

INFORMATION MEMORANDUM



SREELEATHERS LIMITED

Registered Office: 6 Tottee lane, P.S.: Taltalla, Kolkata- 700 016.

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

In this Information Memorandum, unless the context otherwise indicates, all references to "SLL", "the Company", "our Company" are to Sreeleathers Limited, a company incorporated in India under the Companies Act, 1956 (the "Companies Act") with its Registered Office at 6 Tottee Lane, PS Taltalla, Kolkata - 700 016, West Bengal, India. Furthermore, all references to the terms "we", "us" and "our" are to Sreeleathers Limited.

Company/ Industry related terms

Term	Description
"We", "us", "our", "the Issuer", "the Company", "our Company", "SLL" "Sreeleathers"	Unless the context otherwise requires, refers to Sreeleathers Limited a public limited company incorporated under the provisions of The Companies Act, 1956.
Act/Companies Act	The Companies Act, 1956 and amendment thereto.
AGM	Annual General meeting
Articles/Articles of Association	Articles of Association of the Company
AS	Accounting Standard as issued by the Institute of Chartered Accountant of India
Auditor	M/s. K. Rungta and Company, Chartered Accountants
Banker (s) to the Company	HDFC Bank and Bank Of India
Board/Board of Directors of the Company	Board of Directors of our Company i.e. Sreeleathers Limited
BSE	BSE Limited
CSE	Calcutta Stock Exchange Limited
Capital/ Share Capital/Equity Share Capital	Equity Share Capital of the Company
CDSL	Central Depository Services (India) Limited
DP	Depository Participant
Depository	The Depositories Act, 1996 and amendment thereto.
EPS	Earning per Equity Share
Equity Share(s) or Share(s)	Means the equity shares of the Company having a face value of Rs. 10/- unless specified otherwise in the context thereof.
Equity Shareholder	Means a holder of equity shares.
FEMA	Foreign Exchange Management Act, 1999
Financial Year/Fiscal/FY	Period of 12 month ended March 31 of that particular year unless stated otherwise.
GOI	Government of India
Information Memorandum	This document filed with the Stock Exchange is known as and referred to as the Information Memorandum.
IT Act	The Income Tax Act, 1961 as amended from time to time, except as stated otherwise.
JSEL	Jaipur Stock Exchange Limited
Memorandum/Memorandum of	Memorandum of Association of the Company

Term	Description
Association	
NSDL	National Securities Depository Limited
Promoter(s)	Mr. Satya Brata Dey, Easel Advertising Pvt. Ltd and Panchavati Tie-up Pvt. Ltd
Promoter Group Entities/ Promoter Group Companies/ Promoter Group Company/ Promoter Group Entity/Group Entity/ Group Company	Unless the context otherwise requires, refers to such entities which constitute the promoter group of our Company and a list of which is provided in the chapter titled "Our Promoter Group Entities" on page no. 38 of the Information Memorandum.
RBI	Reserve Bank of India
ROC	Registrar of Company, Kolkata, West Bengal
RTA	Registrar and Transfer Agent, Niche Technologies (P) Ltd
SEBI	Securities and Exchange Board of India
Stock Exchange	Shall refer to the Bombay Stock Exchange Limited, Calcutta Stock Exchange and Jaipur Stock Exchange

Abbreviations

Term	Description
ACIT	Assistant Commissioner of Income Tax
CHS	Co-operative Housing Society
CFO	Chief Financial Officer
SLL	Sreeleathers Limited
EAPL	Easel Advertising Private Limited
PTPL	Panchavati Tie-Up Private Limited
FDI	Foreign Direct Investment
FI	Financial Institutions
FII	Foreign Institutional Investor
HNI	High Networth Individual
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost and Works Accountants of India
No.	Number
CAT	CAT Financial Services Limited
SWOT	Strengths, weakness, opportunities & threats
UPSI	Unpublished price sensitive information
U.T.	Union Territory
Yrs	Years

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 (the "Depositories Act") and the rules and regulations made there under.

Notwithstanding the foregoing, terms in "Main Provisions of Articles of Association of the Company", shall have the meanings given to such terms in that section.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

In this Information Memorandum, unless the context otherwise requires or unless stated otherwise, the financial data is derived from our financial statements prepared and in accordance with the applicable regulations.

Financial Data

Unless indicated otherwise, the financial data in this Information Memorandum is derived from our financial information for fiscal 2012, fiscal 2011, fiscal 2010, fiscal 2009 and fiscal 2008 prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") and the Companies Act.

Our fiscal year commences on April 1 of the immediately preceding year and ends on March 31 of that year, so all references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

Currency and Units of Presentation

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. Except where specified, in this Information Memorandum, all figures have been expressed in "lacs" which means "100 thousand"; and a "crore" means "100 lacs". All references to "US\$", "U.S. Dollar", "USD" or "US Dollars" are to United States Dollars, the official currency of the United States of America. All references to "€" are to Euros, the single currency of the participating member states in the third stage of the European and Economic Monetary Union of the treaty establishing the European Community.

Industry and Market Data

Industry and Market data used throughout this Information Memorandum has been obtained from publicly available documents from various sources believed to be reliable but it has not been independently verified by us or its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although we believe the industry and market data used in this Information Memorandum is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data is presented in this Information Memorandum is meaningful depends upon 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 market and industry sources.

FORWARD-LOOKING STATEMENTS

We have included statements in this Information Memorandum which contain words or phrases such as “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “project”, “will pursue” and similar expressions or variations of such expressions, that are “forward-looking statements”. Similarly statements which describe our strategies, objectives, plans or goals are also forward-looking statements.

All forward looking statements are subject to risks, uncertainties and assumptions 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, among others:-

- General economic and business conditions in India and other countries.
- Our ability to successfully implement our strategy, our growth and expansion, our exposure to market risks that have an impact on our business activities or investments.
- The changes in monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices.
- The performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.
- Changes in the value of the Rupee and other currencies.
- The occurrence of natural disasters or calamities.
- Change in political and social conditions in India.
- The Loss or shutdown of operations of our Company at any time due to strike.
- The Loss of our key employees and Staff.
- Our ability to respond to technological changes.

Absolute Responsibility of Sreeleathers Limited

Sreeleathers Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the Company, which is material, that the information contained in the Information Memorandum 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 Information Memorandum as a whole or any of such information or the expression of any such opinions are intentions misleading in any material respect.

Listing

The existing shares of the company are listed on the Calcutta Stock Exchange Limited and Jaipur Stock Exchange Limited. Now the Company proposes to list and trade the equity shares on the BSE Limited (BSE) and National Stock Exchange (NSE).

The Information Memorandum is for the Listing of 2,51,55,012 Equity Shares of Rs. 10/- each.

SECTION II - RISK FACTORS

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.

Internal Risk Factors

1) There are certain legal proceedings involving Directors and Promoter Group Company which are pending at different levels of adjudication.

There are no outstanding litigations or disputes against our Company, and our Promoters, which would have any financial implication on our Company. However, there are certain legal proceedings involving our Directors and Promoter Group Company which are pending at different levels of adjudication. For more information regarding litigation, please refer to the chapter titled "Outstanding Litigations and Material Developments" on page 45 of the Information Memorandum.

2) Our Group Company had incurred losses in the past.

Our Promoter Group Company, Shoeline Trading Pvt. Ltd. had incurred losses in the past. The details of profit/ loss of our Promoter Group Company in last three (3) financial years is as under:

Particulars	(Profit/(Loss) (Rs. In Lacs)		
	31 Mar- 12	31 Mar- 11	31 Mar- 10
Shoeline Trading Pvt. Ltd.	--	(0.15)	--

3) We have incurred loss in the fiscal 2008.

We have incurred a loss of Rs. 1.81 lakhs during the financial year 2007-08.

4) Our growth will depend on our ability to develop our brand and failure to do so may have a negative impact on our ability to compete in the finance industry.

We believe that continuous brand building is necessary for achieving widespread recognition of our services. Promoting and positioning our brand will depend largely on the success of our marketing efforts and our ability to provide high quality services. Brand promotion activities may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses we incur in building our brand. If we fail to promote and maintain our brand, our business, financial condition and results of operations could be adversely affected.

5) If our Company is unable to attract and retain key employees, our operations could be adversely affected.

The business substantially depends on the continued service of our key managerial personnel. The loss of the services of the key managerial personnel could have a material adverse effect on us. The future growth in our business will also depend on the ability to attract skilled personnel. Our Company could experience difficulty from time to time in hiring the personnel necessary to support our business. In addition, success in expanding the business will also depend, in part, on the ability to attract, retain and motivate appropriately qualified skilled personnel. If our Company does not succeed in attracting quality employees, it will impact the performance of our Company.

6) *We have entered into certain related party transactions and continue to rely on some of our Promoters, Directors & Promoter Group Entities for certain key support activities. There can be no assurance that such transactions, individually or in the aggregate will not have an adverse effect on our business, financial condition and results of operations.*

In fiscal 2012 we entered into related party transactions. These transactions or any future transactions with our related parties could potentially involve conflicts of interest.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

7) *Our Promoter Group may have a conflict of interest as some of our Group Entities are in the same line of business.*

Some of our Group Entities are in the same line of business as our Company. Hence, our Company may not get the full benefit of our Promoters' focused attention and managerial skills. This may result in conflict of interest between our Promoter and the business strategies of our Company.

8) *Our Promoters have interests in us other than reimbursement of expenses incurred or normal remuneration or benefits and may create potential conflict of interest.*

Our Promoter Mr. Satya Brata Dey, is interested in the Company to the extent of Remuneration receivable as well as reimbursement of expenses from our Company.

8) *Our Insurance coverage may not adequately protect us against certain operating risks and this may have a material adverse impact on our business.*

We have maintained insurance coverage of our building (excluding Furniture, Fixture & Fittings) to the tune of Rs. 66 Lacs for our Company. We believe that the insurance coverage maintained, would reasonably cover all normal risks, however, there can be no assurance that any claim under the insurance policies maintained by us will be met fully, in part or on time. In the event we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected.

9) *Our customer contracts/arrangements can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability.*

Most of our customer arrangements/contracts with private parties can be terminated with or without cause, usually at short notice and without termination related penalties. Additionally, most of our agreements with customers are without any commitment to future work. Our business is dependent on the decisions and actions of our customers, and there are number of factors relating to our customers that are outside our control and which might result in the termination of a project or the loss of a customer. Any of these factors could adversely affect our revenues and profitability.

10) *The segments of the Footwear industry in which we operate are highly competitive and increased competition could reduce our sales and profitability.*

We compete in different markets within the footwear industry on the basis of the quality of our products, customer service, product development activities, price, and distribution. All of our markets are highly competitive. Factors affecting our competitive success include, among other things, price, availability of products, brand recognition, customer service and reliability. Our competitors vary in

size, and may have greater financial, marketing, personnel and other resources than us and certain of our competitors have a longer history of established businesses and reputations in the Indian footwear market as compared with us. Competitive conditions in some of our segments have caused us to incur lower net selling prices and reduced gross margins and net earnings. These conditions may continue in future also.

EXTERNAL RISK FACTORS

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

Our performance and the quality and growth of our assets are necessarily dependent on the health of the overall Indian economy. A slowdown in the Indian economy could adversely affect our business, including our ability to grow our asset portfolio, the quality of our assets, and our ability to implement our strategy. India's economy could be adversely affected by a general rise in interest rates, weather conditions adversely affecting the growth of industrial, manufacturing and services sector. In addition, the Indian economy is in a state of transition. The share of the services sector of the economy is rising while that of the industrial, manufacturing and agricultural sectors is declining. It is difficult to gauge the impact of these fundamental economic changes on our business.

2) *Political instability and 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 go down.*

Our customers are located in India. The Government of India has traditionally exercised and continues to exercise a dominant influence over many aspects of the economy. The Government's 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 our equity shares. We cannot control or predict the future course of the Government of India's policies. Any significant change in the Government's policies or political instability could adversely affect business and economic conditions in India and also adversely affect Company's business and financial performance.

3) *Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and our business.*

Terrorist attacks and other acts of violence or war may negatively affect the Indian financial markets and also adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence. In addition, any deterioration in relations between India and its neighbouring countries might result in investor concern about stability in the region, which could adversely affect us. India has also witnessed civil disturbances in the past and it is possible that future civil unrest as well as other adverse social, economic and political events in India could have a negative impact. Such incidents could also create perception in the minds of investors that, investment in Indian companies involves a higher degree of risk.

