.06
XI.	Diesel Tank (16000 Ltrs)	Local	No	2	1.25	2.50
XII	Installation and other ancillary Expenses	N.A.	N.A.			1.5
	Total (B)					**41.17**
	Grand Total (A +B)					**236.57**

Note:

(1) Unit Rate is inclusive of all applicable taxes and duties including Customs Duty, Excise Duty, Clearing and Fowarding Charges, Sales Tax, Entry Tax, Freight etc.

(2) * indicates all imported machinery for which the exchange rate has been calculated considering a rate of 1 USD = Rs. 39.50 and 1 USD = 120 Yen.

Maharajpur Mine

At Maharajpur mine, we shall be installing 4 crushing machines having total installed capacity of 800 tons per hour of ROM input alongwith our own set-up for extraction of ROM. The total cost of imported and indigenous plant & machinery for the proposed expansion at Maharajpur mine is estimated at Rs. 452.73 millions, based on the quotations received from various vendors. We have already placed orders for the main machineries required by us. The details of the same are as under:

(Rs. in millions)

Sr. No.	Description	Quote from	Order Placed	Qty	Unit Rate	Amount
	Orders Placed					
I	**250 TPH Crusher Plant**					
1.	BL-Pegson Track Mounted Primary Jaw Crusher – Model 1100 x 800	Voltas Limited	Yes	2	32.89	65.78
2.	BL-Pegson Track Mounted Secondary Crusher- Model Maxtrak 1300	Voltas Limited	Yes	2	40.89	81.78
3.	Power Screen 250 TPH Track Mounted Screening Plant - Model Chieftain 2400	Voltas Limited	Yes	2	24.33	48.66
II.	**150 TPH Crusher with Screening Plant**					
1.	BL-Pegson make Tarck Mounted Primary Jaw Crusher -- Model Metrotrak 900x600 & BL-Pegson 1000SR Maxtrak Secondary Crushing Plant	Voltas Limited	Yes	2	49.63	99.26
III.	Layout, Designing & Installation For Crushers & Screening Machine	Voltas Limited	Yes	1		4.79
IV	**Excavators**					
1.	Hyundai Hydraulic Excavator Model R360 LC-7	Voltas Limited	Yes	4	9.31	37.24
2.	Hyundai Hydraulic Excavator Model R210 LC-7	Voltas Limited	Yes	4	4.98	19.92
	Total (A)					**357.43**
	Orders Yet to be Placed					
V	**Drilling Machine & Compressors***					
	Hydraulic Crawler Drill CM 470 (Top Hammer Version)	Atlas Copco	No	2	11.90	23.80
VI	**Payloader***					
	Komatsu WA470 Wheel Loader	Larsen & Toubro	No	2	7.35	14.70
VII	**Dozer***					

	Komatsu D375A-5 Dozer with Ripper	Larsen & Toubro	No	1	22.87	22.87
VIII	JCB – 3DX Excavator Loader	JCB	No	2	1.84	3.68
IX.	Tipper (LPK 2516 Hyva - Tata Body)	Mithila Motors	No	4	1.82	7.28
X.	Road Roller L&T Case Model 1107 D (Vibratory Compactor)	Larsen & Toubro	No	1	2.20	2.20
XI.	Water Tanker for Water Sprinkling (With Chase & Body)	Local Assembling	No	1	1.20	1.20
XII.	Weigh Bridge with Installation 100 Tons	Avery India Ltd	No	1	2.06	2.06
XIII	Diesel Tank (16000 Ltrs)	Local	No	2	1.25	2.50
XIV	Indigenous Spares	N.A.	No	1	-	12.50
XV	Installation and other ancillary Expenses	N.A.	N.A.			2.50
	Total (B)					**95.29**
	Grand Total (A+B)					**452.73**

Note:

(1) Unit Rate is inclusive of all applicable taxes and duties including Customs Duty, Excise Duty, Clearing and Fowarding Charges, Sales Tax, Entry Tax, Freight etc.

(2) * indicates all imported machinery for which the exchange rate has been calculated considering a rate of 1 USD = Rs. 39.50 and 1 USD = 120 Yen

Tatiba Mine

Tatiba mine being the new addition to the portfolio of our Company, we shall commence the extraction and crushing activities with our own set up of 4 crushing machines having total installed capacity of 800 tons per hour of ROM input and other drilling, blasting and excavation equipment. The total cost of imported and indigenous plant & machinery for the proposed expansion at Jharkhand mine is estimated at Rs. 460.57 millions, based on the quotations received from various vendors. We have already placed orders for the main machineries required by us. The details of the same are as under:

(Rs. in millions)

Sr. No.	Description	Quote from	Order Placed	Qty	Unit Rate	Amount
Orders Placed						
I	**250 TPH Crusher Plant**					
1.	BL-Pegson Track Mounted Primary Jaw Crusher - Model 1100 x 800	Voltas Limited	Yes	2	32.89	65.78
2.	BL-Pegson Track Mounted Secondary Crusher- Model Maxtrak 1300	Voltas Limited	Yes	2	40.89	81.78
3.	Power Screen 250 TPH Track Mounted Screening Plant – Model Chieftain 2400	Voltas Limited	Yes	2	24.33	48.66
II.	**150 TPH Crusher with Screening Plant**					
1.	BL-Pegson make Tarck Mounted Primary Jaw Crusher -- Model Metrotrak 960 & BL-Pegson 1000SR Maxtrak Secondary Crushing Plant	Voltas Limited	Yes	2	49.63	99.26
III.	Layout, Designing & Installation For Crushers & Screening Machine	Voltas Limited	Yes	1		4.79
IV	Excavators					
1.	Hyundai Hydraulic Excavator Model R360 LC-7	Voltas Limited	Yes	4	9.31	37.24
2.	Hyundai Hydraulic Excavator Model R210 LC-7	Voltas Limited	Yes	4	4.98	19.92
	Total (A)					**357.43**
Orders Yet to be Placed						
V	**Drilling Machine & Compressors***					
	Hydraulic Crawler Drill CM 470 (Top Hammer Version)	Atlas Copco	No	2	11.90	23.80
VI	**Payloader***					
	Komatsu WA470 Wheel Loader	Larsen & Toubro	No	3	7.35	22.05
VII	**Dozer***					

	Komatsu D375A-5 Dozer with Ripper	Larsen & Toubro	No	1	22.87	22.87
VIII	JCB - 3DX Excavator Loader	JCB	No	2	1.84	3.68
IX	Tipper (LPK 2516 Hyva - Tata Body)	Mithila Motors	No	4	1.82	7.28
X.	Road Roller L&T Case Model 1107 D (Vibratory Compactor)	Larsen & Toubro	No	1	2.20	2.20
XI.	Water Tanker for Water Sprinkling (With Chase & Body)	Local Assembling	No	1	1.20	1.20
XII.	Weigh Bridge with Installation 100 Tons	Avery India Ltd	No	1	2.06	2.06
XIII	Diesel Tank (16000 Ltrs)	Local	No	2	1.25	2.50
XIV	Indigenous Spares		No			13.00
XV	Installation and other ancillary Expenses		N.A.			2.50
	Total (B)					**103.14**
	Grand Total (A+B)					**460.57**

Note:

(1) Unit Rate is inclusive of all applicable taxes and duties including Customs Duty, Excise Duty, Clearing and Fowarding Charges, Sales Tax, Entry Tax, Freight etc.

(2) * indicates all imported machinery for which the exchange rate has been calculated considering a rate of 1 USD = Rs. 39.50 and 1 USD = 120 Yen

Yelwan Jugai bauxite Mine

We are in the advance stage of entering into agreements for raising and subsequent purchase of bauxite ore with Shri Warana Minerals having mining lease for mine at Yelwan Jugai in Maharashtra. We propose to commence the extraction and processing activities by installing 1 crushing machine having total installed capacity of 150 tons per hour of R-O-M input and other drilling, blasting and excavation equipment. The total cost of imported and indigenous plant & machinery for the proposed activity at Yelwan Jugai Mine is estimated at Rs. 135.77 million, based on the quotations received from various vendors. We have already placed orders for the main machineries required by us. The details of the same are as under:

(Rs. in millions)

Sr. No.	Description	Quote from	Order Placed	Qty	Unit Rate	Amount
	Orders Placed					
I.	**150 TPH Crusher with Screening Plant**					
1.	BL-Pegson make Tarck Mounted Primary Jaw Crusher - Model Metrotrak 900x600 & BL-Pegson 1000SR Maxtrak Secondary Crushing Plant	Voltas Limited	Yes	1	49.63	49.63
II.	Layout, Designing & Installation For Crushers & Screening Machine	Voltas Limited	Yes	1		4.79
III.	**Excavators**					
1.	Hyundai Hydraulic Excavator Model R210 LC-7	Voltas Limited	Yes	4	4.98	19.92
	Total (A)					**74.34**
	Orders Yet to be Placed					
IV.	**Payloader***					
	Komatsu WA470 Wheel Loader	Larsen & Toubro	No	2	7.35	14.70
V	**Dozer***					
	Komatsu D375A-5 Dozer with Ripper	Larsen & Toubro	No	1	22.87	22.87
VI	Tipper (LPK 2516 Hyva - Tata Body)	Mithila Motors	No	8	1.82	14.56
VII.	Water Tanker for Water Sprinkling (With Chase & Body)	Local Assembling	No	1	1.20	1.20
VIII.	Weigh Bridge with Installation 100 Tons	Avery India Ltd	No	1	2.06	2.06

IX	Diesel Tank (8000 Ltrs)	Local	No	2	1.25	2.50
X	DG Set 100KVA	GMMCO Ltd	No	1	2.04	2.04
XI	Installation and other ancillary Expenses		N.A.			1.50
	Total (B)					**61.43**
	Grand Total (A+B)					**135.77**

Note:

(1) Unit Rate is inclusive of all applicable taxes and duties including Customs Duty, Excise Duty, Clearing and Fowarding Charges, Sales Tax, Entry Tax, Freight etc.

(2) * indicates all imported machinery for which the exchange rate has been calculated considering a rate of 1 USD = Rs. 39.50 and 1 USD = 120 Yen

2. Purchase of 6 railway rakes to set our own logistics infrastructure facilities

To facilitate easy movement of our products, we propose to acquire six railway rakes for providing the same to railway authorities under the Wagon Investment Scheme. Each rake shall comprise 61 "BOX NHS" Wagons and shall have carrying capacity between 3500 MT – 3800 MT.

Under the said Scheme, on handing over the purchased rakes to the railways, we would be provided with an assured supply of 4 rakes per month against each rake. Additionally, we shall be entitled to a freight rebate of 10%. Furthermore, we shall also be eligible to get additional 2 rakes per month against each rake given by us without freight rebate.

The ownership and title of the rakes shall remain with us for a period of ten years from the date of handing over the same to the railway authorities. Upon expiry of the aforementioned period of 10 years, the same shall be transferred in favour of Indian Railways.

We have placed orders for purchase of 3 rakes of 61 wagons each with Texmaco Limited for a total cost of Rs. 581.80 millions. We have paid Rs. 150 million as advance towards this purchase. The total estimated cost for 6 rakes will be Rs. 1,163.60 million

Details of Margin Money on Working Capital Requirement

Working capital margin of Rs. 182.48 million has been provided for our expanded operations based on requirement of working capital for financial year 2008-09. The working capital requirement has been worked out on the basis of assumptions given in the following table:

(Rs. in millions)

Particulars	**Period in Days**	**Incremental for FY 2008-2009**			
		Amount	**% margin**	**Bank Finance**	**Margin Money**
Debtors					
(a) Domestic	75	500.47	25	375.35	125.12
(b) Manufacturing Exports	15	131.95	25	98.96	32.99
Inventory					
Iron Ore (Manufactured)	60	99.54	25	74.66	24.88
Iron Ore (Trading)	45	0.00	10	0.00	0.00

Bauxite Ore	30	13.77	25	10.33	3.44
Total		**745.73**		**559.30**	**186.43**
Less : Creditors					
Goods and Expenses	7	15.79	25	11.84	3.95
Grand Total		**729.94**		**547.46**	**182.48**

As per the estimates given in the above table, the requirement of total additional working capital for our Company as a whole would be Rs.182.48 million.

1. ***Basis of estimation of working capital requirement:***

We have prepared a detailed business plan covering estimated working capital requirements to achieve the desired growth objectives for financial year 2008-09 onwards. The said estimation of working capital requirements has been worked out based on past experience of the Company in respect of current assets turnover ratio and regular position of current liabilities, which assumptions appear as above. Based on the said estimation and current financial position, we have worked out the requirement of incremental working capital for the Financial Year 2008-09 which would help us in achieving in projected turnover and profitability. The said incremental working capital shall be partly funded through banking sources by way of working capital facilities and partly by us as margin money in the form of long term working capital.

2. ***Reasons for raising additional working capital**:*

With the increase in scale of operations, we will require additional money for working capital. This would be incremental working capital requirement apart from the existing facilities.

As seen from the table above, the total incremental requirement of working capital for the FY 2008-09 is Rs. 729.94 million, of which the company can raise bank finance to the extent of Rs. 547.46 million. However, the margin money requirement has to be contributed by us, which we propose to raise from the proposed issue.

Provision for contingencies and Pre-operative Expenses

Provision for contingencies, in order to meet any foreseen expenditure, has been provided at 0.80% of the capital expenditure amounting to Rs. 2,449.24 million, which include plant and machinery to be acquired for all mines and 6 railway rakes. Accordingly, the total amount of provision for contingencies has been worked out at Rs. 19.07 million.

Pre-operative expenses mainly consist of financial costs such as bank processing fees, stamp duty charges, interest on term loan etc. and other misellaneous expenses. The total amount of pre operative expenses has been estimated at Rs. 63.35 millions.

Issue Related Expenses

Issue related expenses includes Issue management fees, which include fees payable to Lead Manager, Lawyers, and advisors to this Issue, processing fees to SEBI, Underwriting, Brokerage and selling commission, listing fees payable to the Stock Exchanges, legal fees, advertising expenses, printing and stationery costs, distribution expenses, Registrars Fees, etc. The total expenses for this Issue are estimated at Rs. [●] millions, which is [●] % of the Issue size, which shall be met out of the proceeds of this Issue and the break-up of the same is as follows:

(Rs. in millions)

Sr. No.	Particulars	Amount
1.	Issue Management Fees	[●]
2.	Underwriting, Brokerage and Selling Commission	[●]
3.	Roc Fees & Stamp Duty & Stock Exchange/SEBI/Book Building Fees	[●]
4.	Publicity & advertising	[●]
5.	Printing & Stationery	[●]
6.	Issue Registrar Fee/Refunds/Management	[●]
7.	Miscellaneous (Travelling, etc)	[●]
	Total	[●]

Means of Finance

Debt Tie-up

Out of the amount of Rs. 860.00 million, constituting the debt component of our means of finance, we have received sanction for Rs. 580 million from ICICI Bank Limited, Mumbai Central Branch vide their sanction letter 78/W35MUM/6687 dated December 7, 2007 and Rs. 280 millions from Union Bank of India vide their sanction letter MSM:ADV:1643 dated December 12, 2007.

Private Equity Funding

On November 27, 2007, Merrill Lynch International has subscribed to 3,000,000 shares of our Company for a total consideration of Rs. 630 million. Rs. 200 million is used for the payment towards security deposit and advance in relation to raising of iron ore and the subsequent purchase of the same with respect to the Singhbhum Mines. The balance, Rs. 430 million, shall be used for the proposed project as mentioned above.

Pre-IPO Funding

On February 21, 2008, IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust-India Business Excellence Fund) and India Business Excellence Fund I subscribed to 550,000 Equity Shares at Rs. 250/- per Equity Share for a total consideration of Rs. 137.50 millions. The allotments of these shares were from the public portion of this Issue. Rs. 137.50 million, shall be used for the proposed project as mentioned above.

In accordance with clause 6.8.4.3 (a) of the SEBI DIP guidelines, we confirm that firm arrangements of finance though verifiable means towards 75% of the staterd means of finance in terms of debt and equity, excluding the amount to be raised through the Net Proceeds, have been made.

Net Proceeds of this Issue and Internal Accruals:

The balance requirement of the funds shall be met from the Net Proceeds of this Issue and internal accruals.

SCHEDULE OF IMPLEMENTATION

The schedule of implementation of the proposed expansion plan as per the management plan is given below:

Plant & Machinery

Sr. No.	Activity	Activity Commencement Date	Estimated Completion Date	Present Status as on June 10, 2008
1.	Placement of Order for Machinery	October 2007	September 2008	Ongoing
2.	Delivery of Machinery	August 2008	October 2008	Pending
3.	Installation of Machines	September 2008	October 2008	Pending
4.	Trial Run	September 2008	October 2008	Pending

5.	Commercial Production	October 2008	November 2008	Pending

Railway Rakes

Sr. No.	Activity	Activity Commencement Date	Estimated Completion Date	Present Status as on June 10, 2008
1.	Placement of Order for Rakes	December 2007	August 2008	Ongoing
2.	Delivery of Rakes	October 2008	March 2009	Pending

SOURCES AND DEPLOYMENT OF FUNDS TILL JULY 15, 2008

We have incurred Rs. 883.24 millions for our Proposed Expansion Project, net of IPO expenses. Details of the amount incurred and the source for the same as certified by the Statutory Auditors, M/s. Singrodia Goyal & Co., Chartered Accountants vide its certificate dated July 29, 2008 are as follows:

(Rs. in millions)

Sl. No.	Particulars	
1.	Advance towards Plant and Machinery	697.84
2.	Advance towards Railway Rakes	150.00
3.	Preliminary and Pre - Operative Expenses	35.40
Total		**883.24**

The aforesaid amount was financed as follows:

(Rs. in millions)

Sl. No.	Particulars	
1.	Preferential Allotment	430.00
2.	Pre-IPO Placement	82.65
3.	Internal Accruals	102.27
4.	Bank Borrowings	268.32
Total		**883.24**

PROPOSED DEPLOYMENT OF FUNDS IN THE PROJECT

The period-wise break-up of proposed deployment of funds is mentioned below:

(Rs. in millions)

Sr. No.	Particulars	Upto Oct. 31, 07	Nov.'07 -May 08	June 2008	Jul'08 - Sept.'08	Oct'08 - Dec.'08	Total
1	Plant and Machinery	178.50	361.98	128.54	616.42	--	1285.44
2	Railway Rakes	--	150.00	--	1013.80	--	1163.80
3	Contingency	--	--	--	19.07	--	19.07
4	Preliminary and Pre-operative Expenses	1.34	31.80	6.33	23.88	--	63.35
5	Margin Money for working capital	--	--	--	--	182.48	182.48
6	General Corporate Purposes	--	--	--	90.00	10.00	100.00
	Total	**179.84**	**543.78**	**134.67**	**1763.17**	**192.48**	**2814.14**

(Source: Estimates by Company Management)

Interim Use of Funds

The management, in accordance with the policies set up by the Board, shall have the discretion to deploy the Net Proceeds received by us from this Issue. Pending utilization 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 durations. We may also use a part of the Net Proceeds, pending utilization for the purposes described above, to temporarily reduce our working capital borrowings from banks.

Monitoring of Utilisation of Funds

The Board and the Audit Committee shall monitor the utilisation of the Net Proceeds. We will disclose the utilisation of the Net Proceeds, under a separate head in our financial statements for the fiscal periods FY 2009 & FY 2010, clearly specifying the purposes for which the Net Proceeds have been utilised or otherwise disclosed as per the disclosure requirements of the listing agreement with the stock exchanges.

We will not pay any part of the issue proceeds as consideration to our Promoters, our Promoter Group, our Directors or our key managerial personnel except in the normal course of business.

Further,

1. All monies received out of the issue of shares to public shall be transferred to separate Bank Account other than the Bank account referred to in sub-section (3) of Section 73 of the Companies Act, 1956;

2. Details of all monies utilized out of the Issue referred to in sub-item 1 above, shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the purpose for which such monies had been utilized; and

3. details of all unutilized monies out of the issue of shares, if any, referred to in sub-item 1 above shall be disclosed under an appropriate separate head in the balance sheet of the Company indicating the form in which such unutilized monies have been invested.

BASIS FOR THE ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of assessment of market demand for the Equity Shares by way of the Book Building Process. The face value of the Equity Shares is Rs. 10 and the Issue Price is 26.3 times the face value at the lower end of the Price Band and 27.2 times the face value at the higher end of the Price Band.

Investors should also refer to the sections "Risk Factors" and "Financial Statements" beginning on pages xii and 121, respectively, of this Red Herring Prospectus to get a more informed view before making the investment decision.

Qualitative Factors

- **High grade iron ore products**

  The iron ore supply in respect of the mines for which we have entered into extraction and purchase agreements, consists principally of hematite ore with a Fe content of predominantly greater than 62%. The greater the Fe content of the iron ore, the more efficient it is to process the ore. In addition, our iron ore has other characteristics, which we believe contribute to its quality, such as:

  - higher reducibility allows greater productivity for our ultimate customers, the steel producers;
  - low moisture content, which means lower transportation and distribution costs; and
  - Low rates of impurities such as silica, phosphorus, alumina and sulphur.

  We believe our high grade products and ore quality gives us a strong competitive advantage and helps us to command premium pricing, stimulate demand for our products and enjoy customer loyalty.

- **Proximity to National Highway**

  The Maharajpur iron ore mine is situated within a distance of approximately 5 kms on national highway No.6. This enables customers to economically and expediently transport our products.

- **Diverse product portfolio**

  Currently, our product portfolio includes iron ore variants such as LO, SO, CLO and fines. Considering the increasing demand of bauxite on account of increasing demand of aluminum and aluminum products, we have ventured into bauxite mining. With this product line diversification, we expect to improve our revenues as well as profits.

- **Assured supply of railway rakes under Wagon Investment Scheme (WIS)**

  Today, movement of iron ore fines from eastern India to the ports for the purpose of exports is not an economically viable proposition on account of significantly higher road transportation costs and non-availability of comparatively cheaper railway rakes.

  Considering the increasing demand of railway rakes in the vicinity, the Indian Railways had initiated 'Wagon Investment Scheme' wherein customers investing in one railway rake will be assured of supply of four rakes every month with 10% concession in freight. In addition, two bonus rakes per month will be supplied without any concession in freight.

  We have already procured no objection certificate from the competent authority permitting us to avail benefit of the said Wagon Investment Scheme under the prescribed guidelines of Indian Railways. We will be investing in 6 (Six) railway rakes comprising of 61 Wagons each. This will enable us assured supply of 24 railway rakes every month with 10% concession in freight and twelve more rakes per month without freight concession. This will smoothen the movement of iron ore fines from mines to the nearest ports for export, thereby enabling us to generate revenue from the by-product which otherwise would have been a waste product for us.

- **Abundance of rich iron ore reserves**

We have significant reserves of high quality iron ore. We have extraction and purchase rights over two mines in Orissa having significant reserves and one in Jharkhand having good resources of iron ore containing rich Fe content.

In addition to the above, we have also entered into long term purchase contract for purchase of iron ore fines from one mine located in the state of Madhya Pradesh. All these fines are being exported to China. This arrangement shall provide voluminous quantity of iron ore to us and shall enable us to be more competitive. A synopsis of iron ore reserves available with us is given hereunder:

Sr. No.	Iron ore mines	Proved	Probable	Possible	Total
		(million tonnes)			
1	Nuagaon	07.07	03.53	01.77	12.37
2	Maharajpur	24.39	11.79	05.90	42.08
3	Jharkhand	11.64	05.82	02.91	20.37
	Total	**43.10**	**21.14**	**10.58**	**74.82**

- **Accretion and development of mining assets**

We are in the process of obtaining a new mining lease for an iron ore mine in the state of Maharashtra.for which we have made an application to the Collector of Sindhudurg district and in response we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai dated September 13, 2007 stating that our application is under process at the office of the Collector of Sindhudurg. We have also applied for two prospecting leases of iron ore in Banda region District Sindhudurg.

We have recently acquired interest in one mining lease over bauxite mines in Yelwan Jugai, Maharashtra through our wholly owned subsidiary M/s. Warana Minerals Private Limited (WMPL).

- **Proximity to China, thereby having operational and synergic benefits as compared to other competing countries**

China, over the last few years, has emerged as the largest consumer of iron ore fines. India being the nearest source for procurement of iron ore fines by China, the Indian iron ore suppliers have been the biggest beneficiaries of increased demand of fines in China. We believe that the close geographical proximity of China shall always allow us to be amongst the preferred suppliers and we shall be able to command better price as against our competing countries.

- **Located in the vicinity of large number of steel manufacturing units**

Our present mining assets are located in the state of Orissa and Jharkhand which has substantial steel manufacturers located in and around the state. This close proximity has given us an advantage of meeting the rising demand of our products locally thereby enabling us to increase our sales at a comparatively faster pace.

- **Experienced Management Team**

We have qualified and experienced professionals possessing knowledge and specialization in a wide area and spectrum of mining, technical know-how, engineering and commercial domain.

Quantitative Factors

1. Earning Per Share (EPS) (As adjusted for changes in Capital)

Particulars	EPS (Rs.)	Weight
a) Financial Year ended March 31, 2006	6.08	1
b) Financial Year ended March 31, 2007	20.98	2
c) Financial Year ended March 31, 2008	33.16	3
Weighted Average	24.59	

Note: The EPS has been computed on the basis of adjusted profits and losses for the respective years/ periods after considering the impact of accounting policy changes and prior period adjustments/ regroupings pertaining to earlier years. The denominator considered for the purpose of calculating EPS is the weighted average number of Equity Shares outstanding during the period as per the Accounting Standard-20. For further details on the calculation of EPS, please see the section titled "Financial Information" beginning on page 121 of this Red Herring Prospectus.

2. Price Earnings Ratio ("P/E") in relation to the issue price of Rs. [●]*.

   a. P/E based on the EPS of the period ended March 31, 2008 is 7.93 at the Floor Price and 8.20 at the Cap Price.
   b. P/E based on the EPS of financial year ended March 31, 2007, is 12.53 at the Floor Price and 12.96 at the Cap Price.
   c. Industry P/E

Highest	71.0
Lowest	3.1
Industry Composite	24.9

(Source: Capital Market, Vol XXIII/08, Jun 16 - 29, 2008, Category "Mining/Minerals/Metals")
** would be calculated after discovery of the Issue price through Book- Building*

3. Average Return on Net Worth ("RoNW") as per restated financials

Particulars	RoNW (%)	Weight
a) Financial Year ended March 31, 2006	64.67%	1
b) Financial Year ended March 31, 2007	46.99%	2
c) Financial Year ended March 31, 2008	31.03%	3
Weighted Average	41.96%	

Note: The RONW has been computed on the basis of adjusted profits & losses for the respective year/ period after considering the impact of accounting policy changes and prior period adjustments/ regroupings pertaining to earlier years. RONW has been calculated as per the following formula: (Net PAT)/ (Net Worth excluding revaluation reserve at the end of the year).

4. Minimum Return on Increased Net Worth Required to Maintain Pre-Issue EPS is [●].

5. Net Asset Value per Equity Shares

Particulars	NAV (Rs. per share)
As at March 31, 2008	89.03
After this Issue	[●]

6. Peer Group Comparisons (Industry Peers) for the year ended March 31, 2008

   We are in the mining and prospecting of minerals, mainly iron ore. There are no comparable listed companies of our size in the iron ore mining and hence comparison of our Company with peer group is not given. Therefore, comparison of profitability and return ratios with other listed companies has not been made.

7. The face value of the Equity Shares is Rs.10/- each and the Issue price is [●] of the face value.

The Issue Price of Rs. [●] has been 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 and is justified on the basis of the above factors.

The BRLM believes that the Issue Price of Rs. [●] is justified in view of the qualitative and quantitative parameters. See the Section titled "Risk Factors" on page xii of this Red Herring Prospectus and the financials of Our Company including important profitability and return ratios, as set out in the auditors report on page 121 of this Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

To,
The Board of Directors,
Resurgere Mines & Minerals India Limited,
156, Maker Chamber – III,
Nariman Point, Mumbai

We hereby report that the enclosed annexure state the possible tax benefits available to ***Resurgere Mines & Minerals India Limited*** **(the "Company")** and its shareholders under the current direct 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 the tax benefits is dependant upon fulfilling such conditions, which is based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

The benefits discussed below 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. In view of the individual nature of the tax consequences, the changing tax laws and the fact that the Company will not distinguish between the share offered for subscription and the shares offered for sale by the Selling Shareholders, 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. We do not express any opinion or provide any assurance as to whether—

(i) the Company or its share holders will continue to obtain these benefits in future;

Or

(ii) the condition 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.

For Singrodia Goyal & Co.
Chartered Accountants

Narayan Pasari
Partner
Mem. No. 038095

Place: Mumbai
Date: 10th June, 2008

Annexure

Statement of possible tax benefits available to *M/s. Resurgere Mines & Minerals India Limited,* and to its Shareholders.

As per the existing provisions of the Income Tax Act, 1961 (the Act) and other direct tax laws, as applicable for the time being in force, the following tax benefits and deductions are and will, inter-alia be available to ***M/s. Resurgere Mines & Minerals India Limited,*** a domestic company for the purpose of the Act, and its shareholders.

SPECIAL TAX BENEFITS

I. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

There are no special tax benefits available to the Company.

II. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

There are no special tax benefits available to the shareholders of the Company.

GENERAL TAX BENEFITS

I. Key benefits available to the Company

A. Dividend Income

As per section 10(34) of the Act, any income by way of dividends (both interim and final) referred to in Section 115-O of the Act received by the Company on its investment in the shares of any domestic company shall be exempt from tax. Income received in respect of units of a Mutual Fund specified under Section 10(23D) of the Act shall be exempt from tax under Section 10(35) of the Act.

B. Income from Units of Mutual Funds

The Company will be eligible for exemption under section 10(35) of the Act, in respect of income received from – units of Mutual Funds specified under section 10(23D) of the Act or Administrator of the specified undertaking or the specified company.

C. Capital Gains

Capital Assets are to be categorized into short-term capital assets and long-term capital assets based on the period of holding. Shares held in a Company or any other securities listed on a recognized stock exchange in India or units of UTI and specified Mutual Fund/zero coupon Bonds are considered as long-term capital assets if these are held for a period exceeding 12 months. Capital gains arising on transfer of long-term capital assets are considered as 'long-term capital gains'. Capital gains arising on transfer of assets held for a period of 12 months or less are considered as 'short-term capital gains'.

As per section 10(38) of the Act, long term capital gains arising to the Company from the transfer of long term capital asset being equity share in a company or unit of an equity oriented fund, where such transaction is chargeable to securities transaction tax, shall be exempt from tax in the hands of the Company.

For this purpose, "equity oriented fund" means a fund –

(i) where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and

(ii) which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the Act.

Section 48 of the Act, prescribes the mode of computation of capital gains. It provides for deduction of cost of acquisition / improvement and expenses incurred wholly and exclusively in connection with the transfer of a capital asset, from the sale consideration to arrive at the amount of capital gains. However, in respect of long term capital gains, for resident shareholders it offers a benefit by permitting substitution of cost of acquisition / improvement with the indexed cost of acquisition / improvement, which adjusts the cost of acquisition / improvement by the prescribed cost inflation index. The benefit of indexation is not available in respect of long-term capital gains arising from the transfer of bonds and debentures (other than capital indexed bonds issued by the Government).

As per section 112 of the Act, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds (in cases not covered under section 10(38) of the Act) would be charged to tax at the rate of Twenty percent (plus applicable surcharge, education cess and secondary education cess) after considering indexation benefits in accordance with and subject to the provisions of section 48 of the Act. However, under the proviso to Section 112 (1), if the tax on long-term capital gains arising on transfer of listed securities or units or zero coupon bonds computed at the rate of Twenty per cent (plus applicable surcharge on tax, education cess and secondary education cess), after availing the benefit of indexation exceeds, the tax on the long-term capital gain computed at the rate of ten per cent (plus applicable surcharge on tax education cess and secondary education cess) without availing the benefit of indexation, then such excess tax is ignored for the purpose of computing the tax payable on the capital gains.

As per section 111A of the Act, short term capital gains arising to the Company from the sale of equity share transacted through a recognized stock exchange or a unit of an equity oriented fund in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of fifteen percent (plus applicable surcharge, education cess and secondary education cess).

Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long term capital gains of the said year. Balance loss, if any, can be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains.

Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains only. Balance loss, if any, can be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

As per section 54EC of the Act and subject to the conditions and limit specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. However, if the assessee transfers or converts the long term specified asset 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 long term specified asset is transferred or converted into money. The bonds presently specified within this Section are bonds issued by National Highway Authority of India (NHAI) and Rural Electrification Corporation Ltd. (REC).

D. **Depreciation / Business Loss**

(i) The Company shall be entitled to claim depreciation on tangible and intangible assets owned by it and used for the purposes of its business as provided in Section 32 of the Act.

(ii) Unabsorbed depreciation can be carried forward to future years for set off against subsequent year's income.

(iii) Business losses can be carried forward for eight succeeding assessment years for set off against subsequent business profits.

E. **Expenditure on Scientific Research**

The company shall be eligible for claiming deduction of any revenue or capital expenditure incurred, other than for acquisition of land, on scientific research related to the business of the Company, under section 35 (1) (i) and (iv) of the Act.

Further, under section 35 (1) (ii), (iia) and (iii) of the Act, the company shall be eligible for claim of deduction to the extent of a sum equal to one and one fourth times of the sum paid to a scientific research association, university, college, institution or company, for specified scientific research or for research in social science or statistical research, subject to fulfilling other conditions prescribed under the provisions of said section.

F. **Preliminary Expenses**

The Company shall be eligible for amortization of preliminary expenditure as specified in section 35D of the Act being expenditure on public issue of shares, subject to meeting the conditions and limits specified in that section.

G. **Deduction in respect of Securities Transaction Tax**

Any payment of Securities Transaction Tax in respect of taxable securities transactions, entered into in the course of assessee's business, which are taxable under the head "Profits and gains of business or profession" shall be allowed as deduction under section 36 (1) (xv) of the Act against such income.

H. **Minimum Alternate Tax**

As per the section 115JB, the Company will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating "book profits" under the provisions of section 115JB of the Act and will be required to pay Minimum Alternate Tax ("MAT") at the rate of ten percent (plus applicable surcharge, education cess and secondary education cess) of the book profits determined (if the income-tax payable as per normal provisions of the Act is less than ten percent of the book profits). Further, in accordance with section 115JAA, MAT credit will be available to the Company for next succeeding seven years subject to fulfillment of certain conditions prescribed in the said section.

I. **Relief in respect of Dividend Distribution Tax**

For the purpose of computation of Dividend Distribution Tax under section 115-O, the amount of dividend declared, distributed or paid by the Company shall be reduced by the amount of dividend received from its subsidiary, if such subsidiary has paid Dividend Distribution Tax on such dividend and the Company itself is not a subsidiary of any other company.

J. Tax Rebates & Tax Credits

As per the provisions of section 90 of the Act, the Company shall be entitled to deduction from the Indian Income-tax of a sum calculated on such income that is taxed doubly, to the extent of taxes paid in Foreign Countries, subject to the Double Taxation Avoidance Agreement, in force, with such countries. Unilateral relief in respect of taxes paid in foreign countries is also available under section 91 of the Act.

II. Key benefits available to the Resident Shareholders of the Company:

A. **Dividend Income**

As per section 10(34) of the Act, any income by way of dividends (both interim and final) referred to in Section 115-O of the Act, received on the shares of the Company shall be exempt from tax.

B. **Capital Gains**

Benefits outlined in paragraph I (B) above, mutatis mutandis are also available to resident shareholders, in respect of capital gains derived from sale of shares of the Company. In addition to the same, the following benefits are also available to the resident shareholders:

As per section 54F of the Act, long-term capital gains (in cases not covered under section 10(38) of the Act) arising to an individual or Hindu Undivided Family (HUF) on transfer of shares of the Company will be exempt from capital gains tax subject to certain conditions, if the net sales consideration from such shares is used for purchase of a residential house property within a period of one year before or two year after the date on which the transfer took place or for construction of a residential house property within a period of three years after the date of transfer, provided that the individual / HUF should not own more than one residential house other than the new residential house on the date of transfer. If residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gain exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the shareholder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house, then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

C. **Deduction in respect of Securities Transaction Tax**

Any payment of Securities Transaction Tax in respect of taxable securities transactions which are taxable under the head "Profits and gains of business or profession" shall be allowed as deduction under section 36 (1) (xv) of the Act against such income.

D. **Minimum Alternate Tax**

As per the section 115JB, the Corporate Investor will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating "book profits" under the provisions of section 115JB of the Act and will be required to pay Minimum Alternate Tax ("MAT") at the rate of ten percent (plus applicable surcharge, education cess and secondary education cess) of the book profits determined (if the income tax payable as per normal provisions of the Act is less than ten percent of the book profits). Further, in accordance with section 115JAA, MAT credit will be available to the Corporate Investor for next seven years subject to fulfillment of certain conditions prescribed in the said section.

III. Key benefits available to Non-Resident Indians / Non Resident Shareholders (Other than FIIs and Foreign venture capital investors).

A. **Dividend Income**

As per section 10(34) of the Act, any income by way of dividends (both interim and final) referred to in Section 115-O of the Act received on the shares of the Company shall be exempt from tax.

B. **Capital Gains**

Benefits outlined in Paragraph II (B) above mutatis mutandis are also available to a non-residents / non-resident Indian shareholder except that under first proviso to Section 48 of the Act, the capital gains arising on transfer of capital assets being shares of an Indian Company need to be computed by converting the cost of acquisition, expenditure in connection with such transfer and full value of the consideration received or accruing as a result of the transfer into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation is not available to non-resident shareholders.

C. **Special Provisions relating to Certain Income of Non- Resident Indians**

As per Section 115C (e) of the Act, a 'Non-Resident Indian' means an individual, being a citizen of India or a person of Indian origin who is not a 'resident'. As per the Explanation to the said section, a person shall be deemed to be of Indian origin if he, or either of his parents or any of his grandparents, was born in undivided India. Under section 115-I of the Act, the Non-Resident Indian shareholder has an option to be governed by the provisions of Chapter XIIA of the Act viz. "Special Provisions Relating to Certain Incomes of Non-Residents" which are as follows:

(i) As per 115E of the Act, where shares in the Company are acquired or subscribed to in convertible foreign exchange by a Non-Resident Indian, capital gains arising to the non resident on transfer of shares held for a period exceeding 12 months, shall (in cases not covered under section 10(38) of the Act) be taxed at the flat rate of ten percent (plus applicable surcharge, education cess and secondary education cess) (without indexation benefit but with protection against foreign exchange fluctuation).

(ii) As per 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 shall be exempt from income tax, if the net consideration is reinvested in specified assets or savings certificates referred to in section 10(4B) of the Act, 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.

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

(iv) As per section 115H of the Act, where the Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income, for the assessment year in which he is first assessable as a Resident, under section 139 of the Act to the effect that the provisions of the Chapter XII A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

D. **Deduction in respect of Securities Transaction Tax**

Any payment of Securities Transaction Tax in respect of taxable securities transactions which are taxable under the head “Profits and gains of business or profession” shall be allowed as deduction under section 36 (1) (xv) of the Act against such income.

E. **Tax Treaty benefits**

An investor has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial.

F. **Minimum Alternate Tax**:

As per the section 115JB, the Corporate Investor will not be able to reduce the income to which the provisions of section 10(38) of the Act apply while calculating “book profits” under the provisions of section 115JB of the Act and will be required to pay Minimum Alternate Tax (“MAT”) at the rate of ten percent (plus applicable surcharge, education cess and secondary education cess) of the book profits determined (if the income tax payable as per normal provisions of the Act is less than ten percent of the book profits). Further, in accordance with section 115JAA, MAT credit will be available to the Corporate Investor for next seven years subject to fulfillment of certain conditions prescribed in the said section.

IV. Key benefits available to Foreign Institutional Investors (FIIs)

A. **Dividend Income**

As per section 10(34) of the Act, any income by way of dividends referred to in section 115-O of the Act received on the shares of the Company shall be exempt from tax.

B. **Capital Gains**

As per section 10(38) of the Act, long term capital gains arising to the FIIs from the transfer of a long term capital asset being an equity share in the Company where such transaction is chargeable to securities transaction tax would not be liable to tax in the hands of the FIIs.

As per section 115AD of the Act, FIIs will be taxed on the capital gains that are not exempt under the section 10(38) of the Act at the following rates:

Nature of income	Rate of tax (%)
Long term capital gains	10
Short term capital gains (other than referred to in section 111A)	30
Short term capital gains covered in section 111A	15

The above tax rates will have to be increased by the applicable surcharge, education cess and secondary education cess. In case of long term capital gains, (in cases not covered under section 10(38) of the Act), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

As per section 54EC of the Act and subject to the conditions and limit specified therein, long-term capital gains (in cases not covered under section 10(38) of the Act) arising on the transfer of a long-term capital asset will be exempt from capital gains tax if the capital gains are invested in a “long term specified asset” within a period of 6 months after the date of such transfer. However, if the assessee transfers or converts the long term specified asset 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 long term specified asset is transferred or converted into money. The bonds specified for this Section are bonds issued by National Highway Authority of India (NHAI) and Rural Electrification Corporation Ltd. (REC).

C. **Deduction in respect of Securities Transaction Tax**

Any payment of Securities Transaction Tax in respect of taxable securities transactions which are taxable under the head "Profits and gains of business or profession" shall be allowed as deduction under section 36 (1) (xv) of the Act against such income.

D. **Tax Treaty benefits**

An investor has an option to be governed by the provisions of the Act or the provisions of a Tax Treaty that India has entered into with another country of which the investor is a tax resident, whichever is more beneficial

V. Key benefits to Mutual Funds

As per 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 and Mutual Funds authorized by the Reserve Bank of India would be exempt from income tax, subject to such conditions as the Central Government may by notification in the Official Gazette specify in this behalf.

Benefits to shareholders of the Company 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 the shares are not liable to Wealth Tax.

Benefits to shareholders of the Company under the Gift Tax Act, 1958

Gift made after 1st October 1998 is not liable for gift tax, and hence, gift of shares of the Company would not be liable to gift tax.

Note:

1. All the above benefits are as per the current tax laws, as amended by the Finance Act, 2008, and will be available only to the sole / first named holder in case the shares are held by joint holders.

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

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

4. 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 legislations may not have direct legal precedent or may have a different interpretation on the benefits which an investor can avail.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section is derived from various government publications and other industry sources. Neither we nor any other person connected with this issue have verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and accordingly, investment decisions should not be based on such information.

OVERVIEW

Iron Ore

Introduction

Making up 5 percent of Earth's crust, iron is the fourth most abundant rock-forming element. Iron ore is the primary source of iron for the world's iron and steel industries and is the cheapest and most widely used metal.

Iron ore is the primary component of the world's production of steel, with substantially all (approximately 98%) of the iron ore produced worldwide consumed in steel making. Iron ore demand, and therefore pricing depends on the global steel industry. Conditions in the steel industry tend to reflect global economic conditions; however, because demand for steel is driven by basic components of industrial and economic growth, such as heavy construction and automotive industries, from time to time regional differences exist in the demand for steel and, therefore, in iron ore demand.

The Global Iron Ore Market

The iron ore industry is enjoying continued boom conditions, as demand continues to soar on the back of the developing world's rapid industrialization. The market remains tight, and supply systems are stretched, leading to unprecedented increase in prices. After rising by as much as 14% a year, global iron ore consumption is expected to continue to grow at over 3% annually to more than 1.9 billion tones by 2011.

Iron ore producers historically fell into two basic categories, captive producers and exporters. Captive producers were those owned by the steel companies, generally selling their production exclusively to their owner(s) – customer(s). The producers were dominantly captive in the past, but this has and will continue to change. Steel producers may maintain a minority or strategic interest in iron ore companies, but want flexibility of supply. Iron ore is predominantly sold via long-term contracts that specify certain volumes that the steel producer must take. In both Asia and Europe, steel producers form buying cartels. Prices are negotiated annually in so-called mating seasons.

The price of iron ore products is based principally on iron (Fe) content. A premium is paid for products with a higher Fe content or products with particularly desirable characteristics, such as low silica, phosphorus and aluminium content. Iron ore contract prices are generally set annually with reference to benchmark prices negotiated with steel producers by the world's three largest iron ore producers, Companhia Vale do Rio Doce S.A. (CVRD), Rio Tinto plc (Rio Tinto) and BHP Billiton plc (BHP Billiton). Benchmarks are established at the beginning of the calendar year with European steel producers and at the beginning of the Japanese fiscal year (which commences on April 1) with Japanese steel producers. According to the Iron Ore Manual, 2005, for the pricing periods encompassing calendar year 2005 and Japanese fiscal year 2005 (April 1, 2005 to March 31, 2006), benchmark prices for iron ore increased by 71.50%. Recent news reports indicate that major iron ore producers have concluded negotiations with certain European and Japanese steel mills that have increased benchmark prices for the iron ore fines, they supply to these markets, by 19% in the year 2006. However, negotiations are still currently on with Chinese steel mills.

Production of Iron Ore

According to IISI Steel Statistical Yearbook, 2006, global production of iron ore was approximately 1.32 billion metric tons in the year 2005, which represented a third consecutive record year of output and an approximate increase of 11.11% over the year 2004.

Worldwide, Iron Ore is mined in about 50 countries, with five of the largest producing areas – Brazil, Australia, CIS countries (including Kazakhstan, Russia and Ukraine), China and India – accounting for approximately 80% of total world production in the year 2005 as per the IISI Steel Statistical Yearbook, 2006.

The comparative production of Iron Ore from these five countries as against overall global Iron Ore production during last five years upto the year 2005 can be described as under:

Million Metric Tons	2001	2002	2003	2004	2005
Country					
Brazil	210.0	225.1	245.6	270.5	292.4
Australia	181.4	187.2	212.0	234.7	257.5
C.I.S (1)	152.0	158.7	171.2	181.2	181.8
China (2)	102.6	108.8	122.7	145.7	197.6
India	79.2	86.4	99.1	120.6	145.5
Total World	**934.6**	**988.9**	**1079.9**	**1190.4**	**1315.8**
As a % of World Production					
Top Five Areas	77.9%	77.5%	78.8%	80.0%	81.7%
India	**8.5%**	**8.7%**	**9.2%**	**10.1%**	**11.1%**

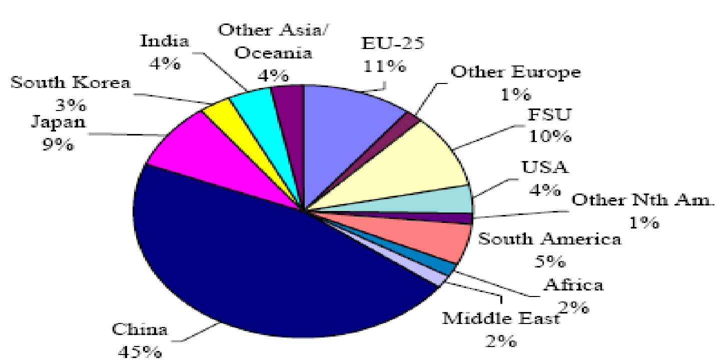
Source: IISI, Steel Statistical Yearbook, 2006

(1) Includes Kazakhstan, Russia and Ukraine.
(2) Converted to correspond to world average Fe content.

Mining News.net reports estimates over the past few years by market analysts for Chinese iron ore imports have been increasing from an expected importation of 250 million tones of iron ore by 2015 to almost 500 million tones by the same year. This amounts to the entire world's iron ore export market for 2002. Merrill Lynch has China's expected consumption of iron ore increasing to more than 800 million tones by 2009 and import requirements increasing to 427 million tones over the same period. Massive increases in iron ore consumption in China and Asia as a whole have overshadowed moderate to strong growth in consumption of iron ore elsewhere in the world.

The comparative consumption of Iron Ore among various parts of the world can be understood from the following chart:

Comparative Consumption by Region



Iron Ore Demand and Seaborne Iron Ore Trade

Demand for iron ore is directly related to steel production. Iron ore demand has seen a surge, with an increase in global crude steel production of approximately 6.56% in 2005 according to IISI, Steel Statistical Yearbook, 2006. Steel producers are demanding higher quality iron ore products and rely on an increasing export market to meet this demand. According to data published by IISI, Steel Statistical Yearbook, 2006, global iron ore exports reached a record 736 million metric tons in 2006, with the three largest iron ore exporting countries, Australia, Brazil and India, accounting for approximately 32.6%, 30.1% and 11.0%, respectively, of total exports.

World Iron Ore Exports by exporting countries

A comparative chart showing the export trade of Iron Ore on global basis from the year 2001 to year 2005 can be seen as under:

Million metric tons	**2001**	**2002**	**2003**	**2004**	**2005**
Country					
Australia	157.1	165.6	186.1	210.5	238.8
Brazil	155.7	170.0	184.4	236.8	225.1
India	37.3	46.6	57.3	62.7	81.0
C.I.S(1)	50.1	41.4	47.2	46.4	47.0
Total World	**493.3**	**533.9**	**581.6**	**672.6**	**735.9**
As a % of World Exports					
Top Five Areas	81.1%	79.3%	81.7%	82.7%	80.4%
India	**7.6%**	**8.7%**	**9.9%**	**9.3%**	**11.0%**
(1) Includes Kazakhstan, Russia and Ukraine.					

Source: IISI, Steel Statistical Yearbook, 2006

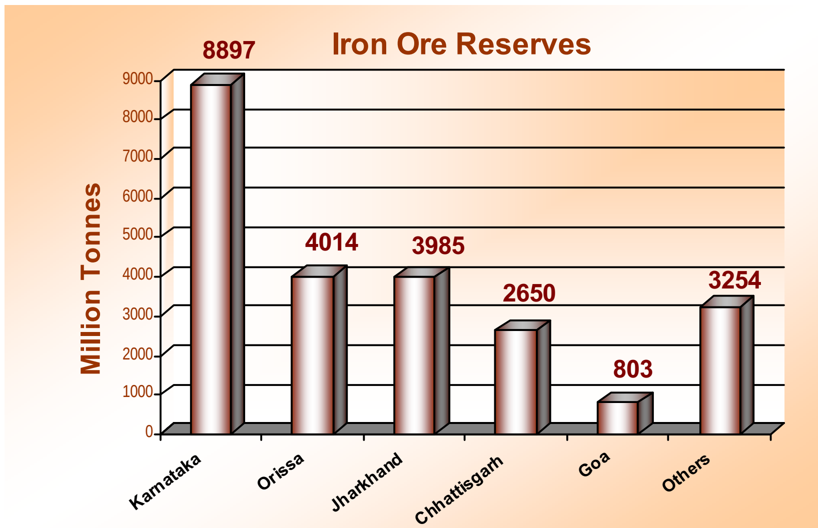
Indian Iron Ore Industry

India is endowed with significant mineral resources. India produces 89 minerals, out of which 4 are fuel minerals, 11 metallic, 52 non-metallic and 22 minor minerals. India's rapid economic growth is being built on a frame of steel. Soaring demand by sectors like infrastructure, real estate and automobiles, at home and abroad, has put India's steel industry on the world map. India has both hematite and magnetite iron ore reserves with states of Orissa, Jharkhand, Karnataka, Chattisgarh, Goa, Andhra Pradesh and Maharashtra having bulk of these reserves. According to National Steel Policy, 2005, the *in situ* reserves of relatively rich iron ore in India are 11.43 billion metric tons of hematite and 10.68 billion metric tons of magnetite ores.

Iron ore producers in India include both Public and Private sector Companies. Public sector Companies include the National Mineral Development Corporation Limited, Kudremukh Iron Ore Company Limited and the Steel Authority of India Limited. Major Private Sector iron ore producers can be divided by geographic region: Tata Iron and Steel Co. Limited. (TISCO) in the Eastern region (which includes Orissa, Jharkhand and Chattisgarh states), Sesa Goa Limited, Chowgule and Company Limited and Dempo Mining Corporation in the Goa region, and MSPL in the Bellary-Hospet region.

Reserve Availability in India

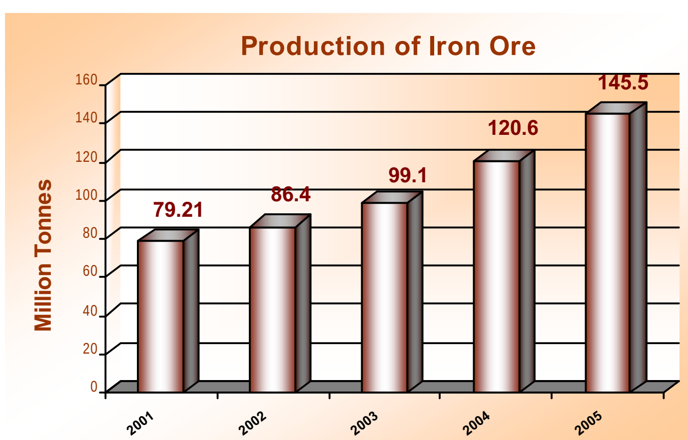
Most Indian iron ore deposits consist of the mineral, hematite. They are among the richest in the world and contain between 63% - 66% Fe. In South India they include the extensive deposits of the Karnataka region. India has some of the biggest reserves in the world. Estimates put India's demonstrated iron ore resources at about 23,000 million tones (approx.). A broad break-up of Iron Ore reserves in various states of India can be seen as under:



- Total Reserves – About 23 BT (P)
- Hematite (11.43 BT) and Magnetite (10.68 BT).
- High grade Hematite (65%) only 14% of Total Reserves
- Karnataka, Orissa, Jharkhand and Chhattisgarh - major share
- Increase in production driven by export
- Major consumer SAIL and TISCO - captive mines
- RINL - NMDC ESSAR, Ispat, Vikram Ispat, JVSL - NMDC & others

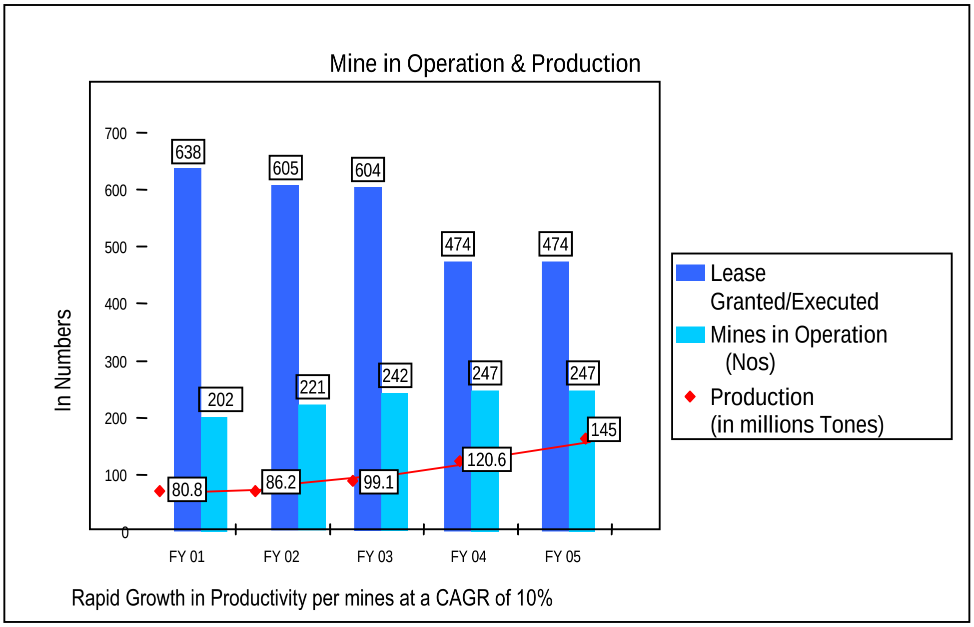
Production of Iron Ore in India

Production of iron ore in India has grown rapidly in recent years. In 2005, India's iron ore production was approximately 145.5 million metric tons, or approximately 11.1% of total world production according to the IISI, Steel Statistical Yearbook, 2006. Production of iron ore in 2005 in India grew by approximately 20.65% versus 2004, which is evident from the following graph:



Source: IISI, Steel Statistical Yearbook, 2006

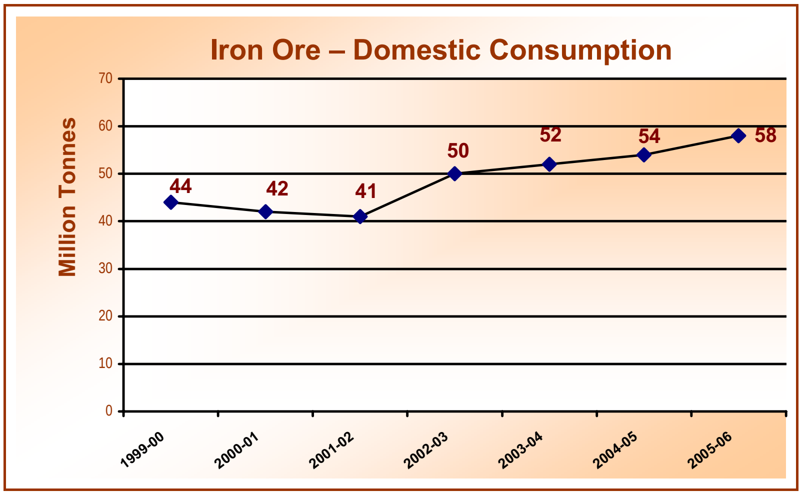
Further, a comparative graph of mines in operation in India over a period of five years alongwith production of Iron Ore is given as under:



Source : IBM, Nagpur

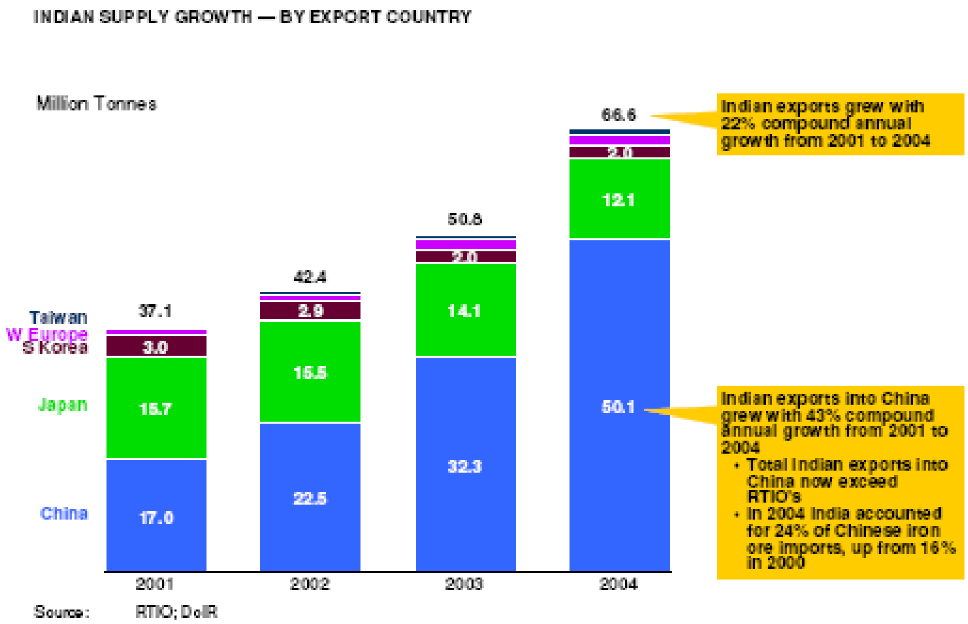
Domestic Consumption of Iron Ore

Domestic consumption of Iron Ore is on the rise, driven by a boom in the Steel sector and a nation-wide thrust on infrastructure and real estate. During the year 2005-06, India produced 155 million tons of iron ore. Exports were 89 million tons and another 58 million tons were domestically consumed, leaving a surplus of 8 million tons. The growth in domestic consumption of Iron Ore over a period of last seven years is evident from the following graph:

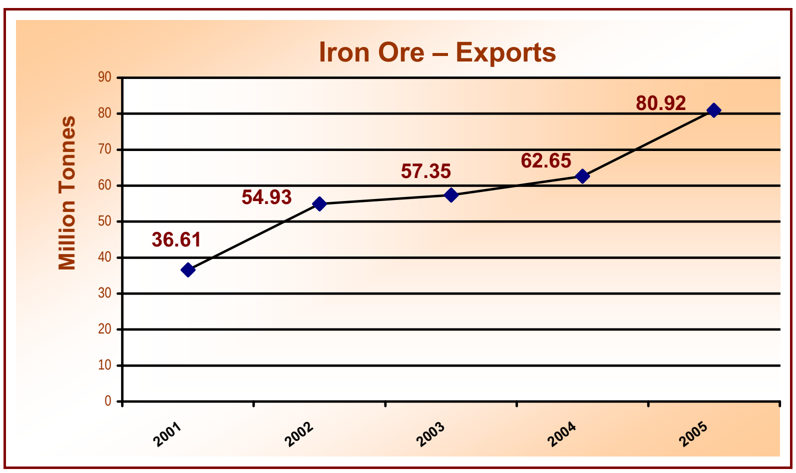


Iron Ore – Exports

After remaining stagnant at around 35 MT for about a decade (between 1991-92 to 1999-2000), exports of iron ore from India have grown in the last 4 years to 80-81 MT in 2004-05 on the back of large exports of iron ore fines to China. Fines and concentrates, which have little use in India, make up about 90 percent of Indian iron ore exports currently. As investments are made into beneficiation, sintering and pelletization in the country, which will use these fines, the growth in exports of iron ore is likely to decline. Exports have thus been estimated to be around 100 MT by 2019-20. In terms of future policy, exports of iron ore, especially high-grade lumps, would be leveraged for imports of coking coal or for investment in India. Long-term export supply of iron ore would be confined to a maximum of five-year contracts. This duration would be reviewed from time to time. A judicious balance would continue to be maintained between exports and domestic supply of iron ore. The country wise Iron Ore supply growth of India over the past few year can be seen as under:



India is a net exporter of iron ore. In 2005, India's iron ore exports was approximately 80.91 million metric tons, or approximately 29.16% of total world iron ore exports, according to the IISI, Steel Statistical Yearbook, 2006. Indian iron ore exports have grown at a CAGR of approximately 23.2% between 2001 to 2005. The details of iron ore exports from India are shown in the chart below:



National Steel Policy, 2005, has estimated that iron ore exports from India will reach 100 million metric tons by fiscal year 2020. China has been the largest contributor of growth in Indian iron ore exports.

