

EPL/LEGAL/2012/
August 30, 2012

Bombay Stock Exchange Limited
Corporate Relationship Department
P. J. Towers, Dalal Street, Mumbai – 400 023
Fax : (022)- 2272 2037/39/41/61 or 2272 3121/3719

Company Scrip code : 500135

**Sub. : BIFR sanction of Modified Scheme (MS-12) including Merger scheme
of Ras Propack Lamipack Limited and Ras Extrusions Limited with
EsseL Propack Limited**

As informed to you in our earlier letter dated May 11, 2012, the Board for Industrial and Financial Reconstruction ('BIFR') had in its hearing held on May 10, 2012 approved Modified Draft Rehabilitation Scheme including the Scheme of Merger of Ras Propack Lamipack Limited and Ras Extrusions Limited with EsseL Propack Limited.

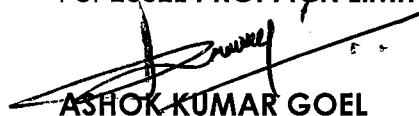
In furtherance, the committee of directors at its meeting held on August 30, 2012 have taken on record letter dated 28.08.2012 of the Hon'ble BIFR along with the Summary Record of Proceedings (SOP) of the hearing held on 10 May, 2012 wherein the BIFR sanctioned the Modified Scheme which included the scheme of merger of Ras Propack Lamipack Limited and Ras Extrusions Limited, the transferor companies with EsseL Propack Limited, the transferee company.

The certified copy of the said SOP is enclosed.

Kindly take the same on record.

Thanking you,

Yours sincerely,
For **ESSEL PROPACK LIMITED**



ASHOK KUMAR GOEL
VICE CHAIRMAN & MANAGING DIRECTOR

EPL/LEGAL/2012/
August 30, 2012

National Stock Exchange
Exchange Plaza, 5th Floor
Plot No. C/1, G Block, Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

Fax: 2659 8237 / 38 / 8191

Dear Sir,

Company Scrip code : ESSELPACK

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of Ras Propack Lamipack Limited and Ras Extrusions Limited with
EsseL Propack Limited**

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ASHOK KUMAR GOEL
VICE CHAIRMAN & MANAGING DIRECTOR

सं. 12/2007 & 364/2000

भारत सरकार
औद्योगिक और वित्तीय पुनर्निर्माण बोर्ड
(मानिट्रिंग अनुभाग - 1)

9 वां तल एनेक्सी, जवाहर व्यापार भवन,
1, तालस्ताय मार्ग, नई दिल्ली - 110001

दिनांक : 23.08.2012

फ़ोन: 23701200 /144

टैलेक्स :- 031 66492

तार : BINFIREC

फैक्स : 23701211

सेवा में,

(संलग्न सूची के अनुसार)

विषय: मैलले एस एक्सट्रूजन्स लिमिटेड & मैलले राहा सोयैक जगप्रैक / 10
M's RAS EXTRUSIONS LTD & M's RAS FARMER LHMARER LTD
के मामले/मामला संख्या 12/2007 & 364/2000

महोदय,

मुझे दिनांक 10.08.2012 की कार्यवाही/आदेशों की प्रमाणित प्रति आपको सूचना तथा आवश्यक कार्यवाही के लिए भेजने का निर्देश हुआ है।

संलग्न : उपरोक्त



बोर्ड के आदेशानुसार

अनुभाग अधिकारी (मोनि. - 1)



BOARD FOR INDUSTRIAL AND FINANCIAL RECONSTRUCTION

BENCH-1/MON-1

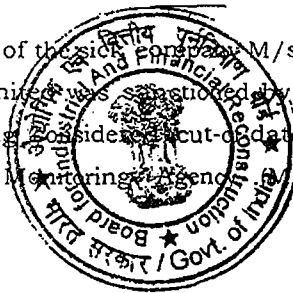
**CASE No. 12/2007 : M/S RAS EXTRUSIONS LIMITED (REL) &
CASE NO. 364/2000 : M/S RAS PROPACK LAMIPACK LTD. (RPPL)**

**THE MDRS OF M/S RAS PROPACK LAMIPACK LIMITED AND M/S RAS
EXTRUSIONS LIMITED HAS BEEN COMBINED SINCE BOTH THE SCHEME
ENVISAGE MERGER WITH M/S ESSEL PROPACK LIMITED**

**SUMMARY RECORD OF PROCEEDINGS OF THE OBJECTIONS/SUGGESTIONS ON
MDRS HEARING HELD ON 10.05.2012 BEFORE THE BENCH I CONSISTING OF
SHRI NIRMAL SINGH, CHAIRMAN AND SHRI YK GAIHA, MEMBER**