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. The extent and severity of these natural disasters determines their impact on the Indian economy. Further prolonged spells of below normal rainfall or other natural calamities could have a negative impact on the Indian economy, adversely affecting our business also.

5) *Factors affecting Indian economy in general*

Like any other entity, our financial results are also influenced by the macro economic factors determining the growth of the Indian economy in general and continued growth of the securities market. The growth prospects of our business and ability to maintain the growth of our quality asset is

also influenced by the growth rate of the securities market indicators. Any slow down in the Indian economy or slow down in the growth of securities market or any changes in government policy could adversely impact our financial performance.

6) Any downgrading of India's sovereign rating by an international rating agency could have a negative impact on our business.

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

SECTION III-INTRODUCTION

SUMMARY OF INDUSTRY & BUSINESS

INDUSTRY OVERVIEW

India is the world's second largest producer of footwear. Reputed global brands like Florsheim, Nunn Bush, Stacy Adams, Gabor, Clarks, Nike, Reebok, Ecco, Deichmann, Elefanten, St Michaels, Hasley, Salamander and Colehaan are manufactured under license in India. Besides, many global retail chains seeking quality products at competitive prices are actively sourcing footwear from India.

Leather footwear exported from India are dress shoes, casuals, moccasins, sport shoes, harrachies, sandals, ballerinas, boots. Non-leather foot wears exported from India are Shoes, Sandals and Chappals made of rubber, plastic, P.V.C. and other materials.

With changing lifestyles and increasing affluence, domestic demand for footwear is projected to grow at a faster rate than has been seen. There are already many new domestic brands of footwear and many foreign brands such as Nike, Adidas, Puma, Reebok, Florsheim, Rockport, etc. have also been able to enter the market.

The Indian Footwear Industry is gearing up to leverage its strengths towards maximizing benefits. Strength of India in the footwear sector originates from its command on reliable supply of resources in the form of raw hides and skins, quality finished leather, large installed capacities for production of finished leather & footwear, large human capital with expertise and technology base, skilled manpower and relatively low cost labour, proven strength to produce footwear for global brand leaders and acquired technology competence, particularly for mid and high priced footwear segments. Resource strength of India in the form of materials and skilled manpower is a comparative advantage for the country.

India has emerged in recent years as a relatively sophisticated low to medium cost supplier to world markets. The leather industry in India has been targeted by the Central Government as an engine for economic growth. Progressively, the Government has prodded and legislated a reluctant industry to modernize. India was noted as a supplier of rawhides and skins semi processed leather and some shoes.

In the 1970's, the Government banned the export of raw hides and skins, followed this by limiting, then stopping the export of semi processed leather and encouraging local tanneries to manufacture finished leather themselves. Despite protestations from the industrialists, this has resulted in a marked improvement in the shoe manufacturing industry. India is now a major supplier of leather footwear to world markets and has the potential to rival China in the future (60% of Chinese exports are synthetic shoes).

India is often referred to as the sleeping giant in footwear terms. It has an installed capacity of 1,800 million pairs, second only to China. The bulk of production is in men's leather shoes and leather uppers for both men and ladies. It has over 100 fully mechanized, modern shoe making plants, as good as anywhere in the world.

BUSINESS OVERVIEW

Our Company was originally incorporated on 14th January, 1991 under the Companies Act as a private limited company under the name 'CAT Commercial Services Private Limited'. Thereafter the Company was converted into public limited company, and obtained a fresh certificate of incorporation under the name 'CAT Commercial Services Limited' on 27th March 1996. The Company again changed its name to 'CAT Financial Services Limited' on 28th November, 1996. The Company's name was further changed to 'Sreeleathers Limited' vide fresh certificate of incorporation dated 4th October, 2010 issued by the Registrar Of Companies, West Bengal. Our Company was incorporated with the object of carrying on business of advisers, consultants, buyers, sellers, commission agents but since no opportunity came the

way of the company, it started to carry on the business of finance including capital market operations before the same was merged with Sreeleathers Private Limited and other group companies. Our company is currently engaged in the business of dealing in all kinds of footwear and leather accessories.

Our core competencies are our in-house technical knowledge, skilled workforce, diversified product portfolio which enable us to meet varied client requirements. Company deals in all kinds of footwear's leather accessories. The company is basically engaged as retailer and wholesaler of footwear and leather articles and having wide presence in Eastern Region of India. The Company has more than 30 retail outlets of spread over 9 states. Company has wide range of leather and other accessories both for men and women. The retail stores provide wide range product of both Indian and overseas product. The retail stores, within West Bengal and Out side it provides good custom service after sale of the product.

SUMMARY OF FINANCIAL INFORMATION

Statement of Assets and Liabilities as on 31st March 2012, 2011, 2010, 2009 and 2008 is as follows:

(Rs. In Lakhs)

Particulars	2012	2011	2010	2009	2008
Non Current Assets (A)					
<u>Fixed Assets</u>					
Tangible Assets	15,716.05	15,798.11	15,593.56	15,621.66	85.81
Intangible Assets	121.91	121.91	121.91	121.91	-
Capital WIP	316.02	5.79	5.79	25.82	-
Total Fixed Assets	16,153.98	15,925.80	15,721.26	15,769.38	85.81
Non-Current Investments	11.45	11.45	311.71	302.18	125.80
Deferred Tax Assets (Net)	15.16	2.10	-	-	-
Total Non Current Assets (A)	16,180.59	15,939.36	16,032.97	16,071.56	211.61
Current Assets (B)					
Current Investments	625.62	613.81	-	-	-
Receivables	238.54	214.01	69.04	92.52	-
Cash & Bank Balances	395.12	50.20	565.89	215.63	25.17
Short Term Loans & Advances	358.81	743.47	474.26	628.89	126.92
Stock in trade	333.34	462.24	268.67	214.93	-
Other Current Assets	17.05	8.60	8.90	7.28	-
Total Current Assets (B)	1,968.48	2,092.32	1,386.76	1,159.25	152.09
Total Assets (C) = (A) + (B)	18,149.07	18,031.68	17,419.73	17,230.81	363.70
Non-Current Liabilities					
Long Term Borrowings	1.69	-	-	100.00	-
Deferred Tax Liabilities (Net)	-	-	1.33	1.04	-
Other Long Term Liabilities	171.91	250.22	242.22	222.30	-
Total Non-Current Liabilities (D)	173.60	250.22	243.54	323.34	-

Particulars	2012	2011	2010	2009	2008
Current Liabilities					
Trade Payables	218.78	191.21	60.22	156.19	1.32
Other Current Liabilities	65.54	189.39	55.38	41.86	0.24
Short Term Provisions	248.51	358.84	239.60	86.82	0.23
Total Current Liabilities (E)	532.83	739.44	355.19	284.87	1.79
Net Worth (C) - (D) - (E)	17,442.64	17,042.01	16,821.01	16,622.59	361.91
Represented By:					
Share Capital	2,515.50	2,515.50	2,515.50	2,515.50	320.02
Reserves & Surplus	14,927.14	14,534.70	14,314.72	14,117.33	41.89
Less: Revaluation Reserve	-	-	-	-	-
Reserves (Net of Revaluation Reserve)	14,927.14	14,534.70	14,314.72	14,117.33	41.89
Less : Misc. expenditure to the extent not written off	-	8.19	9.21	10.24	-
Total Net Worth	17,442.64	17,042.01	16,821.01	16,622.59	361.91

Statement of Profit & Loss for the Financial Years ending 31st March 2012, 2011, 2010, 2009, and 2008 is as follows:

(Rs. In Lakhs)

Particulars	2012	2011	2010	2009	2008
Income					
Income from Operations	4,427.15	4,032.31	3,222.24	2,223.69	-
Other Income	38.37	34.76	22.01	29.14	2.10
Total	4,465.52	4,067.08	3,244.25	2,252.84	2.10
Expenditure					
Changes in Inventories	128.88	(199.60)	(47.71)	(145.98)	-
Purchases	3,154.89	3,260.65	2,589.53	1,954.60	-
Employee's Cost	66.64	47.57	17.21	9.18	0.89
Other Expenses	340.54	346.20	229.59	363.89	3.02
Total	3,690.95	3,454.82	2,788.62	2,181.68	3.91
Profit before Depreciation, Interest and Tax	774.57	612.26	455.63	71.16	(1.80)
Depreciation	87.99	56.97	51.28	46.35	-
Profit before Interest & Tax	686.58	555.28	404.35	24.81	(1.80)
Finance Costs	0.05	-	3.22	3.96	0.01

Net Profit before Tax	686.53	555.28	401.13	20.84	(1.81)
Less: Provision for Tax- Current Tax	238.92	193.17	144.61	16.69	-
Deferred Tax	13.06	3.43	(0.28)	9.04	-
Earlier years Tax	9.76	0.43	-	-	-
Fringe Benefit Tax	-	-	-	0.46	
Net Profit After Tax	450.91	365.97	256.25	12.73	(1.81)

STATEMENT OF DIVIDEND & CASH BONUSES

The declaration and payment of dividends on our Equity Shares 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 but not limited to the profits, cash flows, capital expenditure, capital requirements and overall financial condition. The Board may also from time to time pay interim dividend.

Our Company has declared dividend as follows:

Particulars	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
Face value per Equity Share (Rs.)	10	10	10	10	10	10	10	10	10	10
Rate of Dividend (%)	2.00	5.00	2.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Per Share (Rs.)	0.20	0.50	0.20	0.05	0.00	0.00	0.00	0.00	0.00	0.00
Total Dividend Paid (Rs.)	5,031,002	12,577,506	5,031,002	1,257,751	--	--	--	--	--	--
Dividend Distribution Tax (Rs.)	816,154	2,040,386	855,019	213,754	--	--	--	--	--	--

The Company has not paid any Cash Bonuses during the last 10 years.

GENERAL INFORMATION

Our Company was originally incorporated on 14th January, 1991 under the Companies Act as a private limited company under the name 'CAT Commercial Services Private Limited'. Thereafter the Company was converted into public limited company, and obtained a fresh certificate of incorporation under the name 'CAT Commercial Services Limited' on 27th March 1996. The Company again changed its name to 'CAT Financial Services Limited' on 28th November, 1996. The Company's name was further changed to 'Sreeleathers Limited' vide fresh certificate of incorporation dated 4th October, 2010 issued by the Registrar Of Companies, West Bengal. Our Company was incorporated with the object of carrying on business of advisers, consultants, buyers, sellers, commission agents but since no opportunity came the way of the company, it started to carry on the business of finance including capital market operations before the same was merged with Sreeleathers Private Limited and other group companies. Our company is currently engaged in the business of dealing in all kinds of footwear and leather accessories. It is also engaged as retailer and wholesaler of footwear and leather articles. Our Company has currently more than 30 retail outlets, spread over 9 states including West Bengal, Jharkhand, Bihar etc.

Registered Office of our Company:

6 Tottee Lane,
P. S. Taltalla,
Kolkata- 700016
Tel: (+91 33) 22861510/11
Fax: (+91 33) 22176468
Email: sreeleathers@sreeleathers.com
Website: www.sreeleathers.com

Details	Registration/Identification Number
Registration Number	050656
Corporate Identity Number	L67190WB1991PLC050656
ISIN	INE099F01013

Board of Directors

The following table sets out the details regarding our Board as on the date of the filing of this Information Memorandum:

Name and Designation	Age	Address	DIN
Mr. Satya Brata Dey	61 Years	3D, Chowringhee Apartment, 8/1C , Chowringee Lane, Kolkata - 700016.	00569965
Mr. Sumanta Dey	33 Years	3D, Chowringhee Apartment, 8/1C , Chowringee Lane, Kolkata - 700016.	00647680
Mr. Sushanto Dey	33 Years	H. No.66, K. Road, P.O and P.S - Bistupur, Jamshedpur, East Singhbhum, Jharkhand-831001	00647894
Mr. Sujoy Bhattacharjee	45 Years	P-535, DumDum Park, Tank No. 3, Kolkata - 700055.	01759843
Mr. Sumanta Biswas	35 Years	2A, Motilal Sen Lane, Kolkata - 700011.	02243349
Ms. Sadhana Adhikary	41 Years	LP-185/4, Das Para Road, Thakurpukur, Kolkata - 700063.	02974882

Secretary and Compliance Officer

Mr. Bijay Kumar Roy

P-54, Green View,
Flat No. D-3,
P.O - Garia,
Kolkata-700084.
Tel: (+91 33) 22861506
Fax: (+91 33) 22176488
Email: sreeleathers@sreeleathers.com

Registrar to the Company

Niche Technologies Private Limited

D - 511, Bagree Market,
71, B. R. B. Basu Road,
Kolkata - 700001,
West Bengal, India
Tel: +91 33 22357270/7271
Fax: +91 33 22156823
Website: www.nichetechpl.com
E-mail: nichetechpl@nichetechpl.com
Contact person: Mr. S. Abbas

Auditor to the Company

M/s K. Rungta and Company

1, Crooked Lane,
Room No. 102, 1st Floor,
Kolkata - 700069,
West Bengal, India
E-mail: klrungta@yahoo.co.in
Contact person: Mr. K. L. Rungta

Banker to the Company

HDFC Bank Limited

88, Chowringhee Road, 1st floor,
Next to PC Chandra Jewellers,
Kolkata-700020
West Bengal.
Contact Number: +91 33 22891980
Fax No: +91 33 22892332
Email Id: contact@hdfcbank.com

Bank Of India

8, Lindsay Street,
Kolkata-700087.
West Bengal.
Contact Number: +91 33 22529907/ +91 33 22525817
Email Id: LindsayStreet.Kolkata@bankofindia.co.in

Now the Equity Shares of the Company i.e. Sreeleathers Limited, shall be admitted to trading on BSE and NSE. Such admission for trading will be subject to fulfillment by the Company of listing criteria of

BSE and NSE for such issues and also subject to such other terms and conditions as may be prescribed by BSE and NSE at the time of the application by the Company seeking listing.