As per economist Dr. A.S. Firoz, known for his work on steel and Minerals industries;

- Massive infrastructure expenditure expected in coming years entailing for use of steel and huge demand for iron ore
- The domestic demand for iron ore is expected to rise to 130 million tons by 2011 as against 98 million tons in 2007.
- Huge demand from China – Iron ore exports of USD 3334.49 mns, i.e. 86% of iron ore exports in 2005-06 is to china as compared to USD 81.43 mns i.e. 30% in 1999-2000
- Fear of iron ore supplies falling terribly short of demand in 2008.
- Global iron ore prices rising in the range of 65-70% in the contracts for 2008.
- Indian iron ore market expected to remain fairly tight.

Bauxite

Introduction

Bauxite is an aluminium ore. Bauxite is strip mined (surface mining) because it is found at the surface, with little or no overburden. Approximately 95% of world's bauxite production is processed into aluminium. Bauxites are typically classified according to their intended commercial application: metallurgical, abrasive, cement, chemical and refractory.

Bauxites are heated in pressure vessels with sodium hydroxide solution at 150-200 C through which aluminium is dissolved as aluminate (Bayer Process). After separation of ferruginous residue (red mud) by filtering, pure gibbsite is precipitated when the liquor is cooled and seeded with fine grained aluminium hydroxide. Gibbsite is converted into aluminium oxide by heating. This is molten at approx. 1000 C by addition of cryolite as a flux and reduced to metallic aluminium by a highly energy consumptive electrolytic process (the Hall Heroult process)

World Bauxite Mine Production, Reserves and Reserve Base

	Mine Production		Reserves	Reserve Base
	2005	**2006**		
United States	**NA**	**NA**	**20,000**	**40,000**
Australia	**60,000**	**61,400**	**5,800,000**	**7,900,000**
Brazil	**19,800**	**21,000**	**1,900,000**	**2,500,000**
China	**18,000**	**20,000**	**700,000**	**2,300,000**
Greece	**2,450**	**2,000**	**600,000**	**650,000**
Guinea	**15,000**	**15,200**	**7,400,000**	**8,600,000**
Guyana	**15,000**	**1,500**	**700,000**	**900,000**
India	**12,000**	**13,000**	**770,000**	**1,400,000**
Jamaica	**14,100**	**14,900**	**2,000,000**	**2,500,000**
Kazakhstan	**4,800**	**4,900**	**350,000**	**360,000**
Russia	**6,400**	**7,200**	**200,000**	**250,000**
Suriname	**4,580**	**4,800**	**580,000**	**600,000**
Venezuela	**5,900**	**6,000**	**320,000**	**350,000**
Other countries	**4,620**	**4,820**	**3,400,000**	**4,000,000**
World Total	**169,000**	**177,000**	**25,000,000**	**32,000,000**

World Resources: Bauxite resources are estimated to be 55 to 75 billion tonnes, located in South America (33%), Africa (27%). With a share of 8%, aluminium is the third most abundant element in the earth's crust. Thus, the availability of raw material supplies for the production of aluminium is almost unlimited. On a world wide average 4 to 5 tonnes of bauxite are needed to produce two tonnes of alumina, from which one tonne of aluminium can be produced.

(Source : U.S. Geological Survey, Mineral Commodity Summaries, January 2007)

OUR BUSINESS

We are engaged in the business of extraction, processing and sale of mineral products and exploration and development of mining assets. Our diverse product range includes various forms of iron ore such as Lump ore, Size ore, Calibrated Lump ore (CLO) and iron ore fines etc. and bauxite. We sell all these products domestically except iron ore fines which we export to China.

We believe we are one of the few Companies in the mining industry to have obtained ISO 9001:2000 and ISO 14001:2004 Certification from UKAS, United Kingdom. Furthermore, our Company is a recognised Star Trading House of India and is also member of various business councils i.e. CAPEXIL, FIEO, FIMI etc.

We currently operate in Nuagaon, Kendujhargarh district and Maharajpur, Mayurbhanj district of Orissa and we purport to commence operations at Tatiba mine in Singhbhum district of Jharkhand in the near future. We have entered in to long term contracts for these mines, Nuagoan, Tatiba and Maharajpur, with the leaseholders for raising and purchasing of iron ore. All the three mines carry high quality iron ore of about 62% - 64% Fe content..

We have made an application to the Collector of Sindhudurg district for the grant of an iron ore mining lease over an area of 108.77 hectares in village Banda, District Sindhudurg in Maharashtra.In response to our application we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai dated September 13, 2007 stating that our application is under process at the office of the Collector of Sindhudurg. We have also applied for two prospecting leases of iron ore in Banda region to the Collector of Sindhudurg district. Further, we are also engaged in merchant export of iron ore fines to China.

Through our wholly owned subsidiary M/s. Warana Minerals Private Limited (WMPL), we hold a 60% interest in a registered partnership firm, Shri Warana Minerals which is engaged in the business of mining bauxite ore under the 30 year mining lease with respect to a bauxite mine situated in Yelwan Jugai, Maharashtra.

The mining assets of our Company, except Banda mine, have cumulative estimated reserve of 74.82 million tonnes of iron ore and 4.92 milllion tonnes of bauxite as certified by Central Mining Research Institute dated July 25, 2007 and September 3, 2007 respectively,, break up of which can be seen as under:

Sr. No.	Description of mine	Estimated Reserves (milllion tonnes)
	Iron Ore Mines	
1.	Nuagaon , Orissa	12.37
2.	Maharajpur , Orissa	42.08
3.	Jharkhand	20.37
4.	Banda , Maharashtra	NA*
	Total	**74.82**
	Bauxite Mine	
1.	Yelwan Jugai, Maharashtra	4.92

* No estimate has been made as to any proved or probable reserves that may exist at Banda iron ore mine, because the mining lease is yet to be executed in our favour.

Our Operational Income and Profit after Tax (PAT) after restatement of financial statements for the financial year ending March 31, 2007 was Rs. 1642.43 millions and Rs. 303.67 millions respectively and for year ending March 31, 2008 it was Rs. 4030.04 millions and Rs. 665.62 millions respectively. Our Operational Income and PAT have grown 93% and 251% year on year basis during the financial year 2006-2007 and 145% and 119% year on year basis during the financial year 2007-2008 respectively.

COMPETITIVE STRENGTHS

- **High grade iron ore products**

  The iron ore supply in respect of the mines for which we have entered into extraction and purchase agreements, consists principally of hematite ore with a Fe content of predominantly greater than 62%. The greater the Fe content of the iron ore, the more efficient it is to process the ore. In addition, our iron ore has other characteristics, which we believe contribute to its quality, such as:

  - higher reducibility allows greater productivity for our ultimate customers, the steel producers;
  - low moisture content, which means lower transportation and distribution costs; and
  - low rates of impurities such as silica, phosphorus, alumina and sulphur.

  We believe our high grade products and ore quality gives us a strong competitive advantage and helps us to command premium pricing, stimulate demand for our products and enjoy customer loyalty.

- **Proximity to National Highway**

  The Maharajpur iron ore mine is situated within a distance of approximately 5 kms on national highway No.6. This enables customers to economically and expediently transport our products.

- **Diverse product portfolio**

  Currently, our product portfolio includes iron ore variants such as LO, SO, CLO and fines. Considering the increasing demand of bauxite on account of increasing demand of aluminum and aluminum products, we have ventured into bauxite mining. With this product line diversification, we expect to improve our revenues as well as profits.

- **Assured supply of railway rakes under Wagon Investment Scheme (WIS)**

  Today, movement of iron ore fines from eastern India to the ports for the purpose of exports is not an economically viable proposition on account of significantly higher road transportation costs and non-availability of comparatively cheaper railway rakes.

  Considering the increasing demand of railway rakes in the vicinity, the Indian Railways had initiated 'Wagon Investment Scheme' wherein customers investing in one railway rake will be assured of supply of four rakes every month with 10% concession in freight. In addition, two bonus rakes per month will be supplied without any concession in freight.

  We have already procured no objection certificate from the competent authority permitting us to avail benefit of the said Wagon Investment Scheme under the prescribed guidelines of Indian Railways. We will be investing in 6 (Six) railway rakes comprising of 61 Wagons each. This will enable us assured supply of 24 railway rakes every month with 10% concession in freight and twelve more rakes per month without freight concession. This will smoothen the movement of iron ore fines from mines to the nearest ports for export , thereby enabling us to generate revenue from the by-product which otherwise would have been a waste product for us.

- **Abundance of rich iron ore reserves**

  We have significant reserves of high quality iron ore. We have extraction and purchase rights over two mines in Orissa having significant reserves and one in Jharkhand having good resources of iron ore containing rich Fe content.

  In addition to the above, we have also entered into long term purchase contract for purchase of iron ore fines from one mine located in the state of Madhya Pradesh. All these fines are being exported to China. This arrangement shall provide voluminous quantity of iron ore to us and shall enable us to be more competitive. A synopsis of iron ore reserves available with us is given hereunder:

Sr. No.	Iron ore mines	Proved	Probable	Possible	Total
		(million tonnes)			
1	Nuagaon	07.07	03.53	01.77	12.37
2	Maharajpur	24.39	11.79	05.90	42.08
3	Jharkhand	11.64	05.82	02.91	20.37
	Total	**43.10**	**21.14**	**10.58**	**74.82**

- **Accretion and development of mining assets**

  We are in the process of obtaining a new mining lease for an iron ore mine in the state of Maharashtra.for which we have made an application to the Collector of Sindhudurg district and in response we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai dated September 13, 2007 stating that our application is under process at the office of the Collector of Sindhudurg. We have also applied for two prospecting leases of iron ore in Banda region District Sindhudurg.

  We have recently acquired interest in one mining lease over bauxite mines in Yelwan Jugai, Maharashtra through our wholly owned subsidiary M/s. Warana Minerals Private Limited (WMPL)

- **Proximity to China, thereby having operational and synergic benefits as compared to other competing countries**

  China, over the last few years, has emerged as the largest consumer of iron ore fines. India being the nearest source for procurement of iron ore fines by China, the Indian iron ore suppliers have been the biggest beneficiaries of increased demand of fines in China. We believe that the close geographical proximity of China shall always allow us to be amongst the preferred suppliers and we shall be able to command better price as against our competing countries.

- **Located in the vicinity of large number of steel manufacturing units**

  Our present mining assets are located in the state of Orissa and Jharkhand which has substantial steel manufacturers located in and around the state. This close proximity has given us an advantage of meeting the rising demand of our products locally thereby enabling us to increase our sales at a comparatively faster pace.

- **Experienced Management Team**

  We have qualified and experienced professionals possessing knowledge and specialization in a wide area and spectrum of mining, technical know-how, engineering and commercial domain.

OUR BUSINESS STRATEGY

Our business strategy is based on our long term objective to be one of the prominent players in the mining industry. We intend to achieve this objective through adoption of the following business strategy:

- **Volume driven growth**

  To capitalize on the growing demand for iron ore, and looking at the ever increasing prices, we intend to increase our production significantly. We believe that we can achieve sustainable growth in volumes, driven by mechanised open cast mining methods at all the mining locations.

- **Acquiring and developing mineral assets**

  We intend to consider additional opportunities to acquire and operationalise additional mineral assets as they become available. We have in the past applied, and may in the future apply, for prospecting or mining leases for minerals including iron ore.

- **Operation driven by customers satisfaction**

  Our operations, inspite of ever increasing demand in the domestic and International markets, have always been driven by the customer satisfaction model of operations. Further, the high grade of iron ore production capability of Nuagaon and Maharajpur mines has contributed to the retention of the existing customers.

- **Focus on New Market**

  Currently majority of our exports of iron ore fines is to China due to proximity and also it being one of the largest consumers of iron ore fines. We intend to seek a diversification in our customer base by targeting a greater number of customers in China as well as seeking to develop a customer base in other countries of Asia including Japan and South Korea for supply of fines.

- **Long term tie up with the Indian Steel Manufacturers**

  Orissa being the focal point of Industrial capex planned for development of steel industries in the region, we have plans to enter into long term commitments and arrangements for supply of CLO to major players in the steel industry.

- **Investment in Logistics Infrastructure to improve operational efficiencies**

  Considering the significant logistics problems and time and cost involved in moving the goods from mines to the port or to the customer's place, we propose to develop our own logistics infrastructure in the long term in consultation with the local authorities. The said infrastructure shall help us in easy movement of goods from mines at comparatively cheaper cost and within the desired time frame resulting into faster realisation of proceeds as well as increase in our profitability.

  Further, having our own logistics infrastructure in place, we shall have better negotiating power as we can negotiate the prices on C&F basis delivering the goods directly to customer's place.

- **Product line diversification**

  We intend to become one amongst the leading players in the mining industry with its vast product portfolio. With this vision, we purport to venture into mining of others minerals and resources which inter-alia may include copper, manganese, zinc and others.

OUR PRODUCTS

Iron Ore

Among various forms of the iron ore, our product portfolio includes the following variants of iron ore:

(1) **Lump ore –** Lump ore is the basic form of iron ore, which comes into various shapes and sizes with smallest size of 40 mm. The said product does not have any direct application for manufacturing of steel and is used as raw material for manufacturing of CLO.

(2) **Size ore –** Size ore is another form of iron ore and generally comes in the size ranging between 10 mm – 40 mm. It is having its uses as one of the basic raw materials in pig iron plants.

(3) Calibrated Lump Ore ('CLO') – CLO is the purest form of iron ore having physical specification between 5mm to 18mm. CLO, or 5-18, as they are commonly known, are classified as high grade ore when its Fe content is 64.5% and above. Calibrated Lump ore with less than 64% Fe content is classified as medium grade ore. CLO is used as the main raw material in sponge iron Plants for manufacturing of iron and has huge domestic demand from all steel plants.

CLO, being the most purified form of iron ore, is a high value product as compared to Lump ore and Size ore and carries premium in the market.

(4) Iron ore fines – Iron ore fines are the smallest size of iron ore having physical specification upto 10 mm. Generally, these fines are extracted directly from mines at some places depending on the geographical location and the reserves of the respective mine and have purity content between 54 Fe to 64.5 Fe. However, in case of the lumpy ore mines these fines get produced as by-product of CLO during crushing and have purity content of 62-63 Fe in all. The fines are used for the sintering process, which involves agglomeration.

<u>Bauxite</u>

Bauxite is an ore, the main constituent of which is aluminium and is the source of over 99% of metallic aluminum. Bauxite is a naturally occurring, heterogeneous material composed primarily of one or more aluminum hydroxide minerals, and various mixtures of silica, iron oxide, titanium dioxide, aluminum silicates, and other impurities in minor or trace amounts. About 85% of bauxite mined worldwide is used to produce alumina that is refined to produce aluminum metal. About 10% of the bauxite that is mined produces alumina that is used in chemical, abrasive, and refractory products. Bauxite occurs in three main forms depending on: the number of molecules of water of hydration and the crystalline structure. The three structural forms of bauxite are gibbsite, bromide, and diaspore. Gibbsite is a true aluminium hydroxide whereas bromide and diaspore are aluminium-oxide-hydroxides. Gibbsite is preferred to bromide and diaspore due to its lower digestion temperature of 150^{o}C.

MINING ASSETS

Presently, we have business interests in the following mining assets located in various states of the country:

Mine	Leaseholder	Lease Area (Acres)	Remaining contract period	Operating Status	Lease Status	Regulatory Clearances
Nuagaon iron ore mine	Third Party	30 Acres*	7 years	Operational	Lease expired in 1999; application for renewal has been made.	Forest & environmental clearances in place.
Maharajpur iron ore mine	Third Party	477.48 Acres	63 years (subject to renewal of lease by State Government)	Operational	Running	Forest & environmental clearances in place.
Tatiba Iron ore Mine	Third Party	318.63 Acres	10 Years	Not Operational	Lease expired in 1989; application for renewal has been made.	Forest & environmental clearances in place.
Banda iron ore mine	RMMIL	108.77 Hectares	30 Years	Not Operational	Our application for grant of mining	Pending since the lease is yet to be granted

Mine	Leaseholder	Lease Area (Acres)	Remaining contract period	Operating Status	Lease Status	Regulatory Clearances
					lease under process at the level of District Collector at Sindhudurg.	
Yelwan Jugai bauxite mine	Shri Warana minerals (A partnership firm wherein 60% stake is held by Warana minerals Private Limited, which is Wholly owned subsidiary of RMMIL)	267.67 Hectares	25 Years	Operational	Valid till August 10, 2033	Forest & environmental clearances in place.

Nuagaon iron ore mine

We have entered into long term agreements with Shri K. J. S. Ahluwalia in October 2004 as re-executed on November 24, 2007 for raising of iron ore and subsequent purchase of iron ore from Dhumka Top Quarry, admeasuring appx 30 acres of area of which 25 acres is the broken area, of the Nuagaon iron ore mine. The mining area is part of one bigger Mining Complex, covering total area of 1895 acres (approx.), located in Kendujhargarh District of the State of Orissa, which is leased to Shri K. J. S. Ahluwalia by the Government of Orissa.

As per the Geological report of Central Mining Research Institute, the remaining cumulative iron ore Reserves at the said Dhumka Top Quarry are estimated at 12 Million Tonnes (approx.) with quality of 64.5 Fe content. A brief synopsis of the mine, in connection with the area allocated to us, is as under:

Total Agreement Period	:	10 Years
Remaining Agreement Period	:	7 Years
Total Area to our Company	:	30 Acres
Broken Area	:	25 Acres
Estimated Reserves	:	12 Million Tonnes
Grade	:	64.50 Fe

<u>Highlights of the Nuagaon iron ore mine</u>

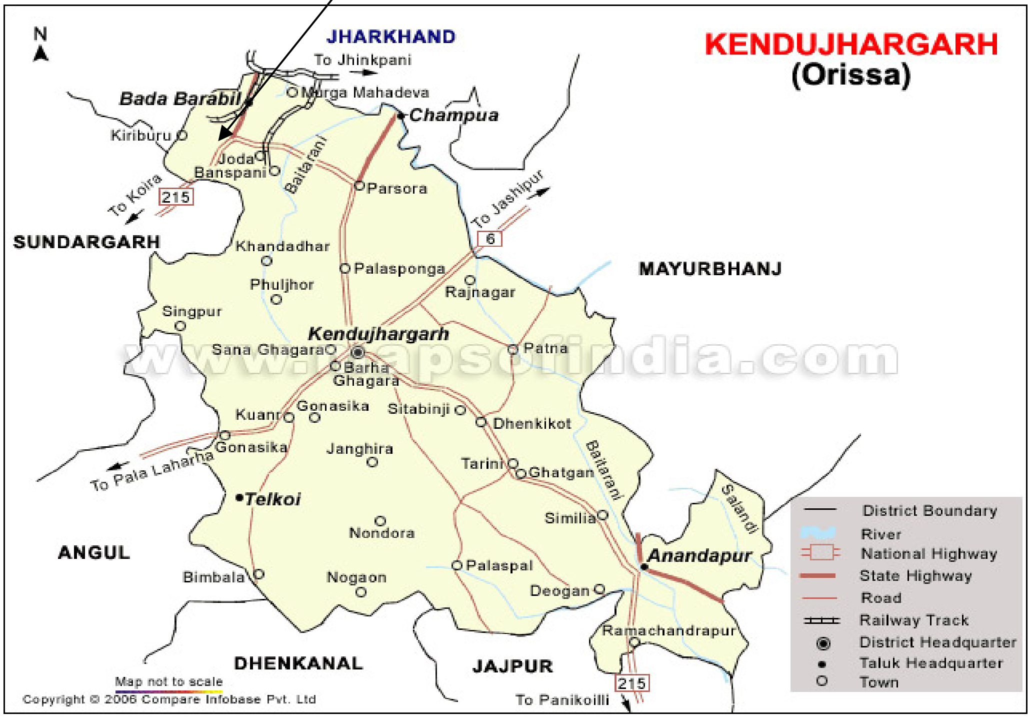
- Semi mechanised open cast mine;
- Close proximity to the steel manufacturing plants ensuring ready market for the products being manufactured by us.
- Well connected to the nearest railway stations Juruli and Baspani being just 26 kms. and 30 kms. away respectively from the mine;
- Connected to the Haldia port, which is approximately at a distance of 410 kms.and 400 kms. respectively and Paradeep port at 671 kms. and 661 kms. respectively, from the abovesaid stations;
- Easy availability of the labour at competitive rates;

We started extraction operations at Nuagoan iron ore mine in the year 2004, which was recognised as a lumpy ore zone. The initial operations comprised of drilling, blasting and screening activity, which produced two kinds of iron ore products namely Lump ore and Size ore.

Later, considering better operating margins in manufacturing of value added product i.e. Calibrated Lump ore (CLO), we started crushing activity in the year 2007 by hiring services of crusher machines having installed capacity of 250 Tons per hour for production of Calibrated Lump ore (CLO). The said installed capacity of 250 Tons per hour was increased to 400 Tons per hour by installation of additional crusher machine having installed capacity of 150 Tons per hour on hire basis. The said crushing activity is also producing high grade iron ore fines as by product which shall be exported to China.

The lease term of the above mine has expired in the year 1999 and application for renewal has already been made by Shri Kamaljit Singh Ahluwalia prior to expiration of the lease. The mine is being operated under the provisions of Rule 24A (6) of the Mineral Concession Rules, 1960, as amended, pending the grant of lease renewal. Pursuant to Rule 24A (6) of the Mineral Concession Rules, 1960, as amended, if a lessee applies for renewal one year prior to expiration of the lease, the lease rights continue until the relevant State Government acts on the application. Timely applications for renewal were made in respect of the mine by the lessee of the mine.

INDICATIVE LOCATION MAP OF NUAGOAN IRON ORE MINE IN KENDUJHARGARH DISTRICT OF THE STATE OF ORISSA



Maharajpur iron ore mine

We have entered into long term agreements with Shri Dinesh Chandra Das in December 2004 as re-executed on November 24, 2007 for raising of iron ore and subsequently purchase of iron ore from Maharajpur iron ore mine, admeasuring approx. 477.48 acres of area of which 69.93 acres is the broken area. The said mine is located in Mayurbhanj District of the State of Orissa and is leased to Shri Dinesh Chandra Das by the Government of Orissa.

As per the Geological report of Central Mining Research Institute, the remaining cumulative iron ore Reserves at the said mine are estimated at 42.08 Million Tonnes (approx.) with quality of 64.5 Fe content. A brief synopsis of the mine is as under:

Total Agreement Period	:	65 Years (subject to renewal of lease by the State Government of Orissa)
Remaining Agreement Period	:	62 Years
Total Area	:	477.48 Acres
Broken Area	:	69.93 Acres
Estimated Reserves	:	42.08 Million Tonnes
Grade	:	64.50 Fe

Highlights of the Maharajpur mine

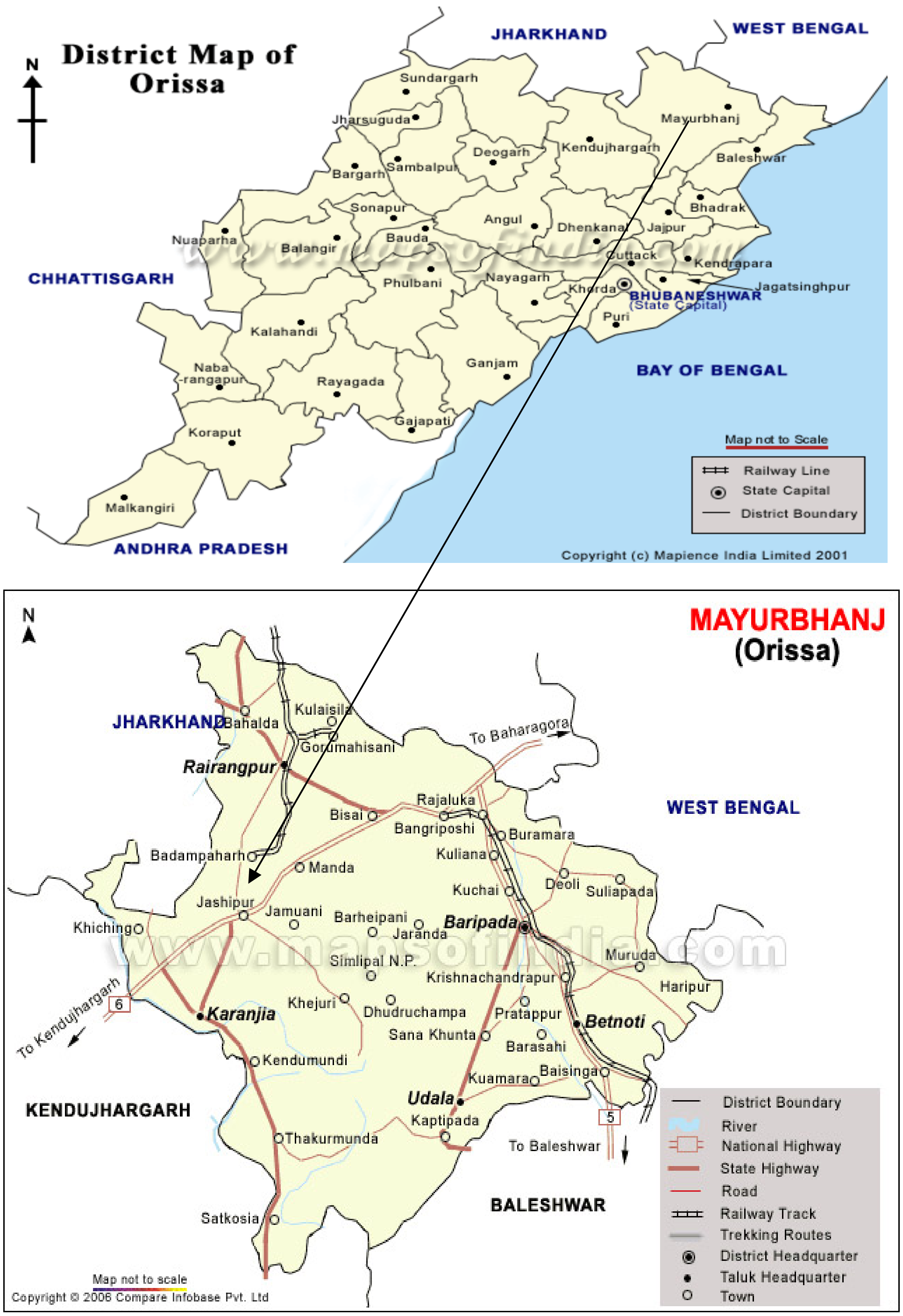
- Semi mechanised open cast mine.
- Easy connectivity due to proximity to the National Highway with distance of 3 Kms.
- Well connected to the Haldia and Paradeep ports being approx 315 kms. and 445 kms. by road respectively away from the mine.
- Easy availability of the labour at competitive rates.
- *In situ* iron ore zone in the mine.

Since, we are yet to set up our own extraction and processing facilities at the said mine, we have entered into an arrangement with Shri Dinesh Chandra Das for extraction and crushing of iron ore for production of Calibrated Lump ore (CLO) on our behalf and provide the same to us at a pre-determined price for further dispatch. We are selling the said product after further screening so as to maintain the quality.

Further, we have also appointed another contractor for manual extraction of Lump ore and Size ore from this mine, which we sell to our customers after further screening for quality control.

The lease rights of the said mine have been with Shri Dinesh Chandra Das for a period of 30 years which would end on April 15, 2009 and an application for the renewal of the said lease rights has been made as per the applicable laws.

INDICATIVE LOCATION MAP OF MAHARAJPUR IRON ORE MINE LOCATED IN MAYURBHANJ DISTRICT IN THE STATE OF ORISSA



Tatiba iron ore Mine

We have entered into an agreement for raising and an agreement for subsequent purchase of iron-ore in respect of an existing Tatiba iron ore mine located in West Singhbhum District of Jharkhand. This will enable us to purchase the entire iron ore extracted from the said mine.

The lease term of the above mine has expired in the year 1989 and application for renewal has already been made by the leaseholder of the said mine prior to expiration of the lease. The mine shall be operated under the provisions of Rule 24A (6) of the Mineral Concession Rules, 1960, as amended, pending the grant of lease renewal.

As per the Geological report of Central Mining Research Institute, the remaining cumulative iron ore Reserves at the said mine are estimated at 20.37 Million Tonnes (approx.) with quality of 64.5 Fe content. A brief synopsis of the mine is as under:

Total Agreement Period	:	10 Years
Remaining Agreement Period	:	10 Years
Total Area	:	318 Acres
Broken Area	:	62 Acres
Estimated Reserves	:	20.37 Million Tonnes
Grade	:	64.50 Fe

Highlights of the Tatiba iron ore Mining Project

- Semi mechanised open cast mine;
- Close proximity to the Steel manufacturing plants ensuring ready market for the products being manufactured by us.
- Well connected to the nearest railway stations Bara Jamda and Gua being approximately 10 kms. and 12 kms. away respectively from the mine;
- Connected to the Haldia port, which is at a distance of 385 kms. and 395 kms and Paradeep port at 650 kms and 659 kms repectively from the abovesaid stations;
- Easy availability of the labour at competitive rates;

We intend to set up our own extraction and crushing facilities at the said mine with installed crushing capacity of 800 Tons per hour.

Banda iron ore mine

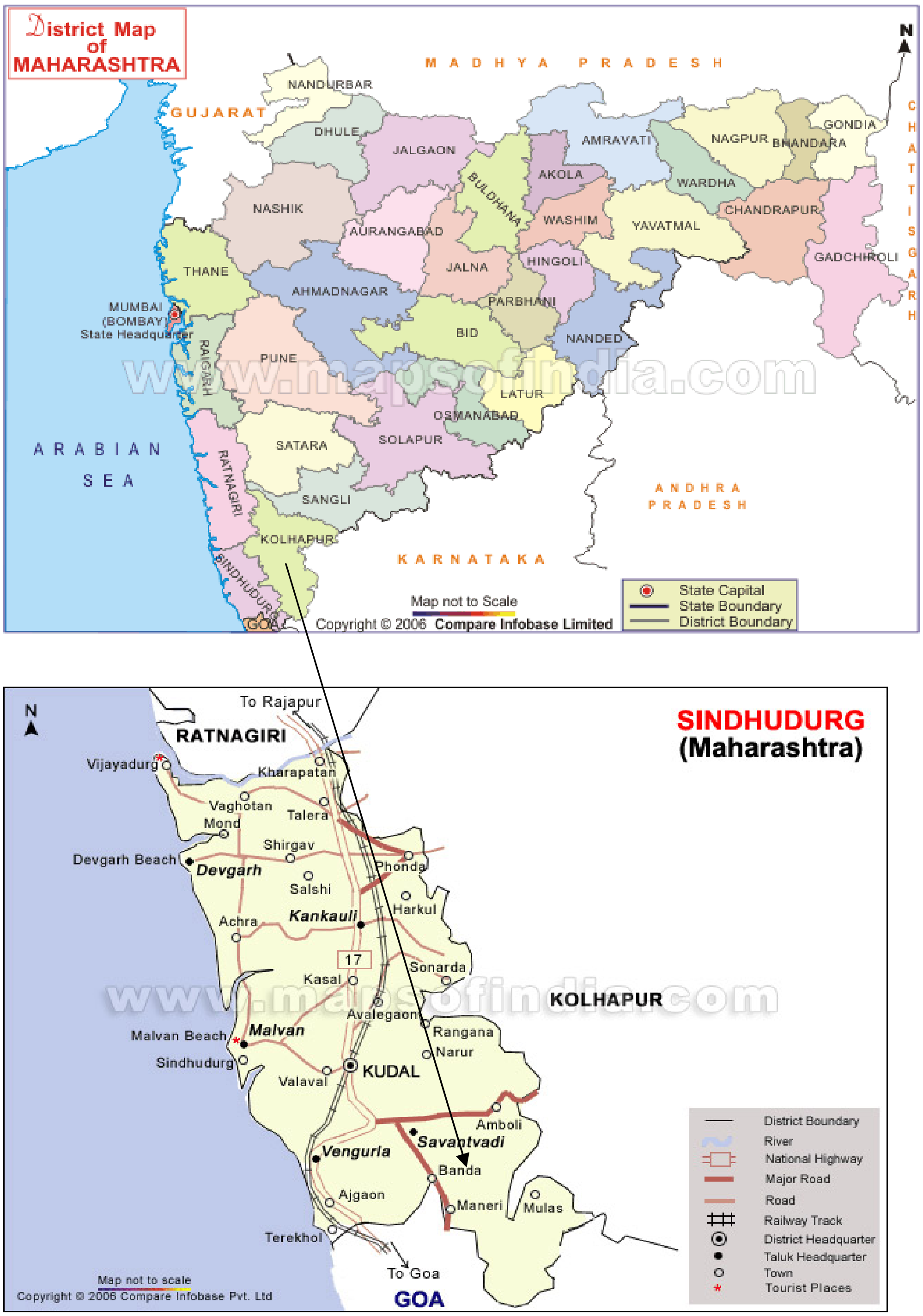
We have received a letter of ackonwledgement dated September 13, 2007 from Industries Energy and Labour Department of Government of Maharashtra stating our application for grant of mining lease over an area of 108.77 Hectares in village Banda, District Sindhudurg is under process at the level of the Collector Sindhudurg.

This mine is located in Sindhudurg district of Maharashtra and is 38 kms. (approx.) away from Reddy Port of Goa.

This mine is being offered by the State Government for first time for the purpose of extraction of iron ore.

No estimate has been made as to any proved or probable reserves that may exist there, because the mining lease is yet to be executed in our favour and accordingly, other statutory clearances are yet to be obtained. We cannot assure you that the iron ore deposits at Banda iron ore mine will become reserves, and if so, what volume of reserves may mature.

INDICATIVE LOCATION MAP OF BANDA IRON ORE MINE IN SINDHUDURG DISTRICT OF THE STATE OF MAHARASHTRA



Yelwan Jugai bauxite mine

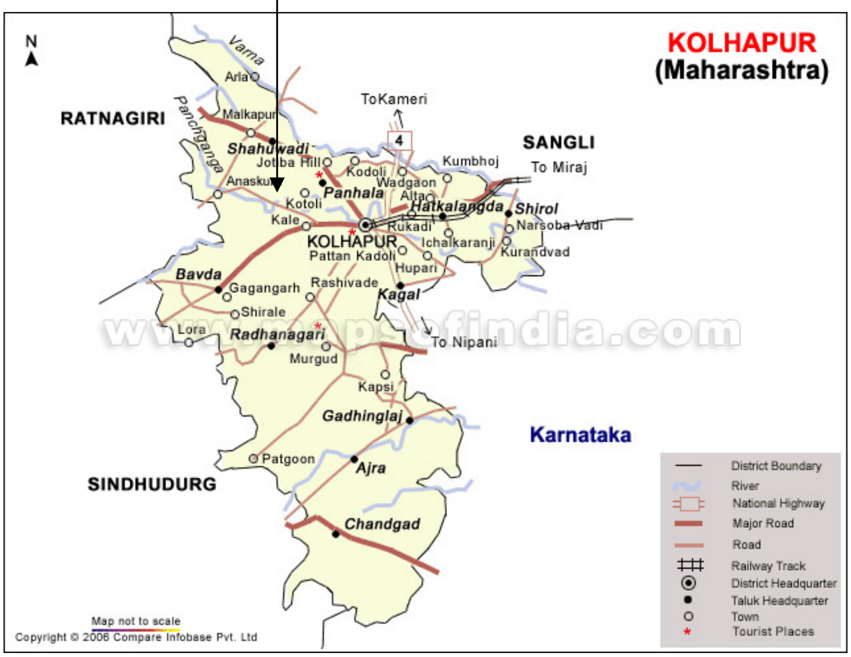
In addition to the above, we also have 60% interest in one partnership firm, Shri Warana Minerals, through our wholly owned subsidiary WMPL. Shri Warana Minerals has its office at Savitri Niwas, Nivrutti Society, Warananagar, Taluka Panhala, District Kolhapur. Shri Warana Minerals has got mining leasehold rights for 30 (Thirty) years over one bauxite mine located at Yelwan Jugai in Kolhapur District of the State of Maharashtra admeasuring 267.67 hectares of area of which 17.55 hectares is the broken area. The said lease shall expire on August 10, 2033.

As per the Geological report of Central Mining Research Institute, the remaining cumulative bauxite reserves at the said mine are estimated at 4.918 Million Tonnes (approx.) with quality of 53.11% - 63.26% content.

Highlights of the Yelwan Jugai bauxite mine

- Semi mechanised open cast mine.
- Easy connectivity due to proximity to the National Highway, situated within a distance of 3 Kms.
- Easy availability of the labour at competitive rates.

INDICATIVE LOCATION MAP OF YELWAN JUGAI BAUXITE MINE IN KOLHAPUR DISTRICT OF THE STATE OF MAHARASHTRA

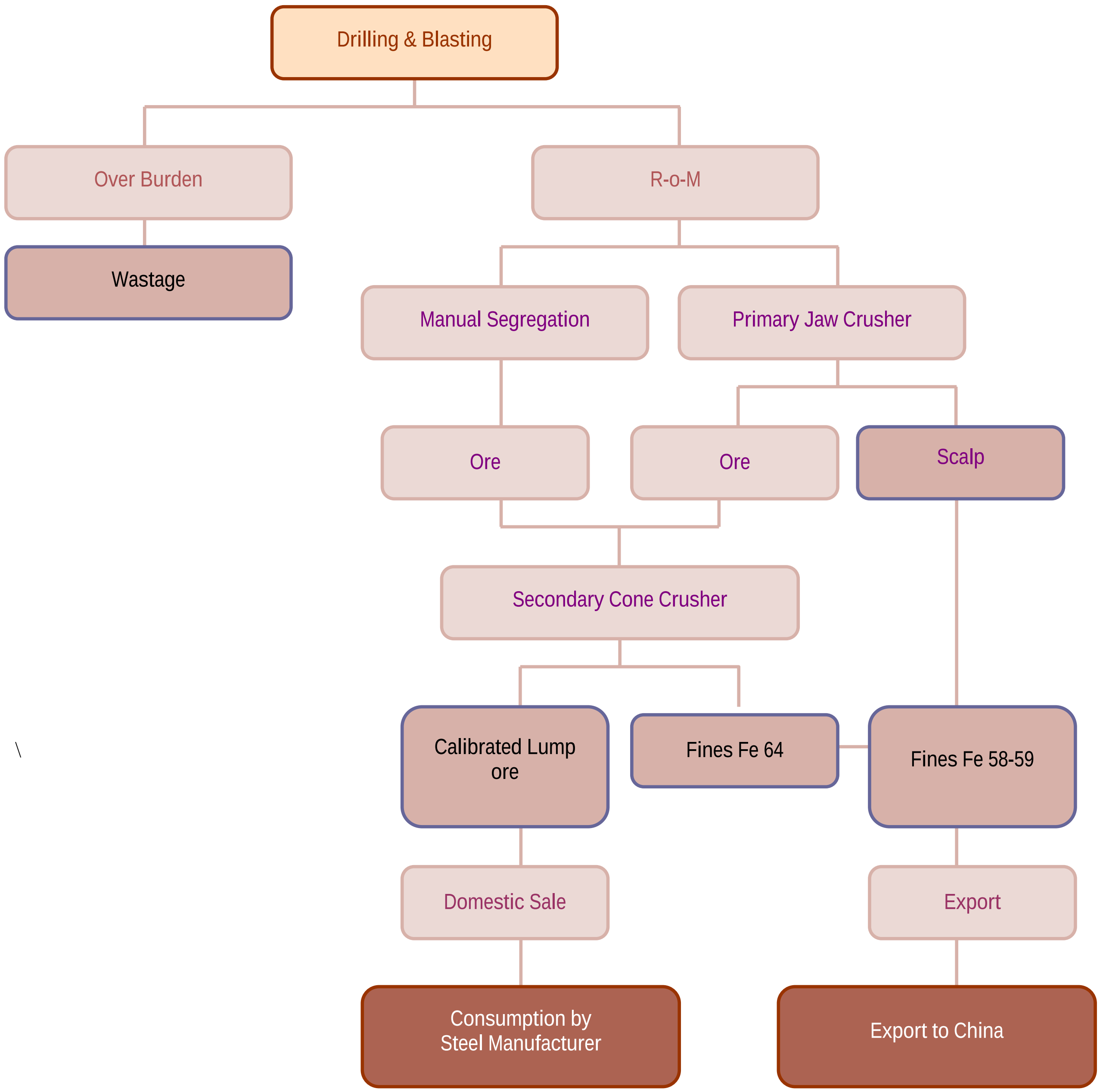


EXPORT OF IRON ORE FINES

In addition to the aforementioned extraction and processing activities at various mines, we are also engaged into merchant export of iron ore fines with Fe content of 60% and above to China. Under the said activity, we purchase ready fines from selective mine lease holders located in the state of Madhya Pradesh and export the same to China at spot market prices.

MANUFACTURING PROCESS OF CALIBRATED LUMP ORE

Most iron ore, including that in India, are extracted from open-pit mines where the surface of the ground is removed by heavy machines, often over a very large area, to expose the ore beneath. The manufacturing process of Calibrated Lump ore can be understood as under:



\

- **Drilling and Blasting**

  First, soil and overlying rock are cleared away to expose the orebody. Large drilling machine bores a carefully designed pattern of holes approximately 12 inches in diameter and 60 feet deep into the orebody. The holes are filled with an explosive compound of explosives. Upon detonation, a few thousands of tons of ore are fragmented in a single blast. Blasting shatters the orebody, cutting steps or benches into the side of the deposit.

- **Loading**

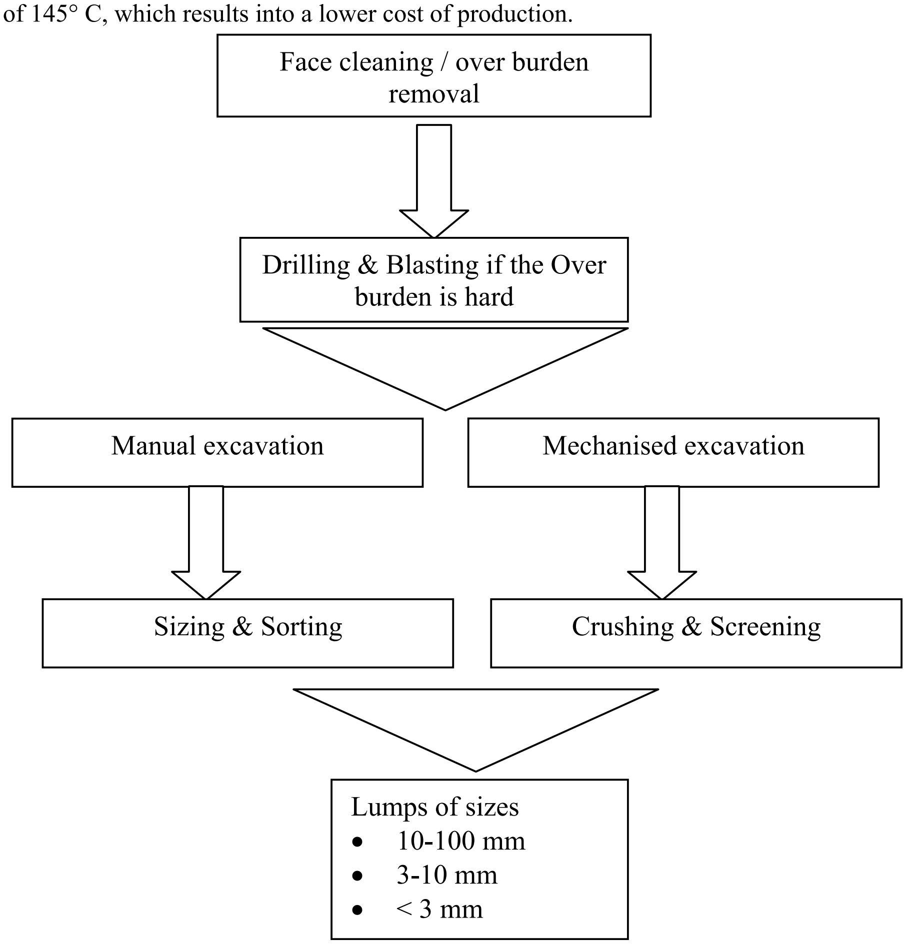
  Large teeper are capable of carrying upto 35 tons in a single pass. After each blast, excavator load the Run of mine (R-o-M) into teeper which deliver the R-o-M to the primary crushers and transport the waste rock to dumping sites outside the pit area.

- **Crushing and Conveying**

  R-o-M is delivered to the primary crushers site by the teeper, where the R-o-M are stocked. The said R-o-M are then further loaded by the excavator in its cockpit and the same is put into the hopper of the primary crusher machine. It passes through a further series of crushers and screens until the particles are smaller than 19mm. The iron ores is crushed and screened to produce Calibrated Lump ore (CLO), which also generates by-products which are called fines.

BAUXITE MINING AND SIZING PROCESS

Bauxite, the main minerals of which are gibbsitic, boehmite and diaspore, occurs in shallow residual horizontal beds. Practically all bauxite is mined by open cast methods, after which it is crushed, screened, washed and dried to give a product containing between 32% and 60% Al_2O_3. The level of reactive silica is critical. The availability of alumina in bauxite will be at either 145°C low or high 2400°C-temperature digestion depending on the mix of minerals. The gibbsitic ore gives availability of alumina at the lower temperature of 145° C, which results into a lower cost of production.



Bauxite Mining and Sizing Process

Bauxite is generally extracted by open cast mining. The first part of the process is to remove the overburden (earth above the ore body) which can be between a few centimeters to three meters. If the overburden is hard, it has to be removed by blasting. Once it is removed, excavation of the mineral begins. This process can be done mechanically or manually. One of the advantages of manual excavation is control on quality because the ore is not uniform in terms of content. Labourers are skilled in sorting different grades of bauxite. Pricing varies depending on the quality of bauxite required. The different grades of bauxite depend on the alumina content which can be judged on the basis of color. Bauxite with low and medium alumina content (up to 50%) is used in the metallurgical industry and that with higher alumina content is used for calcinations plants.

Bauxite Markets and Customers

Out of the estimated 160 million tonnes of bauxite consumed globally, nearly 120 to 125 million tonnes is produced and consumed by integrated players who produce either alumina or aluminium from it.

MANUFACTURING CAPACITIES

We currently outsource our extraction and processing activites to third parties. The capacities deployed are as under:

Particulars	**2005-06**	**2006-07**	**2007-08**
Lump ore/ Size ore	100 TPH	100 TPH	100 TPH
CLO	Nil	250 TPH	400 TPH
Fines	NA	NA	NA

INFRASTRUCTURE & UTILITIES

Water: Water at all mining locations is being procured through various water suppliers who supply water tankers at all mining locations as per our requirements.

Electricity: All the machinery and equipments in all our mining activities are being operated by using diesel as fuel which is available in the nearby areas. Accordingly, electricity is not required at any of our mines to carry out the extraction and processing activities.

IRON ORE LOGISTICS

Presently, our principal products i.e. Lump ore, Size ore and Calibrated Lump ore are being sold on “Ex-mines” basis thereby relieving us from the logistics tasks.

However, in case of iron ore fines, the same are required to be transported to nearest port for the purpose of exports. In present circumstances, movement of fines from our Nuagaon mine and the proposed Jharkhand mine to the port is not a viable proposition mainly due to the following reasons:

- The cost of transportation of fines through road network is significantly higher and the entire export becomes unviable if the fines are dispatched to the ports by road transportation.
- In case of movement of fines through railway rakes, though the freight of railways is cheaper than the road transport, there is acute shortage of railway rakes in the region resulting into non-availability of rakes to us in time.

To overcome the said problem, we have decided to invest in “Wagon Investment Scheme” (WIS) duly announced by the Indian Railways. Under the said Scheme, we will purchase our own railway rakes from the authorised rake manufacturers and provide the same to the Railway Authorities for operations and maintenance. In return, we will get assured supply of four railway rakes per month from Indian railways with freight rebate of 10% for every rake given by us. Further, we will also get additional two assured rakes per month without any freight rebate.

This investment in railway rakes, once made by us, will ensure export of huge quantity of iron ore fines thereby contributing significant amount to our bottomline. The operational synergies of the said arrangement are enumerated as under:

- Enduring assurance of the logistics support system;
- Saving in transportation cost on account of lower railway freight and substantive freight rebate of 10% for a period of 10 years;
- Timely execution of export order due to assured availability of six rakes per month against each rake purchased by us and given to Railway authorities;
- Fast realisation of export proceeds on account of sight letter of credit and timely execution of export orders;
- Increase in operational efficiency on account of fast movement of goods through rakes;
- Better space utilisation at the mines;
- Realisation of Zero Value products.

In case of movement of iron ore fines from our Maharajpur iron ore mine to Port, we shall be tying up with various local transporters for transport of fines to the port by using road transport since the road transport from the said mine is cheaper, as the mine is located just 3 kms. away from the Mumbai-Kolkata Express Highway.

All the said fines from above three mines i.e. Nuagaon iron ore mine, Maharajpur iron ore mine and Jharkhand iron ore mine shall be exported through Haldia and Paradeep Ports where we have made requisite arrangements for stacking of fines as well as loading of Cargo Vessels.

Further, with regard to merchant export of iron ore fines from Madhya Pradesh, the said fines shall be moved using Vizag Port through Cape Size Vessel. Under the agreement with the mine leaseholder in Madhya Pradesh, the fines shall be supplied to us on 'loaded to wagon' basis. We already have adequate arrangements at Vizag Port for stacking of fines as well as loading of Cargo Vessels for the purpose of export.

In case of export of iron ore fines from proposed Banda iron ore mines, the same shall be transported to the nearest Reddy port of Goa using road transport since the mine is in close proximity of the said Reddy port.

OUR CUSTOMERS

A significant part of our sales comes from domestic market, where we sell our principal products i.e. Lump ore, Size ore, Calibrated Lump ore etc. constituting 89.73% of total sales in the fiscal 2007 and 69.80% of total sales in fiscal 2008. The remaining turnover consists of merchant export of iron ore fines to China. Our entire domestic sales takes place on "ex-mines" basis whereas the export sales are being done on either FOB or CIF basis depending upon the customer requisites. Our major domestic top 10 customers, based on the revenue generated by us for the Financial year 2008 are as follows:

1. Jyothi Metals;
2. Ajay Minerals;
3. Bravo Sponge Iron Private Limited;
4. Laxmi Minerals;
5. Shanti Metaliks;
6. Orissa Worldwide;
7. Ramco Minerals;
8. Loha Trading Co.;
9. Belcon Systems Private Limited; and
10. Elina Metal Traders.

Presently, we are selling our entire production on spot prices with no long term selling contracts. We believe that considering the growing demand of iron ore products in the market, the spot prices shall be more profitable for us. However, with increasing production in near future through expansion of business activities, we may enter into long term volume contracts with various steel manufacturers domestically as well as at international level.

COMPETITION

We compete with both domestic Indian producers of iron ore for domestic customers and with iron ore exporters for exports. The domestic supply market of iron ore is highly spread with various individual mine leaseholders and small crushers supplying iron ore to various steel manufacturers besides large domestic players such as MMTC, Essel Mining, Roongta mines, etc. We believe that we shall be able to establish our strong foothold in the domestic market through our significant iron ore reserves, voluminous production and quality of our iron ore products.

The market for export of iron ore to China is fragmented, and consists of large buyers such as Chinese steel mills, large traders and other minor players, including smaller traders and steel mills. In the Chinese export market, we compete principally with other Indian exporters such as MMTC and several other domestic private exporters such as Sesa Goa, MSPL Limited and Essel Mining. We believe that we are able to compete effectively with international players from Brazil and Australia in the Chinese market through closer geographic proximity to China than our Brazilian competitors, and by providing a better grade of iron ore than is provided by many of our other competitors.

In recent years, competition for obtaining leases for iron ore mines in India has increased significantly. We compete with independent mining operators and with captive producers for obtaining mining leases.

QUALITY CONTROL MEASURES

The quality assurance measures undertaken by us include thorough and strict checking of inputs on the quality level, testing the finished product against desired quality standards before dispatch, experienced manpower for quality assurance purpose.

SAFETY

Although mining is an inherently hazardous activity, we strive to conduct our mining operations safely. We have had no fatal mining accidents in the last three years of our mining activity at any mine. We regularly monitor our safety procedures.

As part of our efforts to help ensure safety in our mining operations, we have established several requirements and procedures:

- Training for all persons employed or hired to work in the mines;
- Implementation of a policy of strict compliance with the mines Act, 1952, as amended in the formation of benching, which is the construction of a mine;
- Repeat training courses to help raise safety awareness levels among our workforce;
- Review of accidents that occur around mining areas, and evaluation of whether additional procedures or protections might be necessary;
- Recognition of workers, technicians and operators for safe practices; and
- Use of machinery and equipment in our mines and processing plants with built-in safety features.

COLLABORATIONS

We have not entered into any financial or technical collaboration with anyone.

INTELLECTUAL PROPERTY

The Resurgere monogram logo has not been trademarked. We expect that a trademark in respect of our logo will be applied for in the name of Resurgere. We cannot assure you that it will be registered.

HUMAN RESOURCE

The success of any Company depends to a great extent, on its ability to recruit, train and retain high quality personnel in to various departments. We have common work ethos for fostering excellence and recognizing and rewarding entrepreneurship despite the diversity of location, language and culture. Through empowerment, delegation and calculated risk taking, we are creating an organizational ambience which nurtures talent and encourages creativity and innovation. The total numbers of employees under our employment currently are 38.

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India, and the respective bye laws framed by the local bodies incorporated under the laws in the States where our current projects are located. The information detailed in this chapter has been obtained from the various local legislations and the bye laws of the respective local authorities that are available in the public domain.

Mining operations frequently involve a high degree of environmental impacts, which can extend well beyond the extent of mineralized areas. The impacts of a mining operation commence with exploration activities, extend through extraction and processing of minerals, and may continue well beyond post-closure of the operation.

Set forth below are certain significant regulations that govern our business:

A. Mining Regulations and Policies

We are governed by the Mines Act, 1952 as amended till date, Mines and Minerals (Development and Regulations) Act, 1957, as amended till date, (the "MMDR Act") and the Mineral Concession Rules, 1960, as amended (the "MC Rules"), in respect of mining rights and the operations of mines in India. The Government of India announced the National Mineral Policy, 1993, (the "Mineral Policy"), and has also made subsequent amendments to the Mineral Policy to reflect principles of sustainable development. The MMDR Act and the MC Rules have been amended from time to time to reflect the Mineral Policy. Mining leases are granted under the MMDR Act, which was expressly enacted to provide for the development and regulation of mines and minerals under the control of the Union of India.

Brief descriptions on certain legislations in respect of the mining industry are as follows:

i) The Mines Act, 1952

The Mines Act was enacted with an object to amend and consolidate the law relating to the regulation of labour and safety in mines. Under this Act, every person who is the immediate proprietor or lessee or occupier of a mine is responsible for giving notice to inspectors and to ensure that all the provisions of this Act and allied acts and rules, regulations and bye-laws are complied with.

ii) The Mines and Minerals (Development and Regulation) Act, 1957
`

The Mines and Minerals (Development and Regulation) Act, 1957 (the "Act") was enacted with a view to bring the regulation of mines and the development of minerals, under the control of the Union to a certain extent. The Act primarily regulates

(a) the conditions, procedure and manner of granting licenses for prospecting and reconnaissance operations in the mining sector and matters incidental thereto; and

(b) the conditions, procedure and manner of granting and renewal of mining licenses.