<u>Present</u>	<u>Name and Designation of the representative(s) S/Shri/Smt/Kum</u>
M/s Ras Propack Lamipack Limited M/s Ras Extrusions Limited	1. Girish Shah, Manager 2. Kiran J. Shet (V.P. Accounts & Asmn) 3. Nilesh Sharma, FCA 4. Sanjay Dewani, ACA
IDBI (MA)	Yashoda Rachhoya, AGM
Central Board of Direct Taxes/DIT (R)	DR Jain, Adv
Sales Tax	Rama Ahluwalia, for Ms Shubhangi Tuli
Essel Propack Limited	1. A.S. Khandwala, VP (Legal) & Com Secy 2. Nilesh Sharma, FCA

1(i). A scheme for revival of the sick company M/s Ras Extrusions Ltd (REL) & M/s Ras Propack Lamipack Limited was sanctioned by the Board in its hearing held on 05.02.2009 (SS-09), having considered cut-off date (COD) as 31.03.07. The Board appointed the IDBI as Monitoring Agency (MA) to monitor the progress of implementation of SS-09.



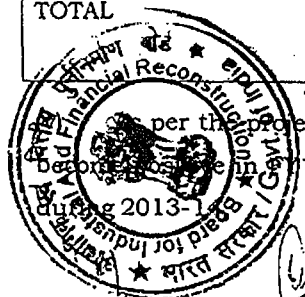
(ii) The break-up of M/s Ras Extrusions Ltd of cost of the scheme vis-à-vis the means of finance are envisaged as under:-

COST OF SCHEME		MEANS OF FINANCE	
Capital Expenditure	20.00	Equity contribution	
Payment of private creditors	7.29	--Promoter	75.00
Payment of Statutory dues	42.40	--Co-promoter	75.00
Payment of Worker's dues	53.12		
Payment of current liabilities	88.34	Unsecured Loans (Co-promoters)	150.00
Working capital requirement	169.69	Internal Accruals	80.84
TOTAL	380.84	TOTAL	380.84

(iii) As per the projected profitability, the net worth of the company was expected to become positive in FY 2009-10 and the entire accumulated losses would be wiped off during 2012-13.

(iv) The break-up of M/s Ras Propack Lamipack Ltd of cost of the scheme vis-à-vis the means of finance are envisaged as under:-

COST OF SCHEME		MEANS OF FINANCE	
Capital Expenditure	35.00	Equity contribution	
Payment of secured creditors	812.35	--Promoter	410.91
Payment of Statutory dues	83.70	--Co-promoter	410.91
Payment of current liabilities	56.37	Unsecured Loans (Co-promoters)	300.00
Working capital requirement	134.40		
TOTAL	1121.82	TOTAL	1121.82



per the projected profitability, the net worth of the company was expected to become positive in FY 2009-10 and the entire accumulated losses would be wiped off during 2012-13.



5/10

2. The Board has circulated MDRS vide order dated 01.03.2012 and the mandatory hearing for objections(s)/ suggestion(s) on MDRS is scheduled to be held on 10.05.2012.

3.1 In today's hearing (10.5.2012), the representative of Monitoring Agency(IDBI) submitted that Govt. of Maharashtra, Industries Dept., vide their letter dated 11.4.2012 informed that relief/concessions sought by the company as per para 15.2 and 15.2.1 cannot be considered as they are not as per the Standard Package of Govt. of Maharashtra. The representative also submitted that the MA(IDBI) has received letter dated 30.4.2012 from Central Excise, Pune Division-V stating that it had demanded the dues of Rs.3,02,339/- towards interest on the CENVAT credit amounting to Rs.2,43,000/- wrongly allowed and subsequently reversed. Against the demand of interest, the company filed an appeal with the Commissioner of Appeals, Pune, who has set aside the order dt. 31.10.2011 passed by the Commissioner of Central Excise. Consequently, the appeal filed by the company is allowed with consequential benefits.

3.2 The Id. Advocate representing the Central Board of Direct Taxes/DIT(R) submitted that the DIT® vide their letter dated 9.5.2012 submitted their comments on the MDRS circulated by the Board on 1.3.2012. The Id. Advocate submitted that clauses of para 15.4 relating to reliefs under section 72(3), 72A, 79 and 80 read with 139 to be retained for consideration of the Department by prefixing the word 'to consider'. Relief under section 41(1) to be retained for consideration of the Department by prefixing the word 'to consider' as per submission made in para 3.6 of DIT(R) letter dated 9.5.2012. The Id. Advocate added that relief envisaged under section 35DD, 43B, 115JB, waiver of interest and penalty for non filing of TDS returns in time and waiver of interest and penalty against any statutory dues, claim, penalties, to be deleted and should not find place in the sanctioned scheme. Provision in the MDRS to be made for the Income Tax arrear, if any to be communicated by the Assessing Officer of the company. The Id. Advocate further submitted that Board deemed consent may be presumed under section 19(2) of SICA. As rejoined, learned FCA of the company submitted that the relief as per section 72A of the IT Act, 1961, is available to all the companies and the such companies are not seeking any exemption/reliefs from the