Eligibility Criterion

The Company is submitting its Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable, to BSE and NSE for making the said Information Memorandum available to public through their website viz. www.bseindia.com.

Prohibition by SEBI

The Company, its Directors, its Promoters, other companies promoted by the Promoters and companies with which the Company's Directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Caution

The Company accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company 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.

Disclaimer Clause of BSE

As required, a copy of this Information Memorandum is being submitted to BSE. The BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- warrant that this Company's securities will be traded or will continue to be traded on the BSE; or
- take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE. Every person who desires to acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the 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.

Filing

Copies of this Information Memorandum have been filed with BSE in due compliance.

Listing

Application has been made to BSE and NSE for listing and permission to deal in and for an official quotation of the Equity Shares of the Company.

Demat Credit

The Company has executed Agreements with NSDL and CDSL for its securities in demat form as on 20th November, 2001 and 2nd January, 2009 respectively.

Dematerialisation of Shares

Tripartite agreements have been signed between the Company, the Registrar and CDSL and NSDL. The ISIN No. allotted to the Company is INE099F01013.

CAPITAL STRUCTURE

Our Share Capital as on the date of this Information Memorandum is set forth below:

Sr. No	Particulars	Aggregate Nominal Value
A.	Authorized Share Capital	
	26,000,000 Equity Shares of Rs. 10/- each.	260,000,000
B.	Issued, subscribed and paid-up share capital	
	25,155,012 Equity Shares of Rs. 10/- each	251,550,120

NOTES TO CAPITAL STRUCTURE

1. The Equity Share Capital History of our Company:

Date of allotment of Shares	No. of Equity Shares Issued	Face value (Rs.)	Issue price (Rs.)	Nature of consideration	Reasons for allotment	Cumulative no. of equity shares	Cumulative paid-up share capital (Rs.)	Cumulative share premium (Rs.)
14.01.1991	200	10	10	Cash	Subscription to Memorandum of Association	200	2,000	-
31.03.1995	2,18,150	10	10	Cash	Further allotment	2,18,350	21,83,500	-
31.01.1996	4,21,650	10	10	Cash	Further allotment	6,40,000	64,00,000	-
31.01.1996	2,86,850	10	10	Cash	Further allotment	9,26,850	92,68,500	-
31.03.1997	4,63,150	10	10	Cash	Further allotment	13,90,000	1,39,00,000	-
20.06.1997	50,000	10	10	Cash	Further allotment	14,40,000	1,44,00,000	-
07.08.1997	1,7,60,200	10	10	Cash	Public issue	32,00,200	3,20,02,000	-
25.03.2009	2,19,54,812	10	10	Other than Cash	Amalgamation	2,51,55,012	25,15,50,120	1,40,77,42,545.44

2. Shareholding Pattern of our Company

(l)(a) Statement showing Shareholding Pattern as on 31st March, 2013.

Category Code	Category of Shareholder	No. of Share - holders	Total No. of Shares	Number of Shares held in Dematerialized form	Total Shareholding as a % of total number of shares		Shares Pledged or otherwise encumbered	
					As a % of (A+B)	As a % of (A+B+ C)	No. of shares	As a %
A	Shareholding of Promoter and Promoter Group							
1	Indian							
a.	Individuals/HUFs/Directors/Relatives	7	7187857	7187857	28.57	28.57	---	---
b.	Central Govt./State Govts.	---	---	---	---	---	---	---
c.	Bodies Corporate	3	8857820	8857820	35.21	35.21	---	---
d.	Financial Institutions/Banks	---	---	---	---	---	---	---
e.	Group Companies	---	---	---	---	---	---	---
Sub Total A(1)		10	16045677	16045677	63.79	63.79	---	---
2	Foreign							
a.	Bodies Corporate	---	---	---	---	---	---	---
b.	Group Companies	---	---	---	---	---	---	---
c.	Individual	---	---	---	---	---	---	---
d.	Institutions	---	---	---	---	---	---	---
Sub Total A(2)		---	---	---	---	---	---	---
Total Shareholding of Promoter Group A(1)+A(2)		10	16045677	16045677	63.79	63.79	---	---
B	Public Shareholding							
1	Institutions							
a.	Central Govt./State Govts.	---	---	---	---	---	---	---
b.	Financial Institutions/Banks	---	---	---	---	---	---	---
c.	Mutual Funds/UTI	---	---	---	---	---	---	---
d.	Venture Capital Funds	---	---	---	---	---	---	---
e.	Insurance Companies	---	---	---	---	---	---	---
f.	Foreign Institutions Investors	---	---	---	---	---	---	---
g.	Foreign Venture Capital Investors	---	---	---	---	---	---	---
h.	Trusts	---	---	---	---	---	---	---
Sub Total B(1)		---	---	---	---	---	---	---
2	Non Institutions							
a.	Bodies Corporate	76	3960732	3960732	15.745	15.745	---	---

b1	Individuals-shareholders holding normal share capital upto Rs. 1 lac	883	424877	310411	1.689	1.689	---	---
b 2	Individuals-shareholders holding normal Share capital in excess of Rs.1 lac	127	4628021	3969677	18.398	18.398	---	---
c	Trust	---	---	---	---	---	---	---
d	Any Other:							
(i)	Clearing Member	9	95705	95705	0.380	0.380	---	---
(ii)	Directors/Relatives	---	---	---	---	---	---	---
(iii)	Employees	---	---	---	---	---	---	---
(iv)	Foreign Nationals:	---	---	---	---	---	---	---
a	NRI						---	---
b	NRI(Repat)	---	---	---	---	---	---	---
C	NRI(Non Repat)	---	---	---	---	---	---	---
(v)	OCB'S	---	---	---	---	---	---	---
(vi)	Person Acting in Concert	---	---	---	---	---	---	---
Sub Total B(2)		1095	9109335	8336525	36.213	36.213	---	---
Total Public Shareholding B(1) + B(2)		1095	9109335	8336525	36.213	36.213	---	---
Total A+B		1105	25155012	24382202	100.00	100.0	---	---
C	Shares held by Custodians and against which Depository receipts have been issued							
Grand Total A+B+C		1105	25155012	24382202	100.00	100.0	---	---

(I)(b) Statement showing Shareholding of persons belonging to the Category "Promoter and Promoter Group"

Sr. No.	Name of Shareholders	No. of Shares	Shares as % of Grand Total	No. of shares pledged or otherwise encumbered	Pledged Shares as a %	Pledged Shares as a % of Grand Total
1	Easel Advertising Pvt. Ltd.	3239500	12.88	---	---	---
2	Panchavati Tie-up Pvt. Ltd.	5124666	20.37	---	---	---
3	Shoeline Trading Pvt. Ltd.	493654	1.96	---	---	---
4	Jyotsna Dey	500300	1.99	---	---	---
5	Kalpana Mitra	4750	0.02	---	---	---
6	Satya Brata Dey	4108527	16.33	---	---	---
7	Shekar Dey	507740	2.02	---	---	---
8	Shipra Dey	4890	0.02	---	---	---
9	Sumanta Dey	893200	3.55	---	---	---
10	Sushanto Dey	1168450	4.64	---	---	---
Total		16045677	63.79			

(I)(c) Statement showing Shareholding of persons belonging to the category "Public" and holding more than 1% of the total number of shares -

Sr. No.	Name of Shareholder	No. of Shares	Shares as % of Total No. of Shares
1	Blackberry Marketing Private Ltd.	321222	1.277

(I)(d) Statement showing details of locked-in shares - *NIL*

Sr. No.	Name of Shareholder	Category of Shareholders	No. of Locked in Shares	Shares as a % of Total No. of Shares
1	---	---	---	---

(II)(a) Statement showing details of Depository Receipts (DRs) - *NIL*

(II)(b) Statement showing Holding of Depository Receipts (DRs), where underlying shares are in excess of 1% of the total number of shares - *NIL*

3. List of Top 10 Shareholders of the Company and the number of Shares held by them:

a) Top ten Shareholders on the date of filing the Information Memorandum:

Sr. No.	Shareholders Name	Number of Shares	% of Total Paid up Capital
1	Panchavati Tie- Up Pvt. Ltd.	51,24,666	20.37%
2	Satya Brata Dey	41,08,527	16.33%
3	Easel Advertising Pvt. Ltd.	32,39,500	12.88%
4	Sushanto Dey	11,68,450	4.64%
5	Sumanta Dey	8,93,200	3.55%
6	Shekar Dey	5,07,740	2.02%
7	Jyotsna Dey	5,00,300	1.99%
8	Shoeline trading Pvt. Ltd.	4,93,654	1.96%
9	Blackcherry Marketing Private Ltd.	321222	1.28%
10	Newzone Vanijya Private Limited	239135	0.95%

4. On the date of this Information Memorandum, there are no outstanding convertible instruments including warrants that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares.

5. No payment, direct, indirect in the nature of brokerage, discount, commission, and allowance, or other special terms including an option for the issue of any kind of securities has been made either by us or by our Promoters to any person.

Section IV -ABOUT THE COMPANY

INDUSTRY OVERVIEW

India is the world's second largest producer of footwear. Reputed global brands like Florsheim, Nunn Bush, Stacy Adams, Gabor, Clarks, Nike, Reebok, Ecco, Deichmann, Elefanten, St Michaels, Hasley, Salamander and Colehaan are manufactured under license in India. Besides, many global retail chains seeking quality products at competitive prices are actively sourcing footwear from India.

Leather footwear exported from India are dress shoes, casuals, moccasins, sport shoes, horrachies, sandals, ballerinas, boots. Non-leather foot wears exported from India are Shoes, Sandals and Chappals made of rubber, plastic, P.V.C. and other materials.

With changing lifestyles and increasing affluence, domestic demand for footwear is projected to grow at a faster rate than has been seen. There are already many new domestic brands of footwear and many foreign brands such as Nike, Adidas, Puma, Reebok, Florsheim, Rockport, etc. have also been able to enter the market.

The Indian Footwear Industry is gearing up to leverage its strengths towards maximizing benefits. Strength of India in the footwear sector originates from its command on reliable supply of resources in the form of raw hides and skins, quality finished leather, large installed capacities for production of finished leather & footwear, large human capital with expertise and technology base, skilled manpower and relatively low cost labour, proven strength to produce footwear for global brand leaders and acquired technology competence, particularly for mid and high priced footwear segments. Resource strength of India in the form of materials and skilled manpower is a comparative advantage for the country.

India has emerged in recent years as a relatively sophisticated low to medium cost supplier to world markets. The leather industry in India has been targeted by the Central Government as an engine for economic growth. Progressively, the Government has prodded and legislated a reluctant industry to modernize. India was noted as a supplier of rawhides and skins semi processed leather and some shoes.

In the 1970's, the Government banned the export of raw hides and skins, followed this by limiting, then stopping the export of semi processed leather and encouraging local tanneries to manufacture finished leather themselves. Despite protestations from the industrialists, this has resulted in a marked improvement in the shoe manufacturing industry. India is now a major supplier of leather footwear to world markets and has the potential to rival China in the future (60% of Chinese exports are synthetic shoes).