The Act also regulates the extent of the activities of the license holders and constitutes and empowers authorities to ensure that the license holders are carrying out their activities within the scope of the provisions of the Act and their respective licenses.

iii) The Mining Leases (Modification of Terms) Rules, 1956

The Mining Leases (Modification of Terms) Rules, 1956 (the Rules) were enacted under the Mines and Minerals (Development and Regulation) Act, 1957 (the Act), in order to bring into conformity with the Act, the leases that were entered into before the enactment of the Act.

iv) The Mineral Concession Rules, 1960

The Mineral Concession Rules, 1960 (the Rules) were enacted under the Mines and Minerals (Development and Regulation) Act, 1957 (the Act). The Rules regulates the process of application for licenses under the Act and also the subsequent activities of the lease/license holders.

B. Environmental Regulations

All mining activities have to comply with the provisions of various environmental legislations for the time being in force in India. We are required to obtain various clearances before commencing the operations of the mines, inter alia, under the following laws:

(a) the Environment Act;

(b) the Forest Act, if the mining operations or activities are intended to be carried out in or affect any forest land; and

(c) other environmental laws including-

- the Water (Prevention and Control of Pollution) Act, 1974, as amended till date (the "Water Act");
- the Water (Prevention and Control of Pollution) Cess Act, 1977, as amended (the "Water Cess Act"); and
- the Air (Prevention and Control of Pollution) Act, 1981, as amended (the "Air Act")

i) Environmental Clearance:

The Ministry of Environment and Forests, in exercise of the powers conferred on it under the provisions of the Environment (Protection) Act, 1986, read with the Environment (Protection) Rules, 1986, issued a notification dated September 14, 2006 dealing with environmental clearances in relation to construction of new projects or activities or the expansion or modernization of existing projects or activities in the areas specified thereunder. Under the said notification, in relation to mining of minerals and extraction of natural resources an environmental clearance must be obtained from:

(a) the State Environment Impact Assessment Authority (SEIAA) in case any construction work, or preparation of land by the project management except for securing the land, is started on the project or activity in an area exceeding 5 Hectares but less than 50 Hectares of the mining lease area; or

(b) the Ministry of Environment and Forests, in case any construction work, or preparation of land by the project management except for securing the land, is started on the project or activity in an area exceeding 50 Hectares of the mining lease area.

An application seeking prior environmental clearance in all cases shall be made in the prescribed Form. After an application is made it is referred to either the State Level Expert Appraisal Committee or the Central Level Expert Appraisal Committee depending upon the nature of the activity, which shall determine the detailed and comprehensive Terms Of Reference (TOR) addressing all relevant environmental concerns for the preparation of an Environment Impact Assessment (EIA) Report.

For obtaining responses in writing from other concerned persons having a plausible stake in the environmental aspects of the project or activity, the concerned regulatory authority and the State Pollution Control Board (SPCB) or the Union territory Pollution Control Committee (UTPCC) shall invite responses from such concerned persons by publication of the the Summary EIA report prepared in the specified format. After completion of the public consultation, the applicant shall address all the material environmental concerns expressed during this process, and make appropriate changes in the draft EIA report and Environmental Management Plan (EMP). The final EIA report, so prepared, shall be submitted by the applicant to the concerned regulatory authority for appraisal.

The concerned regulatory authority shall consider the recommendations the Appraisal Committee concerned and convey its decision to the applicant within one hundred and five days of the receipt of the final Environment Impact Assessment Report, and where Environment Impact Assessment is not required, within one hundred and five days of the receipt of the complete application with requisite documents.

ii) Water (Prevention and Control of Pollution) Act, 1974

Under the provisions of the Water Act, any individual, industry or institution discharging industrial or domestic wastewater is required to obtain consent of the State Pollution Control Board. Such consent is granted for a specific period on the expiry of which the conditions stipulated at the time of granting consent are reviewed by the State Pollution Control Board. Even before the expiry of the consent period, the state pollution control board is authorized to carry out regular checks on any industry to verify if the standards prescribed under the Act are being complied with by the concerned person/company. If such standards are not complied with, the State Pollution Control Board is authorized to serve a notice to the concerned person/company. In the event of non-compliance, the State Pollution Control Board may close the mine or withdraw its water supply to the mine or apply to a Magistrate to pass injunctions to restrain such polluters.

iii) Water (Prevention and Control of Pollution) Cess Act, 1977

Mining is a specified industry under the Water Cess Act and an individual, industry or institution carrying out mining activity is required to pay the surcharge as stipulated on the basis of water consumed. The assessing authority at the state level levies and collects the surcharge based on the amount of water consumed by such industries. The rate is also determined on the basis of the purpose for which the water is used. Based on the surcharge returns to be furnished by the industry every month, the amount of cess is assessed by the relevant authorities. A rebate of up to 25% on the surcharge payable is available to those industries which install any plant for the treatment of sewage or trade effluents provided that they consume water within the quantity prescribed for that category of industries and also comply with the effluents standards prescribed under the Water Act or the Environment Act.

iv) Air (Prevention and Control of Pollution) Act, 1981

Under the provisions of the Air Act any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the State Pollution Control Board prior to commencing any mining activity. The board is required to grant consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.

For ensuring the continuation of the mining operations, a yearly consent certification from the State Pollution Control Board is required both under the Air (Prevention and Control of Pollution) Act, 1981 and Water (Prevention and Control of Pollution) Act, 1974, as discussed above.

v) The Hazardous Wastes (Management and Handling) Rules, 1989

These rules are aimed at control of generation, collection, treatment, transport, import, storage, and disposal of specified hazardous wastes. These are also applicable to factories and establishments which use, handle or generate hazardous wastes. The enforcement of these rules is carried out by the State Pollution Control Boards. Some of the duties of the enforcement authority are:

- provide authorization to units for handling hazardous waste
- ensure safe handling of hazardous waste
- monitor and carry out tests
- identify and notify the sites for disposal

The occupiers of the factories are required to take necessary adequate steps to contain contaminants and prevent accidents and limit their consequences on human and the environment while handling hazardous wastes. They are also required to provide persons working with information, training and equipment necessary to ensure their safety.

vi) The Explosives Act, 1884

The Explosives Act, 1884 is aimed at regulating the manufacture, possession, use, sale, transport, import and export of explosives. Central Government has been empowered to make rules for regulating import, export, transport, manufacture, possession, sale and use of explosives such as gun powder, nitrate mixtures, nitro compound, chlorate mixture, fulminate, ammunition, fireworks, and liquid oxygen explosives. The Explosives Act and Rules notified thereunder to a large extent prescribe requirements relating to technical aspects of handling, storage and use of explosives, compressed gases etc.

C. Labour Regulations:

All mining activities must also comply with various labour and social welfare related legislations which *inter alia* include the following:

i) Minimum Wages Act, 1948

Under the Minimum Wages Act, 1948 the State Government is empowered to stipulate the minimum wages applicable to a particular industry. The minimum wages may consist of a basic rate of wages and a special allowance; or a basic rate of wages and the cash value of the concessions in respect of supplies of essential commodities; or an all-inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any.

Further, an employer is required to pay a workman overtime at overtime rates stipulated by the appropriate government. Contravention of the provisions of this legislation may result in imprisonment for a term up to six months or a fine up to Rs. 500 or both.

ii) Payment of Bonus Act, 1965

Pursuant to the Payment of Bonus Act, 1965, as amended from time to time (the "Bonus Act"), an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year is eligible to be paid a bonus.

Contravention of the provisions of the Bonus Act by a company is punishable with imprisonment for a term of up to six months or a fine of up to Rs. 1,000 or both, against persons in charge of, and responsible to our Company for the conduct of the business of our Company at the time of contravention.

iii) Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, as amended (the "Gratuity Act"), an employee who has been in continuous service for a period of five years will be eligible for gratuity upon his retirement or resignation, superannuation or death or disablement due to accident or disease. However, the entitlement to gratuity in the event of death or disablement will not be contingent upon an employee having completed five years of continuous service. The maximum amount of gratuity payable may not exceed Rs. 350,000.

An employee in a factory is said to be 'in continuous service' for a certain period notwithstanding that his service has been interrupted during that period by sickness, accident, leave, absence without leave, lay-off, strike, lock-out or cessation of work not due to the fault of the employee. The employee is also deemed to be in continuous service if the employee has worked (in an establishment that works for at least six days in a week) for at least 240 days in a period of 12 months or 120 days in a period of six months immediately preceding the date of reckoning.

iv) Employees State Insurance Act, 1948

The Employees State Insurance Act, 1948 (the "ESI Act") provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers.

v) Employees Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (the "EPF Act") provides for the institution of compulsory provident fund, pension fund and deposit linked insurance funds for the benefit of employees in factories and other establishments. A liability is placed both on the employer and the employee to make certain contributions to the funds mentioned above.

vi) Contract Labour (Regulation and Abolition) Act, 1970:

Under the Contract Labour (Regulation and Abolition) Act, 1970, if any contractor employees 20 or more workers then he is required to get license under the above Act and the principal employer is also required to get the registration certificate.

vii) Workmen's Compensation Act, 1923

The Workmen's Compensation Act, 1923 requires the employer to grant relief to injured person or dependents of the deceased in relation to any injury suffered by a workman, out of and during the course of his employment.

D. Other Regulations

Investment by Foreign Institutional Investors

Foreign Institutional Investors ("FIIs") including institutions such as pension funds, mutual funds, investment trusts, insurance and reinsurance companies, international or multilateral organisations or their agencies, foreign governmental agencies, foreign central banks, asset management companies, investment managers or advisors, nominee companies and institutional portfolio managers can invest in all the securities traded on the primary and secondary markets in India. FIIs are required to obtain an initial registration from SEBI and a general permission from the RBI to engage in transactions regulated under FEMA. FIIs must also comply with the provisions of the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended. The initial registration and the RBI's general permission together enable the registered FII to buy (subject to the ownership restrictions discussed below) and sell freely securities issued by Indian companies, to realise capital gains or investments made through the initial amount invested in India, to subscribe or renounce rights issues for shares, to appoint a domestic custodian for custody of investments held and to repatriate the capital, capital gains, dividends, income received by way of interest and any compensation received towards the sale or renunciation of rights issues of shares.

Ownership restrictions of FIIs

Under the portfolio investment scheme, the total holding of all FIIs together with their sub-accounts in an Indian company is subject to a cap of 24% of the paid-up capital of our Company, which may be increased up to the percentage of sectoral cap on FDI in respect of the said company pursuant to a resolution of the board of directors of our Company and the approval of the shareholders of our Company by a special resolution in a general meeting. The aggregate FII limit for the Issuer is currently 24% of its issued Equity Shares, and it has not obtained board or shareholders approval to increase such limit to the maximum of 100% that may be permitted for Resurgere. The total holding by each FII, or in case an FII is investing on behalf of its sub-account, each sub-account, should not exceed 10% of the total paid-up capital of that company.

HISTORY AND CERTAIN CORPORATE MATTERS

Background:

Our Company was incorporated by Captain Ravi Dutta and family (Erstwhile Promoters) as a private limited company under the name of "Exfin Shipping (India) Private Limited" on March 24, 1987 under the Companies Act, 1956 to take over the partnership business carried in the name of 'Exfin Shipping Consultants'. Our Company was carrying on the business of forwarding and transporting merchandise across land, sea and air. Subsequently, pursuant to a special resolution of the shareholders of our Company at an Extraordinary General Meeting held on October 24, 1996, our Company became a public limited company. A fresh certificate of incorporation consequent upon the change of name was granted on January 27, 1997 by the Registrar of Companies, National Capital Territory of Delhi and Haryana in the name of "Exfin Shipping (India) Limited."

In the year 2003, the management and ownership of our Company was taken over from Captain Ravi Dutta by Mr. Subhash Sharma, our current CMD and CEO, who started the business of dealing in iron ore products. After the change in management, initially our Company was engaged in merchant export of Iron ore products and International freight movement activities.Our Company is presently engaged in the business of extraction and processing of Iron Ore products i.e. Lump Ore, Size Ore, Calibrated Lump Ore (CLO) and iron ore fines.

The name of our Company was further changed from "Exfin Shipping (India) Limited." to "Resurgere Mines & Minerals India Limited" pursuant to a special resolution of the shareholders of our Company at an Extraordinary General Meeting held on December 26, 2006. The certificate of incorporation to reflect the new name was issued on January 5, 2007 by the RoC.

On October 17, 2007 our Company acquired all the shares in WMPL which consequently became our wholly owned subsidiary. WMPL holds an interest of 60% in the partnership firm Shri Warana Minerals and the remaining interest of 40% is held by (1) Nipunrao Vilasrao Kore, (2) Mansingrao Fatehsinhrao Naik, (3) Shahjirao Yashwantrao Naik, (4) Pandurang Shankar Bachhe, (5) Vijay Parshuram Desai, (6) Baban Kedari Bhatmare, (7) Shivkumar Balasaheb Sawant, (8) Rajan Shivkkumar Manyawe, (9) Jayant Shamrao Patil, (10) Ratnakar Vishwasrao Ghatge, (11) Vilas Pandurang Patil. Shri Warana Minerals currently holds a mining lease with respect to bauxite mines situated at Yelwan Jugai in Maharashtra.

The history of change of registered office of our Company is as follows:

Sr. No.	Change from	Change to	EGM/Board Resolution	Reason for change of situation
1.	A-4, III Floor, Chitranjan Park, New Delhi – 19	S-170, G.K.Park II, New Delhi	Board Resolution dated April 1, 1999	Administrative convenience
2.	S-170, G.K.Park II, New Delhi	T-24A, Green Extension, New Delhi	Board Resolution dated March 15, 2002	Administrative convenience
3.	T-24A, Green Extension, New Delhi	Flat no. 177, plot No. 21, Samarpan Kunj, Pocket-6, Nasirpur, Dwarika, New Delhi	Board Resolution dated August 5, 2005	Administrative convenience
4.	Flat no 177, plot No.	307, D.R.	Board	Administrative

	21, Samarpan Kunj, Pocket-6, Nasirpur, Dwarika, New Delhi	Chambers, 12/56, /Desh Bandhu Gupta Road, Karol Bagh, New Delhi	Resolution dated August 29, 2005	convenience
5.	307, D.R. Chambers, 12/56, /Desh Bandhu Gupta Road, Karol Bagh, New Delhi	156, Maker Chamber III, Nariman Point, Mumbai – 400021	EGM Resolution dated November 27, 2006	Administrative convenience

Major Events

Year	Events
1987	• Our Company was originally incorporated by Captain Ravi Dutta under the name Exfin Shipping (India) Private Limited.
1996	• Our Company converted itself into a Public Limited Company and the name of our Company was changed to Exfin Shipping (India) Limited.
2003	• Our Company was taken over by Mr. Subhash Sharma and his family, who started the business of dealing in iron ore. • Our Company was granted the certificate for Import & Export from the Director General of Foreign Trade, New Delhi. • Our Company commenced merchant export of Iron Ore fine to China.
2004	• Our Company acquired long term extraction rights over two iron ore mines located in Nuagaon and Maharajapur in Orissa. • Our Company was awarded a certificate of recognition from the Ministry of Commerce, GoI as a Star Trading Export House.
2005	• Our Company commenced the extraction of iron ore and domestic sales of lump/size iron ore from the Nuagaon and Maharajapur iron ore mines in Orissa. • Our Company also commenced the domestic sales of **CLO** from Maharajapur iron ore mine in Orissa. • Our Company was awarded a certificate of recognition from the Federation of Indian Export Organizations.
2006	• Our Company was awarded an ISO Certificate from the United Registrar of Systems Limited, UKAS • The name of Our Company was changed to Resurgere Mines & Minerals India Limited to reflect the main business activities of our Company.
2007	• Our Company installed crushing plant at Nuagaon iron ore mine for the manufacturing of CLO. • Our turnover from extraction, processing and sale of iron ore crossed Rs. 1,600 millions • Our Company obtained extraction rights over iron ore mine in Jharkhand. • Our Company acquired 60% stake in bauxite mine through its wholly owned subsidiary WMPL • Our Company received private equity investment from Merrill Lynch International and other HNIs • Our Company entered into long term purchase contract for purchase of iron ore fines for the purpose of export to China • Our Company has obtained No Objection Certificate from competent authority to invest under the 'Wagon Investment Scheme' of the Indian Railways • Our Company got letter from Industries Energy & Labour Department, Maharashtra stating that our application for mining lease for Banda Mines is under active consideration.
2008	• Investment by India Business Excellence Fund and India Business Excellence Fund I in our Company • Turnover of our Company crossed Rs. 4000 millions.

Main Objects

The main objects of our Company as contained in its Memorandum of Association are:

1. To take over the Partnership business carried in the name and style of Exfin Shipping Consultants with all its assets and liabilities on such terms and conditions as may be agreed upon. The said firm shall cease to exist after such take over by the Company after incorporation.

2. * To purchase, take on lease, sell, acquire, hold, manage, and operate, mines, mining lease, mining licenses, mining rights, mining claims and metalliferous lands in India or elsewhere believed to contain metallic, non metallic, precious or semi – precious, or mineral, saline or chemical substances which may seem suitable or useful for any of the Company's objects and any interest therein and to explore, search, work exercise, develop, treat and to turn to account iron ore, copper ore, manganese ore, titanium ore, chromeore concentrates, coal, lignite, rock-phosphate, brimstone, brine, bauxite, rare earths and other earth materials, and all sorts of major and minor minerals, working deposits thereof and sub soil minerals, salts, marine minerals and their derivatives, by products and compounds of any nature and kind whatsoever and to crush, win, set, quarry, smelt, calcine, refine, dress, preserve, amalgamate, process, harden, temper, polish, manufacture, import, export, trade, deal, manipulate, transport, load , unload and prepare for market or metals and mineral substances, all types of stones, lime, chalk, clay, refractories, ceramics, stone wares, porcelain wares, oil, coke, coal, precious stones, gypsum deposits or products.

3. * To carry on all or any of the businesses of prospecting, mining, buying, selling and distributing and marketing or to set up factories of earth and ores of all kinds including iron ore, ferro-manganese, china clay, quartz, silica, abrasive, minerals, aluminium, acquamarine, asbestos, barium, minerals, bauxite, flourospars, red oxide, ochres, siennas, baryles, calcite, gypsum, limestone, china clay, soap stone, etc. by putting up machinery for pulverizing the various minerals

   * inserted pursuant to special resolution passed by our Company in the Extra Ordinary General Meeting held on December 26, 2006

Amendments to the Memorandum of Association of our Company

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

November 30, 1993	The authorized share capital of our Company increased from Rs. 500,000/- divided into 5, 000 equity shares of Rs. 100/- each to Rs. 2,500,000/- comprising of 25,000 equity shares of Rs. 100/- each.
September 10, 1998	The authorized share capital of our Company increased from Rs. 2,500,000/- divided into 25, 000 equity shares of Rs. 100/- each to Rs. 5,000,000/- comprisingof 50, 000 equity shares of Rs. 100/- each.
September 15, 2003	The authorized share capital of our Company increased from Rs. 5,000,000/- divided into 50,000 equity shares of Rs. 100/- each to Rs. 10,000,000/- comprising of 1,00,000 equity shares of Rs. 100/- each.
March 11, 2004	The authorised share capital of our Company was increased from Rs 10,000,000/- divided into 100,000 equity shares of Rs. 100/- each to Rs. 50,000,000/- comprising of 500,000 equity shares of Rs 100/- each
November 27, 2006	The registered office of our Company has been shifted from New Delhi to Maharashtra.
December 26, 2006	Change in main object clause as stated on Pages 94-95
December 26, 2006	The name of our Company is changed from "EXFIN SHIPPING (INDIA) LIMITED" to "RESURGERE MINES & MINERALS INDIA LIMITED".
March 5, 2007	The equity shares of Rs. 100/- were sub-divided into equity shares of Rs 10/- each
March 5, 2007	The authorised share capital of our Company was increased from Rs. 50,000,000/- divided into 5,000,000 equity shares of Rs 10/- each to Rs. 300,000,000/- comprising of 30,000,000 equity shares of Rs. 10/- each

Subsidiaries, Joint Ventures, Associates and Others

Subsidiaries

Warana Mineral Private Limited (WMPL)

WMPL is a wholly owned subsidiary of our Company.

WMPL was incorporated on September 28, 2000. The registered office address of WMPL is Savitri Niwas, Nivritti Co-operative Housing Society, Warananagar, Panhala, Kolhapur – 416 113. The principal activity of WMPL is to carry on the business of prospecting, exploring, operating and otherwise working on mines and quarries.

Pursuant to a Share Purchase Agreement dated October 17, 2007, our Company acquired the entire share capital of WMPL from the nine (9) erstwhile shareholders of WMPL, namely, (1) Nipunrao Vilasrao Kore, (2) Mansingrao Fatehsinhrao Naik, (3) Shahjirao Yashwantrao Naik, (4) Pandurang Shankar Bachhe, (5) Vijay Parshuram Desai, (6) Baban Kedari Bhatmare, (7) Shivkumar Balasaheb Sawant, (8) Rajan Shivkkumar Manyawe, (9) Jayant Shamrao Patil. Consequently, WMPL became our wholly owned subsidiary.

The total amount paid by us for acquiring the said 100% equity shareholding of WMPL was Rs. 8,500,000./-, ("Acquisition Price"). The Acquisition Price was determined on the basis of the internal estimates and financial calculations of our Company, with regard to our estimation of bauxite reserves of Shri Warana Minerals, initial preliminary and capital expenditure in connection with the commencement of mining operations, the running market price and relevant operating cost. No independent valuation of the shares and assets of WMPL was carried out in connection with the said acquisition.

Board of Directors

The board of directors of WMPL comprises the following:

Mr. Subhash Sharma
Mr. Amit Sharma

Financial Performance

(Rs. Millions, except share data)

	For the period ended March 31,		
	2006	**2007**	**2008**
	Rs.	**Rs.**	**Rs.**
Income/Sales	-	-	-
Profit/(Loss) after Tax	-	-	-
Equity Share Capital	0.85	0.85	0.85
Preference share capital	--	-	12.13
Reserves and surplus (excluding revaluation reserves)	-	-	181.45
Earnings/(Loss) per share	0.00	0.00	0.00
Book Value per share (Rs.)	8.00	7.70	2131.85

Joint Ventures

Our Company does not have any joint ventures:

Associates

Our Company does not have any associate company.

Strategic or Financial Partners

Our Company has no strategic or financial partners.

Shareholders/Share Subscription/Share Purchase Agreements:

Share Purchase Agreement for Acquisition of Shares in WMPL:

Our Company recently acquired all the shares in WMPL by a share purchase agreement dated October 17, 2007 executed between the Company, WMPL and nine individuals, namely (1) Nipunrao Vilasrao Kore, (2) Mansingrao Fatehsinhrao Naik, (3) Shahjirao Yashwantrao Naik, (4) Pandurang Shankar Bachhe, (5) Vijay Parshuram Desai, (6) Baban Kedari Bhatmare, (7) Shivkumar Balasaheb Sawant, (8) Rajan Shivkkumar Manyawe, (9) Jayant Shamrao Patil (collectively referred to as the Vendors).

Pursuant to this agreement, we acquired all 85,000 equity shares of face value Rs. 10 each for a consideration of Rs. 100 per share from the existing shareholders of WMPL amounting to Rs. 8,500,000/-.

Further, the share purchase agreement provides that WMPL is a partner holding 60% interest in a registered partnership firm, Shri Warana Minerals (the Firm) and that the Firm is engaged in the business of mining bauxite ore and carrying out other allied activities under a 30 year mining lease with respect to mines situated at Yelwan Jugai, Maharashtra, vide a lease deed dated March 23, 2004.

Preferential Allotment to Merrill Lynch International

On November 27, 2007, our Company, Promoters and Promoter Group Entities entered into three agreements, namely a share subscription agreement, shareholders agreement and an inter-se agreement ("**Investment Agreements**") with Merrill Lynch International ("**Investor**") in relation to investment of Rs. 630,000,000 ("**Investment Proceeds**") for subscription of 3,000,000 Equity Shares of our Company at a price of Rs. 210 per share ("Investor Purchase Price") by the Investor in our Company. On December 1st 2007, we have allotted 3,000,000 equity shares to the Investor.

Some of the Significant Provisions of the Investment Agreements are as follows:

1. In terms of the Investment Agreements if the Issue opening date of the IPO is within six months from the Closing Date, the Investor Purchase Price would be set at 10% discount to the floor of the IPO price band. If the Issue opening date of the IPO is after six months but before twelve months from the Closing Date, the Investor Purchase Price would be set at 20% discount to the floor of the IPO price band. The adjustment to the Investor Purchase Price would be done by making payment by the Investor to the Company or the Promoter / Company making payment to the Investor. However, after the adjustments, if any, the maximum additional amount payable by the Investor would be Rs 10 per share.

2. In case the Company is unable to open the Issue within 12 months from the Closing Date, the parties shall revalue our Company in the manner specified under the agreement.

3. The Investor has a right to appoint one (1) Director on the Board of Directors of our Company ("**Investor Director**") so long as he continues to hold shares in our Company or till the completion of the IPO, whichever is earlier.

Note: The Price Band has been fixed at Rs. 263 to Rs. 272 per Equity Share. As the Floor Price is Rs. 263 per Equity Share, 20% discount to the Floor Price sets the Investor Purchase Price at Rs. 210, which is the price at which the allotment was made to the Investor. Thus, no adjustments need to be done as per the Investment Agreements. The net purchase price of Investor therefore remains at Rs. 210 per Equity Share.

Share Purchase Agreement between Motilal Oswal, Raamdeo Agarwal, Suneeta Agarwal, Runwell Mining Private Limited and our Company.

Pursuant to a Share Purchase Agreement between Mr. Motilal Oswal, Mr. Raamdeo Agarwal, Ms. Suneeta Agarwal ("**Buyers**"), Runwell Mining Private Limited ("**RMPL**") and our Company, RMPL sold 500,000 Equity Shares held by RMPL to the Buyers for a total consideration of Rs. 105,000,000 at a price of Rs. 210 per Equity Share. Under the terms of the agreement, Mr. Motilal Oswal acquired 250,000 of the said Equity Shares, Mr. Raamdeo Agarwal acquired 200,000 of the said Equity Shares and Mrs. Suneeta Agarwal acquired 50,000 of the said Equity Shares. Under the terms of the agreement, RMPL has further agreed that if the price at which shares are issued in this Issue is less than Rs. 210 per share, RMPL shall make good the difference to the Buyers in cash.

Since the Issue Price band has been fixed above Rs. 210 RMPL shall not be liable to pay any monies to the Buyers.

Pre-IPO allotment to India Business Excellence Fund I and India Business Excellence Fund:

On February 21, 2008, our Company, Promoters and Promoter Group Entities entered into a share subscription agreement and shareholders agreement ("**Investment Agreements**") with IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust-India Business Excellence Fund) and India Business Excellence Fund I ("**Investors**") in relation to investment of Rs. 137,500,000 ("**Investment Proceeds**") for subscription of 550,000 Equity Shares of our Company at a price of Rs. 250 per share ("**Investor Purchase Price**") by the Investors in our Company. On February 21, 2007, we allotted 550,000 equity shares to the Investors.

The Significant features of the said Investment Agreements are as follows:

1. The Investors have a right to appoint an observer on the Board of Directors of the Company. In the event that the Issue is not completed within 6 months from the Closing Date of the Investment Agreements, the Investors shall be entitled to appoint one director on the Board of Directors of the Company till such time as the Issue is completed or till such tome as the Investors hold 1 % of the Equity Share Capital of the Company.

Other Agreements:

Except the contracts/agreements entered in the ordinary course of the business carried on or intended to be carried on by our Company and those mentioned herein, our Company has not entered into any other Agreement.

Our Company has entered into agreements for raising and purchasing iron ore in respect of iron ore mines situated at Nuagaon and Maharajpur in Orissa and Singhbhum in Jharkhand.

OUR MANAGEMENT

Board of Directors

Under the Articles of Association, of our Company cannot have less than (3) directors and more than 12 directors. Our Company currently has 4 directors.

The following table sets forth details regarding the Board of Directors of our Company as of the date of this Red Herring Prospectus.

Name, Designation, Father's Name, Occupation, Term and DIN	Age (Years)	Address	Other Directorships
Mr. Subhash Sharma *Chairman cum Managing Director & CEO* S/o Mr. Atmaram Sharma Occupation: Business Term: 5 years DIN: 01593435	40	E-4, Sukhdayak Society, J.B. Nagar, Andheri (E), Mumbai – 400 059	(a) Spear Petroleum Private Limited. (b) Warana Minerals Private Limited.
Mr. Amit Sharma *Whole Time Director* S/o Mr. Govind Sharma Occupation: Service Term: 5 years DIN: 00827445	35	7A-12, Sangeeta Apt., Juhu Road, Santacruz (West), Mumbai – 400 049	(a) Warana Minerals Private Limited
Mr. Ishwar Das Agarwal Independent Director S/o Mr. Hukam Chand Agarwal Occupation: Profession Term: Retire by rotation DIN: 00293784	67	Flat No. 1701, 17th Floor, , Tower No. 1, Planet Godrej,, K. Khadye Marg,, Mahalaxmi (E) Mumbai- 400 011	(a) Raymond Limited (b) Western India Shipyard Limited
Mr. Burzin Somandy Independent Director S/o Mr. Jal B. Somandy Occupation: Profession	38	Flat no. 12, 3rd Floor, Ganpat Niketan, Junction 1st & 18th Road, Khar (West), Mumbai -400 052	(a) Ladderup Finance Limited (b) Ladderup Corporate Advisory Private Limited (c) Association of the Commerce House Block Owners Limited.

Name, Designation, Father's Name, Occupation, Term and DIN	Age (Years)	Address	Other Directorships
Term: Retire by rotation DIN: 01657461			

Brief Profile of the Directors

Mr. Subhash A. Sharma, Chairman cum Managing Director & CEO

Mr. Subhash A. Sharma, aged 40 years, is the Chairman cum Managing Director & CEO of our Company. By qualification, he holds a Bachelor's degree in Science from Mumbai University and possesses more than a decade of experience in both the domestic and international markets. He is responsible for the formulation of the overall strategic policy governing the growth drivers of our Company and has been instrumental in execution of business strategies.

Mr. Amit Sharma, Whole Time Director

Mr. Amit Sharma, aged 35 years, is a Whole Time Director of our Company. He has completed his Masters in Business Administration from National Institute of Management. He is responsible for production and logistics aspects of our Company and is the key person for planning and controlling the overall operational parameters of our Company.

Mr. Ishwar Das Agarwal, Independent Director

Mr. I. D. Agarwal, aged 67 years, is an Independent Director of our Company. He holds a Masters degree in Commerce, Post Graduate Diploma in Systems Management from Jamnalal Institute of Management Studies and is a Certified Associate of Indian Institute of Bankers. He has an experience of 43 years in banking, finance and currency administration. He has undergone professional training in many institutions and banks in India and abroad. He has retired as an executive director of the Reserve Bank of India and has held directorships and senior positions in various government and other bodies.

Mr. Burzin Somandy, Independent Director

Mr. Burzin Somandy, aged 38 years, is an Independent Director of our Company. He holds a Bachelor's Degree in Science from Boston College, U.S.A. Further, he has also completed his L.L.B. from Government Law College, Mumbai and is also a qualified solicitor from the Incorporated Law Society of United Kingdom. He has more than 14 years of experience in advising multinational companies, general counsels, banks, insurance companies and companies from both the manufacturing as well as the service sector at national and international levels.

Terms and Conditions of Employment of Executive Directors

Name of Directors	Contract/ Appointment Letter/Resolution	Details of Remuneration	Term
Subhash A. Sharma	Agreement for Appointment of Chairman cum Managing Director & CEO dated August 14, 2007	Salary: Rs. 6,000,000 per annum Other benefits: • Rent free residential accommodation; • Reimbursement of expenses pertaining to electricity , gas, water and other utilities; • Medical Expenses for	5 Years unless he resigns before the completion of such term by giving a six months prior written notice.

Name of Directors	Contract/ Appointment Letter/Resolution	Details of Remuneration	Term
		himself and family; • Leave Travel Concession: Reimbursement of all expenses pertaining to travel in India or abroad during the leave travel holiday periods; • Reimbursement of subscription and membership fees for clubs; • Personal Accident Insurance for such amount as may be decided by the Board of Directors from time to time; • Contribution by Company to Provident Fund and Superannuation Fund; • Gratuity at the rate of half months salary for each completed year of service; • Subject to the overall ceiling on remuneration he is also entitled to other expenses which may decided by any Committee of the Board of Directors.	
Amit Sharma	Agreement for appointment of Whole time Director dated August 14, 2007. Under the terms of the aforementioned agreement: • The Whole time Director shall be responsible for the smooth, error free and efficient functioning of our Company and any of our group Companies; • He shall be responsible for the successful completion of all projects in hand on the set defined target dates; • He shall be responsible for monitoring all operations of our Company and shall lay down the systems and procedure for recruitment of personnel; • The Whole time Director must carry out and exercise all powers and discharge all duties as the Board of Directors may confer upon him and he shall work under the direction and	Rs. 1,500,012 per annum inclusive of House Rent Allowance, Conveyance Allowance, Medical Reimbursement, Education Allowance and other allowances.	5 Years from June 23, 2007 unless he resigns before the completion of such term by giving a six months prior written notice.

Name of Directors	Contract/ Appointment Letter/Resolution	Details of Remuneration	Term
	control of the Board of Directors of our Company; • During the continuance of directorship and after the completion thereof he shall not engage himself or be interested in carrying on the business or trade similar to any trade or business of our Company for a period of 2 years within India ; • During the continuance of his directorship he shall not carry any business on his own account or for any other person, either directly or indirectly.		

Borrowing Powers of the Directors in our Company

Pursuant to an EGM resolution dated March 5, 2007 passed by the shareholders of our Company in accordance with the provisions of the Companies Act, the Board is authorized to borrow sums of money unto a maximum of Rs. 5,000 millions for the purposes of our Company upon such terms and conditions and with or without security as the Board of Directors may think fit.

Shareholding of the Directors

The Articles of Association do not require the Directors to hold any qualification Equity Shares in our Company. The following table details the shareholding of the Directors in their personal capacity, as at the date of this Red Herring Prospectus.

	Equity Shares owned before this issue		**Equity Shares owned after this issue**	
Name of Shareholder	**No. of shares**	**% of paid-up capital**	**No. of shares**	**% of paid-up capital**
Mr. Subhash Sharma	53,66,363	22.27%	53,66,363	18.80%
Mr. Amit Sharma	180,000	0.75%	**[●]**	**[●]**
Mr. Burzin Somandy	4,950	0.02%	**[●]**	**[●]**
Total	**5,551,313**	**23.58%**	**[●]**	**[●]**

Interest of Promoter, Directors and Key Managerial Personnel

Except as stated in the section “Related Party Transactions” beginning on page 11 of this Red Herring Prospectus, and to the extent of compensation and commission, if any, and their shareholding in our Company, the Promoter does not have any other interest in our business.

All of the Directors may be deemed to be interested to the extent of fees payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company.

The Directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Issue. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. Other than as disclosed in this Red Herring Prospectus, none of the Directors are entitled to receive remuneration from our Company. For further details, see the sections "Terms and Conditions of Employment of Executive Directors" above.

Except as stated in the section "Related Party Transactions" beginning on page 118 of this Red Herring Prospectus and to the extent of their shareholding in our Company, the Directors other than the Promoter, do not have any other interest in our business.

The Directors have no interest in any property acquired by our Company within two years of the date of filing of this Red Herring Prospectus.

The Key Managerial Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them in our Company, if any.

Corporate Governance

The provisions of the listing agreements to be entered into with the Stock Exchanges with respect to corporate governance become applicable to our Company at the time of seeking in-principle approval of the Stock Exchanges. Our Company has taken steps to comply with such provisions, including with respect to the appointment of independent Directors to the Board and the constitution of the following committees of the Board: the Audit Committee, the Shareholders/Investors Grievance Committee, Management Committee (***Non mandatory),***IPO and Shares Allotment Committee (***Non mandatory)*** *and* Corporate Governance Committee **(*non mandatory)*.** Our Company undertakes to take all necessary steps to comply with all the requirements of the guidelines on corporate governance and adopt the corporate governance code as per Clause 49 of the listing agreement to be entered into with the Stock Exchanges, as would be applicable to our Company upon the listing of its Equity Shares.

There are 4 Directors on the Board of our Company and the Chairman of the Board is an executive Director. In compliance with the requirements of Clause 49 of the Listing Agreement, our Company has (i) not less than 50% non-executive Directors and (ii) at least one half independent Directors on the Board.

Audit Committee

The Audit Committee was originally constituted by the Directors at their Board meeting held on March 5, 2007 and was reconstituted subsequently on May 14, 2007, August 14, 2007, January 9, 2008, June 6, 2008 and June 21, 2008. The purpose of the Audit Committee is to ensure the objectivity, credibility and correctness of our Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters.

The present constitution of the Audit Committee is as follows:

Name of the Director	Executive/Non-executive/Independent
Mr. I. D. Agarwal (Chairman)	Independent Director
Mr. Subhash Sharma	Managing Director
Mr. Burzin Somandy	Independent Director

The terms of reference of the Audit Committee are as follows:

- Regular review of accounts, accounting policies and disclosures.
- Review the major accounting entries based on exercise of judgment by management and review of significant adjustments arising out of audit.
- Review any qualifications in the draft audit report.
- Establish and review the scope of the independent audit including the observations of the auditors and

review of the quarterly, half-yearly and annual financial statements before submission to the Board.

- Upon completion of the audit, discussions with the independent auditors to ascertain any area of concern.
- Establish the scope and frequency of the internal audit, review the findings of the internal auditors and ensure the adequacy of internal control systems.
- Examine reasons for substantial defaults in payment to depositors, debenture holders, shareholders and creditors.
- Examine matters relating to the Director's Responsibility Statement for compliance with Accounting Standards and accounting policies.
- Oversee compliance with Stock Exchange legal requirements concerning financial statements, to the extent applicable.
- Examine any related party transactions, i.e., transactions of our Company that are of a material nature with the promoter or management, relatives, etc., that may have potential conflict with the interests of our Company.
- Appointment and remuneration of statutory and internal auditors.
- Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

Remuneration Committee (Non mandatory)

The Remuneration Committee was constituted by the Directors at their Board meeting held on October 4, 2007 and further reconstituted on January 9, 2008 and June 6, 2008. The Remuneration Committee's goal is to ensure that our Company attracts and retains highly qualified employees in accordance with its business plans, that our Company fulfils its ethical and legal responsibilities to its employees, and that management compensation is appropriate.

The Remuneration Committee was dissolved on June 21, 2008.

Shareholders and Investors Grievance Committee

The Shareholders and Investors Grievance Committee was constituted by the Directors at their Board meeting held on October 4, 2007, June 6, 2008 and further reconstituted on June 21, 2008. The Shareholders and Investors Grievance Committee is responsible for the redressal of investor grievances.

The constitution of the Shareholders and Investor Grievance Committee is as follows:

Name of the Directors	Executive/Non-executive/Independent
Mr.Burzin Somandy (Chairman)	Non-Executive Independent Director
Mr. Subhash Sharma	Managing Director
Mr. I. D.Agarwal	Non-Executive Independent Director

The terms of reference of the Shareholders and Investor Grievance Committee are as follows:

- Supervise investor relations and redressal of investors' grievance in general and relating to non-receipt of dividends, interest, non-receipt of balance sheet in particular.
- Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

IPO and Shares Allotment Committee *(Non mandatory)*

The IPO & Share Allotment Committee was constituted by the Directors at their Board meeting held on November 27, 2007. The IPO & Share Allotment Committee is responsible for giving effect to any allotment of Equity Shares and/or Preference Shares, or any securities or similar instruments.

The Constitution of the Share Allotment and IPO Committee is as follows:

Name of the Directors	Executive/Non-executive/Independent
Mr. Subhash Sharma (Chairman)	Managing Director

Mr. Amit Sharma	Executive Director
Mr. Burzin Somandy	Non-Executive Independent Director

The terms of reference of the Share Allotment and IPO Committee are as follows:

For the purpose of giving effect to any allotment of any Equity Shares and/or Preference Shares, if any, or any Securities or instruments representing the same, or making any changes therein, it is authorized to:

- Formulate, approve, decide and modify, one or more Plan(s) under the allotment and to determine the terms and conditions thereof;
- Administer, Supervise and Review the implementation of the allotment and various plans there under;
- Finalize, approve, amend and execute the documents / instruments such as Offer Letter(s), Draft Red Hearing Prospuctus, Prospuctus, Acceptance Letters, Agreements with various investors, and such other documents as may be necessary for the administration and implementation of the, Initial Public Offer, Appointment of various agencies, intermediateries for the Initial Public Offer, Right Issue, or the Allotment (s) and the various plans thereunder;
- Make the allotment of Securities under various Plans upon such Terms and Conditions as may be deemed appropriate from time to time;
- Appoint Merchant Banker(s) or other intermediaries registered with the SEBI as may be deemed necessary to implement the Allotment of Securities of the Company;
- Do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose, and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to such issue(s) or allotment(s) (including to amend or modify any of the terms of such issue or allotment) and towards effective implementation of the Allotment, as it may, in its absolute discretion deem fit to carry out the intent of this resolution;
- To transfer of shares;
- To split of Share Certificates;
- To delegate powers and authorities to any Director / Executive of the Company / Company Secretary or other persons in this behalf.

Management Committee (non mandatory)

The Management Committee was constituted by the Directors at their Board meeting held on November 27, 2007. The management committee is responsible for supervision over the management decisions of general and special importance to our company.

The constitution of the Management Committee is as follows:

Name of the Directors	Executive/Non-executive/Independent
Mr. Subhash Sharma (Chairman)	Managing Director
Mr. Amit Sharma	Executive Director
Mr. Burzin Somandy	Non-Executive Independent Director

The terms of reference of the Management Committee are as follows:

- To take Investment Decisions
- To execute indemnity bonds.
- To sign applications, documents and other papers under MRTP Act and the rules made thereunder.
- To authorise someone for transacting custom house documents.
- To authorise to deal with Central /State Government or local bodies
- To scrutinize the periodical budget estimates and make recommendations to the Board.
- To scrutinize all proposals involving expenditure for which no provision is made in the budget or involving expenditure in excess of the amount provided for in the budget.
- To open new Bank Accounts and to authorise Directors/Executives to operate the same or to withdraw the authority granted.
- To close the existing Bank Accounts when not required.

- To oversee the operations and activities of the Organisation to ensure it fulfils its desired aims and it is on the growth planned.
- To prepare the plans and strategy relating to sales, purchase, advertising etc. keeping in mind the purpose and object of the Organisation.
- To review the performance of the Company in comparison to the plans and to find out the deviation if any, from the projections and to provide for remedial action.
- To make sure that the guidelines and framework are provided for everyone in the Organisation to know where it is headed, what it aims to achieve, and how each job fits into the overall plan.
- To raise awareness and publicize the Organisation, it's aims, its services and its achievements.
- To inform and involve consumers, members, funding bodies and policy makers about the Organisation and its achievements.
- Any other matter having relation with day to day business of the company.
- Any other matter as may be delegated by the Board of Directors of the Company.

Corporate Governance Committee (non mandatory)

The Corporate Governance Committee was constituted by the Directors at their Board meeting held on March 14, 2008. The Corporate Governance is responsible for executing any document or paper in connection with or in relation to the good Corporate Governance in the Company and for ensuring that the Board of Directors is properly constituted to meet its fiduciary obligations to the shareholders and the company.

The Constitution of the Corporate Governance Committee is as follows:

Name of the Directors	Executive/Non-executive/Independent
Mr. Subhash Sharma	Managing Director
Mr. I. D. Agarwal	Non-Executive Director
Mr. Burzin Somandy	Non-Executive Independent Director

The terms of reference of the Corporate Governance Committee are as follows:

In discharging its responsibilities, the Committee shall have the following powers;

- sole authority to retain and terminate any search firm to be used to identify director candidates.
- sole authority to approve the search firm's fees and other retention terms.
- develop and recommend the Board a set of corporate governance guidelines applicable to the Company.
- implement policies and processes relating to corporate governance principles.
- ensure that appropriate numbers are represented on Board and other Committees of the Board.
- access the additional requirement and recommend eligible director to the Board of Directors.
- additional Powers: The Corporate Governance Committee shall have such other duties as may be delegated from time to time by the Board of Directors.
- committee shall responsible for considering and making recommendations to the Board concerning the appropriate size, function and needs of the Board.
- committee may assume such other responsibilities as it deems necessary or appropriate in carrying out its functions.
- taking appropriate measures in shaping the corporate governance of the Company.
- evaluating the current composition and governance of the Board of Directors and its Committees
- determining the future requirements for the Board as well as its Committees and making recommendations to the Board for approval
- formulating the desired/preferred board skills, attributes and qualifications for selecting new directors
- conducting searches for prospective board members whose skills and attributes reflect the requirements those desired
- evaluating the selection process of the prospective board members and making recommendation of the proposed nominees for election to the Board of Directors

- evaluating and recommending termination of membership of individual directors in accordance with the Board's corporate governance guidelines, for cause or for other appropriate reasons.
- evaluating and making recommendations to the Board of Directors concerning the appointment of Directors to Board Committees.
- to ensure that all the meetings are taking place as per rules and regulations for the time being in force.
- to consider matters of corporate governance and to review, periodically, the corporate governance guidelines of the Company
- committee shall review and assess its performance on a periodic basis.

Changes in the Board of Directors during the last three years

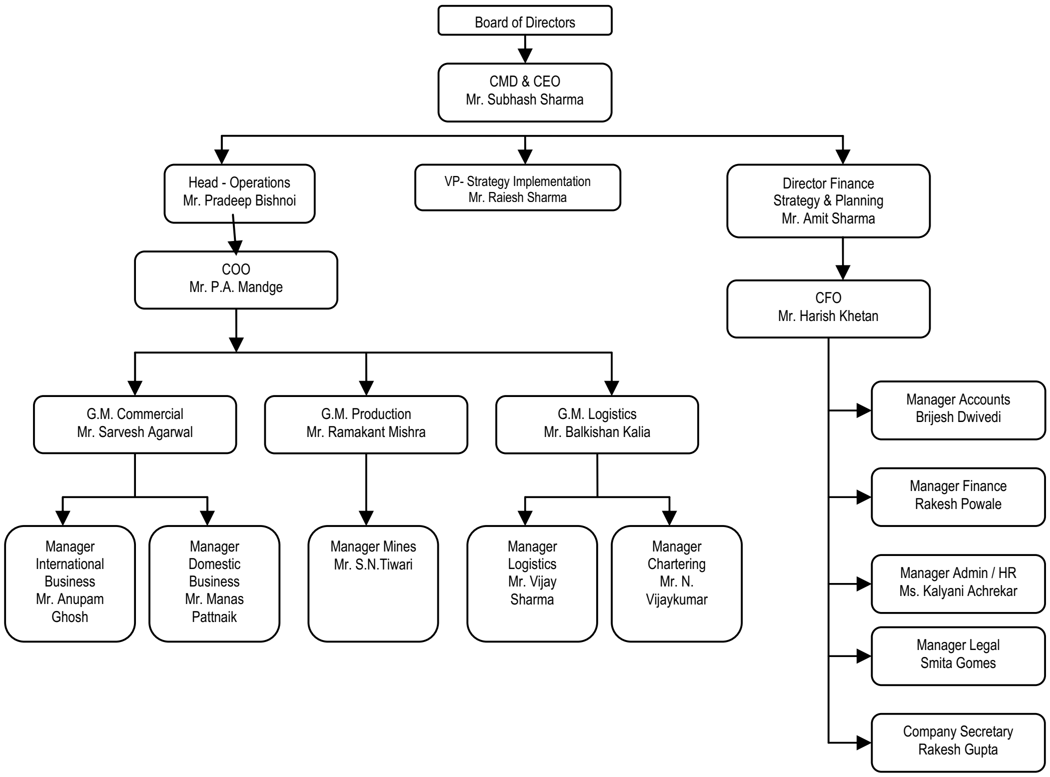
Name	Date of Appointment	Date of Cessation	Reason
Sheshadri Srinivasan	September 30, 2003	June 15, 2007	Resignation
Vinay Nanagalia	May 14, 2007	September 27, 2007	He was not reappointed in the Annual General Meeting due to his unwillingness to continue as a director of Our Company.
Pradeep Bishnoi	May 14, 2007	-	Appointed as an Independent Director
Ishwar Das Agarwal	August 14, 2007	-	-
Burzin Somandy	August 14, 2007	-	-
Siddharth Bhargava	January 9, 2008		Appointment as nominee director pursuant to the terms of the Investment Agreements entered into with Merrill Lynch International
Devendra Pratap Singh	June 6, 2008	-	-
Siddharth Bhargava		June 17, 2008	Resigned from his role as non-executive Director prior to the Company launcing the IPO in accordance with Merrill Lynch internal policy.
Devendra Pratap Singh		June 20, 2008	Resigned
Pradeep Bishnoi		June 20, 2008	Resigned*

* In the Board meeting held on June 6, 2008 Mr. Pradeep Bishnoi was inducted as a Wholetime Director.

Corporate Governance

We have complied with the requirements of Corporate Governance contained in the Equity Listing Agreement, particularly those relating to composition of Board of Directors, constitution of committees such as Audit Committee, Shareholder / Investor Grievance Committee, etc.

Organisational Structure



Key Managerial Personnel

The key managerial personnel of our Company are as follows:

Mr. Pradeep Bishnoi, Head Operations

Mr. Pradeep Bishnoi, aged 51 years, joined our Company on June 21, 2008 as Head Operations. He holds a Masters degree in Arts and has over 15 years of experience in the Cement and Iron Ore industry. He is a member of various reputed organisations such as FICCI, ICC India, CAPEXIL etc., and plays a key role representing our Company before the Government, and other organisations, associations and persons. The total current remuneration payable is Rs 2,400,000/- per annum and perquisites.

Mr. Harish Kumar Khetan, Chief Financial Officer:

Mr. Harish Kumar Khetan, aged 39 years, has joined our Company on November 19, 2007 as the Chief Finance Officer. Mr. Khetan is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and a Cost & Works Accountant from the Institute of Cost & Works Accountants of India. He also holds a Diploma in Business Management from The Narsee Monjee Institute of Management Studies. He has over 17 years of experience in the field of accountancy & finance in various sectors including inter alia the cement industry, the steel industry, textiles, software & technology and consumer goods industry. He has held important managerial positions in previous employments. He was employed with Crompton Greaves Limited as Asst. General Manager – Finance & Accounts before joining our Company. The total current remuneration payable is Rs 1,700,000/- per annum

Mr. P.A. Mandge, Chief Operating Officer

Mr. P.A. Mandge, aged 63 years, has joined our Company on August 1, 2007 as the Chief Operating

Officer. Mr. Mandge holds a Diploma in Mining & Mines Surveying from Government Mining Polytechnic, Chhindwara, Madhya Pradesh and further, possesses First Class Mines Manager's Certificate of Competency Metalliferous Mines (Restricted) from Government Mining Polytechnic, Chindwara, Madhya Pradesh. He has over 40 years of experience in the mining sector. In the past he has worked as a Mines Foreman, Senior Foreman, Deputy Mines Manager and other posts of substantial responsibility in the mining sector. He possesses valuable experience in the preparation and execution of various mining plans and schemes and environmental plans concerning the mining sector. He was employed with JUD Cements Private Limited, Shillong as General Manager (Mines Project) before joining our Company. The total current remuneration payable is Rs 1,200,000/- per annum

Mr. Rajesh Sharma

Mr. Rajesh Sharma, aged 43 years, joined our Company on January 1, 2007 as Vice President (Strategy Implementation) . He holds a Bachelors Degree in Commerce from Mumbai University. He has over 18 years of experience in the field of Marketing, Project Finance & Accounts. In the past he has been employed as the Accounts & Finance Manager in the Gemini Group of Companies and has himself been in the business of marketing project items. The total current remuneration payable is Rs 504,000/- per annum

Mr. Ramakant Mishra:

Mr. Ramakant Mishra, aged 55 years, joined our Company on January 1, 2007 as General Manager (Production). He holds a Masters Degree in Arts from Rajasthan University and holds Post Graduate Diploma in Management Studies from Management Studies Promotion Institute (R), New Delhi. He has over 30 years of experience in the field of Marketing & Sales. In the past he has been employed as a Marketing & Sales Head in Madras Cements Limited and Hindustan Instruments Limited. The total current remuneration payable is Rs 504,000/- per annum

Mr. B.K.Kalia:

Mr. B.K.Kalia, aged 69 year, joined our Company on January 1, 2007 as the General Manager (Logistics). He has been a Fellow Member of the Institute of Chartered Shipbrokers since 1969. He has over 40 years of experience in the Shipping Industry and has been the Deputy General Manager of the Shipping Corporation of India Limited. The total current remuneration payable is Rs 480,000/- per annum

Mr. Brijesh Dwivedi:

Mr. Brijesh Dwivedi, aged 31 years, has been associated with our Company as the Manager (Accounts) since April 16, 2005. He holds a Bachelors Degree in Commerce from the Mumbai University and has cleared the Intermediate Level in Chartered Accountancy from the Institute of Chartered Accountants of India. In the past he has worked as the Chief Accountant in the Big Bite Corporation. The total current remuneration payable is Rs 420,000/- per annum

Mr. Rakesh Powale:

Mr. Rakesh Powale, aged 35 years, has been associated with our Company as the Manager (Finance) since June 1, 2002. He holds a Bachelors Degree in Commerce from the Mumbai University. In the past he has worked as the Chief Accountant in the M.U.Shah & Co.for a period of 10 years. The total current remuneration payable is Rs 384,000/- per annum

Mr. Rakesh Gupta:

Mr. Rakesh Gupta, aged 31 years, joined our Company as the Company Secretary on September 21, 2007. He holds a Bachelors Degree in Commerce from the Rajasthan University and is a qualified Company Secretary from the Institute of Company Secretaries of India. He has over 6 years of post-qualification experience in handling secretarial matters of various companies. Before joining our Company he was associated with Reliance Communications Limited. The total current remuneration payable is Rs 650,000/- per annum.

Mr. Vijay Sharma:

Mr. Vijay Sharma, aged 43 years, has been associated with our Company since November 1, 2004 as the Manager (Logistics). He has been responsible for matters relating to logistics for our export operations and has a key role in planning and implementation of strategy in our day-to-day management and operations. He has over 10 years of experience in the mining sector. He was associated with Agrawal Wire Industries before joing our Company. The total current remuneration payable is Rs 225,000/- per annum

All the key managerial personnel mentioned above are permanent employees of our Company.

Shareholding of the key managerial personnel

Apart from the shareholding of the Directors in our Company, some of the key managerial personnel of our Company hold Equity Shares in our Company. The details of these are as follows:

S.No.	Name of the Shareholder	Number of Equity Shares
1.	R.K Mishra	13,500
2.	Rajesh Sharma	13,500
3	Brijesh Dwivedi	9,000
4	Rakesh Powale	5,625
5	B.K Kalia	2,500
6	Vijay Sharma	2,500
7	Rakesh Gupta	2,250

Bonus or profit sharing plan for the key managerial personnel

There is no bonus or profit sharing plan for key managerial personnel of our Company.

ESOP

There is no ESOP plan of our Company.

Interest of Key Managerial Personnel

The key managerial personnel of our Company do not have any interest in our Company other than Equity Shares held by them or to the extent of any remuneration or benefits to which the key managerial personnel are entitled as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Changes in the Key Managerial Personnel

The following are the changes in the key managerial personnel of our Company in the last 3 years preceding the date of filing this Red Herring Prospectus.

Name	Date of Appointment	Date of Cessation	Reason for cessation
Mr. Pradeep Bishnoi	June 21, 2008		
Mr. Harish Kumar Khetan	November 17, 2007	-	-
Mr. P.A.Mandge	August 1, 2007	-	-
Mr. Rakesh Gupta	September 21, 2007	-	-
Mr. Ramakant Mishra	January 1, 2007	-	-
Mr. Rajesh Sharma	January 1, 2007	-	-
Mr. B. K. Kalia	January 1, 2007	-	-

Payment of Benefit to Officers of our Company

Except as disclosed in this Red Herring Prospectus and the statutory payments made by our Company, in the last two years, our Company has not paid any sum to its employees in connection with superannuation payments and ex-gratia/rewards and has not paid any non-salary amount or benefit to any of its officers.

OUR PROMOTERS AND PROMOTER GROUP COMPANIES

Promoter

The following individuals are the Promoters of our Company:

Mr. Subhash A. Sharma
Smt. Neelam S. Sharma

Promoter Group

The natural persons who are part of the Promoter Group, apart from the individual Promoter mentioned above, are as follows:

SL No.	Name	Relationship
1.	Mr. Atmaram Sharma	Father of Subhash A. Sharma
2.	Smt. Satybhama Sharma	Mother of Subhash A. Sharma
3.	Smt. Sunita Ramakant Mishra	Sister of Subhash A. Sharma
4.	Smt. Sarita Rajesh Sharma	Sister of Subhash A. Sharma
5.	Miss Pooja Sharma	Daughter of Subhash A. Sharma
6.	Miss Harshita Sharma	Daughter of Subhash A. Sharma
7.	Master Harsh Sharma	Son of Subhash A. Sharma
8.	Mr. Budhiprakash Sharma	Father of Neelam Sharma
9.	Mr. Pramod Sharma	Brother of Neelam Sharma

Apart from the natural persons named above, the following company is a wholly owned subsidiary of our Company and forms a part of our Promoter Group:

1. Warana Minerals Private Limited

The companies that are part of the Promoter Group, apart from the natural persons and our subsidiary mentioned above, are as follows:

1. Spear Petroleum Private Limited
2. Eminent Steel Private Limited
3. Victory Sponge Private Limited
4. Runwell Steel Private Limited

The partnership firms that are part of the Promoter Group are as follows:

1. M/s. Exfin Shipping (India)
2. M/s Shri Warana Minerals

There are no HUFs, proprietorships or other entities that are part of the Promoter Group.

The details of the Promoter are as follows:

Subhash A. Sharma

Identification	Details
PAN	AXCPS8189D
Passport No.	F5210316
Driving Licence Number	MH02920789
Voter Identification No.	MT/08/041/0354033
Bank Account Number	A/c No. 0002691789051, Centurion Bank of Punjab

Mr. Subhash A. Sharma, aged 40 years, is the Chairman cum Managing Director and CEO of our Company. By qualification, he holds a Bachelors degree in Science from Mumbai University and has got more than a decade experience in both the domestic and international markets. He is responsible for the formulation of the overall strategic policy governing the growth drivers of our Company and has been instrumental in execution of business strategies.

For details of terms of appointment of Mr. Subhash A. Sharma as our Director, please refer to the section "Our Management" beginning on page 99 of this Red Herring Prospectus.

Neelam S. Sharma

Identification	Details
PAN	AYVPS0696K
Passport No.	E2162518
Voter Identification No.	MT/08/041/0354034
Bank Account Number	A/c No. 17171, Central Bank of India.

Smt. Neelam S.Sharma, aged 37 years, is wife of Mr. Subhash A. Sharma. By qualification, she is a Bachelor in Science and also holds a Diploma in Medical and Lab Technology from Mumbai University. She is the promoter and major shareholder of our Company.