6/10

explicit provisions of section 72A aforementioned. Accordingly, it was submitted by the learned FCA that the phrase "to consider" may be deleted with reference to section 72A and as regards reliefs under other provisions of the IT Act, the phrase "to consider" may continue to be there in the scheme. It may be noted that the letter of ADIT (R) dated 09.05.2012 in para 3.7 confirms that the relief as requested by the learned FCA of the company is available in section 72 A of the IT Act subject to the fulfillment of the condition laid down under rule 9C of the Income Tax Rules. In view of this, the Bench observed that the phrase 'to consider' should be applicable to the relief claimed from CBDT except those claimed under section 72 A, as these are available to the amalgamated company in the ordinary course and by virtue of the explicit process of law in this regard.

3.3 The Id. Advocate representing the Sales Tax Department submitted that the M/s Ras Propack Lamipack Ltd.(RPPL) has availed benefit of package scheme of incentive for the period 1.8.1995 to 31.7.2005 under the mode of exemption and the period is exhausted. The Id. Advocate also submitted that the Sales Tax Department cannot give further relief to the company in addition to what been given in the sanctioned package scheme in 1988, also never consented to give further relief to the company. The Id. Advocate submitted that further relief sought in MDRS cannot be granted as there is no provision for extending further exemption/deferment from the new cut off date of 1.4.2011. The Id. Advocate added that the company paid outstanding sales tax of Rs.15.67 lakh for the period 1.4.2005 to 11.11.2008 as the per the SS. However interest @ 9% is pending. There is no provision for grant further deferment or provision for waiver of interest and penalty. *Taking into consideration of the objections, the Bench observed that no change is required in para 15.2.1 of the MDRS as it is already prefixed to consider.*

3.4 The representative of Essel Propack Ltd. submitted that they have give their consent for the Scheme of Merger of Ras Propack Lamipack Ltd. And Ras Extrusions Ltd. with Essel Propack Ltd.

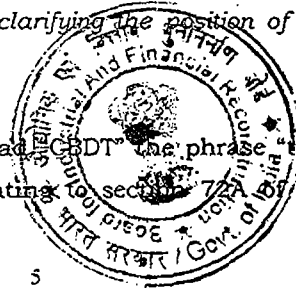
The representative of the company drew attention of the Bench to para 20(xx) and (xxi) at page 14 of the MDRS and submitted that these were as per the earlier



scheme and they were co-promoters. The Bench queried how the company can write back share application money. The representative of the company submitted that the other company said they are withdrawing. The representative of IDBI submitted at this point that they were German company and they refused to contribute any more. At this point the Bench observed that the share money was lying with the company. The representative of the company submitted that the money credited in the P & L account of the relevant period. *The Bench directed the company to submit letter clarifying the position of share money as per para 20 (xxi) of the MDRS.* The representative of the company also requested the Bench not to add some restriction to the effect that the company not to declare any dividend. Upon this the Bench *not agreed to the request.* The representative of the company also drew attention of the Bench to para 15.6 of the MDRS regarding EPCG/DGFT- Ministry of Commerce & Industry and requested the Bench to delete 'to consider'. The Bench directed to add 'to consider as per policy'.

3.6 The Bench noted that there was general consensuses on most of the provisions contained in the MDRS, circulated vide order dated 01.03.2012. Having regard to the facts that all parties concerned had given their consent under section 19(2) of the Act to the various provisions of the modified scheme, the Bench **sanctioned the Modified Scheme**, hereinafter called as "Modified Sanctioned Scheme (MS-12)", in exercise of power conferred u/s for rehabilitation of the company, with modification / amendments / directions as detailed below. The scheme to be issued on receipt of the clarification/letter.

- (i) **Para 15.6 relating to EPCG/DGFT :** Ministry of Commerce & Industry, Govt. of India – Additional Reliefs as per MDRS – in place of 'to consider' the same may be replaced 'to consider as per policy'.
- (ii) Company to submit letter clarifying the position of share money as per para 20 (xxi) of the MDRS.
- (iii) In para 15.4 under the head "GDT" the phrase "to consider" shall not apply to sub-para (7) relating to section 72A of the Income Tax Act



Case No. 12/2007 & 364/2000
M/s Ras Extrusion's Ltd & M/s Ras Propack Lamipack Ltd

subject to fulfillment of the condition laid down under rule 9C of the
 Income Tax rules.