India is often referred to as the sleeping giant in footwear terms. It has an installed capacity of 1,800 million pairs, second only to China. The bulk of production is in men's leather shoes and leather uppers for both men and ladies. It has over 100 fully mechanized, modern shoe making plants, as good as anywhere in the world.

INDIAN LEATHER FOOTWEAR INDUSTRY

India is the world's second largest producer of footwear. Various types of shoes produced and exported from India include dress shoes, casuals, moccasins, sports shoes, horacchis, sandals, ballerinas, and booties. Major production centres are Chennai (Madras), Delhi, Agra, Kanpur, Mumbai (Bombay), Calcutta and Jalandhar.

INDIAN LEATHER GOODS INDUSTRY

Items produced by this sector include, in addition to bags, handbags, handgloves and industrial gloves, wallets, ruck sacks, folios, brief cases, travelware, belts, sports goods, upholstery and saddlery goods. A surfeit of modern units in Chennai, Kanpur and Calcutta employing skilled human resources and

equipped with modern and sophisticated machinery account for a diversified range of superlative small leather goods including bags, purses, wallets, industrial gloves etc. made of quality leathers of cows, sheep, goats and buffaloes. The products meet the requirement of bulk buyers and consumers in Europe, USA and Australia.

INDIAN SADDLERY INDUSTRY

India is one of the largest producers of saddlery and harness goods in the world. The saddlery industry was established in the 19th century primarily to cater to the needs of military and police. Kanpur, in the state of Uttar Pradesh, is a major production centre for saddlery goods in India. Because of its specialisation in tanning and finishing of buffalo hides is the only centre in the country where harness leather, which is major input for saddlery industry, is manufactured.

INDIAN LEATHER GARMENTS INDUSTRY

The Leather Garment Industry occupies a place of prominence in the Indian leather sector. The product classification of leather garments comprise of jackets, long coats, waist coats, shirts, pant/short, children garments, motorbike jackets, aprons and industrial leather garments.

SWOT Analysis of the Indian leather industry

Strengths

- High Growth
- Ready availability of highly skilled manpower
- Large raw material base
- Policy initiatives taken by the Government
- Capability to assimilate new technologies and handle large projects
- Continuous emphasis on product development and design upgradation

Weaknesses

- International price fluctuation
- Huge labour force resulting in high labour charges
- Lack of strong presence in the global fashion market
- Unawareness of international standards by many players

Opportunities

- Rising potential in the domestic market
- Growing fashion consciousness globally
- Use of information technology and decision support software to help eliminate the length of the production cycle for different products
- Use of e-commerce in direct marketing

Threats

- Major part of the industry is unorganised
- Stricter international standards
- High competition from East European countries and other Asian countries
- Lack of communication facilities and skills

BUSINESS OVERVIEW

In this section, unless the context otherwise requires, a reference to "we", "us" and "our" refers to Sreeleathers Limited. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from the annual reports. This section should be read together with "Risk Factors" on page 6 and "Industry Overview" on page 24 of the Information Memorandum.

BUSINESS OVERVIEW

Our Company was originally incorporated on 14th January, 1991 under the Companies Act as a private limited company under the name 'CAT Commercial Services Private Limited'. Thereafter the Company was converted into public limited company, and obtained a fresh certificate of incorporation under the name 'CAT Commercial Services Limited' on 27th March 1996. The Company again changed its name to 'CAT Financial Services Limited' on 28th November, 1996. The Company's name was further changed to 'Sreeleathers Limited' vide fresh certificate of incorporation dated 4th October, 2010 issued by the Registrar Of Companies, West Bengal. Our Company was incorporated with the object of carrying on business of advisers, consultants, buyers, sellers, commission agents but since no opportunity came the way of the company, it started to carry on the business of finance including capital market operations before the same was merged with Sreeleathers Private Limited and other group companies. Our company is currently engaged in the business of dealing in all kinds of footwear and leather accessories.

Our core competencies are our in-house technical knowledge, skilled workforce, diversified product portfolio which enable us to meet varied client requirements. Company deals in all kinds of footwear's leather accessories. The company is basically engaged as retailer and wholesaler of footwear and leather articles and having wide presence in Eastern Region of India. The Company has more than 30 retail outlets of spread over 9 states. Company has wide range of leather and other accessories both for men and women. The retail stores provide wide range product of both Indian and overseas product. The retail stores, within West Bengal and Out side it provides good custom service after sale of the product.

Strengths:

Managed by qualified and experienced professionals:

- Experienced management team
- Brand presence
- Cordial relationship with Customers
- Leveraging the experience of our promoter Mr. Satya Brata Dey
- Wide product porfolio and ability to cater to diverse needs of markets

Weakness:

- Lack of nation-wide presence
- Dependent on demand and supply of leather products
- Limited geographical coverage

Opportunities:

- Establishment of market in neighboring states
- Potential to increase capacity in existing facility
- Changing preferences and trend of people towards leather products
- Rising disposable income of middle class families

Threats:

- Industry is prone to change in government policies, any material changes the policies may adversely impact our financials.
- There are no entry barriers in our industry which puts us to the threat of competition from new entrants

OUR STRATEGY

Expansion of existing business activities:

Our Company intends to expand its business by using various marketing strategy.

Brand recognition:

We are in such a business where we are facing lot of competition. Our Company is not a well established brand among large leather Companies. We will be making the necessary arrangements for our brand reorganization.

Strengthen employee development practices

One of the key factors for our growth has been our employees' commitment to our vision. We believe that to sustain our future growth, we need to continue to train and empower our employees to act as partners in our business. As we expand our business into new towns and cities, our ability to successfully train our existing and new employees will play a crucial role.

Future outlook

Desire for Status:

With increased desire of individuals to improve their standard of living, the leather industry is getting exposed to new category of client (individuals) in a big way with large share of business coming from this segment.

Major customers

- Serampore Footwear (P) Ltd
- Mitra And Saha Leather Products
- Sumanta Susanta Overseas Pvt. Ltd.
- Malda Footwears Pvt. Ltd.
- Leather House (Howrah)
- Nirmal Footwear Private limited
- Shivshakti Agency (Asansol)
- Laxmi Narayan Stores(Agartala)
- Banik Brothers (Durgapur)
- Upkar Vinimay Pvt. Ltd.

HISTORY AND CORPORATE STRUCTURE

Our Company was originally incorporated on 14th January, 1991 under the Companies Act as a private limited company under the name 'CAT Commercial Services Private Limited'. Thereafter the Company was converted into public limited company, and obtained a fresh certificate of incorporation under the name 'CAT Commercial Services Limited' on 27th March 1996. The Company again changed its name to 'CAT Financial Services Limited' on 28th November, 1996. The Company entered into a scheme of amalgamation with Sreeleathers Private Limited, Deys Holdings Private Limited and Deys Finance Private Limited (Transferor Companies) which was sanctioned by the Hon'ble High Court at Calcutta, effective from 15.02.2008. Upon sanction of the scheme, the Company allotted to the shareholders of the said Transferor Companies equity shares in the company. Pursuant to the said scheme of amalgamation, the name of the amalgamated company was changed to Sreeleathers Limited on 4th October 2010.

Our Company was incorporated with the object of carrying on business of advisers, consultants, buyers, sellers, commission agents but since no opportunity came the way of the company, it started to carry on the business of finance including capital market operations before the same was merged with Sreeleathers Private Limited and other group companies. Our company is currently engaged in the business of dealing in all kinds of footwear and leather accessories. It is also engaged as retailer and wholesaler of footwear and leather articles. Our Company has currently more than 30 retail outlets, spread over 9 states including West Bengal, Jharkhand, Bihar etc.

The Company came out with its initial public offering in the year 1997 and obtained listing on CSE & JSE.

The Registered Office as well as the Corporate Office of the Company is situated at 6 Tottee Lane, P. S. Taltalla, Kolkata- 700016

Major Events

Year	Event
1991	Our Company was incorporated as "CAT Commercial Services Private Limited"
1996	Conversion into public limited company under the name 'CAT Commercial Services Limited'
1996	Change in name of the Company to "CAT Financial Services Limited"
1997	Initial Public Offering and listing of our Equity Shares on CSE & JSE
2008	Amalgamation of Our Company with "Sreeleathers Private Limited, Deys Holdings Private Limited and Deys Finance Private Limited"
2010	Further change in name of the Company to "Sreeleathers Limited"

Our Main Objects

- To carry on business of buyers, sellers, suppliers, merchants, traders, exporters, agents, representatives dealers producers, stockiest, importers, packers, financiers or distributors of household domestic, food articles, automobile, industrial component/ Products, raw materials commercial products & man made fibres, far & forest products goods, plants machineries including tea, coffee, jute & jute handicrafts, piece of arts, jewellery ornaments, marble & other stone, plastic, steel rubber, chemical engineering goods, metal minerals, electronics, musicland, cloth dresses garments, transport vehicles, food products, book, reading & educative materials, paper & paper products, tobacco & tobacco products.
- To carry on trade or retail business in India and anywhere else in the world through retail formats and including but not limited to hyper markets, super markets, mega stores/discount stores, cash & carry, departmental stores, shoppers plaza, direct to home, phone order and mail order, catalogue, through internet and other forms and multi level channels for all products and services, dealing in all kinds of goods, materials and item including but not limited to food and provisions,

household goods, consumer durables, jewellery , home improvement products, footwear, luggage, books & stationery, health care and beauty products, toys and music, computer and accessories, telecom products, agricultural input products, furniture & furnishings, automobile & accessories and acquiring and running food, services and entertainment centers including but not limited to multiplexes, cinemas , gaming centers, amusement parks, restaurant and foods courts, and acquiring of land or building on lease or freehold or any commercial or industrial or residential building for running and management of retail business and to sell them, lease or sublet them and to undertake and execute civil, mechanical, electrical and structural works contracts and sub contracts in all their respective branches to carry on retailing business."

➤ To carry on the business of purchase, sell, import, export, manufacture, repair and of wholesale & retail dealers in all types of footwear such as heels, soles, rubber, silk, textiles of natural or man made fibre and artificial leather, leather manufacturers and dealers in all kinds of articles, substances & things related thereto.

➤ To carry on all or any of the operations relating to agriculture, animal husbandry, dairy or poultry farming, forestry & fishing.

Material Contracts

The Company has not entered into any material contract, concessions and similar other documents except those entered into in the ordinary course of the business carried on or intended to be carried on by the company.

Our Subsidiaries

Our Company at present has no subsidiary as on date of the Information Memorandum.

Collaborations

The Company has so far not entered into any technical or financial collaboration agreement.

MANAGEMENT

Board of Directors

Under our Articles of Association, our Company is required to have not less than three (3) directors and not more than twelve (12) directors. Our Company currently has six (6) directors on Board. The following table sets forth current details regarding our Board of Directors:

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
<p>1. Mr. Satya Brata Dey S/o Late Suresh Ch. Dey Address: 3D, Chowringhee Arpartment, 8/1C, Chowringhee Lane, Kolkata, 700016, West Bengal, India. Occupation: Business Tenure: Five years with effect from 30th September, 2009 Nationality : Indian DIN: 00569965</p>	61 Yrs	Managing Director	<ul style="list-style-type: none"> ➤ Sumanta Susanta Exports (P) Ltd ➤ Easel Advertising (P) Ltd ➤ Aajkaal Publishers (P) Ltd ➤ Sreeleathers Overseas Ltd ➤ Sumanta Susanta Overseas (P) Ltd ➤ Upkar Vinimay (P) Ltd ➤ Tug Overseas (P) Ltd ➤ Tug Developers (P) Ltd ➤ Stephens & Co. (P) Ltd ➤ Oliver Suppliers (P) Ltd ➤ Balaji Indofin Limited
<p>2. Mr. Sumanta Dey S/o Satya Brata Dey Address: 3d, Chowringhee Arpartment, 8/1c, Chowringhee Lane, Kolkata, 700016, West Bengal, India. Tenure: Retire by rotation Nationality: Indian DIN: 00647680</p>	33 Yrs	Non-Executive Director	<ul style="list-style-type: none"> ➤ Footmark Commercial Pvt.Ltd ➤ Shoeline Trading Pvt.Ltd. ➤ Sumanta Susanta Exports Pvt Ltd. ➤ Sumanta Susanta Overseas Pvt Ltd ➤ Tug Developers Pvt Ltd ➤ Tug Overseas Pvt Ltd ➤ Upward Commodities Pvt Ltd ➤ Evergrow Dealtrade Pvt Ltd ➤ Manglam tradewings Pvt. Ltd.
<p>3. Mr. Sushanto Dey S/o: Sri Sekhar Dey Address: Krishna Apartment, Gangotri Complex, Kadma, Jamshedpur, Jharkhand Tenure: Retire by rotation Nationality : Indian DIN: 00647894</p>	33 Yrs	Non-Executive Director	<ul style="list-style-type: none"> ➤ Footmark Commercial Pvt. Ltd- ➤ Heels & Toes Leather Pvt. Ltd ➤ Duel Leather Dzines Pvt. Ltd
<p>4. Mr. Sumanta Biswas S/o: Mr. Sailesh Ch. Biswas Address: 2A Motilal Sen Lane, Kolkata - 700011 West Bengal, India. Nationality : Indian Tenure: Retire by Rotation DIN: 02243349</p>	35 Yrs	Independent Director	NIL
<p>5. Mr. Sujay Bhattacharjee S/o: Mr. Subal Ch. Bhattcharjee Address: P-535, Dumdum Park, Tank-No. 3, Kolkata -</p>	45 Yrs	Independent Director	NIL