Declaration

We confirm that the Permanent Account Number, Bank Account Number and Passport Number of our Promoters have been submitted to BSE and NSE at the time of filing this Red Herring Prospectus with them.

Our Promoter 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 currently pending against them. Neither our

Promoter nor persons in control of bodies corporate forming part of our Promoter Group have been restricted from accessing the capital markets.

Common Pursuits

Except as disclosed in this Red Herring Prospectus, the Promoter does not have an interest in any venture that is involved in any activities similar to those conducted by our Company or any member of the Promoter Group.

Interest of the Promoter

Mr. Subhash A. Sharma

Mr. Subhash A. Sharma is interested in our Company to the extent of his shareholding and the dividend declared, if any, by our Company. He is also the Chairman cum Managing Director and Chief Executive Officer of our Company. The total remuneration received by Mr. Subhash Sharma for the FY ending March 2008 was Rs. 6,350,000/-

Related Party Transactions

Except as disclosed in the section "Related Party Transactions" beginning on page 118 of this Red Herring Prospectus, there have been no payment of benefits to our Promoter during the last two years prior to the date of filing of this Red Herring Prospectus.

Companies promoted by our Promoter under Clause 6.8.3.2(k) and (l) of the SEBI Guidelines

Except as disclosed, neither the Promoter nor any of his immediate relatives hold 10 % or more of the share capital of any company or entity specified under Clause 6.8.3.2 (k) and (l) of the SEBI Guidelines.

The details of the companies that form part of our Promoter Group are as follows:

Spear Petroleum Private Limited (SPPL)

SPPL was incorporated on March 19, 1999. The registered office address of SPPL is 152 A, Marker Chamber III, Nariman Point, Mumbai-400 021. The principal activity of SPPL is processing of waste oil.

Shareholding Pattern

The shareholding pattern of SPPL as of March 31, 2008 was as follows:

Name of Shareholder	Number of equity shares of Face Value Rs. 10 each	% of Issued Capital
Mr. Harsh Sharma U/G Mr. Subhash Sharma	5,000	50%
Mr. Durgesh Mathur	2,500	25%
Mr. Dhruv Mathur	2,500	25%
Total	**10,000**	**100%**

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

Board of Directors

The board of directors of SPPL comprises the following:

Mr.Subhash Sharma
Mr. Durgesh Mathur
Mr.Dhruv Mathur

Financial Performance

(Millions, except share data)

	For the period ended March 31,		
	2005	2006	2007
	Rs.	Rs.	Rs.
Income/Sales	-	-	12.63
Profit/(Loss) after Tax	-	-	0.33
Equity Share Capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	-	0	0.33
Earnings/(Loss) per share	-	-	0.03
Book Value per share	0.01	0.01	0.04

SPPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of SICA and is not under winding up and does not have a negative net worth.

Eminent Steel Private Limited (ESPL)

ESPL was incorporated on December 8, 2004. The registered office address of ESPL is 15, Morvi House, 28/30, Goa Street, Ballard Estate, Mumbai– 400038. The principal activity of ESPL is to carry on trade and business of manufacturing steel, conversion of steel, manufacturing ferro-manganese and other metals and substances.

Shareholding Pattern

The shareholding pattern of ESPL as of March 31, 2008 was as follows:

Name of Shareholder	No of equity shares held of Face Value Rs. 10 each	% of Issued Capital
Smt. Neelam Subhash Sharma	9,800	98.00
Smt. Sunita Ramakant Mishra	99	0.99
Smt. Sarita Rajesh Sharma	99	0.99
Mr. Rakesh D. Powale	1	0.01
Mr. Mukesh M. Keni	1	0.01
Total	**10,000**	**100.00**

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

Board of Directors

The board of directors of ESPL comprises the following:

1. Mr. Rakesh D. Powale
2. Mr. Mukesh M. Keni

Financial Performance

(Rs. Millions, except share data)

	For the period ended March 31,		
	2005	2006	2007
Income/Sales	-	-	-
Profit/(Loss) after Tax	-	-	-
Equity Share Capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	0.00	0.00	0.00
Earnings/(Loss) per share	0.00	0.00	0.00
Book Value per share	0.01	0.01	0.01

ESPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of SICA and is not under winding up and does not have a negative net worth.

Victory Sponge Private Limited (VSPL)

VSPL was incorporated on December 9, 2004. The registered office address of VSPL is 15, Morvi House, 28/30, Goa Street, Ballard Estate, Mumbai– 400038. The principal activity of VSPL is to carry on trade and business of manufacturing steel, conversion of steel, manufacturing ferro-manganese and other metals and substances.

Shareholding Pattern

The shareholding pattern of VSPL as of March 31, 2008 was as follows:

Name of Shareholder	**Number of equity shares of face value Rs. 10 each**	**% of Issued Capital**
Smt. Neelam Subhash Sharma	9,800	98.00
Smt. Sunita Ramakant Mishra	99	0.99
Smt. Sarita Rajesh Sharma	99	0.99
Mr. Rakesh D. Powale	1	0.01
Mr. Mukesh M. Keni	1	0.01
Total	**10,000**	**100.00**

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

Board of Directors

The board of directors of VSPL comprises the following:

1. Mr. Rakesh D. Powale
2. Mr. Mukesh M. Keni

Financial Performance

(Rs. Millions, except share data)

	For the period ended March 31,		
	2005	**2006**	**2007**
Income/Sales	-	-	-
Profit/(Loss) after Tax	-		
Equity Share Capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	-		
Earnings/(Loss) per share	0.00	0.00	0.00
Book Value per share	0.01	0.01	0.01

VSPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of SICA and is not under winding up and does not have a negative net worth.

Runwell Steel Private Limited (RSPL)

RSPL was incorporated on December 1, 2004. The registered office address of RSPL is 15, Morvi House, 28/30, Goa Street, Ballard Estate, Mumbai– 400038. The principal activity of RSPL is to carry on trade and business of manufacturing steel, conversion of steel, manufacturing ferro-manganese and other metals and substances.

Shareholding Pattern

The shareholding pattern of RSPL as of March 31, 2008 was as follows:

Name of Shareholder	Number of equity shares of face value Rs. 10 each	% of Issued Capital
Equity shares of face value Rs. 10 each		
Smt. Neelam Subhash Sharma	9,800	98.00
Smt. Sunita Ramakant Mishra	99	0.99
Smt. Sarita Rajesh Sharma	99	0.99
Mr. Rajesh Sharma	1	0.01
Mr. Ramakant Mishra	1	0.01
Total	**10,000**	**100.00**

Subsequently on May 30, 2008, 500,000 fresh equity shares of RSPL were allotted to Smt. Neelam Subhash Sharma.

Board of Directors

The board of directors of RSPL comprises the following:

1. Mr. Rajesh Sharma
2. Mr. Ramakant Mishra

Financial Performance

(Rs. Millions, except share data)

	For the period ended March 31,		
	2005	**2006**	**2007**
Income/Sales	-	0.65	0.66
Profit/(Loss) after Tax	-	0.01	0.09
Equity Share Capital	0.10	0.10	0.10
Reserves and surplus (excluding revaluation reserves)	-	0.01	0.09
Earnings/(Loss) per share	0.00	0.00	0.00
Book Value per share	0.01	0.01	0.02

RSPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of SICA and is not under winding up and does not have a negative net worth.

The details of the partnership firm that form a part of our Promoter Group is as follows:

M/s. Exfin Shipping (India)

M/s. Exfin Shipping (India) is a partnership firm and was formed pursuant to a deed of partnership dated June 23, 2004. The principal activity of M/s. Exfin Shipping (India) is that of carrying on the business of trading activity of mineral exports such as iron ore, zinc and other metals, purchase, charter, hire or otherwise acquire ships, travellers and other vessels, clearing and forwarding, mining, bulk commodity exports and imports, as travel agents and / or such other business as maybe mutually agreed between the partners.

The partners of M/s. Exfin Shipping (India) comprise of the following:

Mrs. Neelam S. Sharma
Mr. Subhash A. Sharma

Profit & Loss Sharing Ratios

The ratio for sharing of profits and losses in the firm is as provided below:

Name of Partner	**Profit/Loss sharing Percentage**
Mrs. Neelam S. Sharma	95%
Mr. Subhash A. Sharma	5%
Total	100%

Financial Performance

(Rs. in Millions)

	For the period ended March 31		
	2005	**2006**	**2007**
Income/Sales	4.04	0.28	0.24
Profit/(Loss) after Tax	0.10	0.03	0.18
Capital	0.50	0.06	0.35

Disassociation by the Promoters in the last three years

Mr. Subhash Sharma has disassociated himself from Meteoric Resources Pte. Limited on March 23, 2006 as he resigned as a director and also transferred his shareholding.

RELATED PARTY TRANSACTIONS

Our Company has various transactions with related parties, including the following:
- Associates;
- Directors and employees; and
- Promoter Group entities.

These related party transactions include the following:
- payment of consultancy/professional charges, fees and commissions; and
- payment of managerial remuneration.

1. For the Period ended March 31, 2008

List of Related Parties and Relationship

Party	**Relationship**
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri*	Director
Mr. Amit Sharma	Director
Mr. Vinay Nangalia**	Director
Mr. Pradeep Bishnoi**	Director
Mr. Burzin Somandy**	Director
M/S Exfin Shipping (India)	Associate Firm
Mr. I.D.Agrawal	Director
Mr. Siddharth Bhargava	Director
M/s. Shri Warana Minerals	Associate Firm
Victory Sponge Pvt Ltd.	Promoter Group Company
Eminent Steel Pvt Ltd	Promoter Group Company
Runwell Steel Pvt Ltd	Promoter Group Company
Spear Petroleum Pvt Ltd	Promoter Group Company
Warana Minerals Pvt Ltd	Subsidiary Company

* Resigned during the period.

** Appointed during the period

2. **For the year ended March 31, 2007**

List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern

3. **For the Previous year ended March 31, 2006**

List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern

4. **For the Previous year ended March 31, 2005**

List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern
M/s Oceanic Imports and Exports Corporation	Associate Concern

5. **For the Previous year ended March 31, 2004**

List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern
M/s Oceanic Imports and Exports Corporation	Associate Concern

For more details on our Company's related party transactions, please refer Annexure 24 to our Company's restated standalone financial statements beginning on page 182 of this Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividend will be recommended by the Board of Directors and approved by the shareholders of our Company at their discretion and will depend on a number of factors, including the results of operations, earnings, capital requirements and surplus, general financial conditions, contractual restrictions, applicable Indian legal restrictions and other factors considered relevant by the Board. Further, pursuant to the terms of the term loans obtained by our Company, prior written consent of the lenders of our Company is required to pay any dividends. The Board may also from time to time pay interim dividend. All dividend payments are made in cash to the shareholders of our Company.

The dividends declared by our Company in the fiscal years 2005, 2006 and 2007 are specified below:

Particulars	**Year ended March 31**		
	2005	**2006**	**2007**
Number of Equity Shares	350,000	450,000	17,541,550
Face value of Equity Shares (Rs.)	100	100	10
Dividend (Rs. per Share)	3.00	2.25	0.50
Total Dividend paid (Rs. In mn)	1.19	1.16	2.73

Note: Dividend for these years has been paid on proportionate basis.

No dividend declared in FY 2007-08.

SECTION V: FINANCIAL INFORMATION

Consolidated Financial Information of Our Company, as restated

Auditor's Report

The Board of Directors,
Resurgere Mines & Minerals India Limited,
156, Maker Chamber III,
Nariman Point Mumbai- 400021.

Dear Sirs,

1. At your request, we, Singrodia Goyal & Co., Chartered Accountants, Statutory Auditors of Resurgere Mines & Minerals India Limited("the Company") have examined the Consolidated Summary statements of Assets & Liabilities **(Annexure 1)-** as Restated, of the Company and its subsidiary M/s Warana Minerals Private Limited as at March 31, 2008 being the last date to which the Consolidated Accounts of the Company have been made up and the Consolidated Summary Statements of Profit & Loss **(Annexure 2)-** as Restated, for the year ended on those dates(together referred to as "**Summary Statements")** prepared by the Company and its subsidiary, approved by the Board of Directors of the Company and stamped & initialled by us for identification. These statements reflect the Consolidated 'Profit or Loss' and Consolidated 'Assets and Liabilities' for the relevant period as extracted from the Consolidated Profit & Loss Account and the Consolidated Balance Sheet for the year ending March 31, 2008 audited and reported by us. These Profit/Losses have been arrived at after making such adjustments and regrouping, more fully described in the notes appearing as **Annexure 4** to the report and read together with notes to accounts as appearing in **Annexure 5** :-

2. These information have been extracted by the Management from financial statements of the Company and of its subsidiary for the year ended March 31, 2008.

3. We did not audit the financial statement of the subsidiary for the financial year ended on March 31, 2008, whose Financial Statements reflects total assets of Rs. 194.42 Millions and total revenue of Rs. Nil. This Financial Statement has been audited M/s Dargar & Co. , Chartered Accountants and for the purpose of our examination we have placed reliance on their report.

4. We further report that Consolidated Summary of Assets and Liabilities , as restated and Consolidated Summary of Profit and Loss as restated are in accordance with:-

(i) Paragraph B,Part II of Schedule II to the Companies Act, 1956 ('the Act')

(ii) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ('the SEBI Guidelines') issued by the Securities and Exchange Board of India ('SEBI') on January 19, 2000, as amended to date

(iii) Our terms of reference dated 29th May 2008 received from the Company, requesting us to carry our work, proposed to be included in the Offer Document in connection with its proposed Public Issue of Equity Shares.

(iii) The Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the ICAI.

The Company proposes to make a fresh issue of equity shares through IPO, at an issue price to be arrived at by the book building process (referred to as 'the Offer').

Financial information as per Audited Financial Statements:

We report that the restated Consolidated Assets and Liabilities of the Company as at March 31 2008 are as set our in Annexure 1 to this report after making such adjustments/restatements and regrouping as in our opinion are appropriate and are subject to the Significant Accounting Policies and Notes to the Adjustments as appearing in Annexure 4.

We report that the restated Consolidated Profits/Losses of the Company for the financial year ended March 31, 2008 is as set out in Annexure 2 to this report. These Consolidated Profits/Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/ restatements and regrouping as in our opining are appropriate and are subject to the Significant Accounting Policies and Notes to the Adjustments as appearing in Annexure 4.

We have examined the following financial information relating to the Company proposed to be included in the Offer Documents, which has been approved by you and are annexed to this report:

I. Statement of Cash Flows as appearing in Annexure 3 to this report;
II. Notes to Statements of Assets & Liabilities and Profit & Loss Accounts as appearing in Annexure 5 to this report;
III. Statement of Details of Share Capital as appearing in Annexure 6 to this report;
IV. Statement of Details of Reserves & Surplus, as restated as appearing in Annexure 7 to this report;
V. Statement of Secured Loans as appearing in Annexure 8 to this report;
VI. Statement of Current Liabilities & Provisions as appearing in Annexure 9 to this report;
VII. Statement of Net Tangible Assets as Annexure 10 to this report;
VIII. Statement of Investments as Annexure 11 to this report;
IX. Statement of Age-wise Analysis of Sundry Debtors as Annexure 12 to this report;
X. Details of Other Current Assets, Loans and Advances as appearing in Annexure 13 of this
XI. Details of Contingent Liabilities as appearing in Annexure 14 of this report.
XII. Statement of Dividend Paid as appearing in Annexure 15 to this report;
XIII. Statement of Operational Income as appearing in Annexure 16 to this report;
XIV. Statement of Other Income as appearing in Annexure 17 to this report;
XV. Statement of Increase / (Decrease) in Stocks as appearing in Annexure 18 to this report;
XVI. Statement of Tax Shelters as appearing in Annexure 19 of this report.
XVII. Capitalization Statement as at March 31, 2008 as appearing in Annexure 20 of this report.
XVIII. Statement of Segmental Information as appearing in Annexure 21 to this report;
XIX. Statement reflecting Mandatory Accounting Ratios as appearing in Annexure 22 to this report;
XX. Statement of Secured Loans outstanding as on March 31, 2008 as appearing in Annexure 23 of this report.
XXI. Statement of Related Parties transactions enclosed as Annexure 24 of this report.

In our opinion the financial information of the Company as stated above read with Significant Accounting Policies enclosed in Annexure 4 Part B to this report, after making adjustments/restatements and regroupings as considered appropriate and subject to certain matters as stated in Notes to the Statements enclosed in Annexure 4 Part C to this report, has been prepared in accordance with Paragraph B, Part II of Schedule II of the Act and the SEBI Guidelines.

The sufficiency of the procedures performed or adopted by the company in preparation of the statements as set in above paragraphs of this report, is the sole responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedure.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the specific Public Offer of the Company and is not be used, referred to or distributed for any other purpose without our prior written consent.

This report should not be in any way be constructed as a reissuance or redating of any of the previous audit reports issued by us or by any other firm of Chartered Accountants, nor should this report be constructed as a new opinion on any of the financial statements referred to herein.

For Singrodia Goyal & Co.
Chartered Accountants

Narayan Pasari
Partner
Membership No. 038095

Place: Mumbai
Date: June 06,2008

ANNEXURE-1

STATEMENT OF ADJUSTED CONSOLIDATED ASSETS AND LIABILITIES (As Restated)

(Rs. In Millions)

			As at March 31, 2008
A.	Fixed Assets:	-	-
	Gross Block		26.00
	Less : Depreciation		4.87
	Net Block		**21.13**
	Add: Capital Work in Progress	-	601.30
	Total	**A**	**622.42**
B.	**Investments**	**B**	**194.70**
C.	**Goodwill on Consolidation**		7.66
D.	**Current Assets, Loans & Advances**	-	-
	Inventories		573.96
	Sundry Debtors		742.42
	Cash and Bank Balances		124.44
	Other Current Assets, Loans and Advances		1,230.48
	Total	**D**	**2,671.30**
E.	**Liabilities& Provisions**	-	-
	Secured Loans		442.38
	Unsecured Loans		109.33
	Current Liabilities and Provisions		753.00
	Total	**E**	**1,304.71**
F.	**Deferred Tax Liability**	**F**	**35.16**
G.	**Grand Total (A+B+C+D-E-F)**		**2,156.20**
H.	**Represented by**		
	Share Capital		240.91
	Reserves and Surplus		2,029.92
	Share Application Money		
	Less: Miscellaneous Expenditure not written off/ adjusted		114.62
	Grand Total		**2,156.20**

ANNEXURE-2
STATEMENT OF ADJUSTED CONSOLIDATED PROFIT AND LOSSES ACCOUNT (As Restated)

(Rs. In Millions)

	Year Ended March 31, 2008
Income	-
Sales of Products Manufactured	2,813.04
Sales of Products Traded	1,217.00
Other Income	13.55
Increase / (Decrease) in Stocks	201.41
Total Income :	**4,245.00**
Expenditure	-
Materials, Production & Operating Expenses	2,824.55
Employee Costs	19.30
Administrative & Selling Expenses	325.27
Total Expenditure :	**3,169.12**
Profit Before Interest, Depreciation and Tax	**1,075.88**
Interest & Financial Charges	39.57
Depreciation	2.44
Net Profit before tax	**1,033.87**
Taxation	-
- Current Tax	331.60
- Fringe Benefit Tax	0.68
- Deferred Tax Liability/(Assets)	35.97
Net Profit after tax	**665.62**
(Short) / Excess Provision in respect of income tax for earlier years	22.03
Prior Period Items	0.24
Depreciation of earlier years	-
Net Profit after tax as per audited financial statements (A)	**643.35**
Adjustments on account of restatements:(As per Ann.4-B)	**22.27**
Net Profit/(Loss) as restated (A + / (-) B)	**665.63**
Profit/(Loss) Available for Appropriation as restated	**665.63**
Appropriations:	
- Transferred to General Reserve	-
- Proposed Dividend	-
- Tax on Dividend	-
Total Appropriations	**-**
Balance carried forward to Balance Sheet as restated	**665.63**

ANNEXURE- 3

STATEMENT OF CONSOLIDATED CASH FLOWS FROM THE RESTATED FINANCIAL STATEMENTS

(Rs. In Millions)

	Year Ended March 31, 2008
Cash Flow from Operating Activities:	
Net Profit before tax and extraordinary items	**1,033.87**
Adjustments for :	
Depreciation	2.43
Dividends	(0.47)
Interest Income	(2.16)
Interest Expenses	33.23
Loss on Sale / Discard of Assets	2.33
Income Tax written off	0.01
Mine Development Expenses Written off	14.78
Direct Taxes Paid	(192.93)
Operating Profit before Extraordinary Items	**891.10**
Prior Period Item	0.24
Operating Profit before working capital changes	890.86
Adjustments for :	
Trade and Other Receivables	(405.45)
Inventories	(236.37)
Trade Payables	109.90
Loans and Advances	(742.06)
Net Cash from Operating Activities	**(383.11)**
Cash Flow from Investing Activities:	
Purchase of Fixed Assets	(4.61)
Capital Work in Progress	(601.30)
Sale of Fixed Assets	1.93
Interest Income	2.16
Dividends	0.47
Sale of Investments	350.00
Purchase of Investments	(350.62)
Investment in Partnership	(180.50)
Outflow on acquisition of subsidiary	(8.50)

Net Cash used in Investment Activities	**(790.97)**
Cash Flow from Financing Activities:	
Proceeds from Secured Loans (Net of Repayment)	377.24
Proceeds from UnSecured Loans (Net of Repayment)	109.34
Interest Paid	(33.24)
Dividend Paid including tax thereon	(2.81)
Miscellaneous Expenditure	(129.19)
Share Capital	65.80
Share Application Money	(147.98)
Securities Premium	1,085.96
Share Issue Expenses	(57.86)
Net Cash used from Financing Activities	**1,267.27**
Net increase in Cash and Cash Equivalents	93.19
Cash and Cash equivalents (Opening)	31.26
Cash and Cash equivalents (Closing)	**124.45**

Note:

1. The above Cash Flow Statement has been prepared under the "indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2. Cash and cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

Particulars	**As at 31.03.2008**
Cash in hand	1.81
Balances with Bank	122.64
Total	**124.45**

Annexure forming part of the Consolidated Accounts for Restated Financial Statements for the year ended 31st March, 2008 .

Annexure '4'

Significant Accounting Policies and Notes on Adjustment for Restated Financial Statements

A) Company Overview

Resurgere Mines & Minerals India Limited is a closely held Public Limited Company engaged in the business of extraction, processing & sale of Ore and exploration & development of other mining assets. Presently the Company is enjoying long term exclusive raising and purchasing rights at two iron ore mines situated in the State of Orissa and one in the State of Jharkhand. The Company also has 60 % interest in a bauxite mine in the State of Maharashtra through its wholly owned subsidiary.

B) Significant Accounting Policies

i. Basis of Accounting :

The financial statements are prepared under the historical cost convention, on a going concern concept and in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). The Company follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

ii. Fixed Assets :

Fixed Assets:
Fixed Assets are stated at cost of acquisition inclusive of incidental expenses related thereto and are net of CENVAT/VAT credit.

Expenditure during implementation period:
All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in-progress until the assets are ready for commercial use. Assets under implementation are not depreciated.

iii. Impairment of Fixed Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference

iv. Depreciation :

Depreciation on Fixed Assets is provided on 'Straight Line Method' in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.

v. Investments :

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

vi. **<u>Inventories :</u>**

i) Raw materials are valued at cost

ii) Finished goods are valued at lower of cost or net realizable value.

vii. **Borrowing Costs**

Interest and other borrowing costs on specific borrowing relatable to qualifying assets are capitalised. Other interest and borrowing costs are charged to revenue.

viii. **<u>Retirement Benefits :</u>**

a) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Profit & Loss Account for the year.

b) The liability of Gratuity is determined and provided for based on actuarial valuation made by an independent actuary as at the Balance Sheet date.

ix. **Miscellaneous Expenditure :**

a) <u>IPO Expenses</u>: Expenditure incurred during the year relating to the proposed Initial Public Offer will be carried forward in the Balance Sheet and will be written off against the securities premium.

b) <u>Mine Development Expenses</u>:

1. **Initial Development Expenses**

In open pit mining operations, removal of initial overburden and other barren waste materials are necessary for economical extraction of ore. The process of mining overburden and waste materials is referred to as stripping. Stripping expenses during such initial development of a mine are deferred and will be equally amortized over the life of such mine and which varies from mine to mine. Expenses on such initial development of "Tatiba Mines" will be amortized over a period of 5 years from the year in which the expenditure in incurred as estimated by the management.

2. **Further Development Expenses**

Stripping of waste materials continues during the production stage of the mine/pit. For further development and extension of benches of the mine/pit there is an unusually high overburden removal cost. Stripping costs incurred for such further development which varies from mine to mine & pit to pit are deferred to the extent that the current period ratio exceeds the life of mine/pit ratio and also to match such costs with the related economic benefits. The management has presently estimated to amortize these expenses over a period of 18 months from the month these expenses are first incurred.

x. **<u>Foreign Currency Transactions :</u>**

a) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.

b) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is treated as revenue.

c) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end at the exchange rate as at the year-end are recognized in the Profit and Loss Account .

d) The premium or discount in respect of forward exchange contract is amortised over the life of contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts are recognised in the Profit & Loss Account in the reporting period.

xi. **Revenue Recognition :**

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers. Sales are net of d trade discounts and sales tax.

xii. **Accounting for Taxation on Income :**

Current taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. The effect of a change in tax rates on deferred tax and assets or liabilities are recognized in the period that includes the enactment date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Fringe Benefits

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

xiii. **Treatment of Contingent Liabilities :**

a) Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payments in respect of such demands, if any, are shown as advances.

b) Contingent Liabilities are disclosed by way of notes.

C) Notes on Adjustment

i. **Other Adjustments:**
The Profit & Loss Account of certain years includes amount paid/provided for or refunded, in respected of short/excess income tax arising out of assessments, appeals etc. and account of short/excess provision of tax for earlier years. The impact on account of such short/excess income tax has been adjusted in respective years.

ii. **Material Regrouping:**
Figures of the previous years have been regrouped reclassified and / or rearranged wherever necessary.

ANNEXURE-5

NOTES TO STATEMENT OF ASSETS & LIABILITIES AND PROFIT & LOSS ACCOUNT

1. Taxes on Income:

In Terms of Accounting Standard on "Accounting for Taxes on Income" (AS 22) the Company has recognised net Deffered Tax Liabilities/ (Assets) as on 31st March 2008 as follows:

(Rs. In Millions)

Deferred Tax Liability / Assets	**31.03.2008**
On account of Depreciation	1.11
On account of Expenses allowable/ disallowable in Income Tax	34.05
Deferred Tax Liability/(Assets) [Net]	**35.16**

a) Provision for taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961.

b) Provision for Fringe Benefit Tax for the year ending 31st March, 2008 have been made on the basis of expenditure incurred on the taxable heads of expenses.

(Rs. In Millions)

Particulars	**31.03.2008**
A) Weighted average number of equity shares of Rs. 10/- each	
I) Number of shares at the beginning of the year (See Note iii)	17,511,750
II) Number of shares at the end of the year	24,091,550
III) Weighted average number of Equity Shares outstanding during the year	20,071,347
IV) Weighted average number of Potential Equity Shares outstanding during the year	-
V) Weighted average number of Equity Shares for calculating diluted EPS	20,071,347
B) Net Profit/(Loss) after tax adjustments available for equity shareholders (Rs. In Millions)	665.63
C) Basic earning per share (in rupees) {B/A (III)}*	33.16
D) Diluted earning per share (in rupees) {B/A (V)} *	33.16

Note:
i) In 2007-08 the Company does not have any dilutive potential equity shares. Consequently the basic and diluted profit / earning per share of the Company remain the same.

3. Authorized and Paid Up Capital

As on date of signing accounts, the Company has an Authorised Capital of Rs. 30,00,00,000 (divided in to 3,00,00,000 Equity Shares of Rs. 10/- each) and Paid Up Capital of Rs. 24,09,15,500 (divided in to 2,40,91,550 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs.9,72,87,500 (97,28,750 Equity Shares of Rs. 10/- each) were issued as fully paid up bonus shares by capitalisation of reserves in the year 2006-07.

4 Change in Status and Name

The Company has changed its name from 'Exfin Shipping (India) Limited' to 'Resurgere Mines & Minerals India Limited' by duly complying with the provisions of the Section 21 of the Companies Act, 1956 and the Registrar of Companies has issued certificate w.e.f 5th January, 2007 to this effect.

5 Current Assets, Loans & Advances

In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realisable in the ordinary course of business. The Provision for all known liabilities is adequate. Confirmation letter have been sent by the Company in respect of balances reflected under Sundry Debtors, Sundry Creditors, and Loans and Advances. In view of confirmations having been received from only some of the parties, the balances under these heads have been shown as per books of accounts and are subject to reconciliation and adjustment if any.

6. Adjustments/Regroupings Impact of changes in Accounting Policies/ Prior Period Items:

(Rs. In Millions)

Particulars	**Year Ended 31.03.2008**
Net Profit After Tax but Before Adjustments (A):	**643.35**
Add/(Less): Adjustments on Account of:	
Excess / Short tax provision relating to earliers years	22.03
Prior Period Items	0.24
Total (B)	**22.27**
Adjusted Profit (A + / (-) B)	**665.62**

a. The Company did not claime Vat Receivable of Rs. 0.24 Millions in the year 2006-07 and included it in Purchases.
b. The adjustment on account of Income Tax has been made to rectify the liability short provided for in the respective year

7 Previous year Figures have been regrouped/ reclassified wherever necessary to confirm with the current year presentation.

Annexure - 6

DETAILS OF SHARE CAPITAL

(Rs. In Millions)

Particulars	**As at 31.03.2008**
Authorised:	-
3,00,00,000 Equity Shares of Rs.10 each	300.00
Total :	**300.00**
Issued, Subscribed, & Paid up:	-
2,40,91,550 Equity Shares of Rs.10 each	240.91
Total :	**240.91**

Notes:-

1) In 2006-07, the Company has sub-divided the face value of its Equity Shares from Rs. 100/- each to Equity Shares of Rs. 10/- each. The necessary approval of shareholders has been obtained in the extraordinary general meeting held on 5th March 2007;

2) In 2006-07, the Company has issued 97,28,750 Equity Shares of Rs.10/- each as Bonus Shares in the ratio of 5: 4 on 30th March 2007.

Annexure – 7

DETAILS OF RESERVES & SURPLUS (AS Restated)

(Rs. In Millions)

Particulars	**As at 31.03.2008**
Securities Premium	-
As per last Balance Sheet	32.83
Add: Received / (Capitalised) during the year	1,085.96
Less: Share issue expenses	57.86
	1,060.93
Capital Reserve	
As per last Balance Sheet	-
Add: Received during the year	12.00
Closing Balance	12.00
Profit & Loss Account	-
Opening Balance	291.34
Additions during the year	665.63
Closing Balance	956.97
Total :	**2,029.92**

Annexure - 8
DETAILS OF SECURED LOANS

(Rs. In Millions)

Particulars of Loan	Name of Bank	Year Ended 31.03.2008
A. Working Capital/ Cash Credit		
1. Export Packing Credit Secured by i) Hypothecation charge on the entire current assets of the Company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. ii) Collateral security by way of charge on the entire fixed assets of the Company on pari passu basis. iii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iv) Personal Guarantee of one of the directors , a relative of director and also Guarantee of a partnership firm in which director is a partner.	State Bank of India	282.35
2. Working Capital Loan secured by i) Hypothecation charge on the entire current assets of the Company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iii) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is a partner.	Union Bank of India	72.08
3. Working Capital Loan Secured by i) Hypothecation charge on the current assets of the Company consisting of raw materials, stock in process, finished goods and domestic receivables on pari passu basis. ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iii) Personal Guarantee of one of the directors, a relative of director and a partnership firm in which director is partner	ICICI Bank	5.84
4. Term Loan Secured by i) Exclusive charge on the proposed plant & machineries to be purchased. ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iii) The Loan is further secured by personal guarantee of one of the Director ,a relative of director and a partnership firm in which a director is partner	ICICI Bank	79.86
Sub Total :		**440.13**

B. Vehicle Loans (Secured against Vehicles Financed)	HDFC Bank Ltd.	0.55
	ICICI Bank Ltd.	1.70
TOTAL SECURED LOANS (A+B)		**442.38**

Annexure - 9

DETAILS OF CURRENT LIABILITIES & PROVISIONS

(Rs. In Millions)

Particulars	**As at 31.03.2008**
Current Liabilities	-
Sundry Creditors	
For Goods	50.04
For Expenses	80.72
Total Creditors :	**130.76**
Other Liabilities	34.47
Total Current Liabilities :	**165.23**
Provisions	-
Provision for Taxation	585.76
Provision for Fringe Benefit Tax	2.01
Total Provisions :	**587.77**
Total Current Liabilities & Provisions :	**753.00**

Annexure – 10

STATEMENT OF NET TANGIBLE ASSETS

(Rs. In Millions)

Particulars	**As at 31.03.2008**
Net Fixed Assets	21.13
Capital Work in Progress	601.30
Investments	194.70
Inventories	573.96
Trade Debtors	742.42
Cash & Bank Balances	124.44
Other Current Assets, Loans & Advances	1,230.48
Net Tangible Assets :	**3,488.44**

Annexure - 11

STATEMENT OF INVESTMENT

(Rs. In Millions)

Particulars	**As at 31.03.2008**
Quoted Shares	-
SBI Mutual Fund	
Magnum Insta Cash Fund - Daily Dividend Option(27,984 units)	0.47
Unquoted Shares	
The City Co-operative Bank Ltd.	0.15
6,010 Shares of Rs.25/- each, fully paid up	
Investment in partnership firm through Subsidiary Company	194.08
Total :	**194.70**

Annexure – 12

AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Rs. In Millions)

Particulars	As at 31.03.2008
Considered Good	
More than six months	1.92
Less than six months	740.50
Total :	**742.42**

Annexure - 13

OTHER CURRENT ASSETS, LOANS AND ADVANCES

(Rs. In Millions)

Particulars	As at 31.03.2008
Advance recoverable in cash or in kind	79.46
Deposits	215.27
Advances to Suppliers	685.85
Advance Tax & TDS	249.90
Total :	**1,230.48**

Annexure - 14

CONTINGENT LIABILITIES

(Rs. In Millions)

Particulars	As at 31.03.2008
Bank Guarantee	17.00
Claim against the company not acknowledged as debts	11.65
Contracts remaining to be executed on capital account	1,111.79
Penalty if any ,on Non filing of Income Tax Return- Amount Ascertainable	
Total :	**1,140.44**

Annexure - 15

STATEMENT OF DIVIDENDS PAID

(Rs. In Millions)

Particulars	As at 31.03.2008
Face Value per Equity Share (In Rs.)	10.00
Paid-Up Equity Share Capital	240.91
Proposed Dividend	Nil
Dividend Distribution Tax	Nil

Annexure - 16

DETAILS OF OPERATIONAL INCOME

(Rs. In Millions)

Particulars		31.03.2008
Sales		
Sale of Product Manufactured		2,968.71
Less: Sales Tax		155.67
Net	(**A**)	2,813.04
Sale of Product Traded		-
Exports	(**B**)	1,217.00
	Total (A+B)	**4,030.04**

Annexure - 17

DETAILS OF OTHER INCOME

(Rs. In Millions)

Particulars	31.03.2008	Remark
Bank Interest	2.16	Recurring
Dividend Income	0.47	Non- Recurring
Foreign Exchange Fluctuation (Net)	10.92	Non- Recurring
Total :	**13.55**	

Annexure - 18

DETAILS OF INCREASE / (DECREASE) IN STOCK

(Rs. In Millions)

Particulars	31.03.2008
Closing Stocks	481.52
Less: Opening Stocks	280.11
	201.41

Annexure – 19

TAX SHELTER STATEMENT

Particulars	Year Ended 31.03.2008
Tax Rate	30%
Surcharge	10%
Educational Cess	3%
Effective Tax Rate	33.99%
Net Profit before Tax, as Restated	1,033.87
Tax at Notional Rate	351.41
Adjustments :	
Timing Difference	-
Difference between Tax Depreciation and Book Depreciation	0.66
Difference between Mine Development Charges w/0ff and allowance under I.T. Law	101.68
Expenses disallowed u/s 40 (a) (ia) (Net)	6.71
Gratuity	(0.90)
Total Timing Difference (A)	**108.15**
Permanent Difference	-
Donation (Net off deduction u/s 80G)	(0.36)
Interest on late Payment of Taxes	(0.02)
Loss on sale/discard of fixed Assets	(2.32)
Disallowance of expenses u/s 37	(0.23)

Expenses disallowed u/s 40 A	(0.06)
Dividend from Mutual Fund	0.46
Total Permanent Difference (B)	**(2.52)**
Total Difference (A+B)	**105.64**
Brought Forward Balances	
Business Loss of Previous years	-
Unabsorbed Depreciation	-
Total Brought Forward Balances	**-**
Tax Saving/(Shield) due to brought forward Balances	**-**
Tax Saving/(Shield) Differences in Book profit & Tax Profit for the year	35.91
Total Tax Saving/(Shield) thereon	**35.91**
Total Taxation excluding Interest I	**315.51**
Interest u/s 234 A/B/C II	15.96
Total Taxation (I+II)	331.47
Taxable Income	928.25
Tax as per MAT	NA
Tax as per Income Tax Returns	**331.47**

Annexure - 20

CAPITALISATION STATEMENT

(Rs. In Millions)

Particulars		**Pre-Issue as at 31st March, 2008**	**Post-Issue ***
Borrowings	-	-	
Short Term Debt		14.29	-
Long Term Debt		428.09	-
Total Debt		**442.38**	-
Shareholder's Funds	-	-	
Share Capital		240.91	-

Reserves & Surplus		2,029.92	-
Total Shareholder's Funds		**2,270.82**	-
Total Capitalization	-	-	
Long Term Debt/Equity Ratio		0.19	-
Total Debt/Equity Ratio		0.19	-

Notes:-

1) Short-Term debt represents debts which are due within twelve months from March 31, 2008 and include installments of Long term debts repayable within twelve months.

2) Long-term debt represents debts other than short-term debt, as defined above.

3) The figures disclosed above are based on the restated financial statements of the company.

* The post-issue capitalization can not be determined till the completion of book building process.

Annexure – 21

SEGMENTAL INFORMATION

There is no primary segment in the Company. Information relating to secondary segment are given as follows:

(Rs. In Millions)

	2007-08
(i) Secondary Geographical Segment	-
A. Revenue	
India	2,813.04
Export	1,217.00
Total	**4,030.04**
B. Segment Assets	
India	3,469.32
Export	19.11
Total	**3,488.43**

Annexure - 22

MANDATORY ACCOUNTING RATIOS

(Rs. In Millions)

Particulars	31.03.2008
Net Profit Attributable to Equity Shareholders	665.63
Earning Per Share (EPS) (Rs.) [a/b]	
- Basic [a/b]	33.16
- Diluted [a/d]	33.16
Cash Earning Per Share (Rs.) [f/b]	35.81
Return on Net Worth (%) [a/g %]	30.87%
Net Asset Value Per Share (Rs.) [h/e]	89.50
Weighted Average No. of Equity Shares	20,071,347
No. of Equity Shares outstanding	24,091,550

Notes:

1.

Net Profit after tax adjustments [a]	665.63
Weighted Average No. of Equity Shares [b]	20,071,347
Weighted Average No. of Potential Equity Shares [c]	-
Total No. of Equity Share for Calculating Dilited EPS [d]	20,071,347
No. of Equity Shares at the end of the year/period [e]	24,091,550
Cash Earning [f]	718.81
Net Worth [g]	2,156.20
Net Asset [h]	2,156.20

2. *Formula:*

Earning per Share (Rs.) = $\dfrac{\text{Net Profit attributable to equity shareholders}}{\text{Weighted Average number of equity shares outstanding during the period}}$

Net Asset Value Per Share (Rs.) $\dfrac{\text{Net Worth excluding revaluation reserve at the end of the period}}{\text{Total Number of equity shares outstanding at the end of the year/period}}$

Return on Net Worth (%) = $\dfrac{\text{Net Profit after tax adjustments}}{\text{Net worth at the end of the year/period}}$

Cash Earning = Net Profit after tax adjustments add Depreciation, Preliminary Expenses written off and Deferred Tax Liability, diminution in value of investments, Earlier year depreciation.

Net Asset = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off

3. Earning per share (EPS) is calculated after adjusting for 97,28,750 bonus shares issued, vide resolution passed at the extra ordinary general meeting held on 30th March 2007,with retrospective effect as provided in Accounting Standard (AS –20) – Earning Per Share, issued by the Institute of Chartered Accountant of India.

** The ratio are annualised except net Asset value per share.

<u>Annexure -23</u>

<u>DETAILS OF SECURED LOANS OUTSTANDING AS ON MARCH 31, 2008</u>

(Rs. In Millions)

<table>
<tr><th>Particulars of Loan</th><th>Bank</th><th>Nature of Loan</th><th>Sanctioned Amount</th><th>Amount Outstanding</th><th>Rate of Interest P.A. (%)</th><th>Securities Offered</th></tr>
<tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td rowspan="8">1. Corporate Loans / Vehicle Loans from Banks</td><td rowspan="4">ICICI Bank Limited</td><td rowspan="4">Vehicle Loan</td><td rowspan="4">2.98</td><td>0.25</td><td>12.88%</td><td rowspan="4">Secured Against Hypothecation of respective vehicles</td></tr>
<tr><td>1.18</td><td>11.58%</td></tr>
<tr><td>0.02</td><td>9.00%</td></tr>
<tr><td>0.25</td><td>12.50%</td></tr>
<tr><td></td><td>Total :</td><td>2.98</td><td>1.70</td><td></td><td></td></tr>
<tr><td>HDFC Bank</td><td>Vehicle Loan</td><td>1.70</td><td>0.55</td><td>8.22%</td><td>Secured Against Hypothecation of respective vehicles</td></tr>
<tr><td></td><td>Total :</td><td>1.70</td><td>0.55</td><td></td><td></td></tr>
<tr><td>2. Working Capital/ Cash Credit Facility</td><td>ICICI Bank Limited</td><td>Cash Credit</td><td>20.00</td><td>5.84</td><td>12.50%</td><td><u>Secured by</u>
i) Hypothecation charge on the entire current assets of the company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis.
ii) Collateral securities by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis.
iii) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.</td></tr>
</table>

	Union Bank of India	Cash Credit	150.00	72.08	14.75%	Secured by 1) Hypothecation charge on the entire current assets of the company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. 2) Collateral security by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner on pari passu basis. 3) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.
	State Bank of India	Export Packing Credit	300.00	282.35	10.00%	Secured by i) Hypothecation charge on the entire current assets of the company consisting of raw materials, Stock in process, Finished goods (excluding ines) and domestic receivables on parri passu basis. ii) Collateral security by way of charge on the entire fixed assets of the Company on pari passu basis iii) Collateral security by way of equitable Mortgage of residential property and a office premises belonging to a director and a partnership firm in which director is partner respectively on pari passu basis iv) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in

						which director is partner.
				360.27		
Term Loan	ICICI Bank Limited	Term Loan	580.00	79.86	12.50%	Secured by i) Exclusive charge on the proposed plant & machineries to be purchased. ii) Collateral security by way of mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis. iii) The Loan is further secured by personal guarantee of one of the Director ,a relative of director and a partnership firm in which a director is partner.
				79.86		

Annexure – 24

INFORMATION ON RELATED PARTY DISCLOSURES AS PER AS- 18.

1. For the year ended 31st March, 2008

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri*	Director
Mr. Amit Sharma	Director
Mr. Pradeep Bishnoi**	Director
Mr. Burzin Somandy**	Director
Mr. I.D. Agarwal**	Director
Mr. Siddharth Bhargava**	Director
Mr. Vinay Nangalia***	Director
M/S Exfin Shipping (India)	Associate Firm
M/s. Shri Warana Minerals	Associate Firm
Victory Sponge Private Limited	Company
Spear Petroleum Pvt. Ltd	Company
Eminent Steel private Limited	Company
Runweel Steel Private Limited	Company

* Resigned during the period.
** Appointed during the period.
*** Appointed and Resigned during the year

(a). Key Management Personnel

(Rs. In Millions)

Name of Key Managerial Personnel	Directors Remuneration	Director sitting fees	Professional fess paid	Loans & Advances taken	Loans & Advances Repaid	Outstanding Current Liabilities Paid	Outstanding Current Liabilities
Mr. Subhash A. Sharma	6.35			12.50	12.50	0.20	0.29
Mr. Amit Sharma	1.59			-	-	0.07	0.07
Mr. Vinay Nangalia	0.11						-
Mr. Burzin Somandy	-	0.08	0.55				-
Mr. I.D. Agarwal	-	0.04					-
Mr. Srinivasan Seshadri	0.13					0.03	-
Total	**8.17**	**0.12**	**0.55**	**12.50**	**12.50**	**0.30**	**0.36**

(b) Name of the enterprises having same Key Management Personnel and / or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

(Rs. In Millions)

Name of the Enterprises	Rent Paid	Loans & Advances taken	Loans & Advances Repaid	Interest On Loan	Share Application Money Received	Share Alloted	Investment made	Investment Outstanding	Outstanding Assets	Outstanding Liabilities
M/s Exfin Shipping (India)	0.12	-	-	-	-	-			20.27	0.01
M/s. Shri Warana Minerals	-	-	-	-	-	-	192.50	194.08	-	-
Spear petroleum Private Limited	-	-	-	-	-	-			-	-
Victory Sponge Private Limited	-	-	-	-	-	-			-	-
Eminent Steel private Limited	-	-	-	-	5.00	5.00			-	-
Runweel Steel Private Limited	-	330.72	223.35	2.48	145.00	145.00			-	109.33
Total	**0.12**	**330.72**	**223.35**	**2.48**	**150.00**	**150.00**	**192.50**	**194.08**	**20.27**	**109.34**

Note: Related Parties as disclosed by Management and relied upon by auditors.

Standalone Financial Information of our Company, as restated

Auditor's Report

The Board of Directors,
Resurgere Mines & Minerals India Limited,
156, Maker Chamber III,
Nariman Point Mumbai- 400021.

Dear Sirs,

At your request, we Singrodia Goyal & Co., Chartered Accountants, Statutory Auditors of Resurgere Mines & Minerals India Limited ("the Company") have examined the summary statements of Assets & Liabilities **(Annexure1)**- as Restated, of the Company as at March 31 2004, 2005, 2006, 2007 and, 2008 being the last date to which the accounts of the Company have been made up and the summary statements of Profit & Loss **(Annexure 2)**- as Restated, for the year ended on those dates(together referred to as "**Summary Statements")** prepared by the Company, approved by the Board of Directors of the Company and stamped & initialled by us for identification. These statements reflect the 'Profit or Loss' and 'Assets and Liabilities' for the relevant period as extracted from the Profit & Loss Account and the Balance Sheet for the year ending March 31, 2004 audited and reported by R. A. Kila & Co. Chartered Accountants & for the year ended March 31, 2005 and March 31, 2006 audited and reported by Sunil Gupta & Associates Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The accounts of the Company for the year ended March 31, 2007 and March 31, 2008 have been audited and reported by us. These Profit/Losses have been arrived at after making such adjustments and regrouping, more fully described in the notes appearing as **Annexure 4** to the report and read together with notes to accounts as appearing in **Annexure 5** and are in accordance with :-

(i) Paragraph B, Part II of Schedule II to the Companies Act, 1956 ('the Act')

(ii) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ('the SEBI Guidelines') issued by the Securities and Exchange Board of India ('SEBI') on January 19, 2000, as amended to date.

(iii) Our terms of reference dated 29th May, 2008 received from the Company, requesting us to carry our work, proposed to be included in the Offer Document in connection with its proposed Public Issue of Equity Shares.

(iv) The Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the ICAI.

The Company proposes to make a fresh issue of equity shares through IPO, at an issue price to be arrived at by the book building process (referred to as 'the Offer').

Financial information as per Audited Financial Statements:

We report that the restated Assets and Liabilities of the Company as at March 31, 2004, 2005, 2006, 2007 and 2008 are as set our in Annexure 1 to this report after making such adjustments/restatements and regrouping as in our opinion are appropriate and are subject to the Significant Accounting Policies are appearing in Annexure 4 and Notes to the Adjustment appearing in Annexure 4 Part C to this report.

We report that the restated Profits/Losses of the Company for the financial years ended March 31, 2004, 2005, 2006, 2007 and 2008 are as set out in Annexure 2 to this report. These Profits/Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/ restatements and regrouping as in our opining are appropriate and are subject to the Significant Accounting Policies and Notes to the Adjustments are appearing in Annexure 4.

We have examined the following financial information relating to the Company proposed to be included in the Offer Documents, which has been approved by you and are annexed to this report:

I. Statement of Cash Flows from the restated financial statements as appearing in Annexure 3 to this report;

II. Notes to Statements of Assets & Liabilities and Profit & Loss Accounts as appearing in Annexure 5 to this report;

III. Statement of Details of Share Capital as appearing in Annexure 6 to this report;
IV. Statement of Details of Reserves & Surplus, as restated as appearing in Annexure 7 to this report;
V. Statement of Secured Loans as appearing in Annexure 8 to this report;
VI. Statement of Current Liabilities & Provisions as appearing in Annexure 9 to this report;
VII. Statement of Net Tangible Assets as Annexure 10 to this report;
VIII. Statement of Investments as Annexure 11 to this report;
IX. Statement of Age-wise Analysis of Sundry Debtors as Annexure 12 to this report;
X. Details of Other Current Assets, Loans and Advances as appearing in Annexure 13 of this report.
XI. Details of Contingent Liabilities as appearing in Annexure 14 of this report.
XII. Statement of Dividend Paid as appearing in Annexure 15 to this report;
XIII. Statement of Operational Income as appearing in Annexure 16 to this report;
XIV. Statement of Other Income as appearing in Annexure 17 to this report;
XV. Statement of Increase / (Decrease) in Stocks as appearing in Annexure 18 to this report;
XVI. Statement of Tax Shelters as appearing in Annexure 19 of this report.
XVII. Capitalization Statement as at March 31, 2008 as appearing in Annexure 20 of this report.
XVIII. Statement of Segmental Information as appearing in Annexure 21 to this report;
XIX. Statement reflecting Mandatory Accounting Ratios as appearing in Annexure 22 to this report;
XX. Statement of Secured Loans outstanding as on March 31, 2008 as appearing in Annexure 23 of this report.
XXI. Statement of Related Parties transactions enclosed as Annexure 24 of this report.

In our opinion the financial information of the Company as stated above read with Significant Accounting Policies enclosed in Annexure 4 to this report, after making adjustments/restatements and regroupings as considered appropriate and subject to certain matters as stated in Notes to the Statements enclosed in Annexure 4 to this report, has been prepared in accordance with Part II of Schedule II of the Act and the SEBI Guidelines.

The sufficiency of the procedure performed or adopted by the Company in preparation of the statements as set in above paragraphs of this report, is the sole responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedure.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the specific Public Offer of the Company and is not be used, referred to or distributed for any other purpose without our prior written consent.

This report should not be in any way be constructed as a reissuance or redating of any of the previous audit reports issued by us or by any other firm of Chartered Accountants, nor should this report be constructed as a new opinion on any of the financial statements referred to herein.

For Singrodia Goyal & Co.
Chartered Accountants

Narayan Pasari
Partner
Membership No. 038095

Place: Mumbai
Date: June 06,2008

ANNEXURE-1

STATEMENT OF ADJUSTED ASSETS AND LIABILITIES (As Restated)

(Rs. in Millions)

			As atMarch 31,				
			2008	**2007**	**2006**	**2005**	**2004**
A.	**Fixed Assets:**	-	-	-			
	Gross Block		26.00	28.57	26.56	18.64	12.86
	Less : Depreciation		4.87	5.36	3.69	1.58	1.47
	Net Block		**21.13**	**23.21**	**22.87**	**17.06**	**11.39**
	Add: Capital Work in Progress	-	601.29	-	-	5.24	-
	Total	**A**	**622.42**	**23.21**	**22.87**	**22.30**	**11.39**
B.	**Investments**	**B**	**191.07**	**-**	**-**	**-**	**0.05**
C.	**Deferred Tax Assets**	**C**	-	**0.81**	-	-	-
D.	**Current Assets, Loans & Advances**	-					
	Inventories		573.95	337.59	98.28	90.61	50.46
	Sundry Debtors		742.42	336.98	141.02	2.09	7.32
	Cash and Bank Balances		124.22	31.11	17.52	18.61	29.53
	Other Current Assets, Loans and Advances		1,230.48	295.51	235.76	202.85	101.35
	Total	**D**	**2,671.07**	**1,001.19**	**492.58**	**314.16**	**188.66**
E.	**Liabilities& Provisions**	-					
	Secured Loans		442.38	65.14	85.92	14.12	14.47
	Unsecured Loans		109.34	-	-	-	-
	Current Liabilities and Provisions		752.92	313.83	294.49	274.03	145.92
	Total	**E**	**1,304.64**	**378.97**	**380.41**	**288.15**	**160.39**
F.	**Deferred Tax Liability**	**F**	**35.16**	**-**	**1.30**	**0.89**	**0.28**
G.	**Grand Total (A+B+C+D-E-F)**		**2,144.76**	**646.24**	**133.74**	**47.42**	**39.43**
H.	**Represented by**						
	Share Capital		240.91	175.12	45.00	35.00	35.00
	Reserves and Surplus		2,018.23	324.14	87.74	2.42	2.23
	Share Application Money			146.98	1.00	10.00	2.20
	Less: Miscellaneous Expenditure not written off/ adjusted		114.38	-	-	-	0.00
	Grand Total		**2,144.76**	**646.24**	**133.74**	**47.42**	**39.43**

Note:

1. *Till March 2005, we were engaged in merchant export of Iron Ore Fines and the transactions were done on Sight L/C basis. However, with obtaining of extraction rights at two mines in Orissa in 3 rd and 4 th quarter of Financial Year 2004-05,we entered into domestic market wherein we were required to extend credit to our customers in order to build the relationship. With substantial increase in domestic sales during Financial Yerr 2006-07 and 2007-08 the debtors of the Company have increased substantially from Rs. 141.02 millions as on March 31, 2006 to Rs. 336.98 millions as on march 31, 2007 and Rs. 742.42 as on March 31, 2008.*

   None of the debtors of the Company are covered under the definition of "related party".

2. *In the year 2006, we were more focused on domestic sales which needed less inventory turnover as compared to export sales wherein we are required to procure iron ore fines from various locations and transport the same to port subject to availability of logistic support. However, having developed a customer base in domestic market in two years we again started regaining our position as iron ore exporters due to which we were required to procure more stock and pile up the same at various railway sidings as well as ports for the purpose of exports, thereby resulting into increase in stock to Rs. 337.59 millions as on March 31,2007 as against Rs. 98.28 million as on March 31,2006. Further with growing export of iron ore fines during financial year 2007-08, the stock further increased to Rs. 573.95 millions as on March 31, 2008 as compared to Rs. 337.59 million as on March 31, 2007.*

ANNEXURE-2

STATEMENT OF ADJUSTED PROFIT AND LOSSES ACCOUNT (As Restated)

(Rs. in Millions)

	Year Ended March 31				
	2008	**2007**	**2006**	**2005**	**2004**
Income					
Sales of Products Manufactured	2,813.04	1,386.77	658.65	-	-
Sales of Products Traded	1,217.00	255.66	191.37	678.90	1,010.41
Income from Business of Clearing, Forwarding, and Customs House Agents	-	-	0.25	0.97	7.52
Other Income	13.55	0.89	0.91	8.08	0.44
Increase / (Decrease) in Stocks	201.41	190.83	10.69	28.13	50.46
Total Income :	**4,245.00**	**1,834.15**	**861.87**	**716.08**	**1,068.83**
Expenditure					
Materials, Production & Operating Exp	2,824.55	1,231.86	619.75	403.18	669.21
Employee Costs	19.30	6.87	4.26	3.67	1.06
Administrative & Selling Expenses	325.27	84.87	88.39	300.88	391.10
Total Expenditure :	**3,169.12**	**1,323.60**	**712.40**	**707.73**	**1,061.37**
Profit Before Int, Depreciation & Tax	**1,075.88**	**510.55**	**149.47**	**8.35**	**7.46**
Interest & Financial Charges	39.57	9.02	2.57	3.22	3.07
Depreciation	2.44	2.20	2.11	1.32	0.69
Net Profit before tax	**1,033.87**	**499.33**	**144.79**	**3.81**	**3.70**
Taxation					
- Current Tax	331.60	184.40	49.00	0.95	1.04
- Fringe Benefit Tax	0.68	0.65	0.69	-	-
- Deferred Tax Liab/(Assets)	35.97	(2.11)	0.42	0.59	0.25
Net Profit after tax	**665.62**	**316.39**	**94.68**	**2.27**	**2.41**
(Short) / Excess Provision in respect of income tax for earlier years	22.03	-	-	-	-
Prior Period Items	0.24	-	-	-	-
Depreciation of earlier years	-	-	-	(0.42)	-
Net Profit after tax as per audited financial statements(A)	**643.35**	**316.39**	**94.68**	**2.69**	**2.41**
Adjustments on account of restatements:(As per Ann.4-B)	**22.27**	**(12.72)**	**(8.20)**	**(1.31)**	**1.38**
Net Profit as restated (A + / (-) B)	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**
Profit Available for Appropriation as restated	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**
Appropriations:					
- Transferred to General Reserve	-	-	1.30	-	-
- Proposed Dividend	-	2.40	1.01	1.05	-
- Tax on Dividend	-	0.41	0.15	0.14	-
Total Appropriations	**-**	**2.81**	**2.46**	**1.19**	**-**
Balance carried forward to Balance Sheet as restated	**665.62**	**300.86**	**84.02**	**0.19**	**3.79**

Note: We were engaged in merchant export of Iron Ore Fines till Financial Year 2004-05 and this business had comparatively lower margins. However, with obtaining of extraction rights at two mines in Orissa in 3 rd and 4 th quarter of Financial Year 2004-05, we ventured into extraction and processing of Iron Ore with production of comparatively high margin products such as Lump Ore (LO), Size Ore(SO) and Calibrated Lump Ore (CLO). The said activity helped us in boosting up our margin from Rs. 2.27 millions as on March 31, 2005 to Rs. 94.69 millions as on March 31, 2006. Further, during Financial Year 2006-07, we started focusing on production of more CLO, which is a value added product and gives considerably higher margins, with reduction in focus on selling of LO/SO. This shifting of focus coupled with increased production and sales volumes helped us in achieving net profit after tax of Rs. 316.39 millions as on March 31, 2007 as against Rs. 94.69 millions as on March 31, 2006.