(NIRMAL SINGH)
 CHAIRMAN

जारी करने की तिथि
 28 AUG 2012
 DATE OF ISSUE

Board for Industrial & Financial Reconstruction
MONITORING-I
 प्रमाणित सत्य प्रतिलिपि
 Certified to be True Copy
 Section Officer



M/s RAS PROPACK LAMIPACK LIMITED (BIFR CASE No. 364/2000)
M/S RAS EXTRUSION LIMITED (BIFR CASE No. 12/2007)

1.	The CMD M/s Ras Propack Lamipack Limited M/s Ras Extrusions Limited 26 KMS Stone, Waki Khurd, Pune Nasik Highway Chakan, Distt - Pune - 410501	2.	The Dev. Commissioner (Inds.), Deptt. of Industries, Govt. of Maharashtra, New Administrative Bldg., Opp. Mantralaya, Madam Cama Road, Mumbai 400 032.
3.	The Chairman & MD Bank of Baroda, C-26, G-Block, Bandra-Kurla Complex Mumbai - 400 051.	4.	The Chairman & MD, Union Bank of India, Central Office, 239, Vidhan Sabha Marg, Nariman Point, Mumbai.
5.	The Chairman & MD Indusind Bank Indusind House 425, Dadasaheb Bhadkamkar Road Mumbai - 400 004	6.	The Assistant Director, ESIC, Rajendra Bhawan, Rajendra Place, New Delhi
7.	Central Provident Fund Commissioner, HUDCO Vishala, 14, Bhikaji Cama Place, New Delhi - 110066.	8.	The Chairman & MD ICICI Bank Limited ICICI Tower Bandra Kurla Complex Bandra (E) Mumbai - 400 051
9.	The Chairman & MD, SICOM, Nirmal, 1 st Floor, Nariman Point, Mumbai - 400 021.	10.	The General Manager Unit Trust of India (UTI), 13, Sir Vithaldas Traktersingh Marg, Mumbai - 400 020
11.	General Manager Life Insurance corporation (LIC), Head Office "YOGAKSHEN" Central Office, Jeevan Bima Marg, Mumbai - 400 020	11.	M/s. Ray Industries Limited 401, Chaturanjay Towers Vithal Chavan Marg Parekh, Mumbai - 400 012.
13.	The Chairman & MD IDBI, IDBI Tower, Cuffe Parade, Mumbai 400 005	12.	Resident Commissioner Maharashtra, Maharashtra Sadan, Copernicus Marg, New Delhi - 110011.



15.	Chief Secretary, Govt. of Maharashtra, Mantralaya, Mumbai - 400032.	16.	O/o Asstt Commissioner of : Central Excise Pune - V, Division, Excise Bhawan, Akurdi, Pune - 411044
17.	Maharashtra State Electricity Board Commercial Section : Prakashgad, 4 th Floor, Station Road Bandra (E), Mumbai - 400 051	18.	MSED Mumbai, Maharashtra
19.	The Chairman Central Board of Direct Taxes North Block, New Delhi - 110 001	20.	The General Manager IDBI Bank Limited BIFR Cell, Videocon Tower, E-1, Jhandewalan Extn New Delhi - 110 055.
21.	The Commissioner of Sales Tax Vikrayakar Bhawan Mazgaon, Mumbai - 400 010	22.	Director General of Foreign Trade (DGFT), M/o Commerce & Industry Udyog Bhawan, New Delhi - 110 011
23.	The Jt DGFT New CGO Building New Marine Lines Mumbai - 400 020	24.	The Chairman Central Board of Excise & Customs North Block, New Delhi - 110 001
25.	The President/Secretary Bhartiya Kamgar Sena Golden Heights, A-Wing Harishchandra Manik Patil Marg Dadar (W), Mumbai - 400 028	26.	The Collector Central Excise ICE House 41/1, Sasoon Road Pune - 411 001
27.	The Chairman & MD, Punjab National Bank PNB House, Bhikaji Cama Place, New Delhi - 110066.	28.	Dte. of Income Tax (Recovery), Deptt of Revenue Mayur Bhavan, Cannaught Place New Delhi - 110001
29.	The SEBI Plot No. C4-A, G Block, Bandra Kurla Complex Mumbai - 400 051	30.	The Registrar of Companies Maharashtra 100 th Everest Marine Drive Mumbai - 400 002
31.	The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001	32.	Pune Stock Exchange Shivleela Chambers 4th Floor, 75 th Sadashiv Peth R.B. Kumathekar Marg Pune : 411030
33.	Ministry of Corporate Affairs Deptt of Company Affairs 5 th Floor, A Wing Shashtri Bhawan New Delhi - 110 001.	33.	M/S ESSEL PROPAC LTD P.O. VASIND TALUKA, SHAHPUR DIST- THANE MAHARASHTRA - 421604