Name, Father's name, Address, Occupation, Nationality, tenure & DIN	Age	Status of Directorship in our Company	Other Directorships
55 West Bengal, India. Tenure: Retire by rotation Nationality : Indian DIN: 01759843			
6. Mrs. Sadhana Adhikary D/o: Debendra Adhikari Address: LP-185/4, Das Para Road, Thakurpukur, Kolkata - 700063 West Bengal, India. Tenure: Retire by rotation Nationality : Indian DIN: 02974882	41 Yrs	Independent Director	<ul style="list-style-type: none"> ➤ Pacific Tradelink Pvt. Ltd ➤ Mansarovar Tradelink Pvt. Ltd ➤ Sankalp Tie-Up Pvt. Ltd ➤ Vedant Tradecom Pvt. Ltd

DETAILS OF DIRECTORS

Mr. Satya Brata Dey aged 61, is the Managing Director of our Company. He is a graduate and has completed Management Education Programme from IIM, Amhedabad. He is in the business of footwear industry since more than 20 years. He has been designated as the Managing Director of our Company since 2nd December, 1999.

Mr. Sumanta Dey aged 33, is the Non-Executive & Non-Independent Director of our Company. He holds a bachelor degree in commerce from a reputed College of Calcutta University. He is responsible for overall management of affairs of our company. He has been designated as the non -executive Director of our Company since 15th April, 1999.

Mr. Sushanto Dey, aged 33 years is the Non-Executive & Non-Independent Director of our Company. He holds a bachelor degree in business administration from Western Michigan University. He looks after the overall affairs of the company. He has been designated as non -executive Director of our Company since 15th April, 1999.

Mr. Sujay Bhattacharjee, aged 45 years is the Non- Executive & Independent Director of our Company. He is a cost accountant by profession. As an Independent Director of our Company and cost accountant by profession, he brings value addition to the Company. He has been designated as Independent Director of our Company since 31st August, 2007.

Mr. Sumanta Biswas, aged 35 years is the Non- Executive & Independent Director of our Company. He has completed LL.B from Calcutta University, University College of Law, Hazra Campus, Kolkata. He is a practicing advocate in Kolkata High Court from past 9 years. He has been designated as Independent Director of our Company since 30th January, 2010.

Mrs. Sadhana Adhikary, aged 41 years is the Non-Executive & Independent Director of our Company. She has completed M.A. She has been designated as Independent Director of our Company since 30th January, 2010.

CORPORATE GOVERNANCE

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, including the Listing Agreement to be executed with the Stock Exchanges and the SEBI Regulations, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's

supervisory role from the executive management team and constitution of the Board Committees, as required under law.

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently our board has six (6) Directors, out of which three (3) are Independent Directors. The constitution of our Board is in compliance with the requirements of Clause 49 of the Listing Agreement.

The following committees have been formed in compliance with the Corporate Governance norms:

- A) Audit Committee
- B) Shareholders/Investors Grievance Committee

AUDIT COMMITTEE

Our Company has constituted an Audit Committee, as per the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement to be entered with Stock Exchanges.

The terms of reference of Audit Committee complies with the requirements of Clause 49 of the Listing Agreement, proposed to be entered into with the Stock Exchanges in due course. The committee presently comprises following six (6) directors. Mr. Sujoy Bhattacharjee is the Chairman of the Audit Committee. The Company Secretary is the Secretary of our Audit Committee.

S. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Sujoy Bhattacharjee	Chairman	Independent Director
2.	Mr. Sumanta Dey	Member	Non- Executive-Non-Independent Director
3.	Mr. Sadhana Adhikary	Member	Independent Director
4.	Mr. Bijoy Kumar Roy	Secretary	N.A.

Role of Audit Committee

The terms of reference of the Audit Committee are given below:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.
5. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible.
6. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
7. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
8. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:

- (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - (b) Changes, if any, in accounting policies and practices and reasons for the same
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management
 - (d) Significant adjustments made in the financial statements arising out of audit findings
 - (e) Compliance with listing and other legal requirements relating to financial statements
 - (f) Disclosure of any related party transactions
 - (g) Qualifications in the draft audit report.
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval
 10. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
 11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
 12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing, and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 13. Discussion with internal auditors any significant findings and follow up there on.
 14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
 15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 17. To review the functioning of the Whistle Blower mechanism, in case if the same is existing.
 18. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
 19. Carrying out any other function as mentioned in the terms of reference of the Audit Committee.
 20. Mandatorily reviews the following information:
 - (a) Management discussion and analysis of financial condition and results of operations;

(b) Statement of significant related party transactions (as defined by the audit committee), submitted by management;

(c) Management letters / letters of internal control weaknesses issued by the statutory auditors;

(d) Internal audit reports relating to internal control weaknesses; and

(e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee

21. Review the Financial Statements of its Subsidiary company, if any.

22. Review the composition of the Board of Directors of its Subsidiary company, if any.

23. Review the use/application of funds raised through an issue (public issues, right issues, preferential issues etc) on a quarterly basis as a part of the quarterly declaration of financial results. Further, review on annual basis statements prepared by the Company for funds utilized for purposes other than those stated in the offer document.

In addition, to carry out such other functions/powers as may be delegated by the Board to the Committee from time to time.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Our Company has constituted an Investors Grievance Committee to redress the complaints of the shareholders. The committee currently comprises of six (6) Directors. Mr. Sushanto Dey is the Chairman of the Shareholders/ Investors Grievance Committee.

S. No.	Name of the Director	Status	Nature of Directorship
1.	Mr. Sushanto Dey	Chairman	Non-Executive Non-Independent Director
2.	Mr. Sujoy Bhattacharjee	Member	Independent Director
3.	Mr. Sumanta Dey	Member	Non-Executive Non-Independent Director
4.	Mr. Bijoy Kumar Roy	Secretary	N.A.

Role of Shareholders/Investors Grievance Committee

The Shareholders / Investors Grievance Committee of our Board look into:

- The redressal of investors complaints viz. non-receipt of annual report, dividend payments etc.
- Matters related to share transfer, issue of duplicate share certificate, dematerializations.
- Also delegates powers to the executives of our Company to process transfers etc.


The status on various complaints received / replied is reported to the Board of Directors as an Agenda item.

OUR PROMOTERS

Our Promoters are Mr. Satya Batra Dey, M/s. Easel Advertising Pvt. Ltd. and M/s. Panchavati Tie-Up Pvt. Ltd.

Details of our Promoters are as under:

1. Mr. Satya Brata Dey

	<p>Mr. Satya Brata Dey aged 61, is Promoter & Managing Director of our Company. He is a graduate and has completed Management Education Programme from IIM, Ahmedabad. He is in the business of footwear industry since more than 20 years. He has been designated as the Managing Director of our Company since 2nd December, 1999.</p>
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Identification

Particulars	Details
Name	Mr. Satya Brata Dey
Permanent Account Number	ACXPD9403D
Passport No.	J0103570
Voter ID	GZG2018513
Driving License	Not Available
Bank Account Details	401210110002550 Bank Of India

2. M/s. Easel Advertising Private Limited

M/s. Easel Advertising Private Limited was incorporated on 31st March, 1992 as a Private Limited Company under the Companies Act, 1956 in the State of West Bengal. The Corporate Identification number ('CIN') of the Company is U74300WB1992PTC055036. The Registered office is situated at 1 Lindsay Street, Kolkata-700087, West Bengal.

EAPL has been incorporated with the objective of carrying on the business of advertising agents and for that purpose to purchase and sell advertising time or space on any radio station or television centre in India or abroad or any kind of media currently in vogue or which may be in vogue at any time like cinematography and including newspapers, souvenirs, hoardings, neon signs and other display devices of all kinds and descriptions to promote the sale or any other interest of its clients.

Mr. Satya Brata Dey and Mr. Shipra Dey are the present directors of EAPL.

The Shareholding Pattern of the Company as on 30th September, 2012 as under:

Name	No. of Shares	% of shareholding
Satya Brata Dey	250	0.26
Shipra Dey	10100	10.43
Ranjit Kumar Nandi	50	0.05
Blossom Vintrade Pvt. Ltd.	6000	6.20
Tug Developers Pvt. Ltd.	18000	18.59
Shoeline Trading Pvt. Ltd.	12000	12.39
Pancham Distributors Pvt. Ltd.	6000	6.20
Pacific Tradelink Pvt. Ltd.	6000	6.20

Oliver suppliers Pvt. Ltd.	7500	7.74
Panchavati Tie- Up Pvt. Ltd.	14250	14.71
Upward Commodities Pvt. Ltd.	2500	2.58
Ganga Marketing Pvt. Ltd.	1200	1.24
Gurukul Vinimay Pvt. Ltd.	1200	1.24
Radiant Vinimay Pvt. Ltd	2400	2.48
Balaji Infodin Ltd.	9400	9.71
TOTAL	96850	100.00

Financial Information

The financials is as under:

Particulars	(Rs. in Lakhs)		
	For the year ended 31 March 2012 (Audited)	For the year ended 31 March 2011 (Audited)	For the year ended 31 March 2010 (Audited)
Equity Share Capital	9.69	9.55	8.75
Reserves (excluding revaluation reserves)	375.64	310.96	205.32
Total Income	16.35	6.60	1.74
Profit After Tax	15.82	6.43	1.58
Earnings per share (Basic)	16.34	6.74	1.80
Earnings per share (Diluted)	16.34	6.74	1.80
Net Asset Value per share (in Rs.)	397.85	335.71	244.71
Face Value per share (in Rs.)	10.00	10.00	10.00

3. M/s. Panchavati Tie-Up Private Limited

M/s. Panchavati Tie-Up Private Limited was incorporated on 13th September, 1994 as a Private Limited Company under the Companies Act, 1956 in the State of West Bengal. The Corporate Identification number ('CIN') of the Company is U51109WB1994PTC065356. The Registered office is situated at 2 Marquis Street, P.S. Park Street, Kolkata-700016, West Bengal.

PTPL has been incorporated with the objective of carrying on the business as buyers, sellers, traders, merchants, indentors, brokers, agents, commission agents, assemblers, refiners, cultivators, miners, packers, stockists, aayat, niryat, distributors, advisors, hire purchasers of & all kinds of rubberised cloth, food grains, dairy products, soap detergents, biscuits, surgical, diagnostic medical pulses, leather & finished leather goods, leather garments, leather products, all related items in leather, electric & electronics components and goods, iron & steel, aluminium, mineral, ferrous and non-ferrous, metal, stainless steel, jute and jute products, textile, cotton, synthetic, fibre, silk, yarn, wool and woolen goods, handicrafts & silk artificial synthetics, readymade garments, design materials, process, printers in all textiles, wood & wood products, timber cosmetics, stationery, tools & hardware, plastics & plastics goods, sugar, tea, coffee, paper packaging material, chemicals, cement, spices, grain, factory materials, house equipments, rubber & rubber products, fertilizers, agriculture fruit products, industrial products, computer data materials, software, pains, industrial & other gases, alcohol, liquer edible & non-edible oils & fats, marine products, drugs, plants & machinery goods, engineering goods & equipments, office equipments, hospital equipments, railway accessories, medicine, sugar & sugarcane, automobile parts, building construction & materials, fur & fur made items toys, building plants, consumer products, consumer durables, dry flowers and plants, printing, transportation and all other kinds of goods and merchandise, commodities and articles of consumption

of all kinds in India or elsewhere. Also its objective is to carry on the business as distributors, agents, traders, merchants, contractors, brokers and otherwise deal in merchandise and article of all kinds including clearing agent, freight contractors, forwarding agents, licencing agents, general brokers and to carry on any kind of commercial business

Tanmay Shome and Amar Nath Sett are the present directors of PTPL.