ANNEXURE- 3

STATEMENT OF CASH FLOWS FROM THE RESTATED FINANCIAL STATEMENTS

(Rs. In Millions)

	Year Ended March 31				
	2008	**2007**	**2006**	**2005**	**2004**
Cash Flow from Operating Activities:					
Net Profit before tax and extraordinary items	**1,033.87**	**499.33**	**144.79**	**3.81**	**3.70**
Adjustments for :					
Depreciation	2.43	2.20	2.11	1.32	0.69
Dividends	(0.47)				
Interest Income	(2.16)	(0.89)	(0.86)	(0.90)	(0.44)
Interest Expenses	33.23	8.21	1.76	1.70	0.75
Deferred Revenue Expenditure	-	-	-	-	1.42
Loss on Sale / Discard of Assets	2.33	0.45	-	0.16	-
Diminution in Value of Investments	-	-	-	0.05	-
Income Tax written off	0.01				
Mine Development Expenses Written off	14.78	-	-	-	-
Direct Taxes Paid	(192.93)	(58.48)	(1.35)	(0.05)	(0.10)
Operating Profit before Extraordinary Item	**891.09**	**450.82**	**146.45**	**6.09**	**6.02**
Prior Period Item	0.24	-	-	-	-
Operating Profit before w/c changes	890.85	**450.82**	**146.45**	**6.09**	**6.02**
Adjustments for :					
Trade and Other Receivables	(405.45)	(195.96)	(138.93)	5.23	(0.62)
Inventories	(236.37)	(239.31)	(7.67)	(40.15)	(50.46)
Trade Payables	109.89	(178.60)	(35.84)	125.17	141.00
Loans and Advances	(742.06)	(2.78)	(33.14)	(101.51)	(99.51)
Net Cash from Operating Activities	**(383.14)**	**(165.83)**	**(69.13)**	**(5.17)**	**(3.57)**
Cash Flow from Investing Activities:					
Purchase of Fixed Assets	(4.61)	(4.02)	(2.69)	(12.39)	(11.38)
Capital WIP	(601.30)				
Sale of Fixed Assets	1.93	1.05	-	-	-
Sale of Investments	350.00	-	-	-	-
Purchase of Investments	(541.07)				
Dividends	0.47				
Interest Income	2.16	0.89	0.86	0.90	0.44
Net Cash used in Investment Activities	**(792.42)**	**(2.08)**	**(1.83)**	**(11.49)**	**(10.94)**
Cash Flow from Financing Activities:					
Proceeds from Secured Loans (Net of Repayment)	377.24	(20.78)	71.81	(0.35)	12.95
Proceeds from UnSecured Loans (Net of Repayment)	109.34	-	-	-	-
Interest Paid	(33.24)	(8.21)	(1.76)	(1.70)	(0.75)
Dividend Paid including tax thereon	(2.81)	(1.16)	(1.19)	-	-
Miscellaneous Expenditure	(129.15)				
Share Capital	65.80	32.83	10.00	-	32.50
Share Application Money	(146.98)	145.98	(9.00)	7.80	(4.07)
Securities Premium	1,085.96	32.83	-	-	-
Share Issue Expenses	(57.49)	-	-	-	-
Net Cash used from Financing Activities	**1,268.67**	**181.49**	**69.85**	**5.76**	**40.63**

Net increase in Cash & Cash Equivalents	93.11	13.58	(1.10)	(10.91)	26.12
Cash and Cash equivalents (Opening)	31.10	17.52	18.62	29.53	3.41
Cash and Cash equivalents (Closing)	**124.21**	**31.10**	**17.52**	**18.62**	**29.53**

Note:

1. The above Cash Flow Statement has been prepared under the "indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.

2. Cash and cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

Particulars	**As at 31.03.2008**	**As at 31.03.2007**	**As at 31.03.2006**	**As at 31.03.2005**	**As at 31.03.2004**
Cash in hand	1.68	1.50	4.38	3.29	2.61
Balances with Bank	122.53	29.60	13.14	15.33	26.92
Total	**124.21**	**31.10**	**17.52**	**18.62**	**29.53**

Annexure '4'

Significant Accounting Policies and Notes on Adjustment for Restated Financial Statements

D) Company Overview

Resurgere Mines & Minerals India Limited is a closely held Public Limited Company engaged in the business of extraction, processing & sale of Ore and exploration & development of other mining assets. Presently the Company is enjoying long term exclusive raising and purchasing rights at two iron ore mines situated in the State of Orissa and one in the State of Jharkhand. The Company also has 60 % interest in a bauxite mine in the State of Maharashtra through its wholly owned subsidiary.

E) Significant Accounting Policies

xiv. Basis of Accounting :

The financial statements are prepared under the historical cost convention, on a going concern concept and in compliance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). The Company follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

xv. Fixed Assets :

Fixed Assets:
Fixed Assets are stated at cost of acquisition inclusive of incidental expenses related thereto and are net of CENVAT/VAT credit.

Expenditure during implementation period:
All expenditure, including advances given during the project implementation period, is accumulated and disclosed as capital work-in-progress until the assets are ready for commercial use. Assets under implementation are not depreciated.

xvi. <u>Impairment of Fixed Assets:</u>

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference

xvii. <u>Depreciation :</u>

Depreciation on Fixed Assets is provided on 'Straight Line Method' in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.

xviii. <u>Investments :</u>

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

xix. <u>Inventories :</u>

j) Raw materials are valued at cost

ii) Finished goods are valued at lower of cost or net realizable value.

xx. <u>Borrowing Costs</u>

Interest and other borrowing cost on specific borrowing relatable to qualifying assets are capitalised. Other interest and borrowing cost are charged to revenue.

xxi. <u>Retirement Benefits :</u>

c) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Profit & Loss Account for the year.

d) The liability of Gratuity is determined and provided for based on actuarial valuation made by an independent actuary as at the Balance Sheet date.

xxii. <u>Miscellaneous Expenditure :</u>

c) <u>IPO Expenses</u>: Expenditure incurred during the year relating to the proposed Initial Public Offer will be carried forward in the Balance Sheet and will be written off against the securities premium.

d) <u>Mine Development Expenses</u>:

3. Initial Development Expenses

In open pit mining operations, removal of initial overburden and other barren waste materials are necessary for economical extraction of ore. The process of mining overburden and waste materials is referred to as stripping. Stripping expenses during such initial development of a mine are deferred and will be equally amortized over the life of such mine and which varies from mine to mine. Expenses on such initial development of Tatiba Mines will be amortized over a period of 5 years from the year in which the expenditure in incurred as estimated by the management.

4. Further Development Expenses

Stripping of waste materials continues during the production stage of the mine/pit. For further development and extension of benches of the mine/pit there is an unusually high overburden removal cost. Stripping costs incurred for such further development which varies from mine to mine & pit to pit are deferred to the extent that the current period ratio exceeds the life of mine/pit ratio and also to match such costs with the related economic benefits. The management has presently estimated to amortize these expenses over a period of 18 months from the month these expenses are first incurred.

xxiii. Foreign Currency Transactions :

e) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.

f) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is treated as revenue.

g) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end at the exchange rate as at the year-end are recognized in the Profit and Loss Account .

h) The premium or discount in respect of forward exchange contract is amortised over the life of contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts are recognised in the Profit & Loss account in the reporting period.

xxiv. Revenue Recognition :

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers. Sales are net of d trade discounts and sales tax.

xxv. Accounting for Taxation on Income :

Current taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. The effect of a change in tax rates on deferred tax and assets or liabilities are recognized in the period that includes the enactment date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Fringe Benefits

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

xxvi. Treatment of Contingent Liabilities :

c) Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payments in respect of such demands, if any, are shown as advances.

d) Contingent Liabilities are disclosed by way of notes.

F) Notes on Adjustment

iii. Change in Accounting Policies and Estimates:

a) Depreciation:

Upto financial year ended March 31, 2004, depreciation was charged on Written Down Method But from financial year ended March 31, 2005 depreciation on fixed assets is provided on 'Straight Line Method' in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.

The current rates have been applied on the opening block of fixed assets on April 1, 2002 as appearing in the audited financial statements of the company, without considering the impact that the above mentioned adjustment, if made, would have been on the opening block as on April 1, 2002. However in the opinion of the company the impact of the same on the summary statement of assets and liabilities and profit and loss, as restated will not be material. Subsequent to April 1, 2002 the company has recalculated the depreciation charged at the current rate of depreciation.

b) Gratuity:

Upto March 31, 2006 the company was accounting gratuity on cash basis. From April 1, 2006 the Company changed its accounting policy and the liability of gratuity is ascertained and provided on the basis and method prescribed under Gratuity Act, 1972. The shortfall due to change in accounting policy is charged in the Profit & Loss Account for the year ended March 31, 2007. Accordingly, the provision for gratuity is recomputed for the year ended March 31 , 2004, 2005 & 2006 and necessary effect has been given in restated financial statements of respective years. The gratuity liability for the year ended 31st March 2008 is determined and provided based on actuarial valuation made by an independent actuary as at the Balance Sheet date

iv. **<u>Other Adjustments:</u>**

The Profit & Loss Account of certain years includes amount paid/provided for or refunded, in respected of short/excess income tax arising out of assessments, appeals etc. and account of short/excess provision of tax for earlier years. The impact on account of such short/excess income tax has been adjusted in respective years.

v. **<u>Material Regrouping:</u>**

Figures of the previous years have been regrouped reclassified and / or rearranged wherever considered necessary.

<u>ANNEXURE-5</u>

<u>NOTES TO STATEMENT OF ASSETS & LIABILITIES AND PROFIT & LOSS ACCOUNT</u>

1. **Taxes on Income**:

In Terms of Accounting Standard on "Accounting for Taxes on Income" (AS 22) the company has recognised net Deffered Tax Liabilities/ (Assets) as on 31st March, 2004, 31st March, 2005, 31th March, 2006 31st March 2007 and 31st March 2008 are as follows:

(Rs. In Millions)

Deferred Tax Liability / Assets	**31.03.2008**	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
On account of Depreciation	1.11	1.66	1.57	1.15	0.28
On account of Expenses allowable/ disallowable in Income Tax	34.05	(2.45)	(0.27)	(0.26)	-
Deferred Tax Liability/(Assets) [Net]	**35.16**	**(0.79)**	**1.30**	**0.89**	**0.28**

a) Provision for taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961.

b) Provision for Fringe Benefit Tax for the year ending 31st March, 2006 ,31st March, 2007 and 31st March, 2008 have been made on the basis of expenditure incurred on the taxable heads of expenses.

2. **Earning Per Share:**

Particulars	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
A) Weighted average number of equity shares of Rs. 10/- each					
I) Number of shares at the beginning of the year (See Note iii)	17,511,750	14,228,750	13,228,750	13,228,750	9,978,750
II) Number of shares at the end of the year	24,091,550	17,511,750	14,228,750	13,228,750	13,228,750
III) Weighted average number of Equity Shares outstanding during the year	20,071,347	14,471,602	14,228,750	13,228,750	10,389,030
IV) Weighted average number of Potential Equity Shares outstanding during the year	-	-	-	-	-
V) Weighted average number of Equity Shares for calculating diluted EPS	20,071,347	14,471,602	14,228,750	13,228,750	10,389,030
B) Net Profit/(Loss) after tax adjustments available for equity shareholders (Rs. In Lacs)	665.62	303.67	86.48	1.38	3.79
C) Basic earning per share (in rupees) {B/A (III)}*	33.16	20.98	6.08	0.10	0.36
D) Diluted earning per share (in rupees) {B/A (V)} *	33.16	20.98	6.08	0.10	0.36

Note:

i) In the years 2003-04, 2004-05, 2005-06 , 2006-07 & 2007-08 the Company does not have any dilutive potential equity shares. Consequently the basic and diluted profit / earning per share of the company remain the same.

ii) Earning per share (EPS) is calculated after adjusting for 97,28,750 bonus equity shares issued, vide resolution passed at the extra ordinary general meeting held on 30th March , 2007, with retrospective effect as provided in Accounting Standard (AS –20) – Earning Per Share, issued by the Institute of Chartered Accountant of India.

iii) Number of shares at the beginning of the year for the years 2003-04, 2004-05, 2005-06 includes 97,28,750 Bonus equity shares of Rs.10 , fully paid up issued in Accounting Year 2006-07.

3. Authorised and Paid Up Capital

As on date of signing accounts, the Company has an Authorised Capital of Rs. 30,00,00,000 (divided in to 3,00,00,000 Equity Shares of Rs. 10/- each) and Paid Up Capital of Rs. 24,09,15,500 (divided in to 2,40,91,550 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs.9,72,87,500 (97,28,750 Equity Shares of Rs. 10/- each) were issued as fully paid up bonus shares by capitalisation of Reserves in the year 2006-07.

4. Change in Status and Name

The Company has changed its name from 'Exfin Shipping (India) Limited' to 'Resurgere Mines & Minerals India Limited' by duly complying with the provisions of the Section 21 of the Companies Act, 1956 and the Registrar of Companies has issued certificate w.e.f 5th January, 2007 to this effect.

5. Current Assets, Loans & Advances

In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realisable in the ordinary course of business. The Provision for all known liabilities is adequate. Confirmation letters have been sent by the Company in respct of balances reflected under Sundry Debtors, Sundry Creditors, and Loans and Advances. In view of confirmations having been received from only some of the parties , the balance under these heads have been shown as per books of account and are subject to reconciliation and adjustment if any.

6. Adjustments/Regroupings Impact of changes in Accounting Policies/ Prior Period Items:

(Rs. In Millions)

Particulars	Year Ended 31.03.2008	Year Ended 31.03.2007	Year Ended 31.03.2006	Year Ended 31.03.2005	Year Ended 31.03.2004
Net Profit After Tax but Before Adjustments (A):	**643.35**	**316.39**	**94.68**	**2.69**	**2.41**
Add/(Less): Adjustments on Account of:					
Excess / Short tax provision relating to earlier years	22.03	(12.78)	(7.97)	(0.84)	(0.43)
Adjustments in Depreciation	-	-	-	(0.43)	0.41
Gratuity	-	0.30	(0.23)	(0.04)	(0.02)
Prior Period Items	0.24	(0.24)			
Deferred Revenue Expenditure		-	-	-	1.42
Total (B)	**22.27**	**(12.72)**	**(8.20)**	**(1.31)**	**1.38**
Adjusted Profit (A + / (-) B)	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**

a. Depreciation on all the Fixed Asset upto 31st March 2004 was provided at Written Down Value Method and in the manner as prescribed under Schedule XIV of the Companies Act, 1956. However from 1st April 2004 onwards, the Company has provided Depreciation on Straight Line Method in the manner and at the rates specified in Schedule XIV of Company Act, 1956. The excess depreciation of Rs.0.43 Millions charged in earlier years has been written back in the respective years.

b. The Company was accounting gratuity liability on cash basis till 31st March, 2006. However, during the year 2006-07, the gratuity liability upto 31st March, 2007 has been provided for in accordance with Gratuity Act, 1972. The gratuity liability for the year ended 31.03.2008 is determined and provided based on actuarial valuation made by an independent actuary as at the Balance Sheet date..

The adjustment on account of gratuity is made to give effect of gratuity provision in the respective years.

c. The Company did not claim Vat Receivable of Rs. 0.30 Millions in tye year 2006-07 and included it in Purchases.

d. The adjustment on account of deferred revenue expenditure has been made to comply with the provision of Accounting Standard 26 "Intangible Assets" issued by ICAI.

e. The adjustment on account of Income Tax has been made to rectify the liability short provided for in the respective year

7. Previous year Figures have been regrouped/ reclassified wherever necessary to confirm with the current years presentation.

Annexure - 6

DETAILS OF SHARE CAPITAL

(Rs. In Millions)

Particulars	**As at**				
	31.03.2008	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
Authorised:					
5,00,000 Equity Shares of Rs.100 each					50.00
5,00,000 Equity Shares of Rs.100 each				50.00	
5,00,000 Equity Shares of Rs.100 each			50.00		
3,00,00,000 Equity Shares of Rs.10 each	300.00	300.00			
Total :	**300.00**	**300.00**	**50.00**	**50.00**	**50.00**
Issued, Subscribed, & Paid up:					
3,50,000 Equity Shares of Rs.100 each					35.00
3,50,000 Equity Shares of Rs.100 each				35.00	
4,50,000 Equity Shares of Rs.100 each			45.00		
1,75,11,750 Equity Shares of Rs.10 each		175.12			
2,40,91,550 Equity Shares of Rs.10 each	240.91				
Total :	**240.91**	**175.12**	**45.00**	**35.00**	**35.00**

Notes:-
1) In 2006-07, the Company has sub-divided the face value of its Equity shares from Rs. 100/- each to Equity Shares of Rs. 10/- each. The necessary approval of shareholders has been obtained in the extraordinary general meeting held on 5th March 2007;

2) In 2006-07, the Company has issued 97,28,750 Equity Shares of Rs.10/- each as Bonus Shares in the ratio of 5: 4 on 30th March 2007.

Annexure - 7

DETAILS OF RESERVES & SURPLUS (AS Restated)

(Rs. Millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
General Reserve	-				
As per last Balance Sheet	-	1.35	0.05	0.05	0.05
Add: Transfer from Profit & Loss Account	-	-	1.30	-	-
Less: Amount capitalised for issue of Bonus Shares	-	1.35	-	-	-
	-	-	1.35	0.05	0.05
Securities Premium	-				
As per last Balance Sheet	32.83	-	-	-	-
Add: Additions during the year	1,085.96	32.83	-	-	-
Less: Share issue expenses	57.49	-	-	-	-
	1,061.30	32.83	-	-	-
Profit & Loss Account	-				
Opening Balance	291.31	86.39	2.37	2.18	(1.61)
Additions during the year	665.62	300.86	84.02	0.19	3.79
Less : Amount capitalised for issue of Bonus Shares	-	95.94	-	-	-
Closing Balance	956.93	291.31	86.39	2.37	2.18
Total :	**2,018.23**	**324.14**	**87.74**	**2.42**	**2.23**

Annexure - 8						
DETAILS OF SECURED LOANS						
Particulars of Loans	**Name of Bank**	**Year Ended 31.03.2008**	**Year Ended 31.03.2007**	**Year Ended 31.03.2006**	**Year Ended 31.03.2005**	**Year Ended 31.03.2004**
A. Working Capital/ Cash Credit						
1. Export Packing Credit Secured by the hypothecation of all fixed assets owned by the Company. (excluding vehicles which are hypothecated to other Banks) and equitable mortgage of premises owned by an associate concern. The Loan is further secured by personal guarantee of one of the Director, a relative of the Director and an Associate Concern of the Company.}	Oriental Bank of Commerce	-	47.31	69.76	-	-
2. Export Packing Credit Secured by i) Hypothecation charge on the entire current assets of the Company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. ii) Collateral security by way of charge on the entire fixed assets of the Company on pari passu basis. iii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iv) Personal Guarantee of one of the directors , a relative of director and also Guarantee of a partnership firm in which director is a partner.	State Bank of India	282.35	-	-	-	-

3. Working Capital Loan secured by i) Hypothecation charge on the entire current assets of the company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iii) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is a partner.	Union Bank of India	72.08	-	-	``	-
4. Working Capital Loan Secured by i) Hypothecation charge on the current assets of the Company consisting of raw materials, stock in process, finished goods and domestic receivables on pari passu basis. ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iii) Personal Guarantee of one of the directors, a relative of director and a partnership firm in which director is partner	ICICI Bank	5.84				
5. Working Capital Loan Secured by i) lien on Fixed Deposit Receipt	The City Co-operative Bank Ltd.-Mumbai	-	14.24	12.88	10.00	11.70
6. Term Loan Secured by i) Exclusive charge on the proposed plant & machineries to be purchased. ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis iii) The Loan is further secured	ICICI Bank	79.86	-	-	-	-

by personal guarantee of one of the Director ,a relative of director and a partnership firm in which a director is partner						
Sub Total :		**440.13**	**61.55**	**82.64**	**10.00**	**11.70**
B. Vehicle Loans (Secured against Vehicles Financed)	HDFC Bank Ltd.	0.55	1.22	2.21	3.17	-
	ICICI Bank Ltd.	1.70	2.37	1.07	0.95	2.77
TOTAL SECURED LOANS (A+B)		**442.38**	**65.14**	**85.92**	**14.12**	**14.47**

Annexure - 9

DETAILS OF CURRENT LIABILITIES & PROVISIONS

Particulars	**As at**				
	31.03.2008	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
Current Liabilities	-				
Sundry Creditors					
For Goods	50.04	44.55	56.44	30.21	119.51
For Expenses	80.64	5.57	7.46	3.88	1.46
Total Creditors :	**130.68**	**50.12**	**63.90**	**34.09**	**120.97**
Other Liabilities	34.47	1.89	2.98	2.56	3.71
Advances from Customers	0.00	3.25	167.28	233.12	19.91
Total Current Liabilities :	**165.15**	**55.26**	**234.16**	**269.77**	**144.59**
Provisions	-				
Proposed Dividend	0.00	2.40	1.01	1.05	-
Tax on Dividend	0.00	0.41	0.15	0.14	-
Provision for Taxation	585.76	254.43	58.48	3.07	1.33
Provision for Fringe Benefit Tax	2.01	1.33	0.69	-	-
Total Provisions :	**587.77**	**258.57**	**60.33**	**4.26**	**1.33**
Total Current Liabilities & Provisions :	**752.92**	**313.83**	**294.49**	**274.03**	**145.92**

Annexure - 10

STATEMENT OF NET TANGIBLE ASSETS

(Rs. In Millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Net Fixed Assets	21.13	23.21	22.87	17.06	11.39
Capital Work in Progress	601.29	-	-	5.24	-
Investments	191.07	-	-	-	0.05
Inventories	573.95	337.59	98.28	90.61	50.46
Trade Debtors	742.42	336.98	141.02	2.09	7.32
Cash & Bank Balances	124.22	31.11	17.52	18.61	29.53
Other Current Assets, Loans & Advances	1,230.48	295.51	235.76	202.85	101.35
Net Tangible Assets	**3,484.57**	**1,024.39**	**515.45**	**336.45**	**200.10**

Annexure - 11

STATEMENT OF INVESTMENT

(Rs. In Millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Quoted Shares	-				
5,000 Shares of Viniyoga Clothex Ltd.	-	-	-	-	0.05
(Market Value of Shares -Rs. Nil)					
SBI Mutual Fund					
Magnum Insta Cash Fund - Daily Dividend Option(27,984 units)	0.47	-	-	-	-
Unquoted Shares	-				
The City Co-operative Bank Ltd.	0.15	-	-	-	-
6,010 Shares of Rs.25/- each, fully paid up (In 2004-05, 2005-06 & 2006-07 10 Shares of Rs.25/- each, fully paid-up Rs. 250/-)					
Investment in Subsidiary					
Warna Minerals Pvt. Ltd.					
Equity Shares	8.50	-	-	-	-
(85,000 Equity Shares of Rs. 10 each fully paid up)					
0% Redeemable Optionally Convertible Preference Shares	181.95	-	-	-	-
[1,213,000 shares of Rs.10/- each fully paid up with option to be redeemed within 3 years]					
Total	**`191.07**	**-**	**-**	**-**	**0.05**

Annexure – 12

AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Rs. In Millions)

Particulars	As at				
	1.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Considered Good	-				
More than six months	1.92	-	1.81	1.81	6.14
Less than six months	740.50	336.98	139.21	0.28	1.18
Total :	**742.42**	**336.98**	**141.02**	**2.09**	**7.32**

Annexure - 13

OTHER CURRENT ASSETS, LOANS AND ADVANCES

(Rs. In Millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Advance recoverable in cash or in kind	79.46	6.04	7.31	2.81	13.73
Deposits	215.27	109.90	105.58	38.51	80.55
Advances to Suppliers	685.85	122.60	122.87	161.53	7.07
Advance Tax	249.90	56.97	-	-	-
Total :	**1,230.48**	**295.51**	**235.76**	**202.85**	**101.35**

Annexure - 14

CONTINGENT LIABILITIES

(Rs. In Millions)

Particulars	As at				
	31.03.2008	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
Bank Guarantee	17.00	2.50	2.50	-	-
Claim against the Company not acknowledged as debts	11.65	1.14	1.14	-	-
Contracts remaining to be executed on capital account	1,111.79				
Total :	**1,140.44**	**3.64**	**3.64**	**-**	**-**

Annexure – 15

STATEMENT OF DIVIDENDS PAID

(Rs. In Millions)

Particulars	As at				
	31.03.2008	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
Face Value per Equity Share (In Rs.)	10.00	10.00	100.00	100.00	100.00
Paid-Up Equity Share Capital	240.91	175.12	45.00	35.00	35.00
Proposed Dividend	-	2.40	1.01	1.05	-
Dividend Distribution Tax	-	0.41	0.15	0.14	-

Annexure - 16

DETAILS OF OPERATIONAL INCOME

(Rs. In Millions)

Particulars	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Sales					
Sale of Product Manufactured	2,968.71	1,456.13	691.67	-	-
Less: Sales Tax	155.67	69.36	33.02	-	-
Net **(A)**	2,813.04	1,386.77	658.65	-	-
Sale of Product Traded	-				
Exports	1,217.00	176.18	191.37	675.13	1,010.41
Local Sales	-	83.92	-	3.97	-
Less: Sales Tax	-	4.44	-	0.20	-
Net **(B)**	1,217.00	255.66	191.37	678.90	1,010.41
(A+B)	**4,030.04**	**1,642.43**	**850.02**	**678.90**	**1,010.41**
Freight, Forwarding & Transportation (Net)	-	-	0.14	0.19	6.42
CHA Commission	-	-	0.12	0.78	1.10
Total :	**4,030.04**	**1,642.43**	**850.28**	**679.87**	**1,017.93**

Annexure - 17

DETAILS OF OTHER INCOME

(Rs. In Millions)

Particulars	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004	Remarks
Bank Interest	2.16	0.89	0.86	0.90	0.44	Recurring
Rent Received	-	-	-	0.15	-	Non- Recurring
Dividend Income	0.47	-	-	-	-	Non- Recurring
Miscellaneous Income	-	-	0.04	-	-	Non- Recurring
Foreign Exchange Fluctuation (Net)	10.92	-	0.01	7.03	-	Non- Recurring
Total :	**13.55**	**0.89**	**0.91**	**8.08**	**0.44**	

Annexure – 18

DETAILS OF INCREASE / (DECREASE) IN STOCKS

(Rs. In Millions)

Particulars	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Closing Stocks	481.52	280.11	89.28	78.59	50.46
Less: Opening Stocks	280.11	89.28	78.59	50.46	-
	201.41	**190.83**	**10.69**	**28.13**	**50.46**

Annexure – 19

TAX SHELTER STATEMENT

(Rs. In Millions)

Particulars	Year Ended				
	31.03.2008	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
Tax Rate	30%	30%	30%	35%	35%
Surcharge	10%	10%	10%	2.5%	2.5%
Educational Cess	3%	2%	2%	2%	-
Effective Tax Rate	33.99%	33.66%	33.66%	36.59%	35.88%
Net Profit before Tax, as Restated	1,033.87	499.39	144.56	3.34	5.51
Tax at Notional Rate	351.41	168.10	48.66	1.22	1.98
Adjustments :					
Timing Difference	-				
Difference between Tax Depreciation and Book Depreciation	0.66	0.72	1.22	1.82	1.13
Difference between Mine Development Charges w/off and allowance under I.T. Law	101.68	(1.31)	-	-	-
Expenses disallowed u/s 40 (a) (ia) (Net)	6.71	(5.99)	(0.32)	(0.81)	-
Gratuity	(0.90)	(0.24)	(0.23)	(0.04)	(0.02)
Expenses Disallowed due to non-payment of statutory liabilities on time u/s 43B	-	-	(0.32)	-	-
Deferred Revenue Expenditure	-	-	-	-	1.42
Total Timing Difference (A)	**108.15**	**(6.82)**	**0.35**	**0.97**	

					2.53
Permanent Difference	-				
Donations (Net off deduction u/s 80G)	(0.36)	(0.03)	(0.25)	(0.44)	(0.10)
Interest on late payment of taxes	(0.02)	(0.16)	-	-	-
Loss on sale/discard of fixed assets	(2.32)	(0.45)	-	(0.16)	-
Disallowance of expenses u/s 37	(0.23)				
Expenses disallowed u/s 40 A	(0.06)				
Share issue expenses written off	-				
Diminution in value of investments	-	-	-	(0.05)	-
Dividend from Mutual Fund	0.46				
Miscellaneous expenses	-				
Prior Period Items	-	(0.24)	-	-	-
Total Permanent Difference (B)	**(2.53)**	**(0.88)**	**(0.25)**	**(0.65)**	**(0.10)**
Total Difference (A+B)	**105.62**	**(7.70)**	**0.10**	**0.32**	**2.43**
Brought Forward Balances					
Business Loss of Previous years	-	-	-	-	0.09
Unabsorbed Depreciation	-	-	-	-	0.09
Total Brought Forward Balances	**-**	**-**	**-**	**-**	**0.18**
Tax Saving/(Shield) due to brought forward Balances	-	-	-	-	0.07
Tax Saving/(Shield) Differences in Book profit & Tax Profit for the year	35.90	(2.59)	0.03	0.12	0.87
Total Tax Saving/(Shield) thereon	**35.90**	**(2.59)**	**0.03**	**0.12**	**0.94**
Total Taxation excluding Interest (I)	**315.50**	**170.69**	**48.63**	**1.10**	**1.04**
Interest u/s 234 A/B/C (II)	15.97	13.74	8.28	0.48	0.43
Total Taxation (I+II)	331.47	184.43	56.91	1.58	1.47
Taxable Income	928.25	507.09	144.46	3.02	3.08
Tax as per MAT	NA	NA	NA	NA	NA
Tax as per Income Tax Returns	**331.47**	**184.43**	**56.91**	**1.60**	**1.46**

Annexure - 20

CAPITALISATION STATEMENT

(Rs. In Millions)

Particulars	Pre-Issue as at 31st March, 2008	Pre-Issue as at 31st March, 2007	Post-Issue *
Borrowings	-		
Short Term Debt	14.29	63.64	-
Long Term Debt	428.09	1.50	-
Total Debt	**442.38**	**65.14**	-
Shareholder's Funds	-		
Share Capital	240.91	175.12	-
Reserves & Surplus	2,018.23	324.14	-
Total Shareholder's Funds	**2,259.13**	**499.26**	-
Total Capitalization	-		
Long Term Debt/Equity Ratio	0.19	0.003	-
Total Debt/Equity Ratio	0.20	0.13	-

Notes:-

1) Short-Term debt represents debts which are due within twelve months from March 31, 2007 & March 31, 2008 respectively and include installments of Long term debts repayable within twelve months.

2) Long-term debt represents debts other than short-term debts, as defined above.

3) The figures disclosed above are based on the restated financial statements of the Company.

* The post-issue capitalization can not be determined till the completion of book building process.

Annexure – 21

SEGMENTAL INFORMATION

During the Accounting Year 2003-04 the Company had both primary as well as secondary segments. Since 2004-05 onwards the company has secondary segment i.e. Geographical Segment. Details of segments in respective years are as follows:-

Year	Primary Segment (Business)	Secondary Segment (Geographical)
2003-04	1) Sale of Iron Ore 2) Freight Forwarding & Commission	1) India 2) Export
2004-05	Not Applicable	1) India 2) Export
2005-06	Not Applicable	1) India 2) Export
2006-07	Not Applicable	1) India 2) Export
2007-08	Not Applicable	1) India 2) Export

Annexure – 21
Segmental Information

(Rs. In Millions)

	2007-08	2006-07	2005-06	2004-05	2003-04
(i) Primary Business Segment	N.A.	N.A.	N.A.	N.A.	
A. Revenue					
Sale of Iron Ore					1,010.41
Freight & Forwarding					7.52
Others					0.44
Total					**1,018.37**
B. Identifiable operating expenses					
Sale of Iron Ore					984.31
Freight & Forwarding					-
Others					-
Total					**984.31**
C. Segmental operating income					
Sale of Iron Ore					26.11
Freight & Forwarding					7.52
Others					0.44
Total					**34.07**
D. Unallocable expenses					
Interest and finance charges					3.07
Other unallocable expenses					27.29
Total profit before tax					**3.71**
Taxes					1.29
Net profit after taxes					**2.42**
(ii) Secondary Geographical Segment	**-**				
A. Revenue					
India	2,813.04	1,466.25	658.65	3.77	-
Export	1,217.00	176.18	191.37	675.13	1,010.41

Total	**4,030.04**	**1,642.43**	**850.02**	**678.90**	**1,010.41**
B. Segment Assets					
India	3,465.45	958.30	515.45	336.45	200.10
Export	19.11	66.10	-	-	-
Total	**3,484.56**	**1,024.40**	**515.45**	**336.45**	**200.10**

Annexure - 22

MANDATORY ACCOUNTING RATIOS

(Rs. In Millions)

Particulars	**31.03.2008**	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
Net Profit Attributable to Equity Shareholders	665.62	303.67	86.48	1.38	3.79
Earning Per Share (EPS) (Rs.) [a/b]					
- Basic [a/b]	33.16	20.98	6.08	0.10	0.36
- Diluted [a/d]	33.16	20.98	6.08	0.10	0.36
Cash Earning Per Share (Rs.) [f/b]	35.08	20.99	6.26	0.29	0.46
Return on Net Worth (%) [a/g %]	31.03%	46.99%	64.67%	2.92%	9.61%
Net Asset Value Per Share (Rs.) [h/e]	89.03	36.90	9.40	3.58	2.98
Weighted Average No. of Equity Shares	20,071,347	14,471,602	14,228,750	13,228,750	10,389,030
No. of Equity Shares outstanding	24,091,550	17,511,750	14,228,750	13,228,750	13,228,750

Notes:

1.

(Rs. In Millions)

Net Profit after tax adjustments [a]	665.62	303.67	86.48	1.38	3.79
Weighted Average No. of Equity Shares [b]	20,071,347	14,471,602	14,228,750	13,228,750	10,389,030
Weighted Average No. of Potential Equity Shares [c]	-	-	-	-	-
Total No. of Equity Share for Calculating Dilited EPS [d]	20,071,347	14,471,602	14,228,750	13,228,750	10,389,030
No. of Equity Shares at the end of the year/period [e]	24,091,550	17,511,750	14,228,750	13,228,750	13,228,750
Cash Earning [f]	704.02	303.77	89.01	3.77	4.73
Net Worth [g]	2,144.76	646.24	133.74	47.42	39.43
Net Assets [h]	2,144.76	646.24	133.74	47.42	39.43

2. ***Formula:***

Earning per Share (Rs.) = $\frac{\text{Net Profit attributable to equity shareholders}}{\text{Weighted Average number of equity shares outstanding during the period}}$

Net Asset Value Per Share (Rs.) = $\frac{\text{Net Worth excluding revaluation reserve at the end of the period}}{\text{Total Number of equity shares outstanding at the end of the year/period}}$

Return on Net Worth (%) = $\frac{\text{Net Profit after tax adjustments}}{\text{Net worth at the end of the year/period}}$

Cash Earning = Net Profit after tax adjustments add Depreciation, Preliminary Expenses written off and Deferred Tax Liability, diminution in value of investments, Earlier year depreciation.

Net Asset = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off

3.Earning per share (EPS) is calculated after adjusting for 97,28,750 bonus shares issued, vide resolution passed at the extra ordinary general meeting held on 30th March 2007,with retrospective effect as provided in Accounting Standard (AS –20) – Earning Per Share, issued by the Institute of Chartered Accountant of India.

** The ratio are annualised except net Asset value per share.

Annexure -23
DETAILS OF SECURED LOANS OUTSTANDING AS ON MARCH 31, 2008

(Rs. In Millions)

Particulars of Loans	Bank	Nature of Loan	Sanctioned Amount	Amount Outstanding	Rate of Interest P.A. (%)	Securities Offered
1. Corporate Loans / Vehicle Loans from Banks	ICICI Bank Limited	Vehicle Loan	2.98	0.25	12.88%	Secured Against Hypothecation of respective vehicles
				1.18	11.58%	
				0.02	9.00%	
				0.25	12.50%	
		Total :	**2.98**	**1.70**		
	HDFC Bank	Vehicle Loan	1.70	0.55	8.22%	Secured Against Hypothecation of respective vehicles
		Total :	**1.70**	**0.55**		
2. Working Capital/ Cash Credit Facility	ICICI Bank Limited	Cash Credit	20.00	5.84	12.50%	Secured by i) Hypothecation charge on the entire current assets of the company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. ii) Collateral securities by way of equtiable mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis. iii) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.

	Union Bank of India	Cash Credit	150.00	72.08	14.75%	Secured by 1) Hypothecation charge on the entire current assets of the company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. 2) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner on pari passu basis. 3) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.
	State Bank of India	Export Packing Credit	300.00	282.35	10.00%	Secured by i) Hypothecation charge on the entire current assets of the company consisting of raw materials, Stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. ii) Collateral security by way of charge on the entire fixed assets of the Company on the pari passu basis. iii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership in which director is partner respectively on pari passu basis. iv) Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is partner.
				360.27		

Term Loan	ICICI Bank Limited	Term Loan	580.00	79.86	12.50%	Secured by i) Exclusive charge on the proposed plant & machineries to be purchased.ii) Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which a director is partner respectively on pari passu basis.iii) The Loan is further secured by personal guarantee of one of the Director, a relative of director and a partnership firm in which a director is partner.
				79.86		

Annexure – 24

- -

INFORMATION ON RELATED PARTY DISCLOSURES AS PER AS- 18.

1. For the year ended 31st March, 2008

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri*	Director
Mr. Amit Sharma	Director
Mr. Pradeep Bishnoi**	Director
Mr. Burzin Somandy**	Director
Mr. I.D. Agarwal**	Director
Mr. Siddharth Bhargava**	Director
Mr. Vinay Nangalia***	Director
M/s. Exfin Shipping (India)	Associate Firm
M/s. Shri Warana Minerals	Associate Firm
Victory Sponge Private Limited	Company
Spear Petroleum Private Limited	Company
Eminent Steel Private Limited	Company
Runweel Steel Private Limited	Company
Warana Minerels Private Limited	Subsidiary Company

* Resigned during the period.

** Appointed during the period.

*** Appointed and Resigned during the year

(a). Key Management Personnel

(Rs. In Millions)

Name of Key Managerial Personnel	Directors Remuneration	Director sitting fees	Professional fess paid	Loans & Advances taken	Loans & Advances Repaid	Outstanding Current Liabilities Paid	Outstanding Current Liabilities
Mr. Subhash A. Sharma	6.35			12.50	12.50	0.20	0.29
Mr. Amit Sharma	1.59			-	-	0.07	0.07
Mr. Vinay Nangalia	0.11						-
Mr. Burzin Somandy	-	0.08	0.55				-
Mr. I.D. Agarwal	-	0.04					-
Mr. Srinivasan Seshadri	0.13					0.03	-
Total	**8.18**	**0.12**	**0.55**	**12.50**	**12.50**	**0.30**	**0.36**

(b) Name of the enterprises having same Key Management Personnel and / or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

(Rs. In Millions)

Name of the Enterprises	Rent Paid	Loans & Advances taken	Loans & Advances Repaid	Interest On Loan	Share Application Money Received	Shares Alloted	Outstanding Assets	Outstanding Liabilities
M/s Exfin Shipping (India)	0.12	-	-	-	-	-	20.27	0.01
M/s. Shri Warana Minerals	-	-	-	-	-	-	-	-
Spear petroleum Private Limited	-	-	-	-	-	-	-	-
Victory Sponge Private Limited	-	-	-	-	-	-	-	-
Eminent Steel private Limited	-	-	-	-	5.00	5.00	-	-
Runweel Steel Private Limited	-	330.72	223.35	2.48	145.00	145.00	-	109.34
Total	**0.12**	**330.72**	**223.35**	**2.48**	**150.00**	**150.00**	**20.27**	**109.35**

(c). Subsidiary Company

(Rs. In Millions)

Name of the Subsidiary	Investment in Share Capital
Warana Minerels Private Limited	190.45
Total	**190.45**

Note: Related Parties as disclosed by Management and relied upon by auditors.

2. For the year ended 31st March, 2007

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern

(a). Key Management Personnel

(Rs. In Millions)

Name of Key Managerial Personnel	Directors Remuneration	Share Application Money Received	Securities Premium	Bonus Share Capital Alloted	Outstanding Current Liabilities Paid	Outstanding Current Liabilities
Mr. Subhash A. Sharma	2.40	11.62	5.66	29.66	0.15	0.20
Mr. Srinivasan Seshadri	0.84	-	-	0.14	-	0.03
Mr. Amit Sharma	0.31	-	-	1.00	0.03	0.07
Total	**3.55**	**11.62**	**5.66**	**30.80**	**0.18**	**0.30**

(b) Name of the enterprises having same Key Management Personnel and / or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

(Rs. In Millions)

Name of the Enterprises	Rent Paid	Outstanding Current Assets
M/s Exfin Shipping (India)	0.12	20.27
Total	**0.12**	**20.27**

(c). Subsidiary Company

There are no subsidiaries of the Company.

Note: Related Parties as disclosed by Management and relied upon by auditors.

3. For the Previous year ended 31st March, 2006

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern

(a). Key Management Pesonnel

(Rs. In Millions)

Name of Key Managerial Personnel	Directors Remuneration	Share Application Money Received	Outstanding Current Liabilities
Mr. Subhash A. Sharma	1.80	1.00	0.15
Mr. Srinivasan Seshadri	0.20	-	-
Mr. Amit Sharma	0.34	-	0.03
Total	**2.34**	**1.00**	**0.18**

(b). Name of the enterprise having same Key Management Personnel and / or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

(Rs. In Millions)

Name of the Enterprise	Deposiits Given	Rent Paid	Outstanding Current Assets
M/s Exfin Shipping (India)	3.30	0.12	20.27
Total	**3.30**	**0.12**	**20.27**

(c). Subsidiary Company

There are no subsidiaries of the Company.

Note: Related Parties as disclosed by Management and relied upon by auditors.

4. For the Previous year ended 31st March 2005

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern
M/s Oceanic Imports and Exports Corporation	Associate Concern

(a). Key Management Personnel

(Rs. In Millions)

Name of Key Managerial Personnel	Directors Remuneration	Share Application Money Received
Mr. Subhash A. Sharma	1.80	10.00
Mr. Srinivasan Seshadri	0.20	-
Mr. Amit Sharma	0.23	-
Total	**2.23**	**10.00**

(b) Name of the enterprises having same Key Management Personnel and / or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

(Rs. In Millions)

Name of the Enterprises	Deposiits Given	Rent Paid	Loans & Advances Received Back	Outstanding Current Assets
M/s Oceanic Imports and Exports Corporation	-	-	0.20	-
M/s Exfin Shipping (India)	16.97	0.10	0.94	16.97
Total	**16.97**	**0.10**	**1.14**	**16.97**

Note: Related Parties as disclosed by Management and relied upon by auditors.

(c). Subsidiary Company

There are no subsidiaries of the Company.

5. For the Previous year ended 31st March 2004

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma	Director
Mr. Srinivasan Seshadri	Director
Mr. Amit Sharma	Director
M/s Exfin Shipping (India)	Associate Concern
M/s Oceanic Imports and Exports Corporation	Associate Concern

(a). Key Management Personnel

(Rs. In Millions)

Name of Key Managerial Personnel	Directors Remuneration	Share Application Money Received	Share Application Money Refund
Mr. Subhash A. Sharma	0.20	3.20	0.22
Mr. Srinivasan Seshadri	0.10	-	-
Mr. Vipin Sharma	0.10	-	-
Total	**0.40**	**3.20**	**0.22**

(b) Name of the enterprises having same Key Management Personnel and / or their relatives as the reporting enterprise with whom the Company has entered into transactions during the year.

(Rs. In Millions)

Name of the Enterprise	Deposiits Given	Loans & Advances Granted	Outstanding Current Assets
M/s Exfin Shipping (India)	-	0.94	0.94
M/s Oceanic Imports and Exports Corporation	0.20	-	0.20
Total	**0.20**	**0.94**	**1.14**

Note: Related Parties as disclosed by Management and relied upon by auditors.

(c). Subsidiary Company

There are no subsidiaries of the Company.

Financial Information of our Subsidiary Company, as restated

Auditor's Report

The Board of Directors,
Warana Minerals Private Limited,
Savitri Niwas, Nivruti Housing Society,
Warananagar, Tal- Panhala
Kolhapur- 416113.

Dear Sirs,

At your request, we Dargar & Co., Chartered Accountants, Statutory Auditors of Warana Minerals Private Limited ("the Company") have examined the summary statements of Assets & Liabilities **(Annexure1)**- as Restated, of the Company as at March 31 ,2004, 2005, 2006, 2007 and, 2008 being the last date to which the accounts of the Company have been made up (referred to as "**Summary Statement")** prepared by the Company, approved by the Board of Directors and stamped & initialled by us for identification. No Profit and Loss account have been prepared by the Company for the aforesaid Financial years. The statement reflect the 'Assets and Liabilities' for the relevant period as extracted from the Balance Sheet for the year ending March 31, 2004 , 2005 , 2006 and 2007 audited and reported by Sunil S. Nagaonkar & Co. Chartered Accountants and for the year ending March 31,2008 audited and reported by us and accordingly reliance has been placed on the financial information examined by the previous auditors for the said years.. The statement have been arrived at after making such adjustments and regrouping, more fully described in the notes appearing as **Annexure 3** to the report and are in accordance with :-

i) Paragraph B, Part II of Schedule II to the Companies Act, 1956 ('the Act')

(ii) The Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 ('the SEBI Guidelines') issued by the Securities and Exchange Board of India ('SEBI') on January 19, 2000, as amended to date.

(iii) Our terms of reference dated 25th May 2008 received from the Company, requesting us to carry our work, proposed to be included in the Offer Document in connection with the proposed Public Issue of Equity Shares of the Holding Company Resurgere Mines & Minerals India Limited.

(iv) The Guidance Note on Reports in Company Prospectuses and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the ICAI.

The holding company of the Company Resurgere Mines & Minerals India Limited. propose to make an IPO for the fresh issue of equity shares, at an issue price to be arrived at by the book building process (referred to as 'the Offer').

Financial information as per Audited Financial Statements:

We report that the restated Assets and Liabilities of the Company as at March 31, 2004, 2005, 2006, 2007 and 2008 are as set our in Annexure 1 to this report after making such adjustments/restatements and regrouping as in our opinion are appropriate and are subject to the Significant Accounting Policies and notes to the adjustments as appearing in Annexure 3 to this report.

We have examined the following financial information relating to the Company proposed to be included in the Offer Documents, which has been approved by you and are annexed to this report:

I. Statement of Cash Flows as appearing in Annexure 2 to this report;

II. Notes to Statements of Assets & Liabilities as appearing in Annexure 3 of this report;

III. Statement of Details of Share Capital as appearing in Annexure 4 of this report;

IV. Statement of Details of Reserves & Surplus, as restated as appearing in Annexure 5 of this report;

V. Statement of Current Liabilities & Provisions as appearing in Annexure 6 of this report

VI. Statement of Net Tangible Assets as Annexure 7 of this report;

VII. Statement of Investments as Annexure 8 of this report;

VIII Details of Contingent Liabilities as appearing in Annexure 9 of this report.

IX Statement of Tax Shelters as appearing in Annexure 10 of this report

X. Capitalization Statement as at March 31, 2008 as appearing in Annexure 11 of this report.

XI. Mandatory Accounting Ratios as appearing in Annexure 12 to this report;

XII Statement of Related Parties transactions enclosed as Annexure 13 of this report.

In our opinion the financial information of the Company as stated above read with Significant Accounting Policies enclosed in Annexure 3 to this report, after making adjustments/restatements and regroupings as considered appropriate and subject to certain matters as stated in Notes to the Statements enclosed in Annexure 3 to this report, has been prepared in accordance with paragraph B, Part II of Schedule II of the Act and the SEBI Guidelines.

The sufficiency of the procedure performed or adopted by the company in preparation of the statements as set in above paragraphs of this report, is the sole responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedure.

This report is intended solely for your information and for inclusion in the Offer Document in connection with the specific Public Offer of the Holding Company and is not be used, referred to or distributed for any other purpose without our prior written consent.

This report should not be in any way be constructed as a reissuance or redating of any of the previous audit reports issued by us or by any other firm of Chartered Accountants, nor should this report be constructed as a new opinion on any of the financial statements referred to herein.

For Dargar & Co.
Chartered Accountants

Vijay Dargar
Partner
Membership No.76191

Place: Mumbai
Date: June 3, 2008

ANNEXURE-1

STATEMENT OF ADJUSTED ASSETS AND LIABILITIES (As Restated)

(Rs. in millions)

		As at March 31,				
		2008	**2007**	**2006**	**2005**	**2004**
A.	**Fixed Assets:**	-	-			
	Gross Block	-	-	-	-	-
	Less : Depreciation	-	-	-	-	-
	Net Block	**-**	**-**	**-**	**-**	**-**
B.	**Investments**	**194.09**	**1.59**	**1.59**	**1.48**	**1.48**
C.	**Deferred Tax Assets**	-	**-**	-	-	-
	-	-				
D.	**Current Assets, Loans & Advances**	-	-			
	Inventories	-	-	-	-	-
	Sundry Debtors	-	-	-	-	-
	Cash and Bank Balances	0.19	0.14	0.16	0.29	0.44
	Other Current Assets, Loans and Advances	-	-	-	-	-
	Total	**0.19**	**0.14**	**0.16**	**0.29**	**0.44**
E.	**Liabilities& Provisions**	-	-			
	Secured Loans	-	-	-	-	-
	Unsecured Loans	-	-	-	-	0.14
	Current Liabilities and Provisions	0.09	0.08	0.07	0.06	0.04
	Total	**0.09**	**0.08**	**0.07**	**0.06**	**0.19**
F.	**Deferred Tax Liability**	**-**	**-**	**-**	**-**	**-**
G.	**Total (A+B+C+D-E-F)**	**194.19**	**1.66**	**1.68**	**1.71**	**1.73**
H.	**Represented by**					
	Share Capital	12.98	0.85	0.85	0.85	0.85
	Reserves and Surplus	181.45	-	-	-	-

	Share Application Money		1.00	1.00	1.00	1.00
	Less: Miscellaneous Expenses not written off/ adjusted	0.24	0.20	0.17	0.14	0.12
	Total	**194.19**	**1.66**	**1.68**	**1.71**	**1.73**

ANNEXURE- 2

STATEMENT OF CASH FLOWS FROM THE RESTATED FINANCIAL STATEMENTS

(Rs. in millions)

	Year Ended March 31,				
	2008	**2007**	**2006**	**2005**	**2004**
Cash Flow from Operating Activities:					
Net Profit before tax and extraordinary items	**-**	**-**	**-**	**-**	**-**
Adjustments for :					
Depreciation	-	-	-	-	-
Miscellaneous Expenditure	-				
Interest Income	-	-	-	-	-
Interest Expenses	-	-	-	-	-
Deferred Revenue Expenditure	-	-	-	-	-
Loss on Sale / Discard of Assets	-	-	-	-	-
Diminution in Value of Investments	-	-	-	-	-
Income Tax written off	-				
Direct Tax Paid	-	-	-	-	-
Operating Profit before Extraordinary Item	**-**	**-**	**-**	**-**	**-**
Prior Period Items	-	-	-	-	-
Operating Profit before working capital changes	-	**-**	**-**	**-**	**-**
Adjustments for :					
Trade and Other Receivables	-	-	-	-	-
Inventories	-	-	-	-	-
Trade Payables	0.01	0.01	0.01	0.01	0.01
Loans and Advances	-	-	-	-	-
Net Cash from Operating Activities	**0.01**	**0.01**	**0.01**	**0.01**	**0.01**

Cash Flow from Investing Activities:					
Purchase of Fixed Assets	-	-	-	-	-
Sale of Fixed Assets	-	-	-	-	-
Sale of Investments	-	-	-	-	-
Investment in Partnership Firm	(180.50)	-	(0.11)	-	(1.47)
Interest Income	-	-	-	-	-
Net Cash used in Investment Activities	**(180.50)**	**-**	**(0.11)**	**-**	**(1.47)**
Cash Flow from Financing Activities:		-	-		
Proceeds from Secured Loans (Net of Repayment)	-	-	-	-	-
Proceeds from Unsecured Loans (Net of Repayment)	-	-	-	(0.14)	0.14
Interest Paid	-	-	-	-	-
Dividend Paid including tax thereon	-	-	-	-	-
Miscellaneous Expenditure	(0.04)	(0.03)	(0.03)	(0.02)	(0.03)
Share Capital	12.13	-	-	-	0.65
Share Application Money	(1.00)	-	-	-	1.01
Securities Premium	169.82	-	-	-	-
Share Issue Expenses	(0.37)	-	-	-	-
Net Cash used from Financing Activities	**180.54**	**(0.03)**	**(0.03)**	**(0.16)**	**1.78**
Net increase in Cash and Cash Equivalents	0.04	(0.02)	(0.13)	(0.15)	0.32
Cash and Cash equivalents (Opening)	0.17	0.18	0.31	0.46	0.14
Cash and Cash equivalents (Closing)	**0.21**	**0.17**	**0.18**	**0.31**	**0.46**
Note :					
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.					
2. Cash and cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:					
				(Rs. in millions)	
Particulars	**As at**	**As at**	**As at**	**As at**	**As at**

	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03. 2004
Cash in hand	0.13	0.16	0.18	0.18	0.15
Balances with Bank	0.08	-	-	0.13	0.31
Total	**0.21**	**0.16**	**0.18**	**0.31**	**0.46**

ANNEXURE-3

NOTES TO STATEMENT OF ASSETS & LIABILITIES AND PROFIT & LOSS ACCOUNT

1. Significant Accouting Policies
a. Method of Accounting
The Financial statements have been prepared under the historical cost convention and as per the mercantile system of accounting
b. Investments
Long Term Investments are stated at cost less any provision for permanent diminution in the value.
Current Investment are stated at lower of cost or market value

2. **Taxes on Income**:

a) Since there are no items which is attributable to timing difference between the profit offered for income tax and the profit as the the financial statements,no deferred tax assets /liabilities has been recognised during the aforesaid financial years

b) No Provision for taxation has been made as the Company did not have any taxable income during the aforesaid financial years

c) No Provision for Fringe Benefit Tax for the year ending 31st March, 2006 ,31st March, 2007 and 31st March, 2008 have been made since the Company is not covered under the provision of the Fringe Benefit Tax

3. **Earning Per Share:**

Particulars	**31.03.2008**	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
A) Weighted average number of equity shares of Rs. 10/- each					
I) Number of shares at the beginning of the year	85,000	85,000	85,000	85,000	20,000
II) Number of shares at the end of the year	85,000	85,000	85,000	85,000	85,000
III) Weighted average number of Equity Shares outstanding during the year	85,000	85,000	85,000	85,000	31,397
IV) Weighted average number of Potential Equity Shares outstanding during the year	-	-	-	-	-
V) Weighted average number of Equity Shares for calculating diluted EPS	85,000	85,000	85,000	85,000	31,397
B) Net Profit/(Loss) after tax adjustments available for equity shareholders (Rs. In Millions)	-	-	-	-	-
C) Basic earning per share (in rupees) {B/A (III)}*	-	-	-	-	-
D) Diluted earning per share (in rupees) {B/A (V)} *	-	-	-	-	-

Note :

1 In 2003-04, 2004-05, 2005-06 , 2006-07 & 2007-08 the Company does not have any dilutive potential equity shares. Consequently the basic and diluted profit / earning per share of the Company remains the same.

2 Authorised and Paid Up Capital

As on date of signing accounts, the Company has an Authorised Capital of Rs. 2,00,00,000 (divided in to 1,00,000 Equity Shares of Rs. 10/- each and 19,00,000 0% Redeemable optionally convertible preference shares of Rs.10/- each) and Paid Up Capital of Rs. 1,29,80,000 (divided in to 85,000 Equity Shares of Rs. 10/- each fully paid up and 12,13,000 0% Redeemable optionally convertiable prefence shares of Rs.10/- each)

3 Previous year Figures have been regrouped/ reclassified wherever necessary to confirm with the current year presentation.

<u>Annexure - 4</u>

<u>DETAILS OF SHARE CAPITAL</u>

(Rs. In millions)

Particulars	**As at**				
	31.03.2008	**31.03.2007**	**31.03.2006**	**31.03.2005**	**31.03.2004**
<u>Authorised:</u>	-				
1,00,000 Equity Shares of Rs.10 each					
1,00,000 Equity Shares of Rs.10 each					1
1,00,000 Equity Shares of Rs.10 each				1	
1,00,000 Equity Shares of Rs.10 each			1		
1,00,000 Equity Shares of Rs.10 each	1	1			
19,00,000 0% Redeemable optionally convertible Prefence Shares of Rs.10 each	19				
Total :	**20.00**	**1.00**	**1.00**	**1.00**	**1.00**
<u>Issued, Subscribed, & Paid up:</u>	-				
85,000 Equity Shares of Rs.10 each					0.85
85,000 Equity Shares of Rs.10 each				0.85	
85,000 Equity Shares of Rs.10 each			0.85		
85,000 Equity Shares of Rs.10 each		0.85			
85,000 Equity Shares of Rs.10 each	0.85				
12,13,000 0% Redeemable optionally convertible Prefence Shares of Rs.10 each	12.13				
Total :	**12.98**	**0.85**	**0.85**	**0.85**	**0.85**

Notes :-
1) In 2007-08,all the Equity Shares are held by the Holding Company viz. Resurgere Mines & Minerals India Ltd and its Nominees.
2) In 2007-08, all the Prefernce Shares are held by the Holding Company viz. Resurgere Mines & Minerals India Ltd.