The Shareholding Pattern of the Company as on 30th September, 2012 as under:

Name	No. of Shares	% of shareholding
Satya Brata Dey	95000	38.71
Shipra Dey	120000	48.90
Balaji Infodin Ltd.	25713	10.48
Pacific Tradelink Pvt. Ltd.	2500	1.02
Sumanta Dey	2200	0.90
TOTAL	245413	100.00

Financial Information

The financials is as under:

Particulars	(Rs. in Lakhs)		
	For the year ended	For the year ended	For the year ended
	31 March 2012 (Audited)	31 March 2011 (Audited)	31 March 2010 (Audited)
Equity Share Capital	24.54	24.54	23.97
Reserves (excluding revaluation reserves)	176.11	150.35	112.29
Total Income	26.31	10.25	2.56
Profit After Tax	25.76	10.07	2.47
Earnings per share (Basic)	10.50	4.10	1.03
Earnings per share (Diluted)	10.50	4.10	1.03
Net Asset Value per share (in Rs.)	81.76	71.27	56.85
Face Value per share (in Rs.)	10.00	10.00	10.00

OUR PROMOTER GROUP ENTITIES

PROMOTER GROUP INDIVIDUALS

The following natural persons (being the immediate relative of our Promoter) form part of our Promoter Group:

Relatives of Promoters:

Relationship	Satya Brata Dey	PAN Nos.
Spouse	Shipra Dey	ACXPD9404E
Father	Late Suresh Chandra Dey	--
Mother	Late Kironmoyee Dey	--
Brother	Sekhar Dey	ACLPD4658B
Sister	Kalpana Mitra	AEAPM0210N
Son	Sumanta Dey Soham Dey	AFDPM0840A BLRPD7620H
Daughter	Rochita Dey	ATMPD7654G

PROMOTER GROUP COMPANIES AND ENTITIES

As specified in clause 2 (zb) of the SEBI Regulation, the companies, HUFs, partnership firms and other entities, that form part of our Promoter Group are as follows:

LISTED COMPANIES WITHIN OUR PROMOTER GROUP

There is no listed Company in our Promoter Group

UNLISTED COMPANIES WITHIN OUR PROMOTER GROUP

1. Shoe Line Trading Private Limited

DETAILS OF UNLISTED COMPANIES WITHIN OUR PROMOTER GROUP

1. SHOE LINE TRADING PRIVATE LIMITED

Date of Incorporation	21/04/1995
CIN	U51909WB1995PTC071168
Registered Office	6 Tottee Lane, P. S. Taltalla, Kolkata- 700016, West Bengal
PAN No.	AAECS4735P
Address of ROC	Registrar of Companies, Kolkata, West Bengal
Nature of Activities	To carry on the business of various Shoe line and leather products

Board of Directors as on 30th September, 2012

Name	Designation
Shipra Dey	Director
Kalpana Mitra	Director
Sumanta Dey	Director

Financial Performance

The brief financials of Delta Infra Limited for the last three (3) years based on audited financial statements are as under:

(Rs. in Lakhs)

Particulars	31 Mar- 12	31-Mar-11	31-Mar-10
Equity Share Capital	35.90	35.90	29.02
Reserves (excluding revaluation reserves)	26.32	24.56	4.08
Net Worth	62.22	60.46	32.72
Sales & Other Income	3.19	0.99	0.26
Profit After Tax	2.40	(0.15)	0.12
E.P.S. (Rs.)	32.54	(2.00)	1.66
N.A.V. (Rs.)	843.62	819.70	443.65
Face Value per share (in Rs.)	10.00	10.00	10.00

Shareholding Pattern as on 30th September, 2012

Name	No. of Shares	% of shareholding
Footmark Commercial Pvt. Ltd.	300	4.07
Sreeleathers Limited	1800	24.41
Panchavati Tie- Up Pvt. Ltd.	1900	25.76
Tug Developers Pvt. Ltd.	1800	24.41
Balaji Infodin Ltd.	1375	18.64
Shipra Dey	200	2.71
Total	7375	100.00

Shoe Line Trading Private Limited is an unlisted Company and is neither a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up.

SECTION V- REGULATIONS AND POLICIES IN INDIA

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

The Companies Act, 1956

The Act deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

Regulation of Foreign Investment in India

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the rules and regulations promulgated there under. The RBI, in exercise of its powers under FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") which prohibit, restrict and regulate, transfer or issue of securities, to a person resident outside India. Pursuant to the FEMA Regulations, no prior consent or approval is required from the RBI for foreign direct investment under the "automatic route" within the specified sectoral caps prescribed for various industrial sectors. In respect of all industries not specified under the automatic route, and in respect of investments in excess of the specified sectoral limits under the automatic route, approval for such investment may be required from the FIPB and/or the RBI. Further, FIIs may purchase shares and convertible debentures of an Indian company under the portfolio investment scheme through registered brokers on recognized stock exchanges in India. Regulation 1 (4) of Schedule II of the FEMA Regulations provides that the total holding by each FII or SEBI approved sub-account of an FII shall not exceed 10% of the total paid-up equity capital of an Indian company or 10% of the paid-up value of each series of convertible debentures issued by an Indian company and the total holdings of all FIIs and sub accounts of FIIs added together shall not exceed 24% of the paid-up equity capital or paid-up value of each series of convertible debentures. However, this limit of 24% may be increased up to the statutory ceiling as applicable, by the Indian company concerned passing a resolution by its board of directors followed by the passing of a special resolution to the same effect by its shareholders.

Transfer of Property

Transfer of Property Act, 1882

The transfer of property is governed by the Transfer of Property Act, 1882 ("T.P. Act"). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

Registration Act, 1908

The Registration Act, 1908 ("Registration Act") has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

The Easements Act, 1882

The law relating to easements is governed by the Easements Act, 1882 ("Easements Act"). The right of easement is derived from the ownership of property and has been defined under the Easements Act to mean a right which the owner or occupier of land possesses for the beneficial enjoyment of that land and which permits him to do or to prevent something from being done in respect of certain other land not his own. Under this law an easement may be acquired by the owner of immovable property, i.e. the "dominant owner", or on his behalf by the person in possession of the property. Such a right may also arise out of necessity or by virtue of a local

Indian Stamp Act, 1899

The Indian Stamp Act, 1899 ("Stamp Act") and the relevant State Stamp Acts provide for the imposition of stamp duty at specified rates on instruments listed in Schedule I of the Act. The applicable rates for stamp duty on these instruments, including those relating to conveyance, are prescribed by state legislation. Instruments chargeable to duty under the Stamp Act which are not duly stamped are inadmissible in a court of law and have no evidentiary value. Public officials have the power to impound such documents and if the executor wants to rectify them, he may have to pay a penalty of up to 10 times the original stamp value.

Income-tax Act, 1961

The Income Tax Act, 1961 deals with the taxation of individuals, corporates, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses.

Service Tax

Chapter V of the Finance Act 1994 (as amended), and Chapter V-A of the Finance Act 2003 requires that where provision of certain listed services, whole taxable services exceeds Rs. 10,00,000, a service tax with respect to the same must be paid. Every person who is liable to pay service tax must register himself for the same.

Intellectual Property

Trade Marks Act, 1999

The Indian law on trademarks is enshrined in the Trade Marks Act, 1999. Under the existing legislation, a trademark is a mark used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor to use the mark. A 'mark' may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The trademark once applied for, is advertised in the

trademarks journal, oppositions, if any are invited and after satisfactory adjudications of the same, a certificate of registration is issued. The right to use the mark can be exercised either by the registered proprietor or a registered user. The present term of registration of a trademark is ten years, which may be renewed for similar periods on payment of prescribed renewal fee.

Copyright Act, 1957

The Copyright Act, 1957 came into effect from January 1958. Copyright is an exclusive right. The statutory definition of Copyright is the exclusive right to do or authorizes others to do certain acts in relation to Literary, dramatic or musical works, Artistic work Cinematograph film; and Sound recording. The purpose of recognizing & protecting the copyright of an author is to statutorily protect his work & inspire him to exercise his creative faculties. Copyright is granted for a specific period of time. Whether an act is an infringement or not would depend on the fact whether copyright is subsisting in the work or not. In case the copyright has expired, the work falls in the public domain & any act of reproduction of the work by any person other than then the author would not amount to infringement.

Insider Trading Regulations

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time ("Insider Trading Regulations") govern the law with respect to insider trading in India. The Insider Trading Regulations inter alia prohibit all insiders from dealing in securities of a listed company when the insider is in possession of unpublished price sensitive information ("UPSI"). It further prohibits an insider from communicating, counselling or procuring, directly or indirectly, any UPSI to any person who while in possession of such UPSI is likely to deal in such securities.

Information is said to be price sensitive if it is likely to, directly or indirectly, materially affect the price of the securities of the company to which it relates. Under the Insider Trading Regulations, the concept of an "insider" is related to those of a connected person and a deemed connected person. A person is said to be connected to a company when he or she is a director, employee or officer in the company or stands in a professional or business relationship with the company and when he or she may reasonably be expected to have access to UPSI and includes inter alia market intermediaries, Merchant Bankers, share transfer agents, registrars to an issue, debenture trustees, brokers, Portfolio Managers, investment advisors.

The Insider Trading Regulations further provide that all listed companies and organisations associated with the securities market including inter *alia* intermediaries as defined under the SEBI Act, asset management companies, trustees of mutual funds etc. should frame a code of internal procedures and conduct based on the Model Code of Conduct specified under the Insider Trading Regulations.

SECTION VI- FINANCIAL INFORMATION

FINANCIAL INDEBTEDNESS

There is no financial indebtedness in our Company.

STOCK MARKET DATA FOR OUR EQUITY SHARES

The Equity Shares of our Company are listed with CSE and JSE. The Equity shares are not frequently traded with JSE. We have received trading permission from CSE vide notice dated 10th April, 2012 giving us the trading permission from 12th April, 2012. We have also received trading permission from BSE vide notice dated 3rd December, 2012 giving us the trading permission with effect from 5th December, 2012. The stock market data for BSE from 4th February, 2013 is as follows:

Date	Open Price	High Price	Low Price	Close Price	WAP	No. of Shares	No. of Trades
04-Feb-13	275.45	275.45	264	265.5	265.1937	53127	39
05-Feb-13	265	266	264	265.1	265.2681	40161	136
06-Feb-13	265.45	265.9	264	265.35	265.2418	102050	240
07-Feb-13	265.7	265.7	262	265.2	264.6166	105406	173
08-Feb-13	264.5	264.75	264	264.65	264.3404	105750	296
11-Feb-13	263.5	264.6	262.8	263.25	263.6307	73800	115
12-Feb-13	262.5	264	262.45	263.85	262.9655	75830	177
13-Feb-13	270	270	262	265	264.7931	52501	104
14-Feb-13	266	267.05	264.5	266.35	265.512	30520	101
15-Feb-13	266	266	265	265.05	265.8076	13450	19
18-Feb-13	266	269.75	265	269.15	267.7006	80350	179
19-Feb-13	268	271.5	267.9	269	268.5053	54173	127
20-Feb-13	269	269.25	268.95	269	269.0263	33145	111
21-Feb-13	270	270.25	267	267.55	268.3838	10848	23
22-Feb-13	299	299	242	268.7	268.6662	75886	207
25-Feb-13	266	269.9	264	265.7	266.2733	63530	144
26-Feb-13	263	264.25	261	262.3	262.8744	57750	107
27-Feb-13	297	297	265	277	273.6325	49674	138
28-Feb-13	282	288.25	282	285	286.347	52715	95
01-Mar-13	285	286.4	284.5	284.75	285.5524	18326	44
04-Mar-13	288	292	251	287.15	286.2454	40416	66
05-Mar-13	286.25	291	285	290	286.9527	52664	76
06-Mar-13	288	291	286	289.65	288.6215	44497	121
07-Mar-13	288	289	285.1	289	288.3354	47214	87
08-Mar-13	290	290.8	289	289.45	289.9211	57000	131
11-Mar-13	292.8	293	290	292.2	291.8451	79710	238
12-Mar-13	291	296.5	290.95	293.15	292.2945	76227	285
13-Mar-13	293	293.5	292	293.5	293.1623	46025	141
14-Mar-13	292	293	291	293	291.8222	52329	156
15-Mar-13	292	292.05	291.75	291.95	291.9464	36500	53

Date	Open Price	High Price	Low Price	Close Price	WAP	No. of Shares	No. of Trades
18-Mar-13	286	287.1	285.55	287.05	286.4452	47750	86
19-Mar-13	284	285	240.75	283.2	282.8772	82411	254
20-Mar-13	280.05	282.5	278.5	282	281.6108	56875	103
21-Mar-13	280.1	281.1	277.5	280.5	280.3303	66790	103
22-Mar-13	250	288	250	279.25	281.8185	57495	75
25-Mar-13	260	279.5	240	278.45	263.969	48128	40
26-Mar-13	246.2	274	246.2	269.8	271.2805	38512	16
28-Mar-13	280	280	269.8	274.5	275.3569	28413	13
02-Apr-13	289	289	254	259.8	267.6656	930	13
03-Apr-13	271.9	272	265	269	269.6583	14118	15
04-Apr-13	268.95	269.85	260	266.5	266.4531	3083	11
05-Apr-13	265.95	266	263.5	263.75	265.2343	15510	6
08-Apr-13	265.95	266	265.95	266	265.9999	18038	13
09-Apr-13	265	272	265	269.6	269.6073	20233	20
10-Apr-13	269.9	270	261	266.95	267.0791	30645	15
11-Apr-13	266	268.3	260	268.3	268.2453	21744	53
12-Apr-13	268.3	268.3	268.3	268.3	268.2999	14613	85
16-Apr-13	268.2	268.2	268.2	268.2	268.2	5000	3
17-Apr-13	270	270	270	270	270	11	2
18-Apr-13	270	270	270	270	270	15000	69
22-Apr-13	270	270	270	270	270	8700	16
23-Apr-13	273	274.4	270	270	272.9247	12950	43
25-Apr-13	270	270	270	270	270	7500	21
26-Apr-13	269.95	270	269.95	270	269.9994	1617	10
29-Apr-13	270	271	270	271	270.44	10000	34
30-Apr-13	245	269	245	268.75	268.442	12550	35
02-May-13	275	276	274	275.3	275.0358	14001	29
03-May-13	276	276.9	273.7	273.7	276.3	15000	57

SECTION VII - OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as described below, there are no outstanding or pending litigation, suit, criminal or civil prosecution, proceeding or tax liabilities against our Company, Promoters, Directors, Promoter Group Companies that would have a material adverse effect on our business and there are no defaults, non payment or overdue of statutory dues, institutional/ bank dues or dues payable to holders of debentures, bonds and fixed deposits and arrears of preference shares (irrespective of whether they are specified under Part I of Schedule XIII of the Act), that would have a material adverse effect on our business:

Court	Between	Description	Status
Bankshall Court	State vs SBDeY HSC	Case filed under Wildlife Protection Act	Pending
9 th Judge, City Civil	TSG vs Shoeline	Tenancy Dispute	Pending
IX Judge, City Civil	Zinnor Ahmed vs SBDeY	Tenancy Dispute	Pending
IX Judge, City Civil Court	Zinnor Ahmed vs SBDeY	Tenancy Dispute	Pending
2 nd Court, Alipore, Civil Court	Mahamaya Paul vs Cat Financial	Civil Dispute	Pending
High Court	TSG vs SBDeY	Tenancy Dispute	Pending
Trademark Registry	Dolon Dey vs. Satyabrata Dey	Dispute regarding Trademark	Pending
High Court	Commissioner, Excise vs. Sreeleathers Limited	Dispute regarding exisability u/s 2(f)(III) of the Excise Act.	Pending
CJM, Patna	Randhir Singh vs. Satyabrata Dey	Civil Dispute	Pending

MATERIAL DEVELOPMENTS

There have not arisen, since the date of the last financial statements disclosed in this Information Memorandum, any circumstances which materially and adversely affect or are likely to affect the performance and prospects of the Company in any manner.

**SECTION VIII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION
WILL BE INSERTED FROM SOFT COPY OF AOA PENDING FROM COMPANY**

SHARE CAPITAL

3. The Share Capital of the company is Rs.4,00,00,000/- is (Rs. Four Crores only) divided into 40,00,000 Equity shares of Rs.10/- (Rs. Ten) each with power from time to time issue any shares of the original capital with and subject to any preferential, deferred, qualified or special rights, privileges or conditions as may be thought fit, and upon the sub-division of shares to a promotion the right to participate in profits in any manner as between the shares resulting from the subdivision.

REDEEMABLE PREFERENCE SHARES

4. Subject to the provisions of these Articles and of the company shall have power to issue Preference shares carrying right to redemption out of profits which would otherwise be available for dividend, or out of the proceeds of a fresh issue of shares made for the purpose of such redemption, or liable to be redeemed at the option of the Company and the board may subject to the provisions of Section 80 of the Act, exercise such power in such manner as it thinks fit.

ALLOTMENT OF SHARES

5. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons on such terms and conditions, and at such time as the Board think fit and with power to issue any shares as fully paid up in consideration of services rendered to the Company in its formation or otherwise provided that where the Board decide to increase the issue of capital of the Company by the issue of further shares, the provisions of Section 81 of the Act will be complied with. Provided further that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

ISSUE OF SHARES AT A DISCOUNT

6. Subject to the provision of the Act, it shall be lawful for the company to issue at a discount, shares of calls already issued.

REGISTER OF MEMBERS

9(i) The Company shall cause to be kept a register and index of Members in accordance with all applicable provisions of the Companies Act, 1956 and the depositories Act, 1996 with details of the shares held in material and dematerialized forms in any media as may be permitted by law including any form of electronic media.

SHARES TO BE NUMBERED PROGRESSIVELY

9(ii) The shares in the capital shall be numbered progressively according to their several determinations, provided however that the provision relating to progressive numbering shall not apply to the shares of the company which are dematerialized or may be dematerialized in future or issued in material form shall continue to bear the number by which the same was originally distinguished.

DEMATERIALIZED SHARES

9(iii) The Company shall be entitled to dematerialize its existing shares, rematerialize us shares held in the Depositories and/ or to offer us fresh shares in a dematerialized form pursuant to the depositories Act, 1996 and the rules framed there under, if any.

- 9(iv) Every person whose name is entered as a member in the register and index of Members shall be entitled to receive within two months after allotment and within one month of the registration of the transfer the certificate of all shares, debentures of debenture stocks either in dematerialized or in materialized form.
- 9(v) Except as ordered by the court of competent jurisdiction or as by law required, the Company shall be entitled to treat the person whose name appears on the register of Members as the holder of any share or whose name appears as the beneficial owners of the shares in the record of the Depository, as the absolute owner thereof and accordingly shall not be bound of recognize any benami, trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not he shall have express or implied notice thereof. The board shall be entitled at their sole discretion to register any shares in the joint names of any two or more persons or the survivor or survivors of them.
- Fund of Company may be applied in purchase of shares of the company.**
- 9(vi) As and when permitted by the law of the Country, the Company shall be empowered to buy its own shares, whether from market or otherwise, at a price to be decided by the board of directors.

FORFEITURE AND LIEN

23. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Directors may at any time thereafter, during such time as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same together with any interest that may have accrued and expenses, they may have been incurred by the Company by reasons of such non-payment
24. The notice shall name a day (not being less than 30 days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place or places appointed the shares in respect of which such call was made or installment is payable will be liable to be forfeited.
25. If the requirement of any such notice as aforesaid be not complied with, any shares in respect 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 resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of his shares, either by way of principal or interest. No any indulgency granted by the Company in respect of the payment of any such money shall preclude the company from thereafter proceeding to enforce a forfeiture of such shares as herein provided.
26. When any shares 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 be in any manner invalidated by any omission or neglect to give such notice or to make such entry aforesaid.
27. Any shares so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as they think fit.
28. The Board may, at any time before any share so forfeited shall not be sold, re-allotted or otherwise disposed off, annual the forfeiture thereof upon such conditions as they think fit.

29. Any member whose shares have been forfeited shall cease to be a member in respect of the share, but shall notwithstanding such forfeiture, remain liable to pay and shall forth with pay to the company all calls, installments, interest and the expenses, owing upon or in respect of such shares at the time of all installments, interest and the expenses owing upon or in interest and the forfeited together with interest there upon, from the time of the forfeiture until payment at 12 per cent per annum or such rate as the Board may determine and the Board may enforce the payment therefore without any deduction of allowance for the value of shares at the time of forfeiture but shall not be under any obligation to do so.
30. The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the shares, and all other rights incidental to the share except only such of those rights as any these Articles are expressly saved.
31. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts herein stated as against all persons claiming to be entitled to the shares and the receipt of the Company for the consideration, if any given for the shares on the sale or disposition thereof, shall constitute a given title to such shares on the sales or disposition thereof, shall constitute a given title to such shares and the person to whom any such shares is sold shall be registered as the holder of such share and shall not be bound to see the application of purchase money, nor shall his title to such shares be affected by any irregularity of invalidity in the proceedings in reference to such forfeiture, sale or disposition.
32. The Company shall have a first and paramount lien upon all shares (not fully paid-up) in the name of each member (whether a solely or jointly with others), and upon the proceeds of sale thereof for all moneys (whether presently payable or at a fixed time in respect of such shares) and no equitable interest in any share shall be created except upon the footing and condition that Article 9 hereof is to have full effect. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Companies lien, if any, on such shares.
33. For the purpose of enforcing such lien, the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made until such period as aforesaid conditions to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or to other person recognized by the company as entitled to represent such member and default shall have been made by him or them in the payment of the sum payable as aforesaid for thirty days after such notice.
34. The net proceeds of any such sale shall be applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable by such member, and the residue, if any shall (Subject to a like lien for sums not presently payable as existed upon the share before the sale) be paid to such member, his executors, administrators or other representatives or person so recognized as aforesaid.
35. Upon any sale after forfeiture or for enforcing a lien unpurported exercise or the powers by these presents given, the Directors may appoint some person to execute an instruments of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the share sold and after his name had been entered in the Register in respect of such shares his title to such shares shall not be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person

and the remedy of any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition, nor impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

36. Where any share under the powers in that behalf herein contained are sold by the Board and the certificate thereof has not been delivered to the Company by the former holder of the said shares the board may issue new certificate in lieu of certificate not so delivered up.

TRANSFER AND TRANSMISSION OF SHARES

37. Subject to the provision of Section 108 of the Act, no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor or transferee has been delivered to the company together with the certificate or certificates of the shares, or if no such certificate is in existence, along with the letter of allotment of shares. The instrument of transfer of any shares shall be signed both by or on behalf of the transferor and by or on behalf of transferees and transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the Register in respect thereof.

38. Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that, where such application is made by the transferor, no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manners prescribed by the Act, and Subject to the provisions of these Articles and Section 110 of the Act, the Company shall unless objection is made by the transferee within two weeks from the date of receipt of the notice enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration was made by the transferee.

39. Before registering any transfer tendered for registration, the company may, if it so thinks fit give notice by letter posted in the ordinary course to the registered holder that such transfer deed has been lodged and that, unless objection is taken, the transfer will be registered and if such notice to him he shall be deemed to have admitted the validity of the said transfer.

40. The company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer of any shares.

41. Subject to the provisions of Section 111 of the Act, the Board, without assigning any reason or such refusal, may within one month from the date on which the instrument of transfer was delivered or the intimation of such transmission was given to the company, refuse to register any transfer of or the transmission by operation of law of the right to a share upon which the company has a lien and, in the case of a share not fully paid-up, may refuse to register a transfer to a transferee of whom the Board does not approve.

42. (i) No transfer shall be made to a minor or a person of unsound mind.

(ii) No fee shall be charged for registration of transfer, grant of probate grant of letter of administration, certificate to death of marriage, Power of Attorney or similar other instruments.

43. All instruments of transfer duly approved shall be retained by Company and in case of refusal, instrument of transfer shall be returned to the person who lodges the transfer deeds.

44. If the Board refuse to register the transfer of any shares, the company has within one month from the date on which the instrument of transfer was lodged with the company or intimation given, send to the transferor and the transferee or the person given intimation of such transfer notice of such refusal.

45. On giving seven days notice by advertisement in newspapers circulating in the District in which the office of the Company is situated the Register of members may be closed during such times the

Directors think fit not exceeding in the whole forty five days in each year but not exceeding thirty days at a time.