Annexure - 5

DETAILS OF RESERVES & SURPLUS, AS RESTATED

-

(Rs. in millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Capital Reserve	-				
As per last Balance Sheet	-	-	-	-	-
Add: Additions during the year	12.00	-	-	-	-
	12.00	-	-	-	-
Securities Premium	-				
As per last Balance Sheet	-	-	-	-	-
Add: Received / (Capitalised) during the year	169.82		-	-	-
Less: Share Issue expenses	0.37			-	-
	169.45	-	-	-	-
Total :	**181.45**	**-**	**-**	**-**	**-**

Annexure - 6
DETAILS OF CURRENT LIABILITIES & PROVISIONS

(Rs. in millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Current Liabilities	-				
Sundry Creditors					
For Expenses	0.09	0.08	0.07	0.06	0.04
Total Current Liabilities :	**0.09**	**0.08**	**0.07**	**0.06**	**0.04**
Provisions	-	-	-	-	-

Total Current Liabilities & Provisions :	**0.09**	**0.08**	**0.07**	**0.06**	**0.04**

Annexure - 7

STATEMENT OF TANGIBLE ASSETS

(Rs. in millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Cash & Bank Balances	0.19	0.14	0.16	0.29	0.44
Net Tangible Assets :	**0.19**	**0.14**	**0.16**	**0.29**	**0.44**

Annexure - 8

STATEMENT OF INVESTMENT

(Rs. in millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Investment In Partnership Firm	194.09	1.59	1.59	1.48	1.48
Total :	**194.09**	**1.59**	**1.59**	**1.48**	**1.48**

Annexure - 9

CONTINGENT LIABILITIES

(Rs. in millions)

Particulars	As at				
	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Penalty if any ,on Non filing of Income Tax Return- Amount Ascertainable	-	-	-	-	-
Total :	**-**	**-**	**-**	**-**	**-**

Annexure - 10

TAX SHELTER STATEMENT

The Company has not started commercial production till year ending 31st March 2008 and it did not have any taxable income during the aforesaid financial years 31st March 2004, 2005, 2006, 2007 and 2008

Further the Company has also not filed Income Tax Returns for all the financial years with the Income Tax Department

Annexure - 11

CAPITALISATION STATEMENT

particulars	Pre-Issue as at 31st March, 2008	Pre-Issue as at 31st March, 2007	Post-Issue *
Borrowings	-		
Short Term Debts	-	-	-
Long Term Debts	-	-	-
Total Debts	**-**	**-**	-
Shareholder's Funds	-		
Share Capital	12.98	0.85	-
Reserves & Surplus	181.45	-	-
Total Shareholder's Funds	**194.43**	**0.85**	-
Total Capitalization	**-**		
Long Term Debt/Equity Ratio	-	-	-
Total Debt/Equity Ratio	-	-	-

Notes:-

1. There are no short term or long term debts due by the Company as on 31st March 2008

2. Figures disclosed above are based on the restated financial statement of the Company

* post-issue capitalization is not applicable since the IPO is proposed in the holding company Resurgere Mines & Minerals India Ltd

Annexure - 12

-

MANDATORY ACCOUNTING RATIOS

-

(Rs. in millions)

Particulars	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Net Profit Atrributable to Equity Shareholders					
Earning Per Share (EPS) (Rs.) [a/b]					
- Basic [a/b]	-	-	-	-	-
- Diluted [a/d]	-	-	-	-	-
Cash Earning Per Share (Rs.) [f/b]	-	-	-	-	-
Return on Net Worth (%) [a/g %]	0.00%	0.00%	0.00%	0.00%	0.00%
Net Asset Value Per Share (Rs.) [h/e]	14.96	19.48	19.82	20.16	20.34
Weighted Average No. of Equity Shares	85,000	85,000	85,000	85,000	31,397
No. of Equity Shares outstanding	85,000	85,000	85,000	85,000	85,000

Notes :

-

(Rs. in millions)

1	Net Profit after tax adjustments [a]	-	-	-	-	-
	Weighted Average No. of Equity Shares [b]	85,000	85,000	85,000	85,000	31,397
	Weighted Average No. of Potential Equity Shares [c]	-	-	-	-	-
	Total No. of Equity Share for Calculating Dilited EPS [d]	85,000	85,000	85,000	85,000	31,397
	No. of Equity Shares and preference shares at the end of the year/period [e]	1,298,000	85,000	85,000	85,000	85,000
	Cash Earning [f]	-	-	-	-	-
	Net Worth [g]	194.19	1.66	1.68	1.71	1.73
	Net Asset [h]	194.19	1.66	1.68	1.71	1.73

2 Formula :

-

Earning per Share (Rs.) = Net Profit attributable to equity shareholders / Weighted Average number of equity shares outstanding during the period

Net Asset Value Per Share (Rs.) = Net Worth excluding revaluation reserve at the end of the period / Total Number of equity shares and preference shares outstanding at the end of the year/period

Return on Net Worth (%) = Net Profit after tax adjustments

		Net worth at the end of the year/period
Cash Earning	=	Net Profit after tax adjustments add Depreciation, Preliminary Expenses written off and Deferred Tax Liability,diminution in value of investments,Earlier year depreciation.
Net Asset	=	Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off

** The ratio are annualised except net asset value per share

Annexure - 13

INFORMATION ON RELATED PARTY DISCLOSURES AS PER AS- 18.

1. For the year ended 31st March, 2008

a) List of Related Parties and Relationship

Party	Relationship
Mr. Subhash A. Sharma*	Director
Mr. Amit Sharma*	Director
Mr. Nipunrao V. Kore**	Director
Mr. Mansinghrao F. Naik**	Director
Resurgere Mines & Minerals India Limited	Holding Company
M/s Exfin Shipping (India)	Associate Firm
M/s Warana Minerals	Associate Firm
Victory Sponge Private Limited	Company
Eminent Steel Private Limited	Company
Runwell Steel Private Limited	Company

* Appointed during the period.

** Resigned during the period.

(a). Key Management Personnel

(Rs. In Millions)

Name of Key Managerial Personnel	Refund of Share Application Money

Mr. Subhash A. Sharma	-
Mr. Amit Sharma	-
Mr. Nipunrao V. Kore	0.20
Mr. Mansinghrao F. Naik	-
Total	**0.20**

(Rs. In Millions)

Name of the Enterprises	**Amount Introduced(net)**	**Outstanding Capital Account**
M/s. Shri Warana Minerals	192.50	194.08
Total	**192.50**	**194.08**

(c). Holding Company

(Rs. In Millions)

Name of the Holding Company	**Shares Allotted**	**Share Capital**
Resurgere Mines & Minerals India Limited	181.95	181.95
Total	**181.95**	**181.95**

Note: Related Parties as disclosed by Management and relied upon by auditors.

1. For the year ended 31st March, 2007, 31st March 2006, 31st March 2005 and 31st March 2004

a) List of Related Parties and Relationship

Party	**Relationship**
Mr. Nipunrao V. Kore	Director
Mr. Mansinghrao F. Naik	Director
M/s Shri Warana Minerals	Partnership Firm

2) During the year ended March 31,2007 , March 31,2006 , March 31,2005 and March 31,2004 there is no related party transactions except the transactions detailed as follows

Year Ended 31st March 2007 (Rs. In Millions)

Name of the Enterprises	**Balance in Capital Account**	**Share Application Money outstanding**

Mr. Nipunrao V. Kore		**0.2**
M/s. Shri Warana Minerals	1.58	-
Total	**1.58**	**0.20**
		-

Year Ended 31st March 2006

(Rs. In Millions)

Name of the Enterprises	**Amount Introduced(net)**	**Outstanding Capital Account**	**Share Application Money outstanding**
Mr. Nipunrao V. Kore			**0.2**
M/s. Shri Warana Minerals	0.10	1.58	-
Total	**0.10**	**1.58**	**0.20**

Year Ended 31st March 2005

(Rs. In Millions)

Name of the Enterprises	**Outstanding Capital Account**	**Share Application Money outstanding**
Mr. Nipunrao V. Kore		**0.2**
M/s. Shri Warana Minerals	1.48	-
Total	**1.48**	**0.20**

Year Ended 31st March 2004

(Rs. In Millions)

Name of the Enterprises	**Amount Introduced(net)**	**Outstanding Capital Account**	**Share Application Money outstanding**
Mr. Nipunrao V. Kore			**0.2**
M/s. Shri Warana Minerals	1.48	1.48	-
Total	**1.48**	**1.48**	**0.20**

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion of our Company's financial condition and results of operations together with its restated standalonefinancial statements prepared in accordance with paragraph B(1) of Part II of Schedule II to the Companies Act, Indian Accounting Standards and the SEBI Guidelines, including the schedules, annexures and notes thereto and the reports thereon, which appear in this Red Herring Prospectus. Unless otherwise stated, the financial information used in this section is derived from our Company's audited standalonefinancial statements as restated. Indian Accounting Standards differs in certain material respects from U.S.GAAP. For more information on these differences, see the section "Summary of Significant Differences among Indian Accounting Standards and U.S. GAAP" beginning on page 213 of this Red Herring Prospectus.

Our Company's fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.

In this section, a reference to the "Company" means Resurgere Mines & Minerals India Limited. Unless the context otherwise requires, references to "we", "us", or "our" refers to Resurgere Mines & Minerals India Limited and its Associates, taken as a whole, as though such Associates were consolidated entities of Resurgere Mines & Minerals India Limited.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section "Risk Factors" beginning on page xii of this Red Herring Prospectus.

OVERVIEW OF BUSINESS

We are engaged in the business of extraction, processing and sale of mineral products and exploration and development of mining assets. Our diverse product range includes various forms of iron ore such as Lump ore, Size ore, Calibrated Lump ore (CLO) and iron ore fine etc. and bauxite. We sell all these products domestically except iron ore fines which we export to China.

We are one of the few Companies in the mining industry to have obtained ISO 9001:2000 and ISO 14001:2004 Certification from UKAS, United Kingdom. Furthermore, our Company is a recognised Star Trading House of India and is also member of various business councils i.e. CAPEXIL, FIEO, FIMI etc.

We currently operate in Nuagaon, Kendujhargarh district and Maharajpur, Mayurbhanj district of Orissa and we purport to commence operations at Tatiba mine in Singhbhum district of Jharkhand in the near future. We have entered in to long term contracts for these mines, Nuagoan, Tatiba and Maharajpur, with the leaseholders for raising and purchasing of iron ore. All the three mines carry high quality iron ore of about 62% - 64% Fe content.

We had made an application to the Collector of Sindhudurg district for grant of iron ore mining lease over an area of 108.77 hectares in village Banda, District Sindhudurg in Maharashtra.In response to our application we have received a letter from the Industries Energy & Labour Department, Mantralaya, Mumbai dated September 13, 2007 stating that our application is under process at the office of the Collector of Sindhudurg. We have also applied for two prospecting leases of iron ore in Banda region District Sindhudurg to the Collector of Sindhudurg district. Further, we are also engaged in merchant export of iron ore fines to China.

Through our wholly owned subsidiary M/s. Warana Minerals Private Limited (WMPL), we hold a 60% interest in a registered partnership firm, Shri Warana Minerals which is engaged in the business of mining bauxite ore under the 30 year mining lease with respect to a bauxite mine situated in Yelwan Jugai, Maharashtra.

The mining assets of our Company, except Banda mine, have cumulative estimated reserve of 74.82 million tonnes of iron ore and 4.92 milllion tonnes of bauxite as certified by Central Mining Research

Institute certificate dated July 25, 2007 and September 3, 2007 respectively, break up of which can be seen as under:

Sr. No.	Description of mine	Estimated Reserves (milllion tonnes)
	Iron Ore Mines	
1	Nuagaon , Orissa	12.37
2	Maharajpur , Orissa	42.08
3	Jharkhand	20.37
4	Banda , Maharashtra	NA*
	Total	74.82
	Bauxite Mine	
1	Yelwan Jugai, Maharashtra	4.92

* No estimate has been made as to any proved or probable reserves that may exist at Banda iron ore mine, because the mining lease is yet to be executed in our favour.

Our Operational Income and Profit after Tax (PAT) after restatement of financial statements for the financial year ending March 31, 2007 was Rs. 1642.43 millions and Rs. 303.67 millions respectively and for year ending March 31, 2008 it was Rs. 4030.04 millions and Rs. 665.62 millions respectively. Our Operational Income and PAT have grown 93% and 251% year on year basis during the financial year 2006-2007 and 145% and 119% year on year basis during the financial year 2007-2008 respectively.

Significant Developments subsequent to the last financial period

In the opinion of the Board of Directors, there have not arisen, since the date of the last financial statements any circumstances that materially or adversely affect or are likely to affect the profitability of our Company or our ability to pay material liabilities within the next twelve months.

Factors that may affect Results of the Operations

- Changes in Government Policies relating to Iron ore mining, duties, taxes etc.
- Change in Indian Rupee in relation to major International currencies.
- Imposition of anti dumping duties by importing country.
- Change in fiscal, economic or political conditions in India.

Discussion on Results of Operations

A summary of our past financial results based on our Restated Accounts for the last five years and the four months period is as under:

(Rs. in million)

Comparison of Financial Year 2007-08 with Financial Year 2006-07

Operating Income

	Year Ended March 31, 2008	**Year Ended March 31, 2007**	**Year Ended March 31, 2006**	**Year Ended March 31, 2005**	**Year Ended March 31, 2004**
Income					
Sales of Products Manufactured	2,813.04	1,386.77	658.65	-	-
Sales of Products Traded	1,217.00	255.66	191.37	678.90	1,010.41
Income from Business of Clearing, Forwarding, and Customs House Agents	-	-	0.25	0.97	7.52
Other Income	13.55	0.89	0.91	8.08	0.44
Increase / (Decrease) in Stocks	201.41	190.83	10.69	28.13	50.46
Total Income :	**4,245.00**	**1,834.15**	**861.87**	**716.08**	**1,068.83**
Expenditure					
Materials, Production & Operating Expenses	2,824.55	1,231.86	619.75	403.18	669.21
Employee Costs	19.30	6.87	4.26	3.67	1.06
Administrative & Selling Expenses	325.27	84.87	88.39	300.88	391.10
Total Expenditure :	**3,169.12**	**1,323.60**	**712.40**	**707.73**	**1,061.37**
Profit Before Interest, Depreciation and Tax	**1,075.88**	**510.55**	**149.47**	**8.35**	**7.46**
Interest & Financial Charges	39.57	9.02	2.57	3.22	3.07
Depreciation	2.44	2.20	2.11	1.32	0.69
Net Profit before tax	**1,033.87**	**499.33**	**144.79**	**3.81**	**3.70**
Taxation					
- Current Tax	331.60	184.40	49.00	0.95	1.04
- Fringe Benefit Tax	0.68	0.65	0.69	-	-
- Deferred Tax Liability/(Assets)	35.97	(2.11)	0.42	0.59	0.25
Net Profit after tax	**665.62**	**316.39**	**94.68**	**2.27**	**2.41**
(Short) / Excess Provision in respect of income tax for earlier years	22.03	-	-	-	-
Prior Period Items	0.24	-	-	-	-
Depreciation of earlier years	-	-	-	(0.42)	-
Net Profit after tax as per audited financial statements(A)	**643.35**	**316.39**	**94.68**	**2.69**	**2.41**
Adjustments on account of restatements:(As per Ann.4-B)	**22.27**	**(12.72)**	**(8.20)**	**(1.31)**	**1.38**
Net Profit as restated (A + / (-) B)	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**
Profit Available for Appropriation as restated	**665.62**	**303.67**	**86.48**	**1.38**	**3.79**
Appropriations:					
- Transferred to General Reserve	-	-	1.30	-	-
- Proposed Dividend	-	2.40	1.01	1.05	-
- Tax on Dividend	-	0.41	0.15	0.14	-
Total Appropriations	**-**	**2.81**	**2.46**	**1.19**	**-**
Balance carried forward to Balance Sheet as restated	**665.62**	**300.86**	**84.02**	**0.19**	**3.79**

In the FY 2008, Operating Income of Rs. 4030.04 millions as compared to Rs. 1642.43 millions of the last Fiscal year ended March 31, 2007 has shown a growth of 145%. This huge jump in operating profit is on account of increase in trading business which stood at Rs. 1,217 millions as compared Rs. 255.66 millions, a jump of 376% in trading business. Further, increase in operating profit is on account of increase in sales volumes and change in product mix.

Other Income

Other Income mainly comprised of foreign exchange gain on account of refund of share application money to a foreign company.

Material, Production and operating Expenses

In the Fiscal year ending March 2008, material, production and operating expenses comprised 70% of the Operating Income as compared to 75% in the Fiscal year ended March 31, 2007. The decrease in FY 2008 was mainly due to change in sales mix, increase in stock and increase in production quantity.

Employee Costs

For the Fiscal year ended March 31, 2008, Employee Cost comprised around 0.48% of the Operating Income as compared to 0.42% in the Fiscal year ended March 31, 2007. The increase in % is mainly due to revision in salaries and additional recruitment done during the year.

Administrative and Selling Expenses

Administrative and Selling Expenses for the Fiscal Year 2008 comprises 8.07% of the Operational Income as compared to 5.17% in the Fiscal Year ended on March 31, 2007. The increase is mainly because of amortization of mine development expenses.

Total Expenditure

For the FY 2008, Total Expenditure as compared to Operational Income was reduced to 78.64% from 80.59% as in Fiscal year ended March 31, 2007. Reduction in Total Expenditure was mainly due to reduction in Material, Production and operating expenses.

Interest and Financial Charges

In the Fiscal Year 2008, Interest Expenses comprised 0.98% of the Operational Income as compared to 0.55% in the Fiscal year ended March 31, 2007. This increase was due to additional working capital facilities availed during the FY 2008.

Depreciation

In the FY 2008, Depreciation as % of operating income was 0.06% as compared to 0.13% of operating income for the FY 2007. % reduction as composition of operating income has reduced for the FY 2008 because of increase in sales value.

Net Profit after tax as restated

In the FY 2008, there has been a net profit (as a % of Total Operating Income) of 16.52% as compared to 18.49% in the Fiscal year ended March 31, 2007. Reduction in net profit is on account of increase in trading goods which has lower profit margins.

Comparison of Financial Year 2006-07 with Financial Year 2005-06

Operating Income

In the FY 2007, Operating Income of Rs. 1642.43 millions as compared to Rs. 850.27 millions of the last Fiscal year ended March 31, 2006 has shown a growth of 93.17%. This has almost doubled mainly due to change in product mix coupled with increase in sales quantities of iron ore.

Other Income

Other Income mainly comprises of interest received on fixed deposit kept with banks. Other income for FY 2007 was Rs. 0.89 millions in comparison to Rs. 0.91 millions. Reduction in FY 2007 was mainly on account of lesser interest received on bank deposit and absence of gain on foreign exchange fluctuations.

Material, Production and operating Expenses

In the Fiscal year ending March 2007, material, production and operating expenses comprised 75% of the Operatng Income as compared to 72.89% in the Fiscal year ended March 31, 2006. The increase in FY 2007 was mainly due to change in sales mix.

Employee Costs

For the Fiscal year ended March 31, 2007, Employee Cost comprised around 0.42% of the Operating Income as compared to 0.50% in the Fiscal year ended March 31, 2006. The marginal reduction in % is mainly due to higher sales volumes.

Administrative and Selling Expenses

Administrative and Selling Expenses comprises 5.17% of the Operational Income as compared to 10.40% in the Fiscal Year ended on March 31, 2006. The reduction is mainly because of reduction in ocean freight cost coupled with higher sales volume in the FY 2007, since these expenses have not increased in the same proportion as sales.

Total Expenditure

For the FY 2007, Total Expenditure as compared to Operational Income was reduced to 80.59% from 83.79% as in Fiscal year ended March 31, 2006 mainly due to increase in sales resulting in economies of scale.

Interest and Financial Charges

In the Fiscal Year 2007, Interest Expenses comprised 0.55% of the Operational Income as compared to 0.30% in the Fiscal year ended March 31, 2006. This increase was due to additional facilities availed during the FY 2007.

Depreciation

In the FY 2007, Depreciation as % of operating income was 0.13% as compared to 0.25% of operating income for the FY 2006. % reduction as composition of operating income has reduced for the FY 2007 because of increase in sales value.

Net Profit after tax as restated

In the FY 2007, there has been a net profit (as a % of Total Income) of 17.25% as compared to 10.99% in the Fiscal year ended March 31, 2006. This is due to change in product sales mix.

Comparison of Financial Year 2005-06 with Financial Year 2004-05

Operating Income

In the FY 2006, Operating Income of Rs. 850.27 millions, as compared to Rs. 679.87 millions of the last Fiscal year ended March 31, 2005, has shown a growth of 25.06%. During FY 2006, we started production of SO, LO and CLO. Exports during this year reduced from Rs. 675.13 millions in FY 2005 to Rs. 191.37 millions in FY 2006. Growth in operating income was mainly due to increased sales of our own manufacturing products.

Other Income

Other Income of Rs. 0.91 millions in FY 2006, mainly comprising of Interest received on Bank Fixed deposits and gains from fluctuations in foreign exchange rates. Other Income was lower as compared to Rs. 8.08 millions in FY 2005 mainly on account of reduction in foreign exchange gain to the tune of Rs. 7.03 millions.

Material, Production and Operating Expenses

In FY 2006, Material, Production and Operating expenses of Rs. 619.75 millions were at 72.89% of the Operational Income as compared to Rs. 403.18 millions which was 59.30% of operational income in the Fiscal year ended March 31, 2005. The increased Material, Production and operating expenses in FY 2006 is mainly due to commencement of own production wherein the said increase has been set off by decrease in Administration and Selling Expenses.

Employee Costs

In FY 2006, Employee Costs of Rs. 4.26 millions was at 0.50% of the Operational Income as compared to Employee Costs of Rs 3.67 millions at 0.54% of Operational Income in the Fiscal year ended March 31, 2005. The decrease in FY 2006 is marginal.

Administrative and Selling Expenses

Administration and Selling Expenses amounting to Rs. 88.39 millions at 10.40% of the Operational Income for FY 2006 as compared to Rs. 300.88 millions at 44.26% in the Fiscal Year ended March 31, 2005. The decrease in FY 2006 is on account of reduced fixed administrative costs and export related expenses.

Total Expenditure

Total Expenditure in FY 2006 were at 83.79% of Operational Income and for FY 2005, showing improvement over FY 2005 at 104.10% whivh was mainly due to decrease in Administrative and Selling expenses.

Interest

In the FY 2006, Interest Expenses was at 0.30 % of the Operational Income as compared to 0.47% in the Fiscal year ended March 31, 2005. The reduction is due to reduced financial charges.

Depreciation

In the FY 2006, Depreciation as % of operation income was 0.25% as compared to 0.19% for the FY 2005. The increase in FY 2006 was due to additional Fixed assets purchased in that year.

Restated net Profit after tax

In FY 2006, restated net profit, as % of Total Income, was 10.99% as compared to 0.32% in the Fiscal year ended March 31, 2005. The increase in restated net profit is on account of better margins on own production of SO, LO and CLO. Turnover from trading, a high volume and low profit margin activity, was reduced substantially and comprised only 22.20% of operational income. Manufactured products fetched better margins compared to traded products.

Comparison of Financial Year 2004-05 with Financial Year 2003-04

Operating Income

In FY 2005, the Operating Income of Rs. 679.87 millions as compared to Rs 1017.93 millions of the last fiscal year ended March 31, 2004 has shown reduction of 33.21%. During FY 2005, the Company was in the process of shifting its focus to manufacturing sales from trading sales and accordingly, had acquired extraction rights over two mines located in the state of Orissa. The said year being a transition period for shifting from trading to manufacturing activity, the operating income of our Company for FY 2005 was lower than operating income for FY 2004.

Other Income

Other Income for FY 2005 was Rs. 8.08 millions as compared to Rs. 0.44 millions for FY 2004. The same was at higher level for FY 2005 because of gains on account of Foreign exchange fluctuations amounting toRs. 7.03 millions. Other income of Rs. 0.44 millions for FY 2004 was comprising of interest on Bank Fixed deposits.

Material, Production and operating expenses

In FY 2005, Material, production and operating expenses amounting to Rs. 403.17 millions was at 59.30% of total operating income and was lower as compared to Rs. 669.22 millions at 65.74% of total operating income for FY 2005 due to increase in realisation PMT.

Employee Costs

In FY 2005, Employee's Cost of Rs. 3.67 millions was at 0.54% of the Operational Income as compared to Rs. 0.11 millions which was 0.10% of the operational income in the Fiscal year ended March 31, 2004. The increase in Employee costs was mainly on account of increase in employees commensurate to plan for increase in volume of sales.

Administrative and Selling Expenses

Administration and Selling Expenses amounting to Rs. 300.86 millions at 44.25% of the Operational Income for FY 2005 as compared to Rs. 391.10 millions at 38.42% of the operational income in the Fiscal Year ended March 31, 2004. The increase in % in FY 2005 is on account of reduction in execution of CIF sales contract.

Total Expenditure

Total Expenditure for FY 2005 was Rs. 707.70 millions as compared Rs. 1061.37 millions for FY 2004. The decrease in total expenditure in Fiscal year ended March 31, 2005 by 33.3% is mainly due to reduction in Material, Production and Operating Expenses for FY 2005.

Interest

In FY 2005, Interest Expenses of Rs. 3.21 millions was at 0.47% of Operational Income as compared to Rs. 3.07 millions at 0.30% in the Fiscal year ended March 31, 2004. The % increase in FY 2005 is because on lower CIF sales value.

Depreciation

In the FY 2005, Depreciation as % of operation income was 0.19% as compared to 0.07% for the FY 2004. The increase in FY 2005 was due to additional Fixed assets purchased in that year and reduced sales value.

Restated net Profit after tax

In FY 2005, restated net profit at 0.31% of Total Income and was almost flat at 0.39% in the Fiscal year ended March 31, 2004.

Adjustments on account of restatement:

<u>Change in Accounting Policies and Estimates:</u>

<u>Depreciation:</u>

Upto financial year ended March 31, 2004, depreciation was charged on Written Down Method But from financial year ended March 31, 2005 depreciation on fixed assets is provided on 'Straight Line Method' in the manner and at the rates specified in Schedule XIV of the Companies Act, 1956.

The current rates have been applied on the opening block of fixed assets on April 1, 2002 as appearing in the audited financial statements of our Company, without considering the impact that the above mentioned adjustment, if made, would have been on the opening block as on April 1, 2002. However in the opinion of our Company the impact of the same on the summary statement of assets and liabilities and profit and loss, as restated will not be material. Subsequent to April 1, 2002 our Company has recalculated the depreciation charged at the current rate of depreciation.

<u>Gratuity:</u>

Upto March 31, 2006 our Company was accounting gratuity on cash basis. From April 1, 2006 our Company changed its accounting policy and the liability of gratuity is ascertained and provided on the basis and method prescribed under Gratuity Act, 1972. The shortfall due to change in accounting policy is charged in the profit & Loss Account for the year ended March 31, 2007. Accordingly, the provision for gratuity is recomputed for the year ended March 31 2003, 2004, 2005 & 2006 and necessary effect has been given in restated financial statements of respected years.

<u>Other Adjustments:</u>

The Profit & Loss Account of certain years includes amount paid/provided for or refunded, in respected of short/excess income tax arising out of assessments, appeals etc. and account of short/excess provision of tax for earlier years. The impact on account of such short/excess income tax has been adjusted in respective years.

Other Figures of the previous years have been regrouped reclassified and / or rearranged wherever necessary.

Unusual or infrequent events or transactions

There are no unusual or infrequent events or transactions having significant impact on the operations of our Company

Significant economic or regulatory changes

- Changes in mining policies, imposition of regulations by state or central government, environmental regulations, and imposition of duties on export of iron ore products
- Increasing demand for Iron Ore products**.**

Known trends or uncertainties

There are no known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Future relationship between cost and income

There is no future relationship between cost and income that will have a material adverse impact on our operations and finances.

Relationship between net sales or revenue and sale volumes, introduction of new products or services or increased sales prices

As explained in the detailed discussions above, the material increases in net sales or revenue are mainly due to increased sales of own produced CLO, consistent growth in sales volume and also due to the acquisition of additional Iron ore and Baxuite mine.

New products or business segment

Our Company deals in various types of iron ore products and after acquiring interest in Shri Warana Minerals, we would also deal in bauxite mining. Apart from this, we have not announced any new product or business segment publicly.

Seasonality of Business

The Business of our Company is not seasonal in nature.

Dependence on few Suppliers

We have executed long term contracts for purchasing of iron ore from Nuagaon Iron Ore Mine, Maharajpur Iron Ore Mine and Jharkhand Iron Ore Mine.

Dependence on few customers

With regard to dependence on few customers, we are not dependent on any single or few customers.

SUMMARY OF SIGNIFICANT DIFFERENCES AMONG INDIAN ACCOUNTING STANDARDS AND U.S. GAAP

Our financial statements are prepared in conformity with Indian Accounting Standards , which differs in certain significant respects from U.S. GAAP. Such differences involve methods for measuring the amounts shown in the financial statements of the Issuer, as well as additional disclosures required by U.S. GAAP which we have not made.

The following is a general summary of certain significant differences between Indian Accounting Standards and U.S GAAP.

The differences identified below are limited to those significant differences that are appropriate to our financial statements. However, they should not be construed as exhaustive as no attempt has been made by our management to quantify the effects of those differences, nor has a complete reconciliation of Indian Accounting Standards to U.S. GAAP or Indian Accounting Standards been undertaken by our management. Had any such quantification or reconciliation been undertaken by our management, other potential significant accounting and disclosure differences may have come to its attention, which are not identified below. No attempt has been made to identify all disclosure, presentation or classification differences that would affect the manner in which transactions and events are presented in the financial statements and the notes thereto.

We have not prepared financial statements in accordance with U.S. GAAP. Therefore, our Company cannot presently estimate the net effect of applying U.S. GAAP on its results of operations or financial position.

Further, no attempt has been made to identify future differences between Indian Accounting Standards and U.S. GAAP as a result of prescribed changes in accounting standards. Regulatory bodies that promulgate Indian Accounting Standards , U.S. GAAP have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between Indian Accounting Standards , U.S. GAAP and that may affect the financial information as a result of transactions or events that may occur in the future.

Potential investors should consult their own potential advisors for an understanding of the principal differences between Indian Accounting Standards and U.S. GAAP how these differences might affect the financial statements appearing in the section "Financial Statements" beginning on page 121 of this Red Herring Prospectus.

S.No.	Particulars	Indian Accounting Standards	U.S. GAAP
1.	Contents of financial statements	Balance sheet, profit and loss account, cash flow statement, accounting policies and notes are presented for the current year, with comparatives for the previous year.	Comparative two years' balance sheets, income statements, cash flow statements, changes in shareholders' equity and accounting policies and notes. Three years are required for public companies for all statements except balance sheet where two years are provided.
2.	First time adoption	First-time adoption of Indian Accounting Standards requires retrospective application. In addition, particular standards specify treatment for first-time adoption of those standards.	Similar to Indian Accounting Standards
3.	Changes in accounting policies	Include effect in the income statement for the period in which the change is made except as specified in certain standards (transitional provision) where the change during the transition period	Generally include effect in the current year income statement through the recognition of a cumulative effect adjustment. Disclose pro forma comparatives. Retrospective adjustments for

S.No.	Particulars	Indian Accounting Standards	U.S. GAAP
		resulting from adoption of the standard has to be adjusted against opening retained earnings and the impact needs to be disclosed.	specific items. Recent amendment requires restatement of comparatives and prior year opening retained earnings. The new amendment is applicable to accounting changes that are made in fiscal years beginning after 15 December 2005.
4.	Revenue	Revenue is recorded on the basis of services rendered.	Similar to Indian Accounting Standards . However, extensive guidance is there for accounting of specific transactions
5.	Consolidation of Variable interest entities	There is no specific guidance with respect to Variable Interest Entities.	Entities are required to evaluate if they have any interest in Variable Interest Entities, as defined by GAAP Consolidation of such entities may be required if certain conditions are met.
6.	Intangible assets	Intangible assets are capitalised if specific criteria are met and are amortised over their useful life, generally not exceeding 10 years. The recoverable amount of an intangible asset that is not available for use or is being amortised over a period exceeding 10 years should be reviewed at least at each financial yearend even if there is no indication that the asset is impaired.	When allocating purchase price of a business combination, companies need to identify and allocate such purchase price to intangible assets, based on specific criteria. Intangibles that have an indefinite useful life are required to be tested, at least annually, for impairment. Intangible assets that have finite useful life are required to be amortised over their estimated useful lives.
7.	Segment Information	Segmental disclosures are required to be given by all public companies (listed or in the process of getting listed), banks, financial institutions, entities carrying on insurance business and enterprises having turnover above Rs. 50 crores or borrowings above Rs. 10 crores. Specific requirements govern the format and content of a reportable segment and the basis of identification of a reportable segment. Both business and geographical segments are identified and either of the two is classified as primary segment (with the other one being classified as the secondary segment).	Segmental disclosures are required to be made by all public business enterprises. A Company is required to report information about its products and services, the geographical areas in which it operates and its major customers. Reportable business segments are required to be identified based on specified criteria. Disclosures are required for both Business and geographic segments.
8.	Dividends	Dividends are reflected in the financial statements of the year to which they relate even if proposed or approved after the year end.	Dividends are accounted for when approved by the board/shareholders. If the approval is after year end, the dividend is not considered to be a subsequent event that needs to be reflected in the financial statements.
9.	Property, Plant and Equipment	Fixed assets are recorded at the historical costs or revalued	Revaluation of fixed assets is not permitted under U.S. GAAP. All

S.No.	Particulars	Indian Accounting Standards	U.S. GAAP
		amounts. Depreciation is recorded over the asset's useful life. Schedule XIV of the Companies Act prescribes minimum rates of depreciation and typically companies use these as the basis for useful life. Interest cost on specified or identifiable borrowings is capitalised to qualifying assets during its construction period.	foreign exchange gains or losses relating to the payables for the procurement of property, plant and equipment are recorded in the income statement. Depreciation is recorded over the asset's estimated useful life which maybe different from the useful life based on Schedule XIV. An entity must capitalise borrowing costs attributable to the acquisition, construction or production of a qualifying asset.
10.	Investment in Securities	Investments are categorised into- • Current investments are measured at the lower of cost and net realizable value. • Long term investments which are carried at cost unless there is a permanent diminution in value, in which case, a provision for diminution is required to be made by the entity.	Investments are categorised into- • Held to maturity (measured at amortised cost using effective interest method) • Trading (where changes in fair value, regardless of whether they are realised or unrealised are recognised as profit or loss) • Available for sale (where unrealised gains or losses are accounted as a component of equity and recognised as profit or loss when realised)
11.	Inventory	Measured at cost or net realizable value whichever is lower. Net realizable value is the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.	Measurement is done at lower of cost or market. Market value is defined as being current replacement cost subject to an upper limit of net realizable value (i.e. estimated selling price in the ordinary course of business less reasonably predictable costs of completion and disposal) and a lower limit of net realizable value less a normal profit margin. Reversal of a write down is prohibited, as a write down creates a new cost basis.
12.	Impairment of assets, other than Goodwill, intangible assets with indefinite useful lives and intangible assets not available for use	The standard requires our Company to assess whether there is any indication that an asset is impaired at each balance sheet date. Impairment loss (if any) is provided to the extent the carrying amount of assets/Cash generating units (CGUs) exceeds their Recoverable amount. Recoverable amount is the higher of an asset's/CGU's selling price or its Value in use. Value in use is the present value of estimated future	An impairment analysis is performed if impairment indicators exist. An impairment loss shall be recognised only if the carrying amount of a long-lived asset (asset group) is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset (asset group) is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset (asset

S.No.	Particulars	Indian Accounting Standards	U.S. GAAP
		cash flows expected to arise from the continuing use of the asset/CGU and from its disposal at the end of its useful life. An impairment loss for an asset/CGU recognised in prior accounting periods may be reversed if there has been a change in estimates of cash inflows, cash outflows or discount rates used to determine the asset's/CGU's recoverable amount since the last impairment loss was recognised. In this case, the carrying amount of the asset/CGU should be increased to its recoverable amount. The reversal of impairment loss should be recognised in the income statement.	group). An impairment loss shall be measured as the amount by which the carrying amount of a long-lived asset (asset group) exceeds its fair value (which is determined based on discounted cash flows). Impairment loss is recorded in the income statement. Reversal of impairment loss recognised in prior period is prohibited.
13.	Pension / Gratuity / Post Retirement Benefits (Defined Benefit Plans)	The liability for defined benefit plans like gratuity and leave encashment is determined as per actuarial valuation determined based on projected unit credit method. Discount rate to be used is determined by reference to market yields on government bonds. Actuarial gains or losses are recognised immediately in the statement of income. (As per pre-revised AS-15)	The liability for defined benefit schemes is determined using the projected unit credit actuarial method. The discount rate for obligations is based on market yields of high quality corporate bonds. The plan assets are measured using fair value or using discounted cash flows if market prices are unavailable. If at the beginning of the year, the actuarial gains or losses exceeds 10.00% of the greater of the projected benefit obligation or the market-related value of plan assets, then such amount is not recognised immediately, but amortised over the average remaining service period of active employees expected to receive benefits under the plan.
14.	Leases	Leases are classified as finance or operating in accordance with specific criteria. Judgment is required to determine if the criteria are met or not.	The criteria to classify leases as capital or operating include specific quantitative thresholds.
15.	Deferred Taxes	Deferred taxes are accounted for using the income statements approach, which focuses on timing differences. The tax rate applied on deferred tax items is the enacted or the substantively enacted tax rate as on the balance sheet date. Except for deferred tax on certain	Deferred tax asset/liability is classified as current and long-term depending upon the timing difference and the nature of the underlying asset or liability. The tax rate applied on deferred tax items is the enacted tax rate. Deferred tax is charged or credited directly to equity if the tax relates to items that are credited or charged directly to equity.

S.No.	Particulars	Indian Accounting Standards	U.S. GAAP
		expenses written off directly against equity which is required to be adjusted in equity, deferred tax is always recognised in the income statement	
16.	Stock based compensation	Entities have a choice of accounting methods for determining the costs of benefits arising from employees stock compensation plans. Although the fair value approach is recommended, entities may use the intrinsic value method and give fair value disclosures.	Entities are only allowed to use the fair value approach.
17.	Contingent assets	A possible asset that arise from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the entity's control. The item is recognised as an asset when the realisation of the associated benefit such as an insurance recovery, is virtually certain. However, Contingent assets, where an inflow of economic benefits is probable are not disclosed in financial statements.	Contingent assets are recognised, when realised, generally upon receipt of consideration.
18.	Contingent liabilities	A possible obligation whose outcome will be confirmed only on the occurrence or non-occurrence of uncertain future events outside the entity's control. Contingent liabilities are disclosed unless the probability of outflows is remote. Discounting of liability is not permitted and no provision is recognised on the basis of constructive obligation.	An accrual for a loss contingency is recognised if it is probable (defined as likely) that there is a present obligation resulting from a past event and an outflow of economic resources is reasonably estimable. If a loss is probable but the amount is not estimable, the low end of a range of estimates is recorded. Contingent liabilities are disclosed unless the probability of outflows is remote.
19.	Related parties disclosures	The nature and extent of any transactions with all related parties and the nature of the relationship must be disclosed, together with the amounts involved.	The nature and extent of any transactions with all related parties and the nature of the relationship must be disclosed, together with the amounts involved. Scope of related party is wider than the scope defined in Indian Accounting Standards . All material related party transactions (other than compensation arrangements, expense allowances and similar items) must be disclosed in the separate financial statements of wholly-owned subsidiaries, unless these are presented in the same financial report that includes the

S.No.	Particulars	Indian Accounting Standards	U.S. GAAP
			parent's consolidated financial statements (including those subsidiaries).
20.	Post balance sheet events	Adjust the financial statements for subsequent events, providing evidence of conditions at balance sheet date and materially affecting amounts in financial statements (adjusting events). Non-adjusting events are not required to be disclosed in financial statements but are disclosed in report of approving authority e.g. Directors' Report.	Adjust the financial statements for subsequent events, providing evidence of conditions at balance sheet date and materially affecting amounts in financial statements (adjusting events). Disclosing non-adjusting events.
21.	Segment reporting	Report primary and secondary (business and geographic) segments based on risks and returns and internal reporting structure. Use group accounting policies or entity accounting policy.	Report based on operating segments and the way the chief operating decision-maker evaluates financial information for purposes of allocating resources and assessing performance. Use internal financial reporting policies (even if accounting policies differ from group accounting policy).
22.	Earning per share	Use weighted average potential dilutive shares as denominator for diluted EPS.	Similar to Indian Accounting Standards
23.	Provisions	Record the provisions relating to present obligations from past events if outflow of resources is probable and can be reliably estimated. Discounting is not permitted.	Similar to Indian Accounting Standards . Rules for specific situations (including employee termination costs, environmental liabilities and loss contingencies). Discounting required only when timing of cash flows is fixed.
24.	Share issue expenses	May be adjusted against the premium on shares issued. Else expensed under AS-26	May be set off against the realised proceeds of share issue
25.	Correction of error/ omissions	Include effect in the current year income statement. The nature and amount of prior period items should be separately disclosed in the statement of profit and loss in a manner that their impact on current profit or loss can be perceived.	Restatement of comparatives is mandatory.

OUR INDEBTEDNESS

Our aggregate borrowings as of March 31, 2008 are as follows:

(In Rs. million)

S. No.	Nature of Borrowing	Amount
1.	Secured borrowings	442.38
2.	Unsecured borrowings	109.34
	Total	**551.72**

Details of Secured borrowings:

Particulars of Loan	**Name of Bank**	**As at 31.03.2008**
A. Working Capital/ Cash Credit		
Export Packing Credit secured by: 1. Hypothecation charge on the entire current assets of the Company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. 2. Collateral security by way of charge on the entire fixed assets of the Company on pari passu basis. 3. Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis 4. Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is a partner.	State Bank of India	282.35
Working Capital Loan secured by: 1. Hypothecation charge on the entire current assets of the company consisting of raw materials, stock in process, finished goods (excluding fines) and domestic receivables on pari passu basis. 2. Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis. 3. Personal Guarantee of one of the directors, a relative of director and also Guarantee of a partnership firm in which director is a partner.	Union Bank o India	72.08
Working Capital Loan secured by 1. Hypothecation charge on the current assets of the Company consisting of raw materials, stock in process, finished goods and domestic receivables on pari passu basis. 2. Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis. 3. Personal Guarantee of one of the directors, a relative of director and a partnership firm in which director is partner	ICICI Bank	5.84
B. Term Loan		

Term Loan secured by 1. Exclusive charge on the proposed plant & machineries to be purchased. 2. Collateral security by way of equitable mortgage of residential property and office premises belonging to a director and a partnership firm in which director is a partner respectively on pari passu basis. 3. The Loan is further secured by personal guarantee of one of the Director ,a relative of director and a partnership firm in which a director is partner	ICICI Bank	79.86
C. Vehicle Loans (Secured against Vehicles Financed)	HDFC Bank Ltd.	0.55
	ICICI Bank Ltd.	1.70
Total Secured Loans		**442.38**

Details of Unsecured Loan

A. Unsecured Loan Runwell Steel Private Limited		**109.35**

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there is no outstanding material litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, and there are no material defaults, non payment of statutory dues, over-dues to banks or financial institutions, defaults against banks or financial institutions, defaults in dues payable to holders of any debenture, bonds or fixed deposits or arrears of preference shares issued by our Company, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, its Promoter or Directors, that may have a material adverse effect on our standalonefinancial position, nor, so far as we are aware, are there any such proceedings pending or threatened.

Neither our Company nor its Promoter, members of the Promoter Group, Associates and Directors have been declared as wilful defaulters by the Reserve Bank of India or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.

Contingent liabilities of our Company as of March 31, 2008:

Our Company has contingent liabilities of Rs. 1140.44 million that are not provided for, as set forth in its restated standalonebalance sheet as of March 31, 2008. For further information, please see Annexure 14 of restated standalone financial statements as of March 31, 2008, beginning on page 170 of this Red Herring Prospectus.

Outstanding Litigation and Material Developments/Proceedings against our Company

Cases against our Company

S. No.	Appeal No./ Case No./Petition No.	Dated	Complainant / Appellant	Respondents	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
1.	Appeal No. 3396 of 2007	July 9, 2007	M/s Regurgere Mines & Minerals India Ltd through its Managing Director Mr. Subhash A. Sharma	1. M/s Sun Pharmaseutical Industries Ltd. (formerly M/s Gujrat Lyka Organics Ltd.) through its Managing Director(Respondent No 1); 2. Bright State Co. Ltd.through its	Supreme Court of India	Rs 4,447,140 with an interest at the rate of 12% per annum	Our Company is a forwarding agent of Respondent No 2. Respondent No. 1 had engaged the services of Respondent No. 2 for shipping a particular consignment of drugs weighing 1000 Kgs. To Forshan, Hong Kong	Pursuant to an application for stay made by us, the Supreme Court heard the matter on August 17, 2007. Pursuant to an application dated February 6, 2008, made by

S. No.	Appeal No./ Case No./Petition No.	Dated	Complainant / Appellant	Respondents	Name & Address of the Court/ Arbitration Panel	Amount Under Consideration	Brief Description of Case	Status
				Managing Director (Respondent No 2)			which were misplaced in transit after their delivery by our Company to Respondent No. 2 in Hong Kong. Respondent No. 1 filed a complaint in the National Consumer Dispute Redressal Forum against Respondent No. 2 impleading our Company as a respondent. The complaint was allowed and on May 23, 2007 an ex-parte order was passed as against our Company due to non appearance. Aggrieved by the decision of the National Consumer Dispute Redressal Forum, we have preferred the present appeal.	our Company, the Supreme Court, *vide* an order dated February 22, 2008 permitted the deletion of Respondent No. 2 as a party to the appeal. The matter is pending further hearing and disposal.

Proceedings initiated against Our Company for economic offences

There are no proceedings initiated against our Company for any economic offences.

Outstanding Litigation and Material Developments involving the Subsidiaries

Warana Minerals Pvt. Limited, our only wholly owned subsidiary, has no outstanding litigation or any other form of legal proceedings initiated by or against it.

Litigation/Proceedings involving the Directors of Our Company

Except as disclosed, there is no outstanding material litigation involving the Directors, there are no suits or criminal prosecutions or civil proceedings involving the Directors, and there are no material defaults, non-payment of statutory dues, over dues to banks/financial institutions or defaults against banks/financial institutions by the Directors (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII of the Companies Act).

Outstanding Litigation and Material Developments/Proceedings against the Directors

Except as stated hereinabove, there is no other outstanding litigation and material developments/proceeding against the Directors.

Outstanding Litigation and Material Developments/Proceedings filed by the Directors

There is no outstanding litigation and material developments/proceeding filed by the Directors.

Proceedings initiated against the Directors for economic offences

There are no proceedings initiated against the Directors for any economic offences.

Details of past penalties imposed on the Directors

There are no past penalties imposed on the Directors.

Litigation involving Promoter

There is no outstanding litigation involving our Promoter.

There is no outstanding material litigation, suits or criminal proceedings or civil prosecutions or tax liabilities against companies promoted by the Promoter, and there are no material defaults, non-payment of statutory dues, over dues to banks/ financial institutions, defaults in dues payable to holders of any debentures, bond or fixed deposits and arrears on preference shares issued by the group companies (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII of the Companies Act, 1956).

Litigation/Defaults in respect of companies/firms/ventures with which the Promoter was associated in the past

There is no outstanding litigation/defaults in respect of companies/firms/ventures with which the Promoter was associated in the past.

Litigation involving Promoter Group Companies

There is no outstanding litigation/defaults in respect of any of the Promoter Group Companies

Past Penalties paid by the Promoter Group Companies

There are no past penalties paid by the Promoter Group Companies.

Details of past penalties imposed on Joint Ventures

Our Company has no joint ventures.

Material Developments since the Last Balance Sheet Date

Other than as disclosed in this Red Herring Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects our profitability taken as a whole or the value of our standaloneassets or our ability to pay our material liabilities over the next twelve months.

The Board of Director has undergone changes as under:

1 Mr Siddharth Bhargava, a nominee Director of Merrill Lynch resigned on June 17, 2008, who was appointed on January 9, 2008

2 Mr. D. P. Singh was appointed as an Independent Director on June 6, 2008 and resigned on June 20, 2008

3 Mr Pradeep Bishnoi was appointed as an Independent Director on May 14, 2007. In the Board meeting held on June 6, 2008, he was inducted as Whole Time Director. He subsequently resigned on June 20, 2008.

GOVERNMENT AND OTHER APPROVALS

On the basis of the list of approvals provided below, our Company can undertake this Issue and its current business activities and no further major approvals from any Government or regulatory authority, including the RBI, are required to undertake this Issue or continue these activities. Unless otherwise stated, these approvals are valid as of the date of this Red Herring Prospectus.

Approvals for this Issue

The following approvals have been obtained or will be obtained in connection with this Issue:

The Board of Directors has, pursuant to resolution passed at its meeting held on August 14, 2007, authorised this Issue subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act, and such other authorities as may be necessary.

The shareholders of our Company have, pursuant to a resolution dated September 27, 2007, under Section 81(1A) of the Companies Act, authorised this Issue.

Our Company has obtained in-principle listing approvals dated January 24, 2008 and January 9, 2008 from the BSE and the NSE, respectively.

Our Company has also obtained necessary contractual approvals required for this Issue.

Approvals for the Business

We require various approvals to carry on our business in India. Subject to the renewals of approvals and licenses as listed below, we can undertake this Issue as well as our current business activities and no further major approvals are required from any Government authority for us to continue our activities:

Within India

General Approvals

Sr. No.		Licensing Authority	License No.	Date of Issue	Validity
1.	Registration cum Membership Certificate	CAPEXIL	IEC Number: 0502034734	April 5, 2008	March 31, 2009
2.	Employees' State Insurance Registration	ESI Corporation	31-42676-102	-	Valied unless suspended or cancelled.
3.	Registration cum Membership Certificate	FIEO	Registration No. : FIEO/WR/7698/2004-2005/7698	April 1, 2005	Valid upto March 31, 2009
4.	Certificate of Registration for payment of Service Tax	Assistant Commissioner of Service Tax, Division II, Mumbai	AAACE0111BST001	-	Valid until cancelled
5.	Value Added Tax Registration Certificate	Sales Tax Department, Maharashtra	27290387352V	-	N.A.
6.	Permanent Account Number Registration	Income Tax Department, Maharashtra	AAACE0111B	-	N.A
7.	Certificate of Registration	UKAS Environmental Management	ISO 14001:2004 Certificate Number: 17106 B	October 9, 2006	Valid upto May 14, 2009

8.	Certificate of Registration	United Registrar of Systems Ltd.	ISO 9001:2000 Certificate No.: 17106/A	May 15, 2006	Valid upto May 14, 2009
9.	Certificate of Recognition of Export House	Office of the Joint Director General of Foreign Trade, Ministry of Commerce, Government of India	No. : 014995	April 1, 2004	Valid upto March 31, 2009
10.	Registration Certificate of Establishment under the Bombay Shops and Establishments Act, 1948	Inspector under the Bombay Shops and Establishments Act, 1948	Registration No.: A-II/025560	January 18, 2008	Valid upto December 31, 2008
11.	Registration Cum Membership Certificate	Agriculture and Processed Food Products Export Development Authority	Registration No.: 151403	March 19, 2003	Valid until cancelled
12.	Certificate of Importer Exporter Code	Ministry of Commerce	IEC Number : 0502034734	04.09.2002	Valid until cancelled
13.	Certificate of Registration in recognition of compliance with the ISO 14001:2004 Standard for Our Companies environmental management system.	United Registrar of Systems Limited	Certificate No: 17106 A	9/10/06	14/05/09

Intellectual Property Related Approvals

There are no Intellectual Property Related approvals that have been applied for by our Company, which are currently active or pending or have not yet been received.

Approvals/Certificates Applied for but not yet Received

Our Company has received a letter from the Federation of Indian Mineral Industries dated October 12, 2007, approving our Company’s membership to the Federation, but a certificate for the same has not been issued yet.

There are no other approvals that have been applied for by our Company, which are still pending or have not yet been received.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Issue

Our Company

The Board of Directors has, pursuant to resolution passed at its meeting held on August 14, 2007, authorised this Issue subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act, and such other authorities as may be necessary.

The shareholders of our Company have, pursuant to a resolution dated September 27, 2007, under Section 81(1A) of the Companies Act, authorised this Issue.

The Board pursuant to its resolution dated November 2, 2007 has authorised a committee of its Directors referred to as the IPO Committee to take decisions on behalf of the Board in relation to this Issue. The board of directors has approved and authorised this Red Herring Prospectus pursuant to its resolution dated December 8, 2007.

Prohibition by SEBI, RBI or governmental authorities

Our Company, the Directors, the Promoter, the directors or person(s) in control of the Promoter or the Promoter Group and the companies in which the Directors are associated as directors, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Company, its Promoter, Associates, Promoter Group Companies or relatives of the Promoter, its Directors and the companies in which the Directors are associated as directors, have been declared as wilful defaulters by the RBI or any other governmental authority and there has been no violation of any securities law committed by any them in the past and no such proceedings are pending against any of them.

Eligibility for this Issue

.

Our Company is eligible to make this issue in accordance with Clause 2.2.1 of the SEBI Guidelines as explained below:

a) Our Company has net tangible assets of at least Rs. 30 million in each of the preceding three full years (of 12 months each), of which not more than 50% is held in monetary assets;

b) Our Company has a track record of distributable profits in terms of section 205 of the Companies Act, 1956, for at least three out of immediately preceding five years;

c) Our Company has a net worth of at least Rs. 10 million in each of the preceding three full years (of 12 months each);

d) The name of our Company has been changed in the last one year and as required 50% of the revenue for the preceding one full year is earned by our Company from the activity suggested by the new name; and

e) 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 and firm allotment and promoters' contribution through the offer document), does not exceed five times its pre-issue net worth as per the audited balance sheet of the last financial year.)

In terms of certificate dated November 27, 2007 issued by our Statutory Auditors, M/s. Singrodia Goyal & Co, our Company satisfies all the above mentioned conditions as disclosed in the tabular format below:.

(Rs. Millions)

	31st July 2007 (4 months)	31st March 2007	31st March 2006	31st March 2005	31st March 2004	31st March 2003
Net Tangible Assets	1427.19	967.14	515.48	336.47	200.09	12.30

Monetary Assets	73.05	31.12	17.54	18.63	29.53	3.41
Net Profit After Tax	184.67	316.40	94.46	2.24	4.22	(1.42)
Distributable Profits	184.67	316.40	94.46	2.24	4.22	(1.42)
Net Worth	824.82	521.26	142.00	38.70	37.64	0.92

1. Net Tangible assets is defined as the sum of net fixed assets (including capital work in progress, investments and current assets (excluding deferred tax assets)

2. Monetary assets represent cash in hand and bank balances

3. Distributable profits have been worked out as per Section 205 of the Companies Act, 1956

In addition to these, we shall ensure that the number of allottees getting Equity Shares is not less than one thousand in number.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT 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 THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER ARE 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, MOTILAL OSWAL INVESTMENT ADVISORS PRIVATE LIMITED HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 11, 2007 WHICH READ AS FOLLOWS;

"

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATIONS ETC. AND OTHER MATERIALS, MORE PARTICULARLY REFERRED TO IN THE ANNEXURE, IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS TO THE SAID ISSUE.

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY;

   WE CONFIRM THAT:

- THE RED HERRING PROSPECTUS FORWARDED TO SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
- ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID 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;
- THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION REGARDING INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AND OTHER APPLICABLE LEGAL REQUIREMENTS;

3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THEIR REGISTRATIONS ARE VALID AS ON DATE; AND

4. WE HAVE SATISFIED OURSELVES ABOUT THE WORTH OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.

5. WE CERTIFY THAT WRITTEN CONSENT FROM SHAREHOLDERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK IN AND THE SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK IN, WILL NOT BE DISPOSED /SOLD/ TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE FILING OF DRAFT PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.

6. WE CERTIFY THAT CLAUSE 4.6 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE DRAFT PROSPECTUS/LETTER OF OFFER.

7. WE UNDERTAKE THAT PROMOTERS CONTRIBUTION HAVE BEEN ALREADY BROUGHT IN AND HENCE THE CLAUSES 4.9.1, 4.9.2, 4.9.3 AND 4.9.4 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 ARE NOT APPLICABLE

8. THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION APPLICABLE TO THE ISSUER HAS BEEN COMPLIED WITH AS PER SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000.

9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.

10. WE CONFIRM THAT NECESSARY ARRANGEMENTS WOULD BE MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS/LETTER OF OFFER. WE FURTHER CONFIRM THAT THE AGREEMENT TO BE ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SHALL SPECIFICALLY CONTAIN THIS CONDITION.

11. WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE.

12. INVESTORS CANNOT BE GIVEN AN OPTION TO GET THE SHARES IN THE PHYSICAL FORM SINCE AS PER SECTION 68B OF THE COMPANIES ACT 1956, THE ISSUE OF SHARES IN THIS PUBLIC ISSUE HAS TO BE IN THE DEMATERIALISED FORM ONLY.

13. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:

    a. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE COMPANY AND
    b. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME."

WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN WILL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH SEBI UNTIL THE DATE OF COMMENCEMENT OF THE LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.

THE FILING OF THE RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 63 OR SECTION 68 OF THE COMPANIES ACT, 1956 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI, FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE RED HERRING PROSPECTUS.

All legal requirements pertaining to this 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. All legal requirements pertaining to this 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.

DISCLAIMER CLAUSE OF THE NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. NSE has given vide its letter Ref. No. NSE/LIST/64281-J dated January 9, 2008, granted permission to Our Company to use the NSE's name in this Red Herring Prospectus as one of the stock exchanges on which Our Company's securities are proposed to be listed. The NSE has scrutinized the Draft Red Herring Prospectus 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 Draft Red Herring Prospectus 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 the Draft Red Herring Prospectus, nor does it warrant that Our Company's securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of Our Company, its Promoters, its management or any scheme or project of Our Company.

Every person who desires to apply for or otherwise acquires any of Our Company's securities may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE 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 BSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to BSE. BSE has given vide its letter, Ref. No. DCS/IPO/SI/IPO-IP/1738/2007-08 dated January 24, 2008, granted permission to Our Company to use BSE's name in this Red Herring Prospectus as one of the stock exchanges on which our securities are proposed to be listed. BSE has scrutinized the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. BSE does not in any manner:

- Warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; or
- Warrant that our securities will be listed or will continue to be listed on BSE; or
- 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 the Draft Red Herring Prospectus has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of Our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 from our Company and the BRLM and the Co-BRLMs

Our Company, the Directors, the BRLM and Co-BRLMs 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 our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.resurgere.in, or the website of any Promoter, Promoter Group Company, or of any affiliate or Associate of our Company, would be doing so at his or her own risk.

The BRLM, the Co-BRLMs accepts no responsibility, save to the limited extent as provided in the memorandum of understanding entered into among the BRLM, the C0-BRLM and our Company on July 22, 2008 and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by our Company, the BRLM, the Co-BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company nor the Syndicate is liable to the bidders for any failure in downloading the bids due to faults in any software/hardware system or otherwise.

Investors that bid in this Issue will be required to confirm and will be deemed to have represented to our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Disclaimer in Respect of Jurisdiction

This Issue is being made in India to persons resident in India, including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under 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 applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 4A of the Companies Act, venture capital funds registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250.0 million and pension funds with minimum corpus of Rs. 250.0 million, and permitted non-residents including FIIs registered with SEBI, Eligible NRIs, multilateral and bilateral development financial institutions, foreign venture capital investors registered with SEBI and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. This Red Herring Prospectus does not, however, constitute an offer to sell or an invitation to subscribe for Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this 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 Mumbai, state of Maharashtra, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with the SEBI for its observations. Accordingly, the Equity Shares represented hereby 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 the affairs of our Company 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 U.S. Securities Act 1933, as amended (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 will be offered and sold only (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Bidder where required agrees that such Bidder will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Filing

A copy of this Red Herring Prospectus has been filed with the SEBI at the Securities and Exchange Board of India, SEBI Bhavan, G Block, 3rd Floor, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051, India.

A copy of the Red Herring Prospectus, along with the other documents required to be filed under Section 60B of the Companies Act, will be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act will be delivered for registration to the RoC at Everest, 100, Marine Drive, Mumbai-400 002, India..

Listing

Applications have been made to the BSE and the NSE for permission to deal in, and for an official quotation of the Equity Shares being offered and sold in this Issue. The National Stock Exchange of India Ltd. will be the Designated Stock Exchange with which the basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company shall forthwith repay, without interest, all monies received from applicants in reliance on the Red Herring Prospectus. If such money is not repaid within eight days after our Company has become liable to repay it (i.e., from the date of refusal or within 10 weeks from the Bid/Issue Closing Date, whichever is earlier), then our Company and every Director of our Company who is an officer in default shall, on and from expiry of eight days, be liable to repay the monies, with interest at the rate of 15.00% per annum on the application monies, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at both the Stock Exchanges are taken within seven working days of finalisation of the basis of allotment for this Issue.

Consents

Consents in writing of: (a) the Directors, our Company Secretary and Compliance Officer, the Auditors Singrodia Goyal & Co and Company, the legal advisors, the Bankers to our Company and the Bankers to this Issue; and (b) the BRLM, the Co-BRLMs, the Syndicate Members, the Escrow Collection Bankers and the Registrar to this Issue to act in their respective capacities, will be 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 will not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act and the SEBI Guidelines, Singrodia Goyal & Co Chartered Accountants, 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 will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the RoC.

Singrodia Goyal & Co, Chartered Accountants, have given their written consent to inclusion of their report relating to the possible tax benefits accruing to our Company and its shareholders in the form and context in which it appears in this Red Herring Prospectus and such consent and report will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the RoC.

CRISIL Limited, a SEBI registered credit rating agency has given its written consent to the inclusion of its grading of this Issue in the Red Herring Prospectus

Expert Opinion

Our Company has obtained a grading of 1/5 for this Issue from **CRISIL Limited**, a credit rating agency registered with the SEBI.

Issue Related Expenses

This Issue related expenses include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, advertisement expenses and registrar and depository expenses and listing fees. The estimated Issue expenses are as follows:

Activity	Expense (Rs. million)	As a % of Total Issue Expenses	As a % of Issue
Lead management, underwriting and selling commissions	[●][(1)]	[●]	[●]
Advertising and marketing expenses	[●][(2)]	[●]	[●]
Printing and stationery	[●][(2)]	[●]	[●]
Other (Registrar's fees, legal fees, etc.)	[●][(2)]	[●]	[●]
Total estimated Issue expenses	**[●]**	**[●]**	**[●]**

(1) Will be completed after finalisation of this Issue Price.
(2) Will be completed at the time of filing of the Red Herring Prospectus.

Fees Payable to the BRLM, the Co-BRLMs and the Syndicate Members

The total fees payable to the Book Running Lead Manager, the Co-Book Running Lead Manager and the Syndicate Members (including underwriting commission and selling commission and reimbursement of their out of pocket expenses) will be as per their engagement letters dated March 5, 2007, July 15, 2008..

Fees Payable to the Registrar to this Issue

The fees payable to the Registrar to this Issue for processing of applications, data entry, printing of CANs/refund orders (or revised CANs, if required), preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the memorandum of understanding among our Company and the Registrar to this Issue dated September 6, 2007 a copy of which is available for inspection at our Company's Registered Office.

The Registrar to this 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 this Issue to enable them to make refunds in any of the modes described in this Red Herring Prospectus or send allotment advice by registered post/speed post/under certificate of posting.

Particulars regarding Public or Rights Issues during the last five years

Our Company has not made any previous public issues (including any rights issues to the public) in the five years preceding the date of this Red Herring Prospectus.

Previous issues of Equity Shares otherwise than for cash

Except as stated in the sections "Capital Structure" and "History and Certain Corporate Matters" beginning on pages 23 and 93, respectively, of this Red Herring Prospectus, our Company has not made any previous issues of shares for consideration other than cash.

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is the Initial Public Offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since our Company's inception.

Companies Under the Same Management

No company under the same management within the meaning of Section 370(1B) of the Companies Act has made any public Issue (including any rights issue to the public) during the last three years.

Promise v/s performance

There has been no public issue (including any rights issue to the public) by our Company, any of the

Promoter Group Companies or the Associates. For details of the promise versus performance of the group companies, please see the section "History and Certain Corporate Matters" beginning on page 93 of this Red Herring Prospectus.

Outstanding Debentures or Bond Issues or Preference Shares

Our Company has no outstanding debentures or bonds or redeemable preference shares as of the date of this Red Herring Prospectus.

Stock Market Data of the Equity Shares

This being an Initial Public Offering of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The memorandum of understanding among the Registrar to this Issue and our Company will provide for retention of records with the Registrar to this Issue for a period of at least one year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or, where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to this Issue for redressal of their grievances.

All grievances relating to this Issue may be addressed to the Registrar to this Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to this Issue for the redressal of routine investor grievances shall be 10 working days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed **Mr. Rakesh Gupta,** 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:

Resurger Mines & Minerals India Limited
156, Makers Chamber III,
Nariman Point,
Mumbai – 400 021, India
Tel: +91 22 66582500
Fax: +91 22 66582511
E-mail: cosec@resurgere.in

Other Disclosures

Except as disclosed in this Red Herring Prospectus, the Promoter the Promoter Group, the directors of the Promoter Group Companies or the Directors of our Company 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.

Disposal of investor grievances by listed companies under the same management as Our Company

There is no listed company under the same management as our Company.

Change in Auditors

There have been no changes in our Company's auditors in the last three years, except as described below:

Name of Auditors	Date of Appointment	Date of resignation	Reasons for change
R.A. Kila & Co.	March 24, 1987	November 24, 2004	Resignation
Sunil Gupta & Associates	November 24, 2004	September 29, 2006	Resignation
Singrodia Goyal & Co.	September 29, 2006	-	-

Capitalisation of Reserves or Profits

Except as disclosed in the section titled "Capital Structure" beginning on page 23 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time since incorporation.

Tax Implications

Investors that are allotted Equity Shares in this Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the stock exchanges. For details, see the section "Statement of Tax Benefits" beginning on page 51 of this Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets in the last five years.

Interest of Promoter and Directors

Promoter

Subhash A. Sharma is an interested party in any dividend and distributions made by our Company or to the extent of his shareholding in our Company.

Subhash A. Sharma will also be interested in any future contracts that our Company may enter into with any of the Promoter Group Companies or any company in which he is a director.

Directors

All the Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or any committee thereof. The Directors may also be regarded as interested in the Equity Shares or ESOPs, if any, held by or that may be subscribed by and allotted to the companies, firms and trusts, in which they are interested as directors, members, partners and/or trustees.

Subhash A. Sharma is also interested to the extent of contracts/relationship with our Company. For details, see the section "Related Party Transactions" beginning on page 118 of this Red Herring Prospectus.

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 during the preceding two years to any of our Company's officers except the normal remuneration rendered as Directors, officers or employees. Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. None of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company.

SECTION VII: ISSUE INFORMATION

TERMS OF THIS ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles of Association, the terms of this Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Bid-cum-Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the Allotment advice and other documents/certificates that may be executed in respect of this Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to this Issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the Registrar of Companies, the RBI, the FIPB and/or other authorities, as in force on the date of this Issue and to the extent applicable.

Authority for this Issue

From our Company

The Board of Directors has, pursuant to resolution passed at its meeting held on August 14, 2007, authorised this Issue subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act, and such other authorities as may be necessary.

The shareholders of our Company have, pursuant to a resolution dated September 27, 2007, under Section 81(1A) of the Companies Act, authorised this Issue.

The Board pursuant to its resolution dated November 2, 2007 has authorised a committee of its Directors referred to as the IPO Committee to take decisions on behalf of the Board in relation to this Issue. The Board of Directors has approved and authorised this Red Herring Prospectus pursuant to its resolution dated December 8, 2007.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Memorandum and Articles of Association and shall rank *pari passu* with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees of the Equity Shares in this Issue shall be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see the section "Main Provisions of the Articles of Association" beginning on page 274 of this Red Herring Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends to its shareholders in accordance with the provisions of the Companies Act.

Face Value and Issue Price

The face value of each Equity Share is Rs. 10. The Floor Price of Equity Shares is Rs. 263 per Equity Share and the Cap Price is Rs. 272 per Equity Share. At any given point of time there shall be only one denomination of Equity Shares.

Compliance with the SEBI Guidelines

Our Company shall comply with applicable disclosure and accounting norms specified by SEBI from time to time.

Rights of the Equity Shareholders

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

- The right to receive dividends, if declared;

- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreements executed with the Stock Exchanges, and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation/splitting, please refer to the section "Main Provisions of the Articles of Association" beginning on page 274 of this Red Herring Prospectus.

Market Lot and Trading Lot

Under Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Guidelines, the trading of the Equity Shares shall be in dematerialised form only. Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be in electronic form in multiples of one Equity Share, subject to a minimum allotment of 20 Equity Shares.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts in Mumbai, state of Maharashtra, India.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares allotted 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 benefits 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 the 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 only be made on the prescribed form available on request at the Registered Office of our Company or with the Registrar and transfer agents 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 the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to register himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the 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 this Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant will prevail. If the investors wish to change their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If our Company does not receive a minimum subscription of 90% of this Issue, including devolvement to the Underwriters within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act.

Application by Eligible NRIs, FIIs registered with SEBI and FVCIs registered with SEBI

It is to be distinctly understood that there is no reservation for NRIs and FIIs registered with SEBI or FVCIs registered with SEBI.

Arrangement for disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restriction on transfer of shares

There are no restrictions on transfers and transmission of shares/debentures and on their consolidation/ splitting except as provided in our Articles. See the section "Main Provisions of the Articles of Association" beginning on page 274 of this Red Herring Prospectus.

Withdrawal of this Issue

Our Company, in consultation with the BRLM reserves the right not to proceed with this Issue at any time after the Bid/Issue Opening Date but before the Allotment, without assigning any reason therefor. Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after allotment.

ISSUE STRUCTURE

This Issue is of **4,450,000** Equity Shares at an Issue Price of Rs. [●] for cash, aggregating Rs. [•] million. This Issue will constitute 15.60% of the fully diluted post-Issue paid-up capital of our Company. This Issue comprises of reservation of 250,000 Equity Shares aggregating Rs. [●] million for Eligible Employees. Net Issue of 4,200,000 Equity Shares will constitute 14.72% of the fully diluted post-Issue paid-up capital of our Company.

If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money shall be refunded forthwith. This Issue is being made through a 100% Book Building Process.

	QIBs	**Non-Institutional Bidders**	**Retail Individual Bidders**	**Employee Reservation Portion**
Number of Equity Shares*	At least 2,520,000 Equity Shares.	Upto 420,000 Equity Shares or the Net Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Upto 1,260,000 Equity Shares or the Net Issue size less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	250,000 Equity Shares.
Percentage of Issue available for allotment/allocation	At least 60% of the Net Issue shall be allotted to QIB Bidders. However, 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds. Mutual Funds participating in the 5% reservation in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Upto 10% of the Net Issue or the Net Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Upto 30% of the Net Issue or the Net Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.	Up to 5.62% of the Issue size**
Basis of Allocation if respective category is oversubscribed	Proportionate as follows: (a)126,000 Equity Shares	Proportionate.	Proportionate.	Proportionate.

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	shall be available for allocation on a proportionate basis to Mutual Funds; and (b) 2,394,000 Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.			
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds Rs. 100,000 and in multiples of 20 Equity Share.	Such number of Equity Shares so that the Bid Amount exceeds Rs. 100,000 and in multiples of 20 Equity Shares thereafter.	Such number of Equity Shares so that the Bid Amount is less than Rs.100,000 and in multiples of 20 Equity Shares thereafter.	[20 Equity Shares and the multiples of 20 Equity Shares thereafter.
Maximum Bid	Such number of Equity Shares not exceeding the Issue size subject to applicable limits.	Such number of Equity Shares not exceeding the Issue size subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.	Such number of Equity Shares upto the extent of Equity Shares in the Employee Reservation Portion,
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
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, FIIs,	Eligible NRIs, Resident Indian individuals, HUF (in the name of the *Karta*), companies, corporate bodies,	Individuals (including HUF in the name of the *karta* and Eligible NRIs) applying for Equity Shares such that the Bid Amount per	Eligible Employees as defined in the Section "Definitions and

	QIBs	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
	scheduled commercial banks, Mutual Funds, multilateral and bilateral development financial institutions, VCFs, FVCIs, state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of Rs. 250 million and pension funds with a minimum corpus of Rs. 250 million in accordance with applicable law and National Investment Fund.	scientific institutions, societies and trusts.	individual Bidder does not exceed Rs. 100,000 in value.	Abbreviations- Issue Related Terms” beginning on page i of this Red Herring Prospectus.
Terms of Payment	Margin Amount applicable to QIBs shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate Members.	Margin Amount applicable to Non-Institutional Bidders shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate Members.	Margin Amount applicable to Retail Individual Bidders shall be payable at the time of submission of the Bid-cum-Application Form to the Syndicate Members.	Margin Amount applicable to Eligible Employees at the time of submission of the Bid–cum-Application Form to the Syndicate Members.
Margin amount	At least 10% of the Bid Amount.	100% of the Bid Amount.	100% of the Bid Amount.	100% of the Bid Amount.

* Subject to valid Bids being received at or above the Issue Price. In terms of Rule 19(2)(b) of the SCRR, this is an Issue for less than 25% of the post-Issue capital, therefore, this issue is being made through a 100% Book Building Process wherein at least 60% of the Net Issue shall be allotted on a proportionate basis to QIBs. 5% of the QIB Portion 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, subject to valid Bids being received from them at or above the issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded. Further, upto 10% of the Net issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 30% 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.

Under-subscription, if any, in the Non-Institutional and Retail categories, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. See the section "Issue Procedure" beginning on page 245 of this Red Herring Prospectus.

Under-subscription in the Employee Reservation Portion would be allowed to be met with spill over from the Retail Portion or from any other categories at the discretion of the Issuer in consultation with the BRLM.

** 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 the names are in the same sequence in which they appear in the Bid-cum-Application Form.

Withdrawal of this Issue

Our Company, in consultation with the BRLM reserves the right not to proceed with this Issue at any time after the Bid/Issue Opening Date but before the Allotment, without assigning any reason therefor. Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Letters of Allotment or Refund Orders

Our Company shall credit each beneficiary account with its depository participant within 15 days of the Bid/Issue Closing Date. Our Company shall ensure the dispatch of refund orders, if any, of value up to Rs. 1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder's sole risk within 15 days of the Bid/Issue Closing Date.

Interest in Case of Delay in Dispatch of Allotment Letters/Refund Orders.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, our Company undertakes that:

- Allotment 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

- Our Company shall pay interest at 15.00% per annum, if Allotment is not made, refund orders are not dispatched to the applicant or if, in a case where the refund or portion thereof is made in electronic mode/manner, the refund instructions have not been given to clearing members, and/or demat credits are not made to investors within the 15 day time period prescribed above.

Our Company will provide adequate funds required for dispatch of refund orders or Allotment advice to the Registrar to this 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, except where the refund or portion thereof is made in electronic mode/manner. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Bid/Issue Program

BID/ISSUE OPENS ON	**August 11, 2008**
BID/ISSUE CLOSES ON	**August 13, 2008**

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 until such time as permitted by the BSE and the NSE on the Bid/Issue Closing Date.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Guidelines. The cap should not be more than 20.00% 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 20.00% of the floor of the Price Band disclosed in the Red Herring Prospectus.

In case of revision in the Price Band, the Bidding Period shall be extended for three additional working days after such revision, subject to the Bidding Period not exceeding 10 working days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the BRLM and the terminals of the other members of the Syndicate.

ISSUE PROCEDURE

Book Building Procedure

In terms of Rule 19(2)(b) of the SCRR, this is an Issue for less than 25% of the post-Issue capital, therefore, this issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allotted on a proportionate basis to QIBs, including up to 5% of the QIB Portion, which 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, subject valid Bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs, then the entire application money will be refunded forthwith. Further, upto10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and upto 30% 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.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be procured only through the BRLM, the Co-BRLM or their affiliates or Syndicate Members. In case of QIB Bidders, our Company, in consultation with the BRLM may reject Bids at the time of acceptance of the Bid-cum-Application Form provided that the reasons for such rejection shall be disclosed to such Bidder in writing. In the cases of Non-Institutional Bidders and Retail Individual Bidders, our Company will have a right to reject the Bids only on technical grounds.

Investors should note that allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid-cum-Application Form

Bidders shall only use the specified Bid-cum-Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid. The Bidders shall have the option to make a maximum of three Bids in the Bid-cum-Application Form and such options shall not be considered as multiple Bids. Upon the 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 authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid-cum-Application Form as would be required for filing the Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

The prescribed colour of the Bid-cum-Application Form for various categories is as follows:

Category	Colour of Bid-cum-Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis.	White
Eligible NRIs applying on a repatriation basis, FIIs, Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions and other Non-Residents applying on a repatriation basis	Blue
Eligible Employees.	Pink

Who can Bid?

1. Persons eligible to invest under all applicable laws, rules, regulations and guidelines.

2. Indian nationals resident in India who are not minors in single or joint names (not more than three).

3. Hindu Undivided Families or HUFs in the individual name of the *Karta*. The Bidder should specify

that the Bid is being made in the name of the HUF in the Bid-cum-Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals.

4. Eligible NRIs on a repatriation basis or a non-repatriation basis subject to compliance with applicable laws. NRIs, other than Eligible NRIs, are not permitted to participate in this Issue.

5. FIIs registered with the SEBI.

6. State Industrial Development Corporations.

7. Insurance companies registered with the Insurance Regulatory and Development Authority ("IRDA"), India.

8. Provident Funds with a minimum corpus of Rs. 250.0 million and who are authorised under their constitution to invest in equity shares.

9. Pension funds with a minimum corpus of Rs. 250.0 million and who are authorised under their constitution to invest in equity shares.

10. Companies, corporate bodies and societies registered under applicable laws in India and authorised to invest in equity shares.

11. Venture Capital Funds registered with the SEBI.

12. Foreign Venture Capital Investors registered with the SEBI.

13. Indian Mutual Funds registered with the SEBI.

14. Indian financial institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to the RBI regulations and the SEBI Guidelines and regulations, as applicable).

15. Multilateral and bilateral development financial institutions.

16. Trusts registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts and who are authorised under their constitution to hold and invest in equity shares.

17. Scientific and/or industrial research organisations in India authorised to invest in equity shares.

18. Eligible Employees

As per existing regulations, OCBs cannot Bid in this Issue.

Participation by Associates of the BRLM, the Co-BRLM and Syndicate Members

The BRLM, the Co-BRLMs and Syndicate Members shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM, the Co-BRLM and Syndicate Members may subscribe for Equity Shares in this Issue, including in the QIB Portion and Non-Institutional Portion where the allocation is on a proportionate basis.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Funds Portion. In the event that the demand is greater than 126,000 Equity Shares, allocation shall be made to Mutual Funds on a proportionate basis to the extent of the Mutual Funds Portion. The remaining demand by Mutual Funds shall, as part of the aggregate demand by QIB Bidders, be made available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Funds Portion.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

In accordance with 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.

Bids by Eligible NRIs

Bid-cum-Application Forms have been made available for Eligible NRIs at the Registered Office of our Company and with members of the Syndicate.

NRI applicants should note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the Eligible NRI Category. The Eligible NRIs who intend to make payment through the Non-Resident Ordinary (NRO) account shall use the application form meant for Resident Indians (white form).

Bids by FIIs

In accordance with the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of the post-Issue paid-up capital of our Company (i.e., 10% of 28,541,550 Equity Shares). In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of the total paid-up capital of our Company or 5% of the total paid-up capital of our Company, in case such sub-account is a foreign corporate or an individual. In accordance with the foreign investment limits applicable to us, the total FII investment cannot exceed 24% of our Company's total paid-up capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, our Company has not obtained board or shareholders approval to increase the FII limit to more than 24%.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended, an FII or its sub-account may issue, deal or hold, offshore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed on any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "know your client" requirements. An FII or sub-account shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

Associates and affiliates of the Underwriters, including the BRLM and the Co-BRLM that are FIIs or its sub-account may issue offshore derivative instruments against Equity Shares allocated to them in the Issue.

Bids by the SEBI-registered Venture Capital Funds and Foreign Venture Capital Investors

The SEBI (Venture Capital Funds) Regulations, 1996, as amended and the SEBI (Foreign Venture Capital Investors) Regulations, 2000, as amended prescribe investment restrictions on Venture Capital Funds and Foreign Venture Capital Investors registered with SEBI. For example, the holding by any individual VCF should not exceed 25% of the corpus of the VCF in one venture capital undertaking. Further, VCFs and

FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an Initial Public Offer.

Pursuant to the SEBI Guidelines, the shareholding of SEBI-registered Venture Capital Funds and Foreign Venture Capital Investors held in a company prior to making an Initial Public Offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the draft prospectus with SEBI.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company, the BRLM and the Co-BRLMs do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company, the BRLM and the Co-BRLMs are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur 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.

Maximum and Minimum Bid Size

a) **For Retail Individual Bidders:** The Bid must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter, so as to ensure 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. Where the Bid Amount is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of the option to bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion. The Cut-off Price option is given only to Retail Individual Bidders indicating their agreement to the Bid and to purchase the Equity Shares at the 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 is a multiple of 20 Equity Shares. A Bid **cannot** be submitted for more than the Issue size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them under applicable laws. **Under the SEBI Guidelines, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay the QIB Margin Amount upon submission of the Bid.**

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Non-Institutional Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIB Bidders are not allowed to Bid at the Cut-off Price.

c) **For Bidders in the Employee Reservation Portion:** The Bid must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter. Where the Bid Amount is over Rs. 100,000 due to a revision in the Bid, a revision in the Price Band or upon exercise of the option to bid at Cut-off Price, the Bid would be considered for allocation under the Non-Institutional Portion.] [Eligible Employees whose Bid Amount does not exceed Rs. 100,000, including due to any revision in the Price Band, may Bid at the Cut-off Price. Eligible Employees whose Bid Amount exceeds Rs. 100,000 may not bid at Cut-off Price.

The allotment in the Employee Reservation Portion will be on a proportionate basis. [If the aggregate demand at or above the Issue Price in the Employee Reservation Portion is greater than 250,000 Equity Shares, allocation shall be made on a proportionate basis and the maximum allotment to an Employee shall be capped at 250,000 Equity Shares.]

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

Refund amounts following a permitted withdrawal of a Bid shall be paid in the manner described under paragraph "Payment of Refund".

Information for the Bidder:

1. Our Company will file the Red Herring Prospectus with the RoC at least three days before the Bid/Issue Opening Date.

2. The members of the Syndicate will circulate copies of the Bid-cum-Application Form to potential investors, and at the request of potential investors, copies of the Red Herring Prospectus.

3. Any investor (who is eligible to invest in the Equity Shares) who would like to obtain the Red Herring Prospectus along with the Bid-cum-Application Form can obtain the same from the Registered Office of our Company or from any of the members of the Syndicate.

4. Eligible investors who are interested in subscribing for the Equity Shares should approach any, BRLM the Co-BRLM or Syndicate Members or their authorised agent(s) to register their Bids.

5. The Bids should be submitted on the prescribed Bid-cum-Application Form only. Bid-cum-Application Forms should bear the stamp of the member of the Syndicate. Bid-cum-Application Forms which do not bear the stamp of a member of the Syndicate will be rejected.

Method and Process of Bidding

1. Our Company, the BRLM, Co-BRLMs shall declare the Bid/Issue Opening Date, the Bid/Issue Closing Date and Price Band in the Red Herring Prospectus to be filed with the RoC and also publish the same in two widely circulated national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation. This advertisement, subject to the provisions of Section 66 of the Companies Act, shall be in the format prescribed in Schedule XX-A of the SEBI Guidelines, as amended by the SEBI Circular No. SEBI/CFD/DIL/DIP/17/2005/11/11 dated November 11, 2005. The BRLM, the Co-BRLMs and Syndicate Members shall accept Bids from the Bidders during the Bidding Period in accordance with the terms of the Syndicate Agreement.

2. The Bidding Period shall be for a minimum of three working days and shall not exceed seven working days. Where the Price Band is revised, the revised Price Band and Bidding Period will be published in two national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation and also by indicating the change on the website of the BRLM, the Co-BRLMs and at the terminals of the members of the Syndicate. The Bidding Period may be extended, if required, by an additional three working days, subject to the total Bidding Period not exceeding ten working days.

3. During the Bidding Period, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorised agents to register their Bid.

4. Each Bid-cum-Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph "Bids at Different Price Levels") within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid-cum-Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation and the rest of the Bid(s), irrespective of the Bid price, will become automatically invalid.

5. The Bidder cannot Bid on another Bid-cum-Application Form after Bid(s) on one Bid-cum-Application Form have been submitted to any member of the Syndicate. Submission of a second Bid-cum-Application Form to either the same or to another member of the Syndicate will be treated as multiple bidding and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point in time before the Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Build up of the Book and Revision of Bids".

6. 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.

7. During the Bidding Period, Bidders may approach the members of the Syndicate to submit their Bids. 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.

8. Along with the Bid-cum-Application Form, all Bidders will make payment in the manner described under the paragraph "Terms of Payment".

Bids at Different Price Levels

1. The Price Band has been fixed at Rs. 263 to Rs. 272 per Equity Share, Rs. 263 being the Floor Price and Rs. 272 being the Cap Price. The Bidders can Bid at any price within the Price Band in multiples of Re.1 (Rupee One).

2. Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Guidelines. The cap on the Price Band should not be more than 20.00% of the Floor Price. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus.

3. In case of a revision of the Price Band, the Bidding Period shall be extended for three additional working days, subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bidding Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two widely circulated national newspapers (one each in English and Hindi) and in one Marathi newspaper with wide circulation, and also by indicating the change on the website of the BRLM, the Co-BRLM and at the terminals of the members of the Syndicate.

4. Our Company, in consultation with the BRLM can finalise the Issue Price within the Price Band without the prior approval of, or intimation to, the Bidders.

5. 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.

6. Retail Individual Bidders applying for a maximum Bid in any of the bidding options not exceeding up to Rs. 100,000, may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB Bidders or Non-Institutional Bidders and such Bids from QIB or Non-Institutional Bidders shall be rejected.

7. Retail Individual Bidders who Bid at the Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders bidding at the Cut-off Price shall deposit the Bid Amount based on the cap of the Price Band in the Escrow Account. In the event that the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders, who Bid at the Cut-off Price, the Retail Individual Bidders shall receive the refund of the excess amounts from the Escrow Account in the manner described under the paragraph "Payment of Refund".

8. In case of an upward revision in the Price Band announced as above, Retail Individual Bidders who had Bid at the Cut-off Price could either (i) revise their Bid or (ii) make additional payment based on the higher cap of the revised Price Band (such that the total amount i.e., the original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to Bid at the Cut-off Price), with the members 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 will be considered for allocation under the Non-Institutional Portion in terms of the Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price

is higher than the cap of the Price Band before 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 the Cut-off Price.

9. In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders who have Bid at the 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.

10. In the event of any revision in the Price Band, whether upwards or downwards, the minimum application size shall remain 20 Equity Shares irrespective of whether the Bid Amount payable on such minimum application is not in the range of Rs. 5,000 to Rs. 7,000.

Escrow Mechanism

Our Company and the members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the Bidders make out the cheque or demand draft in respect of his or her Bid and/or revision of the Bid. Cheques or demand drafts received for the full Bid Amount from Bidders in a certain category would be deposited in the Escrow Accounts. The Escrow Collection Banks will act in terms of the Red Herring Prospectus, the Prospectus and the Escrow Agreement. The monies in the Escrow Accounts shall be maintained by the Escrow Collection Banks for and on behalf of the Bidders. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Banks shall transfer the monies from the Escrow Accounts to the Public Issue Account and the Refund Account as per the terms of the Escrow Agreement, the Red Herring Prospectus and the Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between us, the Syndicate, the Escrow Collection Bank(s) and the Registrar to this Issue to facilitate collections from the Bidders.

Terms of Payment and Payment into the Escrow Account

Each Bidder shall pay the applicable Margin Amount, with the submission of the Bid-cum-Application Form, draw a cheque or demand draft in favour of the Escrow Account of the Escrow Collection Bank(s) (see the section "Issue Procedure" - Payment Instructions" beginning on page 260 of this Red Herring Prospectus), and submit such cheque or demand draft to the member of the Syndicate to whom the Bid is being submitted. The Bidder may also provide the applicable Margin Amount by way of an electronic transfer of funds through the RTGS mechanism. Each QIB shall provide their QIB Margin Amount only to a BRLM or Co-BRLM. Bid-cum-Application Forms accompanied by cash/Stock invest/money order shall not be accepted. The Margin Amount based on the Bid Amount has to be paid at the time of submission of the Bid-cum-Application Form.

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 until the Designated Date. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account. The balance amount after transfer to the Public Issue Account of our Company shall be transferred to the Refund Account on the Designated Date. No later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Bank(s) shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on bidding, if any, after adjustment for Allotment, to the Bidders.

Each category of Bidders, i.e., QIB Bidders, Non-Institutional Bidders, Retail Individual Bidders would be required to pay their applicable Margin Amount at the time of submission of the Bid-cum-Application Form. The Margin Amount payable by each category of Bidders is mentioned under the heading "Issue Structure". Where the Margin Amount applicable to the Bidder is less than 100.00% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in Date. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be rejected. However, if the applicable Margin Amount for Bidders is 100.00%, 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 a 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 according to the provisions of the Companies Act for any delay beyond the periods as mentioned above.

Electronic Registration of Bids

1. The members of the Syndicate will register the Bids using the on-line facilities of the BSE and the NSE. There will be at least one on-line connectivity facility in each city where a stock exchange is located in India and where Bids are being accepted.

2. The NSE and the BSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the members of the Syndicate and their authorised agents during the Bidding Period. The members of the Syndicate can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a regular basis. On the Bid/Issue Closing Date, the members of the Syndicate shall upload the Bids until such time as may be permitted by the Stock Exchanges.

3. The aggregate demand and price for Bids registered on electronic facilities of the NSE and the BSE will be uploaded on a regular basis, consolidated and displayed on-line at all bidding centres as well as on the NSE's website at www.nseindia.com and on the BSE's website at www.bseindia.com A graphical representation of consolidated demand and price will be made available at the bidding centres during the Bidding Period.

4. At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:

   - Name of the Bidder(s). Bidders should ensure that the name given in the Bid-cum-Application Form is exactly the same as the name in which the Depositary Account is held. In case the Bid-cum-Application Form is submitted in joint names, Bidders should ensure that the Depository Account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid-cum-Application Form;

   - Investor category—Individual, Corporate, QIBs, Eligible NRI, FVCI, FII 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; and

   - Depository Participant identification number and client identification number of the demat account of the Bidder.

5. A system-generated TRS will be given to the Bidder as proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate. The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated either by the members of the Syndicate or our Company.

6. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

7. In case of QIB Bidders, members of the Syndicate also have the right to accept the Bid or reject the Bid. However, such rejection should be made at the time of receiving the Bid and only after

assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, Bids would not be rejected except on the technical grounds listed in this Red Herring Prospectus.

8. The permission given by the NSE and the BSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLM or the Co-BRLM are cleared or approved by the NSE and the BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Promoter, the management or any scheme or project of our Company.

9. It is also to be distinctly understood that the approval given by the NSE and the BSE should not in any way be deemed or construed that the Red Herring Prospectus has been cleared or approved by the NSE or the BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the NSE and the BSE.

Build Up of the Book and Revision of Bids

1. Bids registered by various Bidders through the members of the Syndicate shall be electronically transmitted to the NSE or BSE mainframe on a regular basis.

2. The book gets built up at various price levels. This information will be available from the BRLM on a regular basis.

3. During the Bidding Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid-cum-Application Form.

4. Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form. The Bidder must complete the details of all the options in the 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 complete all the details of the other two options that are not being changed in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.

5. The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom the original Bid was placed.

6. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only on such Revision Form or copies thereof.

7. 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 the case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft or electronic transfer of funds through RTGS for the incremental amount in the QIB Margin, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

8. When a Bidder revises a Bid, the Bidder 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 and obtain the revised TRS, which will act as proof of revision of the original Bid.**

9. Only Bids that are uploaded on the online IPO system of the NSE and the BSE shall be considered for allocation/Allotment. In the event of a discrepancy of data between the Bids registered on the

online IPO system and the physical Bid-cum-Application Form, the decision of our Company, in consultation with the BRLM, and the Designated Stock Exchange, based on the physical records of Bid-cum-Application Forms, shall be final and binding on all concerned.

Price Discovery and Allocation

1. After the Bid/Issue Closing Date, the BRLM and the Co-BRLM shall analyse the demand generated at various price levels and discuss pricing strategy with our Company.

2. Our Company, in consultation with the BRLM, shall finalise the Issue Price.

3. The allotment to QIBs will be at least 60% of the Net Issue, on a proportionate basis and the availability for allocation to Non-Institutional and Retail Individual Bidders will be upto10% and 30% of the Net Issue, respectively, on a proportionate basis, in a manner specified in the SEBI Guidelines and this Red Herring Prospectus, in consultation with the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allotted to QIBs then the entire application money will be refunded.

4. In case of over-subscription in all categories, at least 60% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, out of which 5% shall be reserved for Mutual Funds. Mutual Funds participating in the 5% share in the QIB Portion will also be eligible for allocation in the remaining QIB Portion. However, if the aggregate demand by Mutual Funds is less than 5% of the QIB Portion, the balance Equity Shares from the portion specifically available for allocation to Mutual Funds in the QIB Portion will first be added to the QIB Portion and be allocated proportionately to the QIBs in proportion to their Bids.

5. Under-subscription, if any, in the Retail and Non-Institutional categories, would be allowed to be met with spill-over from any other category or combination of categories at the sole discretion of our Company, in consultation with the BRLM. However, if the aggregate demand by Mutual Funds is less than 126,000 Equity Shares, the balance Equity Shares available for allocation in the Mutual Fund Portion will first be added to the QIB Portion and be allotted proportionately to the QIB Bidders.

6. Under-subscription in the Employee Reservation Portion would be allowed to be met with spill over from the Retail Portion or from any other categories at the discretion of the Issuer in consultation with the BRLM.

7. Allotment to Eligible NRIs, FIIs registered with the SEBI or Mutual Funds or FVCls registered with the SEBI will be subject to applicable laws, rules, regulations, guidelines and approvals.

8. Our Company reserves the right to cancel the Issue at any time after the Bid/Issue Opening Date but before the Board meeting for Allotment without assigning any reasons whatsoever.

9. In terms of the SEBI Guidelines, QIBs shall not be allowed to withdraw their Bid after the Bid/Issue Closing Date.

10. Our Company, in consultation with the BRLM, reserves the right to reject any Bid procured from QIB Bidders, by any or all members of the Syndicate. Rejection of Bids made by QIBs, if any, will be made at the time of submission of Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing.

Signing of Underwriting Agreement and RoC Filing

(a) Our Company, the BRLM, the Co-BRLMs and the Syndicate Members may enter into an Underwriting Agreement upon finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, our Company will update and file the Red Herring Prospectus with RoC, which then will be termed “Prospectus”. The Prospectus will have details of the Issue Price, Issue size, underwriting arrangements and will be complete in all material respects.

Filing of the Red Herring Prospectus and the Prospectus with the RoC

We will file a copy of the Red Herring Prospectus and the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Announcement of pre-Issue Advertisement

Subject to Section 66 of the Companies Act, our Company shall, after receiving final observations, if any, on this Red Herring Prospectus from the SEBI, publish an advertisement, in the form prescribed by the SEBI Guidelines, in two widely circulated national newspapers (one each in English and Hindi) and a Marathi newspaper with a wide circulation.

Advertisement regarding Issue Price and Prospectus

A statutory advertisement will be issued by our Company after the filing of the Red Herring Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price along with a table showing the number of Equity Shares and the amount payable by an investor. Any material updates between the date of the Red Herring Prospectus and the Prospectus shall be included in such statutory advertisement.

Issuance of Confirmation of Allocation Note ("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. The approval of the basis of allocation by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or before the approval of the basis of allocation for the Retail Individual Bidders and Non-Institutional Bidders. However, the investor should note that our Company shall ensure that the instructions by our Company for demat credit of the Equity Shares to all investors in this Issue shall be given on the same date of Allotment.

(b) The BRLM or the members of the Syndicate will then send a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price for all the Equity Shares allocated to such Bidder. Those Bidders who have not paid the Bid Amount in full into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.

(c) Bidders who have been allocated Equity Shares and who have already paid into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however, to realisation of their cheque or demand draft paid into the Escrow Account.

(d) The issuance of a CAN is subject to "Notice to QIBs: Allotment Reconciliation and Revised CANs" as set forth below.

Notice to QIBs: Allotment Reconciliation and Revised CANs

After the Bid/Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bids uploaded on the BSE/NSE system. Based on the electronic book, QIBs will be sent a CAN, indicating the number of Equity Shares that may be allocated to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the physical book prepared by the Registrar. Subject to the 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. As a result, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased allocation of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price for all the Equity Shares allocated to such

QIB. Any revised CAN, if issued, will supersede in its 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 Accounts to the Public Issue Account and the Refund Account on the Designated Date, our Company will ensure the credit to the successful Bidder(s) depository account. Allotment of the Equity Shares to the successful Bidders shall be within 15 days from the Bid/Issue Closing Date.

(b) As per the SEBI Guidelines, Allotment of the Equity Shares will be only in dematerialised form to the allottees.

(c) Successful Bidders will have the option to re-materialise the Equity Shares so Allotted 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 Issue.

GENERAL INSTRUCTIONS

DOs:

(a) Check if you are eligible to apply having regard to applicable laws, rules, regulations, guidelines and approvals and the terms of the Red Herring Prospectus;

(b) Ensure that you Bid within the Price Band;

(c) Read all the instructions carefully and complete the Bid-cum-Application Form;

(d) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as Equity Shares will be Allotted in dematerialised form only;

(e) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the Syndicate;

(f) Ensure that you have collected a TRS for all your Bid options;

(g) Submit Revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

(h) Ensure that you mention your PAN allotted under the I.T. Act In case the PAN has not been allotted, mention "Applied for" or "Not Applicable" in the appropriate places and submit Form 60 or Form 61 as the case may be together with permissible documents as proof of address. (See the section "Issue Procedure—"PAN" beginning on page 263 of this Red Herring Prospectus);

(i) Ensure that the name(s) given in the Bid-cum-Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. Where 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; and

(j) Ensure that the Demographic Details are updated, true and correct in all respects.

DON'Ts:

(a) Do not Bid for lower than the minimum Bid size;

(b) Do not Bid/revise Bid to a price that is less than the Floor Price or higher than the Cap Price;

(c) Do not Bid on another Bid-cum-Application Form after you have submitted a Bid to the members of the Syndicate;

(d) Do not pay the Bid amount in cash, 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 the Cut-off Price (for QIB Bidders and Non-Institutional Bidders);

(g) Do not complete the Bid-cum-Application Form such that the Equity Shares Bid exceeds the Issue size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

(h) Do not bid at Bid Amount exceeding Rs. 100,000 for in case of a Bid by a Retail Individual Bidder;

(i) Do not submit the Bid without the QIB Margin Amount, in the case of a Bid by a QIB; and

(j) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

INSTRUCTIONS FOR COMPLETING THE BID-CUM-APPLICATION FORM

Bidders can obtain Bid-cum-Application Forms and/or Revision Forms from the members of the Syndicate.

Bids and Revisions of Bids

Bids and revisions of Bids must be:

1. Made only on the prescribed Bid-cum-Application Form or Revision Form, as applicable (white, blue or pink).

2. Made in a single name or in joint names (not more than three, and in the same order as their Depository Participant details).

3. Completed in full, in BLOCK LETTERS in English and in accordance with the instructions contained herein, on the Bid-cum-Application Form or in the Revision Form. Incomplete Bid-cum-Application Forms or Revision Forms are liable to be rejected.

4. Bids from the Retail Individual Bidders must be for a minimum of 20 Equity Shares and in multiples of 20 Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.

5. For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of 20 Equity Shares thereafter. Bids cannot be made for more than the Issue size. Bidders are advised to ensure that a single Bid from them does not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws and regulations.

6. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Bidder's Depository Account and Bank Account Details

Bidders should note that on the basis of the name of the Bidders, Depository Participant's name, Depository Participant identification number and beneficiary account number provided by them in the Bid-cum-Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the Bidders such as their address, bank account details for printing on refund orders or

giving credit through ECS or Direct Credit, and occupation (hereinafter referred to as "Demographic Details"). These bank account details would be used for giving refunds to the Bidders. Hence, Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in credit of refunds to Bidders at the Bidders sole risk and neither the BRLM, the Co-BRLM nor our Company shall have any responsibility or undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details on the Bid-cum-Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO RECEIVE THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID-CUM-APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN ON THE BID-CUM-APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. 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 SUCH JOINT NAMES ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR ON THE BID-CUM-APPLICATION FORM.

These Demographic Details will be used for all correspondence with the Bidders including mailing of the refund orders/ECS credit for refunds/direct credit of refund/CANs/allocation advice/NEFT or RTGS for refunds and printing of Company particulars on the refund order. The Demographic Details given by Bidders in the Bid-cum-Application Form will not be used for any other purposes by the Registrar to the Issue.

By signing the Bid-cum-Application Form, the Bidder will be deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

Refund orders/allocation advice/CAN would be mailed to 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 Bidder's 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 pay any interest for such delay. **In case of refunds through electronic modes as detailed in this Red Herring Prospectus, Bidders may note that refunds may get delayed if bank particulars obtained from the Depository Participant are incorrect.**

Where no corresponding record is available with the Depositories that matches three parameters, namely, names of the Bidder's (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

See also "Bids under Power of Attorney" given below.

Bids by Eligible Employees

For the purpose of the Employee Reservation Portion, Eligible Employees means all or any of the following:

a) A permanent employee of our Company during the period commencing from the date of filing of the Red Herring Prospectus upto the Bid/Issue Closing date.
b) A Director of our Company (whether a whole-time Director, part time Director or otherwise); or
c) An employee as defined in sub-clauses (a) and (b) of a Subsidiary.

An Eligible Employee, as used in the context of the Employee Reservation Portion, means an Indian National who is a person resident in India (as defined under FEMA) and excludes any Promoter or member of the Promoter Group. The Eligible Employee should be on the payroll of our Company or the Subsidiary on the date of filing the Red Herring Prospectus with the RoC.

Bids under the Employee Reservation Portion by Eligible Employees shall be:

- Made only in the prescribed Bid-cum-Application Form or Revision Form (i.e. pink colour form).
- Eligible Employees, as defined above, should mention their Employee Number at the relevant place in the Bid-cum-Application Form.
- The sole/ first Bidder should be Eligible Employee as defined above. 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 in the same sequence in which they appear in the Bid-cum-Application Form.
- Only Eligible Employees are eligible to apply in this Issue under the Employee Reservation Portion.
- Only those bids, which are received at or above the Issue Price, would be considered for allocation under this category.
- Eligible Employees can apply at Cut-Off Price if the Bid Amount does not exceed Rs. 100,000.
- Bids by Eligible Employees can also be made in the Net Issue portion and such Bids shall not be treated as multiple bids.
- If the aggregate demand in this category is less than or equal to 250,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- Under subscription, if any, in the Employee Reservation Portion will be treated as a part of the Net Issue and added back to the categories of Non-Institutional Bidders and/or Retail Individual Bidders as per the discretion of the BRLM and the Company.

- If the aggregate demand in this category is greater than 250,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis subject to maximum allotment to any Eligible Employee of up to 250,000 Equity Shares.

Bids by Non-Residents, Eligible NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis.

Bids and revisions to Bids must be made:

1. On the Bid-cum-Application Form or the Revision Form, as applicable (blue form), and completed in full in BLOCK LETTERS in ENGLISH in accordance with the instructions contained therein.

2. In the names of individuals, or in the names of FIIs or Foreign Venture Capital Funds registered with the SEBI and multilateral and bilateral development financial institutions but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

3. In a single name or joint names (not more than three and in the same order as their Depository Participant details).

   Bids by Eligible NRIs for a Bid Amount of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids by NRIs for a Bid Amount of more than Rs. 100,000 would be considered under the Non-Institutional Portion for the purposes of allocation.

   Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only at the prevailing exchange rate 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 on the Bid-cum-Application Form. Our Company will not be responsible for any loss incurred by the Bidder on account of conversion of foreign currency.

It is to be clearly understood that there is no reservation for Non-Residents, Eligible NRIs and FIIs, and all such Bidders will be treated on the same basis as with other categories for the purpose of allocation.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

Bids under Power of Attorney

In the 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 submitted 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 therefor.

In the case of Bids made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority as the case may be, along with a certified copy of their SEBI registration certificate must be submitted with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid, in whole or in part, in either case, without assigning any reason therefor.

In the case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA 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 therefor.

In the case of Bids made by provident funds, subject to applicable law, with minimum corpus of Rs. 250.0 million and pension funds with minimum corpus of Rs. 250.0 million, a certified copy of a 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 therefor.

In the case of Bids made by Mutual Funds, venture capital funds registered with the SEBI and FVCIs registered with the SEBI, a certified copy of their SEBI registration certificate must be submitted 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 therefor.

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 our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserve 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 on the Bid-cum-Application Form instead of those obtained from the Depositories.

PAYMENT INSTRUCTIONS

Our Company shall open Escrow Accounts with the Escrow Collection Banks for the collection of the Bid Amount payable upon submission of the Bid-cum-Application Form and for amounts payable pursuant to allocation in the Issue. Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/or on allocation as per the following terms:

Payment into Escrow Accounts

1. The Bidders for whom the applicable margin is equal to 100.00% 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.

2. Where 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.

3. The payment instruments for payment into the Escrow Account should be drawn in favour of:

   (a) In the case of Resident QIB Bidders: **"Escrow Account— RMMIL —Public Issue—QIB -R"**

   (b) In the case of Non-Resident QIB Bidders: **"Escrow Account— RMMIL —Public Issue—QIB-NR"**

   (c) In the case of Resident Retail and Non-Institutional Bidders: **"Escrow Account— RMMIL —Public Issue—R"**

   (d) In the case of Non-Resident Retail and Non-Institutional Bidders: **"Escrow Account— RMMIL —Public Issue —NR"**

   (e) In case of Employees - **"Escrow Account— RMMIL —Public Issue—Employees"**

4. In the case of Bids by Eligible NRIs applying on a 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 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 the Non-Resident Bidder bidding on a repatriation basis. Payment by draft should be accompanied by a bank certificate confirming that the draft has been issued by debiting a NRE Account or a FCNR Account.

5. In the case of Bids by Eligible NRIs applying on a non-repatriation basis, the payments must be made by 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 FCNR Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance or out of an NRO Account of a Non-Resident Bidder bidding on a non-repatriation basis. Payment by drafts should be accompanied by a bank certificate confirming that the draft has been issued by debiting an NRE or a FCNR or an NRO Account.

6. In case of Bids by FIIs and FVCIs registered with the SEBI the payment should be made out of funds held in a special rupee account along with documentary evidence in support of the remittance. Payment by draft should be accompanied by a bank certificate confirming that the draft has been issued by debiting a special rupee account.

7. 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.

8. The monies deposited in the Escrow Accounts will be held for the benefit of the Bidders until the Designated Date.

9. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Accounts as per the terms of the Escrow Agreement into the Public Issue Account.

10. No later than 15 days from the Bid/Issue Closing Date, the Escrow Collection Banks shall refund all amounts payable to unsuccessful Bidders and the excess amount paid on Bidding, if any, after adjusting for allocation to the Bidders.

11. **Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid-cum-Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/Stock invest/money orders/postal orders will not be accepted.**

Payment by Stock invest

Under the terms of the RBI 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. Accordingly, payment through Stock invest will not be accepted in this Issue.

Submission of Bid-cum-Application Form

All Bid-cum-Application Forms or Revision Forms duly completed and accompanied by account payee cheques or drafts shall be submitted to the members of the Syndicate at the time of submission of the Bid.

Separate receipts shall not be issued for the money payable on the submission of Bid-cum-Application Forms or Revision Forms. However, the collection centre of the members of the Syndicate will acknowledge the receipt of the Bid-cum-Application Forms or Revision Forms by stamping and returning to the Bidder the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Bid-cum-Application Form for the records of the Bidder.

OTHER INSTRUCTIONS

Joint Bids in case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all refund payments will be made in favour of the Bidder whose name appears first in the Bid-cum-Application Form or Revision Form. All communications will be addressed to the first Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same.

In this regard, the procedures to be followed by the Registrar to the Issue to detect multiple applications are given below:

1. All applications with the same name and age will be accumulated and taken to a separate process file which would serve as a multiple master document.

2. In this master, a check will be carried out for the same PAN/GIR numbers. In cases where the PAN/GIR numbers are different, the same will be deleted from this master.

3. The addresses of all these applications from the multiple master will be strung from the address master. This involves putting the addresses in a single line after deleting non-alpha and non-numeric characters, i.e., commas, full stops, hashes etc. Sometimes, the name, the first line of the address and pin code will be converted into a string for each application received and a photo match will be carried out among all the applications processed. A print-out of the addresses will be made to check for common names. Applications with the same name and same address will be treated as multiple applications.

4. The applications will be scanned for similar DP ID and client identity numbers. In cases where applications bear the same numbers, these will be treated as multiple applications.

5. After the aforesaid procedures, a print-out of the multiple master will be taken and the applications physically verified to tally signatures and also father’s/husband’s names. On completion of this, the applications will be identified as multiple applications.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Funds and such Bids in respect of more than one scheme of the Mutual Funds will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made.

Our Company, in consultation with the BRLM, reserves the right to reject, in their absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number ("PAN")

The Bidder in the case of a Bid in joint names, each of the Bidders, should mention his/her PAN allotted under the I.T. Act. Applications without this information and document 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.** In a case where the sole/first Bidder and joint Bidder(s) is/are not required to obtain a PAN, each of the Bidder(s) shall mention "Not Applicable" and in the event that the sole Bidder and/or the Joint Bidder(s) have applied for a PAN which has not yet been allotted, each of the Bidder(s) should enter "Applied for" on the Bid-cum-Application Form. Further, where the Bidder(s) has entered "Applied for" or "Not Applicable", the sole/first Bidder and each of the joint Bidder(s), as the case may be, would be required to submit Form 60 (form of declaration to be filed by a person who does not have a Permanent Account Number and who enters into any transaction specified in Rule 114B of the Income Tax Rules, 1962), or Form 61 (form of declaration to be filed by a person who has agricultural income and is not in receipt of any other income chargeable to income tax in respect of transactions specified in Rule 114B of the Income Tax Rules, 1962), as may be applicable, duly filed along with a copy of any one of the following documents in support of the address: (a) ration card, (b) passport, (c) driving licence, (d) an identity card issued by any institution, (e) copy of an electricity bill or telephone bill showing a residential address, (f) any document or communication issued by any authority of the Central Government, State Government or local bodies showing a residential address, or (g) any other documentary evidence in support of the address given in the declaration. **It may be noted that Form 60 and Form 61 have been amended via a notification issued on December 1, 2004 by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance. All Bidders are requested to furnish, where applicable, the revised Form 60 or Form 61 as the case may be.**

Permanent Account Number shall be disclosed in the application form, irrespective of the amount for which application / bid is made, along with the instruction that applications without Permanent Account Number would be rejected.

Unique Identification Number ("UIN")

With effect from July 1, 2005, the SEBI had decided to suspend all fresh registrations for obtaining UINs and the requirement to contain/quote UINs under the SEBI (Central Database of Market Participants) Regulations, 2003 ("MAPIN Regulations") via its circular MAPIN/Cir-13/2005. However, in a press release dated December 30, 2005, the SEBI has approved certain policy decisions and has now decided to resume registrations for obtaining UINs in a phased manner. The press release states that the cut-off limit for obtaining UINs has been raised from the existing limit of trade order value of Rs. 100,000 to Rs. 500,000 or more. The limit will be reduced progressively. For a trade order value of less than Rs. 500,000, an option will be available to investors to obtain either the PAN or UIN. These changes are, however, not effective as of the date of this Red Herring Prospectus and SEBI has stated in the press release that the changes will be implemented only after necessary amendments are made to the SEBI MAPIN Regulations.

Our Company's 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 Bid shall be provided to such Bidders in writing. In case of Non-Institutional Bidders and Retail Individual Bidders, our Company will have a right to reject Bids based on technical grounds only. Consequent refunds shall be made as described in this Red Herring Prospectus 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 firm as such shall be entitled to apply;

4. Bids by persons not competent to contract under the Indian Contract Act, 1872 including minors and insane persons;

5. PAN not stated or copy of Form 60 or 61 as applicable or GIR number given instead of PAN ;

6. Bids for lower number of Equity Shares than specified for that category of investors;

7. Bids at a price less than the lower end of the Price Band;

8. Bids at a price more than the higher end of the Price Band;

9. Bids at Cut-off Price by Non-Institutional Bidders and QIB Bidders;

10. Bids for a number of Equity Shares, which are not in multiples of 20;

11. Category not ticked;

12. Multiple Bids;

13. In the case of a Bid under power of attorney or by limited companies, corporates, trusts etc., relevant documents are not submitted;

14. Bids accompanied by Stock invest/money order/postal order/cash;

15. Signature of sole and/or joint Bidders missing;

16. Bid-cum-Application Form does not have the stamp of BRLM, Co-BRLM or Syndicate Members;

17. Bid-cum-Application Form does not have the Bidder's depository account details;

18. Bid-cum-Application Form is not delivered by the Bidder within the time prescribed as per the Bid-cum-Application Form and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid-cum-Application Form;

19. 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;

20. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;

21. Bids by OCBs;

22. Bids by U.S. residents or U.S. persons excluding "Qualified Institutional Buyers" as defined in Rule 144A under the Securities Act or other than in reliance on Regulation S under the Securities Act; and

23. Bids by persons who are not eligible to acquire Equity Shares of our Company under any applicable law, rule, regulation, guideline or approval, inside India or outside India.

Equity Shares in Dematerialised form with NSDL or CDSL

As per the provisions of Section 68B of the Companies Act, the Equity Shares in this Issue shall be allotted only in a dematerialised form (i.e., not in the form of physical certificates but fungible statements issued in electronic mode).

In this context, two tripartite agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

(a) an agreement dated October 29, 2007 among NSDL, our Company and the Registrar to the Issue; and

(b) an agreement dated November 5, 2007 among CDSL, our Company and the Registrar to the Issue.

Bidders will be allotted Equity Shares only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

1. A Bidder applying for Equity Shares must have at least one beneficiary account with the Depository Participants of either NSDL or CDSL prior to making the Bid.

2. The Bidder must necessarily fill in the details (including the beneficiary account number and Depository Participant's identification number) appearing on the Bid-cum-Application Form or Revision Form.

3. Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

4. Names in the Bid-cum-Application Form or Bid Revision Form should be identical to those appearing in the account details with the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details with the Depository.

5. If incomplete or incorrect details are given under the heading "Bidders Depository Account Details' in the Bid-cum-Application Form or Bid Revision Form, it is liable to be rejected.

6. The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid-cum-Application Form vis-à-vis those recorded with his or her Depository Participant.

7. 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 the Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

8. The trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

COMMUNICATIONS

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Bidder, Bid-cum-Application Form number, details of Depository Participant, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof.

Investors can contact the Contact Person/Compliance Officer or the Registrar to the Issue in the case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

PAYMENT OF REFUND

Bidders should note that on the basis of the name of the Bidders, Depository Participant's name, Depository Participant identification number and beneficiary account number provided by them in the Bid-cum-Application Form, the Registrar to the Issue will obtain from the Depository the Bidder's bank account details including a nine digit Magnetic Ink Character Recognition ("MICR") code. 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 refunds to Bidders at the Bidder's sole risk and neither our Company, the Syndicate Members and the Escrow Collection Banks nor the BRLM shall have any responsibility and undertake any liability for the same.

Mode of making refunds

The payment of refund, if any, would be done through various modes in the following order of preference:

1. ECS— Payment of refund shall be undertaken through ECS for applicants having an account at any of the following 68 centres, viz. Agra, Ahmedabad, Allahabad, Amritsar, Aurangabad, Baroda, Bangalore, Bhilwara, Bhopal, Bhubaneshwar, Burdwan, Kolkata, Calicut, Chandigarh, Chennai, Coimbatore, Dehradun, Dhanbad, Durgapur, Erode, Gorakhpur, Guwahati, Gwalior, Haldia, Hubli, Hyderabad, Indore, Jabalpur, Jalandhar, Jaipur, Jammu, Jamshedpur, Jodhpur, Kakinada, Kanpur, Kochi/Ernakulam, Kolhapur, Lucknow, Ludhiana, Madurai, Mangalore, Mumbai, Mysore, Nagpur, Nashik, New Delhi, Nellore, Panaji, Patna, Pune, Pondicherry, Raipur, Rajkot, Ranchi, Salem, Shimla, Sholapur, Siliguri, Surat, Tirupati, Tirupur, Trichy, Trichur, Thiruvananthapuram, Udaipur, Varanasi, Vijaywada and Visakhapatnam, managed by RBI and other Banks. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. One of the methods for payment of refund is through ECS for applicants having a bank account at any of the abovementioned 68 centres.

2. NEFT - Payment of refund may 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 at 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.

3. Direct Credit—Applicants having their bank account with the Refund Banker shall be eligible to receive refunds, if any, through direct credit. Charges, if any, levied by the Refund Bank(s) for the

same will 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. 1.0 million, shall have the option to receive refunds, if any, through RTGS. Such eligible applicants who indicate their preference to receive refunds through RTGS are required to 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 is disclosed. Charges, if any, levied by the Refund Bank(s) for the same will be borne by our Company. Charges, if any, levied by the applicant's bank receiving the credit will be borne by the applicant.

5. 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 hereinabove. For all the other applicants, including applicants who have not updated their bank particulars along with the nine-digit MICR Code, the refund orders will be dispatched "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. Some refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Interest on refund of excess Bid Amount

Our Company shall pay interest at the rate of 15.00% per annum on the excess Bid Amount received if refund orders are not dispatched within 15 days from the Bid/Issue Closing Date.

DISPOSAL OF APPLICATIONS AND APPLICATIONS MONEY AND INTEREST IN CASE OF DELAY

Our Company shall ensure dispatch of allotment advice, transfer advice or 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 15 days of the Bid/Issue Closing Date. Our Company shall dispatch refunds above Rs. 1,500, if any, by registered post or speed post at the sole or first Bidder's sole risk, except for Bidders who have opted to receive refunds through the ECS facility or RTGS or Direct Credit.

Our Company shall use its best efforts to ensure that all steps for completion of the necessary formalities for allotment and trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within 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 only in dematerialised form shall be made within 15 days of the Bid/Issue Closing Date;

- Dispatch refund orders, except for Bidders who have opted to receive refunds through the ECS facility, shall be made within 15 days of the Bid/Issue Closing Date; and

- Our Company shall pay interest at 15.00% per annum for any delay beyond the 15 day time period as mentioned above, if allotment is not made or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner, and/or demat credits are not made to investors within the 15 day time period 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.