46. The executors or administrators or the holder of a succession certificate in respect of shares of a deceased member (not being one of several joint holders) shall be the only person whom the company shall recognize as having any title to the shares registered in the name of such member and, in case of the death of any one or more of the joint-holders of any registered share the survivors shall be only persons recognized by the company as having any title to or interest in such share but not herein contained shall be taken to release the estate of a deceased jointholder from any liability on shares held by him jointly with any other person. Before recognizing any legal representative or heir or a person otherwise claiming title to the shares the company may require him to obtain a grant of probate or letters of administration or succession certificate, or other legal representation, as the case may be from a competent court, provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with production of probate or letters of administration or a succession certificate or such other legal representation upon such terms as to indemnity or otherwise as the Board may consider desirable.

47. Any person becoming entitled to or transfer of shares in consequence of the death of insolvency of any member, upon producing such evidence that he sustains the character in respect of which proposes to act under this articles, or of his title as the Board thinks sufficient, may with the consent of the Board (which they shall not be under any obligation to give), be registered as a member in respect of such shares or may, subject to the regulations as to transfer hereinbefore contained transfer such shares. This Article is hereinafter referred to as The Transmission Articles.

48.(i) Subject to any other provision of these Articles if the person so becoming entitled to shares under this or the last preceding Article shall elect to be registered as a member in respect of the share himself he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If he shall elect to transfer to some other person he shall execute an instrument of transfer in accordance with the provisions these articles relating to transfer of shares.

(iii) All the limitation, restrictions and provisions of these Articles relating to the rights to transfer and the registration of transfers of shares shall be applicable to any such notice of transfer as aforesaid.

49. Subject to any other provision of these Articles if the Board in their sole discretion is satisfied in regard thereof, a person becoming entitled to a share in consequences of the death or insolvency of a member may receive and give a discharge for any dividends or other moneys payable in respect of the share.

50. The instrument of transfer shall be in writing and all the provisions of Section 10B of the Companies Act, 1956 and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfers of shares and the registration thereof.

SHARES WARRANTS

51. Subject to the provisions of Section 114 and 115 of the Act and subject to any directions which may be given by the company in General meeting, the Board may issue share warrants in such manner and on such terms and conditions as Board may deem fit. In case of such issue Regulations 40 to 43 table "A" in Section 1 to the Act, shall apply.

BORROWING POWERS

57. The Board may, from time to time, at its discretion, subject to the provisions of Section 292,294, & 370 of the Act, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company.

58. The Board may raise or secure the repayment of such sum or sums in such manner and upon such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds, perpetual or redeemable debenture or debentures-stock, or any mortgage, or other security on the undertaking of the whole or of the property of the Company (both present and future), including its uncalled capital for the time being, provided that debentures with the rights to allotment of or conversions into shares shall not be issued except

with the sanction of the Company in general meeting and subject to the provisions of the Act.

59. Any debenture, debenture-stock, bonds, or other securities may be issued at a discount, premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of shares, appointment of Directors and otherwise, debenture, debentures-stock, bonds, and other securities may be made assignable free from any equities between the company and the person to whom the same may be issued.
60. Save as provided in Section 108 of the Act, no transfer to debenture shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the company together with the certificates of debentures.
61. If the Board refuses to register the transfer of any debentures the company shall, within two months from the date on which the instrument of transfer was lodged with the company send to the transferee and to the transferor notice of the refusal.

APPOINTMENT OF DIRECTORS

91. The Company in General Meeting, may subject to provisions of these Articles and the Act, at any time elect any person to be a Director and may from time to time increase or reduce the number to go out of office.
92. If any Director appointed by the Company in General Meeting vacates office as a Director before his term of office will expire in the normal course the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Section 284 of the Act.
93. Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the company to the Industrial Development Bank of India, Industrial Finance Corporation of India, The Industrial Credit and Investment Corporation of India It., Life Insurance Corporation of India Ltd., Unit Trust of India, General Insurance Co. Ltd., The Oriental fire and General Insurance Co. Ltd.,

The New India Assurance Co. Ltd., United India Insurance Co., Himachal Pradesh Mineral and Industrial Development Corporation Limited or a State Financial Corporation or any Financial Institution owned or controlled by the Central Government or a State Government or the Reserve Bank of India or by two or more of them or by Central Government or State Government by themselves (each of the above is hereinafter this Article referred to as "The Corporation") out of any loan / debentures assistance granted by them to the Company or so long as the corporation

holds or continues to hold Debentures / Shares in the company as a result of under - writing or by direct subscription or private placement, or so long as any liability of the company arising out of any guarantee furnished by the corporation on behalf of the Company remains outstanding, the corporation shall have a right to appoint from time to time any person or persons as a Director or Directors whole time or non-whole time (which Director or Directors , is/are hereinafter referred to as Nominee Directors) on the Board of the company and to remove from such office any person or persons so appointed and to appoint any person in his / their place/s.

The Boards of Directors of the Company shall have no power to remove from office the Nominee Director/s shall not be required to hold any share qualification in the company. Also at the option of the corporation such Nominee Directors shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the nominee Director/s shall be entitled to the same right and privileges and to subject to the same obligations as any other Director of the Company.

The Nominee Director/s appointed shall hold the said office only so long as any moneys remain owing by the company to the corporation or so long as the corporation hold or continues to hold Debentures/shares in the company as result of underwriting or by direct subscription or private placement or the liability of the company arising out of the guarantee is outstanding and the Nominee Directors so appointed in exercise of the said power shall if so facto vacate such office immediately the moneys owing by the Company to corporation are paid off or on the corporation ceasing the Debenture/s shares in the company or on the satisfaction of the liability of the company arising out of the guarantee furnished by the Corporation.

Provided also that in the event of the Nominee Director/s being appointed as whole time Director/s such Nominee director/s shall exercise such power and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a whole time Director in the Management of the affairs of the Company. Such whole time director shall be entitled to receive such remuneration fees, commission, and monies as may approved by the Corporation.

94. Subject to the provisions of Section 313 of the Act, the Board may appoint any person to act as an alternate Director for a Director during the latter's absence for a period of not less than three months from the state in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director shall be entitled to notice of meetings of the Board and to attend and vote thereat accordingly, but he shall ipso facto vacate office if and / when the absent director returns to state in which meetings of the Board are ordinarily held or the absent director vacates office as a Director.
95. If any director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purpose of the company or as a member of the Board then, subject to Section 198, 309 & 310 of the Act, the Board may remunerate the Directors so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration to which he may be entitled.
96. The continuing Directors may Act notwithstanding , any vacancy in their body but so that if the number falls below the minimum above fixed, the Directors shall not, except in emergencies

or for the purpose of filling vacancies or for summoning a General Meeting act so long as the number is below the minimum.

97. The Office of Directors shall factually become vacant if at any time he commits any of the acts set Section 288 of the Act.
98. No Director or other person referred to in Section 314 of the Act shall hold an office or place of Profit Save as permitted by that Section.
99. A Director of this company may be or become a Director of any other company promoted by this company or in which he may be interested as a Vendor. Share holder or otherwise and no such Directors shall be accountable for any benefits received as a director or member of such company except in so far as Section 309(6) of Section 314 of the Act may be applicable.
100. Every Director who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or to be entered into by or on behalf of the Company not being contract or arrangement entered into or to be entered into between the company or two more of them together holds or hold not more than two per cent of the paid up shares capital in the other company shall disclose the nature of his concern or interest at a meeting of the Board as required by Section 299 of the Act. A General notice, renewable in the last month of each financial year of the company, that a Director is a Director or a member of any specified body corporate or is a member of any specified firm and is to be arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract of arrangement so made and after such general notice, it shall not be necessary to give special notice relating to any particular contract of agreement with such body corporate or firm, provided such general notice is given to a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. Every notice as aforesaid in respect in respect of all bodies corporate of which he is a Director or member and of all firms of which he is a member.
101. No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangement in which he is in any way, whether directly or indirectly concerned or interested not shall his presence count for the purpose of forming a quorum at the time to such discussion or vote. This prohibition shall not apply to:-
 - (a) Any contract of indemnity against any loss which the Directors may suffer by reason of becoming or being surety for the company or,
 - (b) Any contract or arrangement entered into or to be entered into by the Company with a public company, or with a private company which is a subsidiary of a Public company, in which the interest of the Director consists solely in his being a Director of such company and the holder of shares not exceeding in number or value the amount requisite to qualify him for appointment as a Director thereof he, having been nominated as such Directors by the company or in his being member of such company holding not more than two percent of the paid up share capital of such company.
102. (i) Not less than two-third of the total number of Director shall be persons whose period of office is liable to determination by retirement of Directors by rotation.

(ii) At each Annual General Meeting of the Company one third of such of the Directors or the time being as are liable to retire by rotation or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.

(iii) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who become directors on the same day those retire shall in default of and subject to any agreement among themselves be determined by lot.

(iv) If at any Annual General Meeting all the Directors appointed under these Articles hereby are not exempt from retirement by rotation under Section 25 of the Act then to the extent permitted by the said Section the exemption shall extend to the Director or Directors appointed under Articles 93. Subject to the foregoing provisions as between Director or Directors who shall be liable to retire by rotation shall be determined by and in accordance with their respective seniorities as may be determined by the Board.

104. Subject to any resolution for reducing the number of Directors, if at any meeting at which an election of Directors ought to take place, the places of the retiring Directors not filled up, the meeting shall stand adjourned till the next succeeding Day which is not a public holiday at the same time and place and if at the adjourned meeting, the retiring Directors or such of them as have not had their places filled up shall (if will to continue in office) be deemed to have been re elected at the adjourned meeting.
105. Save as permitted by section 263 of the Act, every resolution of a General Meeting for appointment of a Director shall relate to one named individual only.
106. The Company may remove any Director before the expiration of his period of office in accordance with the provisions of Section 284 of the Act and may subject to the provisions of the Section 261 of the Act, appoint another persons in his stead if the Director so removed was appointed by the Company in General Meeting or by the Board.

POWERS OF BOARD

118. Subject to the provision of the Act, the control of the company shall be vested in the Directors who shall be and things as may be exercised or done by the company and are not hereby or by law expressly required or directed to be exercised or done by the company in general meeting but subject nevertheless to the provisions of any law and of these presents from time to time made by the company in general meeting, provided that no regulation so made shall invalidate any prior act or the directors which have been valid if such regulation had not been made.
119. without prejudice to the general powers conferred by the proceedings article the directors may from time to time and at any time subject to the restrictions contained in the Act, delegate to managers. Secretaries, office assistants and other employees or other persons (including any firm or body corporate) any of the powers authorized and discretions for the time being vested in the directors.
120. The Directors may attorney as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.
121. All deeds, agreements and documents and all Cheques, promissory notes, drafts, hundies, bills of exchange and other negotiable instruments and all receipts for moneys paid to the company,

shall be signed, drawn, accepted or endorsed or otherwise executed, as the case may be such persons (including any firm or body corporate) whether in the employment to the company or not in such manner as the directors shall from time to time by resolution determine.

122. The directors may make such arrangement as may be thought fit to the management of the Company's affairs abroad, and for this purpose (without prejudice to the generality of their powers) appoint local bodies, and agents and fix their remuneration, and delegate to them such powers as may be deemed requisite or expedient. The foreign seal shall be affixed by the authority and in the presence of and instruments sealed therein shall be signed by such persons as the directors shall from time to time by writing under the common seal appoint. The company may also exercise the powers of keeping foreign Registers. Such regulations not being in consistent with the provision of section 157 to 158 of the Act, the board may from time make such provisions as it may think fit relating thereto and may comply with the requirements of any local law.

123. A manager or Secretary may be appointed by the directors on such terms at such remuneration and upon such conditions as they may think fit, and any manager or secretary so appointed may be removed by the directors.

A Director may be appointed a Manager or secretary, subject to section 314, 197A, 387 & 388 of the Act.

124. A provision of the act or these regulations required or authorizing a thing to be done by a director, manager or secretary shall not be satisfied by its being done by the same person acting both as director and as, or in place of the manager or secretary.

SECTION IX- MATERIAL DOCUMENTS FOR INSPECTION

1. Memorandum and Articles of Association of the Company as amended from time to time.
2. Certificate of Incorporation of the Company & Fresh Certificate of Incorporation Consequent upon Change of Name
3. Copies of Annual Report of the Company for the year ended 31.03.2012

SECTION X- DECLARATION

All relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, applicable, as the case may be, have been complied with and no statement made in this Information Memorandum 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 regulations issued, as the case may be. We further certify that all the statements in this Information Memorandum are true and correct.

On behalf of our Board of Directors

Satya Brata Dey
Managing Director

Date: 06.05.2013
Place: Kolkata