Our Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

No separate receipts shall be issued for the money payable on the submission of Bid-cum-Application Forms or Revision Forms. However, the collection centre of the Syndicate Members 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.

Save and except refunds effected through the electronic mode, i.e., ECS, NEFT, direct credit or RTGS, 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.

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A 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".

ALLOTMENT

Basis of Allotment

A. For Retail Individual Bidders

- Bids received from Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Allotment to all successful Retail Individual Bidders will be made at the Issue Price.

- The Issue size less Allotment to Non-Institutional Bidders and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the valid Bids in this portion are less than or equal to 1,260,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Retail Individual Bidders to the extent of their valid Bids.

- If the valid Bids in this portion are greater than 1,260,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis of not less than 20 Equity Shares and in multiples of 20 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 portion. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.

- The Issue size less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation to Non-Institutional Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- If the valid Bids in this portion are less than or equal to 420,000 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their valid Bids.

- If the valid Bids in this portion are greater than 420,000 Equity Shares at or above the Issue Price, allocation shall be made on a proportionate basis of not less than 20 Equity Shares and in multiples of 20 Equity Shares thereafter. For the method of proportionate basis of allocation, refer below.

C. For QIB Bidders

- Bids received from QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this portion. The allocation to QIB Bidders will be made at the Issue Price.

- The QIB Portion shall be available for allocation to QIB Bidders who have bid in the Issue at a price that is equal to or greater than the Issue Price.

- Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Portion shall be determined as follows:

   (i) If bids from Mutual Funds exceed 5% of the QIB Portion, allocation to Mutual Funds shall be made on a proportionate basis for up to 5% of the QIB Portion.

(ii) If the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.

(iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available to QIB Bidders as set out in (b) below.

(b) In the second instance allocation to all Bidders shall be determined as follows:

(i) In the event of an oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids 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.

Procedure and Time of Schedule for Allotment and demat Credit of Equity

The Issue will be conducted through a "100% book building process" pursuant to which the members of the Syndicate will accept bids for the Equity Shares during the Bidding Period. The Bidding Period will commence on August 11, 2008 and expire on August 13, 2008. Following the expiration of the Bidding Period, our Company, in consultation with the BRLM, will determine the Issue Price, and, in consultation with the BRLM, the basis of allocation and entitlement to Allotment based on the bids received and subject to confirmation by the BSE/NSE. Successful bidders will be provided with a confirmation of their allocation (subject to a revised confirmation of allocation) and will be required to pay any unpaid amount for the Equity Shares within a prescribed time. The SEBI Guidelines require our Company to complete the Allotment to successful bidders within 15 days of the expiration of the Bidding Period. The Equity Shares will then be credited and Allotted to the investors' demat accounts maintained with the relevant depository participant. Upon approval by the Stock Exchanges, the Equity Shares will be listed and trading will commence.

Method of proportionate basis of Allotment

In the event the Issue is oversubscribed, the basis of Allotment shall be finalised by our Company, in consultation with the BRLM and the Designated Stock Exchange. The executive director or managing director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLM and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner. Allotment to Bidders shall be made in marketable lots on a proportionate basis as explained below:

(a) Bidders will be categorised according to the number of Equity Shares applied for by them.

(b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the oversubscription ratio.

(c) The number of Equity Shares to be allotted to the successful Bidders will be arrived at on a proportionate basis, which is the total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the oversubscription ratio.

(d) If the proportionate Allotment to a Bidder is a number that is more than 20 but is not a multiple of one (which is the market lot), the decimal will 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 will be rounded off to the lower whole number. Allotment to all Bidders in such categories shall be arrived at after such rounding off.

(e) In all Bids where the proportionate Allotment is less than 20 Equity Shares per Bidder, the Allotment shall be made as follows:

- Each successful Bidder shall be Allotted a minimum of 20 Equity Shares; and

- The successful Bidders out of the total Bidders for a portion shall be determined by the drawing 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 (c) above; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that portion, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance of Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for the minimum number of Equity Shares.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

Issue details

Particulars	**Issue details**
Issue size	200 million Equity Shares
Allocation to QIB (at least 60% of the Issue)	120 million Equity Shares
Of which:	
a. Reservation For Mutual Funds, (5%)	6 million Equity Shares
b. Balance for all QIBs including Mutual Funds	114 million Equity Shares
Number of QIB applicants	10
Number of Equity Shares applied for	500 million Equity Shares

Details of QIB Bids

S. No.	**Type of QIBs**	**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
11.	**TOTAL**	**500**

** A1-A5: (QIBs other than Mutual Funds), MF1-MF5 (QIBs which are Mutual Funds)*

Details of Allotment to QIBs Applicants

Type of QIB	**Shares bid for**	**Allocation of 5% Equity Shares**	**Allocation of 95% Equity Shares**	**Aggregate allocation to Mutual Funds**
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
	(Number of equity shares in million)			
A1	50	0	11.52	0

Type of QIB	Shares bid for	Allocation of 5% Equity Shares	Allocation of 95% Equity Shares	Aggregate allocation to Mutual Funds
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
A2	20	0	4.60	0
A3	130	0	29.94	0
A4	50	0	11.52	0
A5	50	0	11.52	0
MF1	40	1.2	8.97	9.68
MF2	40	1.2	8.97	9.68
MF3	80	2.4	17.96	20.36
MF4	20	0.6	4.49	5.09
MF5	20	0.6	4.49	5.09
	500	**6**	**114**	**49.99**

Notes:

1. The illustration presumes compliance with the requirements specified in this Red Herring Prospectus in the section entitled "Issue Structure" at page 240 of this Red Herring Prospectus.

2. Out of 120 million Equity Shares allocated to QIBs, 6 million (i.e., 5%) will be Allotted on a proportionate basis among five Mutual Fund applicants who applied for 200 million Equity Shares in the QIB Portion.

3. The balance 114 million Equity Shares i.e., 120 - 6 (available for Mutual Funds only) will be Allotted on a proportionate basis among 10 QIB Bidders who applied for 500 million Equity Shares (including 5 Mutual Fund applicants who applied for 200 million Equity Shares).

4. The figures in the fourth column entitled "Allocation of balance 114 million Equity Shares to QIBs proportionately" in the above illustration are arrived at as explained below:

   For QIBs other than Mutual Funds (A1 to A5) = Number of Equity Shares Bid for × 114/494

   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) × 114/494

   The numerator and denominator for arriving at the allocation of 114 million Equity Shares to the 10 QIBs are reduced by 6 million shares, which have already been Allotted to Mutual Funds in the manner specified in column III of the table above.

Letters of Allotment or Refund Orders

Our Company shall credit each Equity Share Allotted to the applicable beneficiary account with its Depository Participant within 15 days of the Bid/Issue Closing Date. Applicants residing at 15 centres where clearing houses are managed by the RBI will get refunds through ECS only (subject to availability of all information for crediting the refund through ECS) except where the applicant is otherwise disclosed as eligible to receive refunds through direct credit and RTGS. In the case of other applicants, the Bank 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 (refund advice) through ordinary post informing them about the mode of credit of refund within 15 days of the Closing of Issue.

Undertakings by our Company

Our Company undertakes as follows:

- that complaints received in respect of this Issue shall be dealt with expeditiously and satisfactorily;

- that all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;

- that our Company shall apply in advance for the listing of Equity Shares;

- that the funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by us;

- that where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the 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;

- that the refund orders or Allotment advice to the Non-Resident Bidders shall be dispatched within the specified time; and

- that no further issue of Equity Shares shall be made until the Equity Shares offered through the Red Herring Prospectus and the Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.

Utilisation of Issue proceeds

The 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 Section 73(3) of the Companies Act;

- details of all monies utilised out of the Issue shall be disclosed under an appropriate heading in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the Issue, if any, shall be disclosed under the appropriate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Our Company shall not have recourse to the proceeds of the Issue until the final listing and trading approvals from all the Stock Exchanges have been obtained.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

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 the each provision herein below is numbered as per the corresponding article number in the Articles of Association. Certain defined terms used in the Articles of Association are set forth below. All other defined terms used in this section have the meaning given to them in the Articles of Association.

CAPITAL

Article 3 (A)

The authorised share capital of our Company shall be the Capital as specified in Clause V of the Memorandum of Association, with power to increase or reduce the share capital of our Company and to divide the shares in the capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of our Company and to vary, modify, amalgamate or abrogate any of such rights, privileges or conditions in such manner as may for the time being be provided in the Articles of Association.

NON VOTING SHARES

Article 4

Subject to the applicable provision of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modifications or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be necessary, the Company may issue shares with non-voting rights upon such terms and conditions and with such rights and privileges (including with regard to dividend) as may be permitted by law or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles of Association, to the extent they are concerning or relating to voting rights of shares shall not be applicable to the aforesaid non-voting shares, if any, issued by the Company.

INCREASE IN CAPITAL

Article 5

The Company in General Meeting may from time to time by Ordinary Resolution increase the capital by the creation of new shares, the increases to be of such aggregate amount and to be divided into Shares of such respective amounts as the Resolution shall prescribe, subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or a qualified right to dividends, and in the distribution of the assets of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act.

NEW CAPITAL SAME AS EXISTING CAPITAL

Article 6

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

REDEEMABLE PREFERENCE SHARES

Article 7

Subject to the provisions of Sections 80 and 80A of the Act, the Company shall have the power to issue Preference Shares, which are at the option of the Company liable to the redeemed, and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

VOTING RIGHTS ON PREFERENCE SHARES

Article 8

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

REDUCTION OF CAPITAL

Article 10

The Company may from time to time by Special Resolution, subject to the provisions of Section 78, 80, 100 to 104 inclusive of the Act, reduce its Share Capital and any Capital Redemption Reserve Account or Share Premium Account in any manner for the time being authorised by law, and in particular without prejudice to the generality of the forgoing power may:

(a) extinguish or reduce the liability on any of its shares in respect of share capital not paid up;

(b) either with or without extinguishing or reducing liability on any of its shares, cancel any paid up share capital which is lost or is unrepresented by available assets; or

(c) either with or without extinguishing or reducing liability on any of its shares, pay off any paid-up share capital which is in excess of the wants of the Company;

and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARES

Article 11

The Company in general meeting may subject to the provisions of Section 94 of the Act by Ordinary Resolution alter the conditions of its Memorandum as follows, that is to say, it may:

(a) Consolidate and divide any of its Share Capital into Shares of larger amounts than its existing shares;

(b) Sub-divide its shares or any of them into shares of smaller amount than originally fixed by the Memorandum, so however, that in the sub-division the proportion between the amount paid-up 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 so that as between the holders of the shares resulting from such sub -division one or more of such shares may, subject to the provisions of the Act, be given any preference or advantage or otherwise over the others or any other such share.

(c) Convert all or any of its fully paid-up shares in to stock and reconvert that stock into fully paid-up shares of any denomination.

(d) Cancel shares which, on the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of shares so cancelled;

Article 11 B

The cancellation of shares in pursuance of this Article shall not be deemed to be reduction of Share Capital.

MODIFICATION OF RIGHTS

Article 12 A

Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each calls may subject to the provisions of Sections 106 and 107 of the Act be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at separate general meeting of the holders of shares of that class. The provision of these Articles relating to General Meetings shall mutatis mutandis apply to every such separate meeting. This Article shall not derogate from any power which the Company would have if this Article were omitted.

Article 12 B

Subject to and in accordance with the applicable provisions of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modification or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be required, the Company shall have power to acquire, purchase, sell, dispose off, provide finance for the purchase of any of its own fully/ partly paid shares whether or no they are redeemable and to make the payment out of Capital Reserves or otherwise in respect of such acquisition, purchase, financing.

SHARES AND CERTIFICATES:

REGISTER AND INDEX OF MEMBERS

Article 14

The Company shall cause to be kept a Register and Index of Members in accordance with all applicable provisions of the Act and the Depositories Act, 1996 with details of shares held in material and dematerialized forms in any medias may be permitted by law including in any form of electronic media. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members resident in the State or country.

ISSUE OF FURTHER SHARES NOT TO AFFECT THE RIGHTS OF THE EXISTING SHARE HOLDERS

Article 15

(a) The rights or privileges 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 or modified affected by the creation or issue of further shares ranking pari passu therewith.

(b) The Board shall observe the restriction as to allotment of shares to the public contained in Sections 69 and 70 of the Act and shall cause to be made the return as to allotment provided for in Section 75 of the Act.

FURTHER ISSUE OF SHARES

Article 17 A

1. Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its

formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the un-issued capital or out of the increased share capital then:

(a) Such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as the circumstances admit, to the capital paid up on those shares at the date.

(b) Such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than thirty days from the date of offer and the offer if not accepted, will be deemed to have been declined.

(c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right.

Provided that the Director may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.

(d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.

2. Notwithstanding anything contained in sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (Whether or not those persons include the persons referred to in clause (a) sub-clause (1) thereof in any manner whatsoever:

(a) If a special resolution to that effect is passed by the company in General Meeting, or

(b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting of vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the Company.

3. Nothing in sub-clause (c) of (1) hereof shall be deemed;

(a)To extend the time within which the offer should be accepted; or

(b) To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

4. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the company:

(i) To convert such debentures or loans into shares in the company; or

(ii) To subscribe for shares in the company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of Issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the Central Government before the Issue of the debentures or the raising of the loans or is in conformity with Rules, if any made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the Issue of the debentures or raising of the loans.

SHARES AT THE DISPOSAL OF DIRECTORS

Article17 B

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may Issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so, issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

LIMITATION OF TIME FOR ISSUE OF SHARE CERTIFICATES

Article 17 C

Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of Issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be borne to Issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

Article 17D

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, and a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

Every certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for Issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Article 17 E

Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company or any account whatsoever except when the company has a lien on the shares. Transfer of shares / debentures in whatever lot shall not be refused.

INSTRUMENT OF TRANSFER

Article 17 F

The instrument of transfer shall be in writing and all provisions of Section 108 of the Companies Act, 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

NO FEE ON TRANSFER OR TRANSMISSION

Article 17 G

No fee shall be charged for registration of transfer, transmission, probate, Succession Certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

Article 17 H

The Directors may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount 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, the company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

COMPANY'S LIEN ON SHARES / DEBENTURES

Article 17 I

The Company shall have a first and paramount lien upon all the shares / debentures (other than fully paid-up shares / debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares / debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares / debentures. Unless otherwise agreed, the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any, on such shares / debentures. The Directors may at any time declare any shares / debentures wholly or in part to be exempt from the provisions of this clause.

UNPAID OR UNCLAIMED DIVIDEND

Article 17 K

Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 42 days open a special account in that behalf in any scheduled bank called "Unpaid Dividend of RESURGERE MINES & MINERALS INDIA" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 3 years from the date of such transfer, shall be transferred by the Company to the general revenue account of the Central Government. A claim to any money so transferred to the general revenue account may be referred to the Central Government by the shareholders to whom the money is due.

No unclaimed or unpaid dividend shall be forfeited by the Board.

SHARES UNDER CONTROL OF DIRECTORS

Article 18

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board of Directors who may issue, allot or otherwise dispose off the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to compliance with the provisions of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting to give any person, the option to call for any shares either at par or at a premium during such time and for such consideration the Directors think fit, and may allot and issue shares in the capital of the Company in payment or part for any property sold and transferred or for any services rendered to the Company in the conduct of its Business; and any shares which may be so allotted may be issued as fully paid-up shares and if so issued, shall be deemed to be fully paid shares.

(a) The shares or other interest of any member in the Company shall be movable property, transferable in the manner provided by the Articles of the Company.

(b) Each share in the Company shall be distinguished by its appropriate number.

(c) A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be, prima facie, evidence of the title of the member of such shares.

POWER OF THE COMPANY TO ISSUE SHARES IN THE GENERAL MEETING

Article 20

In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 17, 18 and 19 the Company in general meeting may, subject to the provisions of Section 81 of the Act determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such person (whether a Member or not), in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, as the general meeting shall determine and with full power to give any person (whether a Member or not) the option to call for or be allotted shares of any class of the Company either(subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or Company in general meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.

ISSUE OF SHARES FOR CONSIDERATION OTHER THAN CASH

Article 21

Subject to these Articles and the provisions of the Act, the Board may issue and allot share in the Capital of the Company as payment, or in consideration, or as part payment, or in part consideration of the purchase or acquisition of any property or for services, rendered to the Company in the conduct of its business and shares which may be so issued or allotted shall be credited or deemed to be credited as fully paid-up or partly paid-up shares.

ACCEPTANCE OF SHARES

Article 22

Any application signed by or on behalf of a applicant for shares in the Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall, for the purposes of these Articles, be a Member.

DEPOSIT, CALL ETC. TO BE A DEBT PAYABLE IMMEDIATELY

Article 23

The money (if any) which the Board shall, on the allotment of any share being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, becomes a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly

LIABILITY OF MEMBERS

Article 24

Every Member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may for the time being, remain unpaid thereon, in such amounts at such time or times in such manner as the Board shall from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

SHARE CERTIFICATE

Article 25

(a) Every Member of allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the board and on surrender to the company of the letter of allotment or the fractional coupons of requisite value, save in case of issue against letters of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary, or some other person appointed by the Board for the purpose and the two Directors or their attorney and the Secretary or other person shall sign the share certificate provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. For any further certificate the Board shall be entitled, but shall not be bound to prescribed a charge not exceeding Rupee One, Provided that the Company shall not be bound to register more than four persons as joint holders of any share except in the face of executors or trustees or a deceased member and in respect of a share held jointly by several persons the Company shall not be bound to issue more than one certificate. The Company shall comply with provisions of Section 113 of the Act.

Provided however, that no share certificate (s) shall be issued in respect of the shares help in Depository.

(b) The issue of Certificates of Shares or of duplicate or renewal of Certificates of Shares shall be governed by the provisions of Section 84 and other applicable provisions of the Act and by the rules or notifications or orders, if any, which may be prescribed or made by competent authority under the Act, the Directors shall also comply with the provisions of such rules or regulations of any stock exchange where the shares of the company may be listed for the time being and also the requirements of the Securities Contracts (Regulation) Act, 1956 as may be applicable.

(c) Every Certificate of Shares shall specify the date of issue, the numbers and distinctive numbers of the shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors shall prescribe or approve.

(d) Any two or more joint allottees of a share shall, for the purpose of this Article, be treated as a single Member, and the certificate of any share, which may be subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them.

(e) The Company shall complete and have ready for delivery, the share certificates within the time provided by Section 113 of the Act, unless the conditions of issue thereof otherwise provide.

(f) If any Certificate be worn out, torn, defaced or otherwise mutilated or rendered useless, or if there be no further space on the back thereof for endorsement of transfers, then, upon production thereof to the Directors, they may order the same to be cancelled, and may issue a new Certificate in lieu thereof, without charging any fee in respect thereof. If any Certificate be lost or destroyed, then, upon proof thereof to the satisfaction of the Directors, and on such indemnity as the Directors deem adequate being given, a new certificate in lieu thereof shall be given to the partly entitled to such lost or destroyed Certificate on payment of such fee as may be decided by the Board of Directors from time to time on that behalf. Out of pocket expenses incurred by the Company in investigation the evidence as to the loss or destruction shall be paid to the Company if demanded.

(g) Where any shares under the power in that behalf in those Articles herein contained are sold by the Directors and the Certificate thereof has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.

Provided that not withstanding what is stated above in (bb) and (bc) the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

(h) The Company shall not be bound to register more than four persons as the joint holder of any shares, except in the case of executors or trustees of a deceased member in respect of a share held jointly by several persons, the Company shall not be bound to issue more than one Certificate and the delivery of a Certificate for a share to any one of several joint holders shall be sufficient delivery to all such holders.

(i) The Company may issue such fractional coupons as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional coupons are to be converted into Share Certificates.

(j) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose**.**

FRACTIONAL CERTIFICATES

Article 26

The Company may issue such fractional certificates as the Board may approve in respect of any of the shares of the Company on such terms as the Board thinks fit as to the period within which the fractional certificates are to be converted into share certificates.

RENEWAL OF SHARE CERTIFICATES

Article 27

(a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where pages on the reverse for recording transfer have been fully utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.

(b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No.--------- sub-divided / replaced / on consolidation of shares.

(c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out-of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

(d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that is a Duplicate issued in lieu of share certificate No. ---------- The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.

(e) Where a new certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificates indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.

(f) All blank forms to be used for issue of share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or such other person as the Board may appoint for the purpose and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.

(g) The Managing Directors of the Company for the time being, or if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of the machine, equipment and/or other material referred to in Article 25 (h) and of all books and documents relating to the issue of share certificates except the blank forms of share certificate referred to in clause (f).

(h) All books referred to in clause (g) of this Article shall be preserved in good order permanently.

(i) Not withstanding anything contained in Article 25, the Board may in its absolute discretion refuse application for sub-division or consolidation of Share Certificates or Debenture Certificates into denominations of less than the marketable lot except when such sub-division or consolidation is required to be made to comply with as statutory provision or an order of a competent Court of law.

DEMATERIALISATION AND REMATERIALISATION OF SHARES

Article 27 B

The Company shall be entitled to dematerialise its existing shares, debentures and other securities, rematerialise its shares, debentures and other securities held in the Depositories and/or to issue its fresh shares, debentures and other securities, in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed there under, if any.

THE FIRST NAME OF JOINTHOLDERS DEEMED SOLE HOLDERS

Article 29

If any shares stands in the name of two or more persons, the person first named in the Register shall as regards receipt of dividends or bonus or service of notices and all or any other matter connected with the Company, except voting at meetings and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such share and for all incidents thereof according to the Company’s regulations.

RECIPET OF ONE JOINT HOLDER IS SUFFICIENT

Article 30

Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share/debenture.

DECLARATION BY PERSONS NOT HOLDING BENEFICIAL INTEREST IN ANY SHARES

Article 31

(a) Notwithstanding anything herein contained a person whose name is at any time entered in the register of members of the Company as a holder of a share in the Company, but who does not hold the beneficial interest in such share, shall, if so required by the Act, within such time and in such forms as may be prescribed make a declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such share in such manner as may be provided in Section 187 C of the Act.

(b) A person who holds a beneficial interest in a share a class of shares of the Company shall, if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in Section 187 C of the Act.

(c) Whenever there is a change in the beneficial interest in a share referred to above, the beneficial owner shall, if so required by the Act, within the time prescribed from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed as provided in Section 187 C of the Act.

(d) Notwithstanding anything contained in Section 153 of the Act and Article 30 hereof, where any declaration refered to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.

FUNDS OF THE COMPANY MAY NOT BE APPLIED IN PURCHASE OF THE SHARES OF THE COMPANY

Article 32

Except as provided in these Articles, none of the funds of the Company shall be applied in the purchase of, or land on the security of shares of the Company and the Company shall not, except as permitted by Section 77 of the Act, give any financial assistance for the purpose of or in connection with any purchase of shares in the Company.

Nothing in this Article shall affect the right of the Company to redeem any shares issued under Section 80 of the Act.

DEALING IN ITS OWN SHARES

Article 33

Subject to and in accordance with the applicable provisions of the Companies Act, 1956 and all other applicable provisions of law (including any statutory modifications or re-enactment thereof for the time being in force or as may be enacted from time to time) and subject to such other approvals/permissions or sanctions as may be required, the Company shall have power to acquire, purchase, sell, dispose off, provide finance for the purchase of any of its own fully/partly paid shares whether or not they are redeemable and to make the payment out of Capital Reserves or otherwise in respect of such acquisition, purchase, financing.

DEMATIRIALISATION OF SECURITIES

Article 34 (b)

Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its securities and to offer securities in a Company in a dematerialised form pursuant to the Depositories Act, 1996.

OPTION FOR INVESTORS

Article 34 (c)

Every person subscribing to securities offered by the Company shall have the option to receive security certificate or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificate of Securities.

If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.

SECURITIES TO BE IN FUNGIBLE FORM

Article 34 (d)

All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

RIGHTS OF THE DEPOSITORIES AND BENEFICIAL OWNERS

Article 34 (e)

(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 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 the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the 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

Article 34 (f)

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronics mode or by delivery of floppies or discs.

TRANSFER OF SECURITIES

Article 34 (g)

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 A DEPOSITORY

Article 34 (h)

Notwithstanding anything in the Act or these Articles, where securities dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.

ISSUE OF SHARES WITHOUT VOTING RIGHTS

Article 35

In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.

BUY BACK OF SHARES AND SECURITIES

Article 36

Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, Provisions of Section 77 and SEBI (Buy Back of Shares) Regulations, as may be permitted by law.

EMPLOYEES STOCK OPTION SCHEME OR PLAN

Article 37

The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.

SWEAT EQUITY

Article 38

Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.

POSTAL BALLOT

Article 39

The Company may pass such resolution by postal ballot in the manner prescribed by Section 192A of the Companies Act, 1956("the Act") and such other applicable provisions of the Act and any future amendments or re-enactment thereof. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.

UNDERWRITING AND BROKERAGE COMMISSION

Article 40

A. The company may pay a commission to any person in consideration of:

i) His subscribing or agreeing to subscribe whether absolutely or conditionally, for any shares in or debentures of the Company, subject to the restrictions specified in Sub-Section(4A) of Section 76 of the Act, or

ii) His procuring or agreeing to procure subscriptions, whether absolute or conditional for any shares in, or debentures of the Company, if the following conditions are fulfilled, viz:

a) The commission paid or agreed to be paid does not exceed in the case of shares, five percent of the price at which the shares are issued and in the case of debentures, two and half percent of the price at which the debentures are issued;

b) The amount or rate percent of the commission paid or agreed to be paid, on shares or debentures offered to the public for subscriptions, shall be disclosed in the prospectus, and in the case of shares and debentures not offered to the public for subscription, disclosed in the statement in lieu of prospectus and filed, before the payment of the commission, with the Registrar, and where a circular or notice, not being a prospectus inviting subscription for the shares or debentures is issued, and disclosed in that circular or notice;

c) The number of shares or debentures which persons have agreed for a commission to subscribe, absolutely or conditionally is disclosed in the manner aforesaid, and

d) A copy of the contract for the payment of commission is delivered to the Registrar at the time of delivery of the prospectus or the statement in lieu of the prospectus for registration.

B. Save as aforesaid and save as provided in Section 79 of the Act, the Company shall not allot any of its Shares or Debentures or apply any of its moneys, either directly or indirectly in payment of any commission, discount or allowance, to any person in consideration of:

i) his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any shares in, or debentures of the Company; or

ii) his procuring or agreeing to procure subscriptions, whether absolutely or conditionally, for the shares in, or debentures of the Company whether the shares, debentures or money be so allotted or applied by, being added to the purchase money of any property acquired by the Company or to the contract price of any work to be executed for the Company, or the money be paid out of the nominal purchase money or contract price, or otherwise.

C. Nothing in this Article shall affect the power of the Company to pay such brokerage as it has heretofore been lawful for the Company to pay.

D. A vendor to promoter of, or other person who receives payment in shares, debentures or money from the Company shall have and shall be deemed always to have had power to apply any part of the shares, debentures or money so received for payment of any commission the payment of which, if made directly by the Company would have been legal under Section 76 of the Act.

E. The commission may be paid or satisfied (subject to the provisions of the Act and these Articles) in cash, or in share, debentures or debenture-stocks of the Company.

Article 41

The company may also on issue of Shares, pay reasonable brokerage as it may lawful.

INTEREST MAY BE PAID OUT OF CAPITAL

Article 42

Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building, or the provision of any plant, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital as is for the time being paid up, for the period, at the rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provisions of plant.

DIRECTORS MAY MAKE CALL ON SHARES

Article 43

The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting to the condition of allotment by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and such Member shall pay the amount of every call so made on him to the person or persons and at the time and places appointed by the Board. A call may be made payable by installments.

NOTICE ON CALLS

Article 44

Twenty-one days Notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons by whom such call shall be paid.

CALLS TO DATE FROM RESOLUTION

Article 45

A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at the meeting of the Board.

CALL MAY BE REVOKED OR POSTPONED

Article 46

A call may be revoked or postponed at the discretion of the Board.

LIABILITY OF JOINT HOLDERS

Article 47

The joint-holders of any share shall be jointly and severally liable in respect of all calls or installments and other payment, which ought to me made in respect of such shares.

DIRECTORS MAY EXTEND TIME

Article 48

The Board may from time to time at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the Members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension but no Member shall be entitled to such extension save as a matter of grace and favor.

CALLS TO CARRY INTEREST

Article 49

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 18 percent per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member and the Directors may waive payment by any one or more Members of any such interest wholly or in part.

SUMS DEEMED TO BE CALLS

Article 50

Any sum, which by the terms of issue of a share becomes payable on allotment or at any time fixed date, whether on account of the nominal value of the share or by way of premium shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable, and in case of non-payment of such sum all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of call duly made and notified.

PROOF OF TRIAL ON SUIT FOR MONEY DUE ON SHARES

Article 51

On the trial or hearing of any action or suit brought by the Company against any Member or his representative/s for the recovery of money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member/s in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money sought to be recovered appears entered on the Register of Members as the holder at or subsequently to the date at which the money is sought to be recovered that the resolution making the call is duly recorded in the Minute Book and that notice of such calls was duly given to the Member or his representatives sued in pursuance of these Articles; and it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.

PARTIAL PAYMENT NOT TO PRECLUDE FORFEITURE

Article 52

Neither a judgment nor a decree in favor of the Company for calls or other moneys due in respect of any shares nor any payment or satisfaction thereof nor the receipt by the Company of a portion of any which shall from time to time be due from any member in respect of any shares either by way of principal of interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided.

PAYMENT IN ANTICIPATION OF CALLS MAY CARRY INTEREST

Article 53

(a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the amount of his shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest at such rate (not exceeding without the sanction of the Company in General Meeting up to fourteen per cent per annum) as the member paying the sum in advance and the Board agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months notice in writing provided that moneys paid in advance of calls shall not confer the right to dividend/s or to participate in profits.

(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payments become presently payable.

(c) Advance payment made against future calls shall not be constructed deposits within the meaning of Companies (Acceptance of deposits) Rules, 1975.

(d) Payment made in advance against calls shall be credited in the member’s account and it shall carry interest at the rate, which may be prescribed by the Board from the date of payment up to the date of calls, or call, which may be made by the Board from time to time.

CALL ON SHARES OF THE SAME CLASS TO BE MADE ON UNIFORM BASIS

Article 54 A

Any calls for future share capital are made on shares such calls shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different amount have been paid up shall not be deemed to fall under the same class.

INSTALMENTS ON SHARES TO BE DULY PAID

Article 54 B

If by the condition of allotment for any shares the whole or part of the amount of issue price thereof shall be payable by installments every such installment shall, when due be paid to the company by the person who, for the time being and from time to time shall be registered holder of the share or his legal representative.

COMPANY TO HAVE LIEN ON SHARES

Article 55

The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (Whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 30 hereof is to have full effect. Any such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. Provided that the Board Directors may at any time declare any shares wholly or in part to be exempt from the provisions of this clause.

OUTSIDERS CLAIM NOT TO AFFECT COMPANY'S LIEN

Article 56

The company shall be entitled to treat the registered holder of any share or debenture as the absolute owner thereof and accordingly shall not(except as order by a Court of Competent Jurisdiction or by statute required) be bound to recognize equitable or other claim to, or interest in, such shares or debentures on the part of any other person. The company's lien shall prevail notwithstanding that it has received notice of any such claims.

AS TO ENFORCING LIEN BY SALE

Article 57

For the purpose of enforcing such lien the Board may sell the shares subject hereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorize one of their members to execute a transfer thereof on behalf of and in the name of such Member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

TRANSFER OF SHARES SOLD UNDER LIEN

Article 58

(a) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchase thereof.

(b) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(c) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the same.

APPLICATION OF SALE PROCEEDS

Article 59

The net proceeds of any such sale shall be received by the Company and applied in or towards payment 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 for sums not presently payable as existed upon the shares before the sale) be paid to person entitled to the shares at the date of the sale.

FORFEITURE AND SURRENDER OF SHARES

IF MONEY PAYABLE ON SHARES NOT PAID NOTICE TO BE GIVEN TO MEMBER

Article 60

If any Member fails to pay the whole or any part of any call or installments or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Directors may at any time thereafter, during such time as the call or installment or any part thereof or the other moneys remain unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, send a notice on such Member or on the person (if any) entitled to the share by transmission, requiring him to pay such call or installment or such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

FORM OF NOTICE

Article 61

The notice shall name a day (not being less that fourteen days from the date of the notice) and a place or places on and at which such calls or installments and such interest thereon at such rate not exceeding 18 percent per annum as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to the paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the calls was made or installment is payable, will be liable to be forfeited.

IN DEFAULT OF PAYMENT SHARES TO BE FORFEITED

Article 62

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which, such notice has been given, may at any time thereafter before payment of all calls or installments, Interest and expenses due in respect thereof be forfeited by a ordinary resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the date of forfeiture which shall be the date on which the ordinary resolution of the Directors is passed forfeiting the shares.

NOTICE OF FORFEITURE TO MEMBERS

Article 63

When any share shall have been so forfeited notice of the forfeiture shall be given to the Member 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 of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.

FORFEITED SHARE TO BE PROPERTY OF THE COMPANY AND MAY BE SOLD ETC.

Article 64

Any share so forfeited shall be deemed to be the property of the Company, and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit and at any time before a sale or disposal as aforesaid the board may cancel the forfeiture on such terms as it thinks fit.

SURRENDER OF FORFEITED SHARES

Article 65

Upon forfeiture of shares, the member shall forthwith forfeit the shares to the Company.

LIABILITY ON FORFEITURE

Article 66

Any member whose shares have been forfeited shall cease to be a member in respect of those shares but shall notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect f such shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum or as the Board may determine and the Board may enforce the payment thereof, if it thinks fit.

EFFECT OF FORFEITURE

Article 67

The forfeiture of a share shall involve extinction, at the time of the forfeiture, of all interest in and all claims and demand against the 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.

EVIDENCE OF FORFEITURE

Article 68

A declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date state in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.

VALIDITY OF SALE UNDER THE ARTICLES

Article 69

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers therein before given, the Board may appoint some person to execute an instrument of transfer of the shares 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, or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

Article 70

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto distinguishing it on them in such manner as they think fit from the certificates not so delivered.

POWER TO ANNUL FORFEITURE

Article 71

The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

SURRENDER OF SHARES

Article 72

The Directors may subject to the provisions of the Act, accept a surrender of any share or by any member desirous of surrendering on such terms as the Directors may think fit.

TRANSFER AND TRANSMISSION OF SHARES

REGISTER OF TRANSFERS

Article 74

Our Company shall keep a book to be called "Register of Transfer", and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.

TRANSFER BY JOINT HOLDERS

Article 75

In the case of transfer of shares/debentures held by joint holders, the transfer will be effective only if it is made by all the joint holders.

TRANSFER FORM TO BE COMPLETED AND PRESENTED TO THE COMPANY

Article 76

The Instrument of Transfer duly stamped and executed by the transferor and the transferee shall be delivered to our Company in accordance with the provisions of the Act. The instrument of transfer shall be accompanied by such evidence as the Board may require to prove the title of transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the custody of our Company until destroyed by order of the Board, The Transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been entered in the Register of Members in respect thereof. Before the registration of the transfer, the certificate or certificates of the shares must be delivered to our Company.

TRANSFER BOOKS AND REGISTER OF MEMBERS WHEN CLOSED

Article 77

The Board shall have power on giving not less than 'seven days' previous notice by advertisement in some newspaper circulation in the district in which the Office of our Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in a year.

TRANSFER OF SHARES

Article 78

(i)An application of registration of the transfer of shares 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 partly paid shares be effected unless our Company gives notice of the application to the transferee and subject to the provisions of Clause (d) of this Article, our Company shall unless objection is made by the of Members the name of the transferee in the same manner and subject to same conditions as if the application for registration was made by the transferee.

(ii)For the purpose of Clause (i) above notice to the transferee shall be deemed to have been duly given if sent by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered to him in the ordinary course of post.

(iii)It shall be not be lawful for our Company to register a transfer of any shares unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee has been delivered to our Company along with the Certificate relating to the Shares and if no such Certificate is in existence, along with the letter of allotment of shares. The Directors may also call for such other evidence as may reasonably be required to show the right of the transferor to make the transfer, provided that where it is proved to the satisfaction of the Directors of our Company that an instrument of transfer signed by the transferor and the transferee has been lost, our Company may, if the Directors think fit, on an application in writing made by the transferee and bearing he stamp required by an instrument of transfer register the transfer on such terms as to indemnity as the Directors may think fit.

(iv)Nothing in Clause 80 (iii) above shall prejudice any power of our Company to register as shareholder any person to whom the right to any share has been transmitted by operation of law.

(v)Nothing in this Article shall prejudice any power of our Company to refuse to register the transfer of any share.

CUSTODY OF INSTRUMENT OF TRANSFER

Article 79

The instrument of transfer shall after registration be retained by our Company and shall remain in their custody. All instruments of transfer which the Directors may decline to register, shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all transfer deeds lying with our Company after such period as they may determine.

NOTICE OF APPLICATION WHEN TO BE GIVEN

Article 80

Where, in the case of partly paid shares, an application for registration is made by the transferor, our Company shall give notice of the application to the transferee in accordance with the provision of Section 110 of the Act.

DEATH OF ONE OR MORE JOINT HOLDERS OF SHARES

Article 81

Subject to Article 30 hereof in the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any shares, the survivor or survivors shall be the only persons recognised 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-holder from any liabilities on shares held by him jointly with any other person.

TITLE TO SHARES OF DECEASED MEMBERS

Article 82

The executors or administrators or holders of a Succession Certificate or the legal representatives of a deceased Member (not being one or two or more joint-holders) shall be the only persons recognised by our Company as having any title to the shares registered in the name of such Member and our Company shall not be bound to recognise such executors or administrators or holders of a Succession Certificate or the legal representatives unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or Succession Certificate, upon such terms as to indemnify or otherwise as the Board in its absolute discretion may think necessary and under Article 83 register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased Member, as a Member.

NOMINATION

Article 83

A holder or joint holders of shares in or debentures of our Company may nominate, in accordance with the provisions of Section 109A of the Companies Act, 1956 (including any amendment thereto or any re-enactment thereof) and in the manner prescribed there under, any person to whom all the rights in the shares in or debentures of our Company shall vest in the event of death of such holder (s). Any nomination so made shall be dealt with by our Company in accordance Act,1956 or any statutory modification or re-enactment thereof for the time being in force.

NO TRANSFER TO MINOR ETC.

Article 84

Only fully paid-up shares or debentures shall be transferred to a minor acting through his/her legal or natural guardian under no circumstances shares or debentures be transferred to any insolvent or a person of unsound mind.

REGISTRATION OF PERSONS ENTITLED TO SHARES OTHERWISE THAN BY TRANSFER, "THE TRANSMISSION ARTICLE"

Article 85

(a) Subject to the provisions of the Act and Articles 79 to 85 and 88 any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Member, or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which is shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which be proposes to act under this Article or of such title as the Board thinks sufficient either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the share. This Article is hereafter called "The Transmission Article".

(b) A transfer of the share or other interest in our Company of a deceased member thereof made by his legal representative shall, although the legal representative is not himself a member be as valid as if he has been a member at the time of the execution of the instrument of transfer.

REFUSAL TO REGISTER ON TRANSMISSION

Article 86

The Board shall have the same right to refusal register a person entitled by transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

PERSON ENTITLED MAY RECEIVE DIVIDEND WITHOUT BEING REGISTERED AS MEMBER

Article 87

A person entitled to a share by transmission shall, subject to the right of the Directors, retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the shares.

CLAIMANT TO BE ENTITLED TO SAME ADVANTAGE

Article 88

The person becoming entitled to a share by reason of the death, lunacy, bankruptcy or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled as if he were registered holder of the shares except that he shall not before being registered as a member in respect of the share, be entitled in respect of it, to exercise any right conferred by membership in relation to the meeting of our Company provided that the Board may at any time give notice requiring any such persons to elect either to be registered himself or to transfer the shares and if the notice is not complied within sixty days, the Board may thereafter withhold payment of all dividends, interests, bonus or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

FEE ON TRANSFER OR TRANSMISSION

Article 89

Our Company may charge such fees (as may be decided by the Directors from time to time and for any period of time) in respect of transfer or transmission of the shares, subject to the stipulations, rules, regulations of stock exchange or the statute concerned in this regard.

COMPANY NOT LIABLE FOR DISREGARD OF A NOTICE, PROHIBITING REGISTRATION OF A TRANSFER

Article 90

Our Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest in the said shares, notwithstanding that our Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice or referred thereto, in any book of the Company and our Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, thought it may have been entered or referred to in some book of our Company, but our Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

DIRECTORS MAY REQUIRE EVIDENCE OF TRANSMISSION

Article 91

Every transmission of a share shall be verified in such manner as the Directors may require, and our Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to our Company with regard to such registration which the Directors at their discretion

TRANSFER OF SHARES IN DEMATERIALISED FORM

Article 92

In the case of transfer or transmission of shares or other marketable securities where our Company has not issued any certificates and where such shares or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act,1996 shall apply.

TRANSFER OR TRANSMISSION OF DEBENTURES AND/OR DETACHABLE WARRANTS

Article 93

The provisions of these Articles shall mutates mutandis apply to the transfer or transmission by operation of law of debentures and / or detachable warrants of our Company.

VOTE OF MEMBERS

RESTRICTIONS ON VOTING

Article 146

No Member shall be entitled in respect of any shares registered in his name to be present or to exercise any voting right on any question at any General Meeting or be reckoned in a quorum whilst any call or other sum presently payable to our Company in respect of such shares, shall remain unpaid or in regard to which our Company has exercised any right of lien; and no member shall be entitled to be present or to vote in respect of any shares that he has acquired by transfer at any meeting unless his name has been entered as the registered holder of such share in respect of which he claims to vote.

EQUAL RIGHTS OF SHAREHOLDERS

Article 147

Any shareholder whose name is entered in the Register of Members of our Company shall enjoy the same rights and be subject to the same liabilities as all other shareholders of the same class.

NUMBER OF VOTES TO WHICH A MEMBER IS ENTITLED

Article 148

Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of our Company, every member, not disqualified by the last preceding Article shall be entitled to be present and to speak and vote at such meeting, and on a show of hands every Member present in person or by proxy shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of our Company. Provided, however if any preference Shareholder be present at any meeting of our Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

CASTING OF VOTES BY A MEMBER ENTITLED TO MORE THAN ONE VOTE

Article 149

On a poll taken at a meeting of our Company a Member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

HOW MEMBERS NON-COMPOSEMENT MAY VOTE

Article 150

A member of unsound mind or in respect of whom an Order has been made by any Court, having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on poll vote by proxy. If any Member be a minor the vote in respect of his share or shares shall be by his guardian, or any one of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting.

VOTES OF JOINT MEMBERS

Article 151

If there be joint registered holders of any shares, any one of such persons may vote at any meeting either personally or may appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting that one of the said person so present whose name stands higher on the register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose names shares stand for the purpose of these Articles be deemed as joint holders thereof.

VOTING IN PERSON OR BY PROXY

Article 152

Any member of our Company entitled to attend and vote at a meeting of our Company shall be entitled to appoint any other person (whether a member or not) as his proxy to attend and vote instead of himself. A member (and in case of joint holders all holders) shall not appoint more than one person as proxy.

VOTES IN RESPECT OF SHARES OF DECEASED AND INSOLVENT MEMBER

Article 153

Any person entitled under the Transmission Article (Article 87) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of the holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote he shall satisfy the Director of his right to transfer of such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. For the purpose of the Article, the Directors shall have same powers either to recognise or to refuse to recognise such right to transfer, as they have to reject or accept, a transfer or transmission of shares under these Articles.

APPOINTMENT OF PROXY

Article 154

Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, duly authorized in writing, or if such appointer is a body corporate under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting.

PROXY EITHER FOR SPECIFIED MEETING OR FOR A PERIOD

Article 155

An instrument of may appoint a proxy either for purposes of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purpose of every meeting of our Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meetings.

NO PROXY EXCEPT FOR A BODY CORPORATE TO VOTE ON A SHOW OF HANDS

Article 156

No Member present only by proxy shall be entitled to vote on a show of hands, unless such Member is a body corporate present by a proxy who is not himself a Member, in which case such proxy shall have a vote on the show of hands as if he were a member.

PROXY TO VOTE ONLY ON A POLL

Article 157

A Member present by proxy shall be entitled to vote only on a poll.

DEPOSIT OF INSTRUMENT OF APPOINTMENT OF PROXY

Article 158

The Instrument appointing a proxy and the power of attorney or other authority (if any) under which it signed or a notarially certified copy of that power or authority, shall be deposited at the Office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiry of twelve months from the date of its execution.

FORM OF PROXY

Article 159

Every instrument appointing a proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in the form set out in Schedule IX of the Act, and shall be retained by our Company.

VALIDITY OF VOTES GIVEN BY PROXY NOTWITHSTANDING DEATH OF MEMBER

Article 160

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the proxy is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

TIME FOR OBJECTIONS OF VOTES AND INSPECTION OF PROXIES

Article 161

(a) No objection shall be made to the validity of any vote, except at the meeting or poll at which such vote shall be tendered, and every vote not disallowed at such meeting or poll shall be deemed valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the meeting whose decision shall be final and conclusive.

(b) Every Member entitled to vote at a meeting of our Company or on any resolution to be moved thereat shall be entitled, during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of our Company, provided not less than three days notice in writing of the intention so to inspect is given to our Company.

CHAIRMAN OF THE MEETING TO BE THE JUDGE OF VALIDITY OF ANY VOTE

Article 162

The Chairman present at the taking of poll shall be the sole judge of the validity of every vote tendered at such poll.

CHAIRMAN'S DECLARATION OF RESULTS OF VOTING TO SHOW OF HAND TO BE CONCLUSIVE

Article 163

A declaration by the Chairman in pursuance of Section 177 of the Act that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of our Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.

DIVIDENDS

DIVISION OF PROFITS

Article 235

Subject to the provision of Section 205 of the act and the rules made there under, the profits of our Company, subject to any special rights relating thereto created or authorized to be created by these Articles and subject to the provision of these Articles, shall be divisible among Members in proportion to the amount of capital paid-up or credited as paid-up on the shares held by them respectively.

THE COMPANY IN GENERAL MEETING MAY DECLARE A DIVIDEND

Article 236

Our Company in General Meeting may declare dividends to be paid to Members according to their respective rights but no dividends shall exceed the amount recommended by the Board, but our Company in General Meeting may declare a smaller dividend.

DIVIDENDS ONLY NOT TO BE PAID OUT OF PROFIT

Article 237

No dividend shall be declared or paid except in accordance with Section 205 and Section 205 A of the Act and no dividend shall carry interest as against our Company. The declaration of the Board as the amount of profits of our Company shall be conclusive. Where a dividend has been declared, either the dividend shall be paid or the warrant in respect thereof shall be posted to the shareholder entitled to the payment of the dividend within time prescribed under Section 207 of the Act.

DIVIDEND PAYABLE TO REGISTERED HOLDERS

Article 238

No dividend shall be paid by our Company in respect of any share except to the registered holder of such share or to his order or to his banker.

INTERIM DIVIDEND

Article 239

Subject to the provision of the Act, the Board may, from time to time pay to the Members such interim dividend as in their judgment the position of our Company justifies.

CAPITAL PAID-UP IN ADVANCE AT INTEREST, NOT TO EARN DIVIDEND

Article 240

Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits.

DIVIDENDS IN PROPORTION TO AMOUNT PAID UP

Article 241

All dividends shall be apportioned and paid proportionately to amounts paid or credited as paid 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 dividends as from a particular date, such share rank for dividend accordingly.

RIGHT TO DIVIDEND RIGHTS / BONUS SHARES TO BE HELD IN ABEYANCE PENDING REGISTRATION OF TRANSFER

Article 242

Subject to the provisions of the Act, where any instrument of transfer of shares has been delivered to our Company for registration and the transfer of such shares has not been registered by our Company, notwithstanding anything contained in any other provisions of the Act, our Company shall: (a) transfer the dividend in relation to such shares to the special account referred to an Section 205-A unless our Company is authorized by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instruments of transfer, and (b) keep in abeyance in relation to such shares any offer of rights shares under section 81 (1) (a) and any issue of fully paid bonus shares in pursuance of section 205 (3) of the Act.

TRANSFER OF SHARES MUST BE REGISTERED

Article 243

A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

DIVIDENDS ETC. TO JOINT HOLDERS

Article 244

Any one of several persons who are registered as the joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.

NO MEMBER TO RECEIVE DIVIDEND WHILST INDEBTED TO THE COMPANY AND COMPANY'S RIGHT OF REIMBURSEMENT THERE OUT

Article 245

No member shall be entitled to receive payment of any interest or dividend in respect of his share or shares, whilst any money may be due or owing from him to our Company in respect of such share or shares or otherwise on any other account whatsoever, either alone or jointly with any other person or persons, and the Board may deduct from the interest or dividend payable to any Member all sums of money so due from him to our Company.

DIVIDENDS HOW REMITTED

Article 246

Unless otherwise directed any dividend may be paid by cheques or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post of the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holding. Every such cheques or warrant or pay-slip shall be made payable to the order of the person to whom it is sent. Our Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, or for any dividend lost to the Member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent recovery of the dividend by any other means. When a dividend cheque, warrant, pay slip or receipt is so posted our Company shall be deemed to have paid the dividend to the person entitled to it.

DIVIDEND AND CALL TOGETHER

Article 247

Any General Meeting declaring a dividend, may, on the recommendation of the dividend, make a call on the Member 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 Member be set off against the calls.

NO INTEREST ON DIVIDEND

Article 248

Subject to the provision of the Act, no unpaid dividend shall bear the interest as against our Company.

DIVIDEND TO BE PAYABLE IN CASH

Article 249

Save as stated in Article 255, no dividend shall be payable except in cash. Provided that nothing in this Article shall be deemed to prohibit the capitalization of profits or 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 nay shares held by the members of our Company.

SPECIAL PROVISIONS IN RESPECT OF DIVIDEND

Article 250

Subject to the provisions of Section 205 of the Act and if and inn so far as may not be prohibited by that Section or any of the Provisions of the Act, any General Meeting sanctioning or declaring a dividend in terms of these Articles may direct payment of such dividend, wholly or in part, by the distribution of partly or fully paid up, shares and the Directors shall give effect to such direction and where any difficulty arises in regard to the distribution, they may settle the same as they think expedient, and in particular may issue fractional certificates or that fractions of less value than Rupee one may de disregarded, in order to adjust the right of the parties and may vest any such shares, in trustees upon such trusts for the person entitled to the dividend as may seem expedient to the Directors. When required the Directors shall comply with Section 75 of the Act and the Directors may appoint any person to sign any contract thereby requires on behalf of the persons entitled to the dividend and such appointment shall be effective.

CAPITALIZATION OF PROFITS AND RESERVES

Article 251

(a) Our Company in General meeting may, upon recommendation of the Board resolve that it is desirable to capitalize any undivided profits of our Company not required for paying the fixed dividends on any Preference shares (including profits carried and standing to the credit of any reserve or reserves or other special account and profit arising from the realization of any capital assets or the issue of shares at a premium) and accordingly that the Directors be authorised to the member who would have been entitled to receive the same had such sums been distributed by way of dividends in accordance with their rights, and to apply such profits on their behalf on the footing that they become entitled thereto as capital either in or towards paying up the amount, if any, for the time being unpaid on any shares by such members respectively, or in paying up in full un-issued shares, debentures or securities of our Company of a nominal amount equal to such profits, such shares, debentures or securities to be allotted and distributed, credited, as fully paid-up, to and amongst such members in the proportion aforesaid, or partly in one way and partly in other. Whenever such resolution as aforesaid shall have been passed, the Directors shall make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all the allotments and issues of fully paid shares, debentures or securities, if any, and generally shall do all acts and things required to give effect thereto with full power to the Directors to make such provisions by the issue of fractional certificates or by payment in cash or otherwise as they think fit for the case of shares, debentures or securities becoming distributable in fraction and also to authorise any person to enter on behalf of all the members in to an agreement with our Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as they case may require) for the payment by our Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any parts of the amounts remaining unpaid on their existing shares, and any agreement made under such authority shall be effective and binding on all such members.

(b) If our Company shall have redeemed any redeemable preference shares, all or any part of any capital redemption fund arising from the redemption of such shares may by resolution of our Company be applied in paying up in full or in part any new shares or any shares then remaining un-issued to be issued such members of our Company or other persons as the Directors may resolve up to an amount equal to the nominal amount of the shares so issued.

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 are to be entered into by our Company. These contracts, copies of which have been attached to the copy of the Red Herring Prospectus, delivered to the Registrar for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company 156, Maker Chambers-III, Nariman Point, Mumbai - 400 021, India, from 10.00 am to 4.00 pm on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts

1. Engagement letter dated March 5, 2007 for appointment of MOIAPL as the BRLM and letters dated July 15, 2008 for appointment of Co-BRLMs.
2. Memorandum of Understanding dated , July 22, 2008 among our Company, BRLM and the Co-BRLMs.
3. Memorandum of Understanding dated September 6, 2007 between our Company and the Registrar to the Issue.
4. Escrow Agreement dated July 22, 2008 among our Company, the BRLM, the Co-BRLMs, Syndicate Members and the Escrow Collection Banks and the Registrar to the Issue.
5. Syndicate Agreement dated July 22, 2008 among our Company, the BRLM, the Co-BRLMs and the Syndicate Members.
6. Underwriting Agreement dated **[●]** among our Company, BRLM, the Co-BRLMs and the Syndicate Members.

Material Documents

1. Our Company's Memorandum of Association and Articles of Association, as amended.
2. Our Company's certificate of incorporation, as amended for a change of name effective January 27, 1997 towards change of our Company's name from Exfin Shipping (India) Private Limited to Exfin Shipping (India) Limited subsequent to the conversion of our Company from a private limited to a public limited company.
3. Our Company's certificate of incorporation, as amended for a change of name effective January 5, 2007 and a copy of the special resolution passed in the EGM held on December 26, 2006 towards change of our Company's name from Exfin Shipping (India) Limited to Resurgere Mines & Minerals India Limited.
4. Board resolution dated August 14, 2007 authorising the Issue and related matters.
5. Shareholders' resolutions dated September 27, 2007 authorising the Issue and related matters.
6. Present terms of employment between our Company and the Directors as approved by the Board and the shareholders of our Company as per the agreement dated August 14, 2007.
7. Summary Statements of Assets and Liabilities and Summary Statement of Profits and Losses, as restated and Cash Flows, as restated as at and for financial year ended March 31, 2008, 2007, 2006, 2005 and 2004 audited by Singrodia Goyal & Co, Chartered Accountants and their audit report on the same dated June 10, 2008 prepared as per Indian Accounting Standards and mentioned in the Red Herring Prospectus.
8. Statement of Tax Benefits from Singrodia Goyal & Co, Chartered Accountants dated June 10, 2008.
9. Copies of annual reports of our Company for the years ended March 31, 2004, 2005, 2006, 2007 and 2008.

10. Consent of the Auditors, Singrodia Goyal & Co as Chartered Accountants, for inclusion of their report on accounts in the form and context in which they appear in the Red Herring Prospectus.
11. Consents of the Auditors, the Bankers to our Company, the BRLM, the Co-BRLMs the Syndicate Members, the Registrar to the Issue, the Escrow Collection Bank(s), the Banker to the Issue, Legal Advisors to our Company and the Underwriters, the Directors of our Company, our Company Secretary and Compliance Officer, as referred to, in their respective capacities.
12. In-principle listing approval dated January 24, 2008 and January 9, 2008 from the BSE and the NSE, respectively.
13. Tripartite Agreement among NSDL, our Company and the Registrar to the Issue dated October 29, 2007.
14. Tripartite Agreement among CDSL, our Company and the Registrar to the Issue dated November 5, 2007
15. Due diligence certificate dated December 11, 2007 to SEBI from the BRLM.
16. Share Purchase agreement dated October 17, 2007 executed between Our Company on one part and WMPL and nine individuals, namely (1) Nipunrao Vilasrao Kore, (2) Mansingrao Fatehsinhrao Naik, (3) Shahjirao Yashwantrao Naik, (4) Pandurang Shankar Bachhe, (5) Vijay Parshuram Desai, (6) Baban Kedari Bhatmare, (7) Shivkumar Balasaheb Sawant, (8) Rajan Shivkkumar Manyawe, (9) Jayant Shamrao Patil on other part for acquisition of 100% shares of WMPL.
17. Share Subscripion agreement dated November 27, 2007 between our Company, Promoter Group Companies, Promoters on one part and Merrill Lynch International on the other part.
18. Shareholders agreement dated November 27, 2007 between our Company, Promoter Group Companies, Promoters on one part and Merrill Lynch International on the other part.
19. Inter-se agreement dated November 27, 2007 between our Company, Promoter Group Companies, Promoters on one part and Merrill Lynch International on the other part.
20. Share Purchase agreement dated November 5, 2007 between our Company, Runwell Mining Private Limited (our Promoter Group Company), on one part and Mr. Motilal Oswal, Mr. Raamdeo Agarwal and Mrs. Suneeta Agarwal on the Other part.
21. Agreements dated October 20, 2004 and November 24, 2007 for raising and purchasing of iron ore with respect to Nuagoan Mine
22. Agreements dated December 1, 2004 and November 24, 2007 for raising and purchasing of iron ore with respect to Maharajpur Mine
23. Agreements dated November 24, 2007 for raising and purchasing of iron ore with respect to Jharkhand Mine
24. Sanction letter for Rs. 580 million from ICICI Bank Limited, Mumbai Central Branch vide their letter 78/W35MUM/6687 dated December 7, 2007 and for and Rs. 280 millions from Union Bank of India vide their sanction letter MSM:ADV:1643 dated December 12, 2007.
25. Certified true copy of the Board Resolution dated December 8, 2007 authorising the Draft Red Herring Prospectus to be filed with SEBI.
26. Share Subscription agreement dated February 19, 2008 between our Company, our Promoters, our Promoter Group Companies on one part and India Business Excellence Fund-I and IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust-India Business Excellence Fund) on the other part.
27. Shareholders agreement dated February 19, 2008 between our Company, our Promoters, our Promoter Group Companies on one part and India Business Excellence Fund-I and IL&FS Trust Co. Ltd (Trustees of Business Excellence Trust-India Business Excellence Fund) on the other part
28. SEBI observation letter No. CFD/DIL/ISSUES/PB/MKS/25343/2008 dated May 13, 2008.

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 Securities and Exchange Board of India, established under the 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 thereunder or guidelines issued, as the case may be. The Company and the signatories mentioned below further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Mr. Subhash Sharma

Mr. Amit Sharma

Mr. I. D. Agrawal

Mr. Burzin Somandy

SIGNED BY THE CHIEF FINANCIAL OFFICER

Mr. Harish Khaitan

SIGNED BY THE COMPLIANCE OFFICER

Mr. Rakesh Gupta

Date: August 1, 2008

Place: Mumbai