

RLF LIMITED

14 KMS. GURGAON PATAUDI ROAD, VILLAGE JHUND SARAI, VEERAN, DISTT. GURGAON, HARYANA
TEL: 0124-3092119, EMAIL ID: investorrelations@rlftd.com

INFORMATION MEMORANDUM

Registered Office: 14 KMS. GURGAON PATAUDI ROAD, VILLAGE JHUND SARAI, VEERAN, DISTT.GURGAON, HARYANA.

Phone : 0124-3092119
Website : www.rlftd.com

Corporate Office: Plot No. 66, Sector- 34, EHTP, Gurgaon, Haryana.
Phone: 0124-4009266
Investor Grievances: investorrelations@rlftd.com

(**Incorporated** as a Private Limited Company by the name of Raksons Finance Private Limited on 02.04.1979. It was converted into a Public Limited Company on 26.12.1985, as Raksons Leasing & Finance Limited. The name of the Company was changed to RLF Limited on 02.03.1994. **Certificate of Commencement** of Business was therefore not required as it was incorporated as a Private Limited Company.)

INFORMATION MEMORANDUM FOR REVOCATION OF SUSPENSION OF 99,88,883 EQUITY SHARES OF RS. 10 EACH

NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM

GENERAL RISKS

Investment in equity and equity-related securities involves a degree of risk and investors should not invest in equity shares of RLF Limited unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factor carefully before taking an investment decision in the shares of RLF Limited. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved.

ABSOLUTE RESPONSIBILITY OF RLF LIMITED

RLF Limited having made all the reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to RLF Limited, which is material, that the information contained in this 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 or intentions misleading in any material respect.

LISTING

The Equity Shares of RLF Limited are already listed on the Bombay stock Exchange, however the trading in the equity shares are suspended. The company has complied with various clauses of Listed Agreement as on date and received In-principle approval for resumption in trading of equity

shares of the Company. The Company is an existing listed Company on BSE & the application for revocation of suspension with BSE is filed herewith & hence the set provisions of IPO/FPO are not applicable

COMPANY INFORMATION

Name of the Company	RLF LIMITED
ISIN No. of the Company	INE629C01014
Registered Address	14 Kms. Gurgaon Pataudi Road, Village Jhund Sarai Veeran, Distt.Gurgaon, Haryana.
Telephone	0124-3092119
Fax nos.	--
Email ID	investorrelations@rlf ltd.com
Corporate Address (Address of Communication)	Plot No.66, Sector-34, EHTP, Gurgaon, Haryana.
Telephone No.	0124-4009266
Name of the Compliance Officer of the Company	Ms. Pallavi Jain
Tel No. & Fax No.	011-26176281
E-Mail Id	E-Mail Id: investorrelations@rlf ltd.com
Name of the Executive Director	Mr. Anil Kumar Khanna
Name and address of the Registrar and Transfer Agent of the company	Link Intime India Pvt.Ltd. 44, Community Centre, Phase-I, Near PVR, Naraina Industrial Area, New Delhi-110028.
Tel. Nos & Fax No.	011-41410592, 93, 94 Fax No.011-41410591
Email:	delhi@linkintime.co.in
CIN NUMBER	L74999HR1979PLC032747
PAN NUMBER	AAACR0008E
Bankers to the Company	Vijaya Bank Central Bank of India Punjab National Bank
Auditors of the Company	Sharma Goel & Company, Chartered Accountants. A-47, Lower Ground Floor, Hauz Khas, New Delhi-110016
Listed at and Scrip Code	BSE Limited, 512618

Information Memorandum containing all the information about the company in line with the disclosure requirements prescribed by SEBI for a listing of RLF Limited

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GLOSSARY OF TERMS/ ABBREVIATIONS

In the, unless the context otherwise requires, the terms defined and abbreviations explained herein below shall have the same meaning as stated in this Section.

BSE	: BSE Limited
Company	: RLF Limited
CIN NO.	: Corporate Identity Number.
DIN	: Director Identification Number.
NRI	: Non Resident Indians
P.A / p.a.	: Per Annum
PAN	: Permanent Account Number
Registrar/ROC	: Registrar of Companies, Haryana
SEBI	: Securities Exchange Board of India.
Shares	: Equity Shares of Rs. 10/- each of RLF Limited.
TAN No.	: Tax Deduction & Collection Account Number.
IPO	: Initial Public Offer
EPS	: Earning Per Share.
NSDL	: National Securities Depository Limited
CDSL	: Central Depository Securities Limited
DP	: A depository participant as defined under the Depositories Act.
ISIN	: International Securities Identification Number.
Demat	: Shares & securities in Electronic Form.
Remat	: Demat shares & securities convert into physical form.

We believe that the internal company reports are reliable however they have not been verified by any independent sources. Similarly while information contained in the publicly available Government documents that is relied upon for the purposes of the information Memorandum is believed to be complete and reliable, but there can be no assurance of the same.

RISK FACTORS

Risk envisaged by the management:

1. Change in government policies and demand in the market for our product.
2. Foreign exchange fluctuations and government policies may have a bearing on machinery and spares that may need to be imported in the future.
3. Selling prices will be influenced by competitive pricing in the market.
4. The export earnings of the Company may be affected by the changes in the Industrial and Financial policies announced the Government of India from time to time.

The Company has received In-Principle approval from BSE Limited vide its letter dated 10th April, 2014 for revocation of trading in the Equity Shares of the Company, subject to timely compliance of various clauses of Listing Agreement for one quarter from the date of In-Principle approval. Now this Information Memorandum is filed to comply with the requirements of BSE Limited

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 for making the said Information Memorandum available to public through their website viz www.bseindia.com.

Prohibition by SEBI

The Company, its Director, its Promoters, other Companies promoted by the Promoters and Companies with which the Companies 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.

CAPITAL STRUCTURE

Share Capital (As of June 30, 2014)	Face Value In Rs.	Aggregate Value in Rs.
A. Authorized Capital 15,000,000 Equity Shares of Rs. 10 each	10	150,000,000
B. Issued, Subscribed and Paid- up Capital 9988883 Equity Shares of Rs. 10 each Less: Calls in Arrears	10	99,888,830 (3,380,605)
Total		96,508,225

Equity Share Capital History of the Company

Date of Allotment of Shares	No. of Equity Shares issued*	Face Value(*) (Rs.)	Issue Price (Rs.)	Nature of Consideration
02/04/1979	2	100	200	Cash
27/08/1979	3650	100	365000	Cash
12/05/1980	348	100	34800	Cash
18/10/1982	500	100	50000	Cash
12/06/1985	1000	100	10000	Cash
30/06/1986	361000	10	3610000	Cash
08/09/1986	578550	10	5785500	Cash
13/12/1993	45450	10	454500	Cash
27/09/1994	154783	10	1547830	Cash
27/09/1994	8794100	10	87941000	Cash

***Note : The equity shares of the Company were subdivided whereby each share of Rs.100/- each was subdivided into ten shares of Rs.10/- each on 27.06.1986.**

Shareholding Pattern of RLF Limited for the period of 31st March, 2014

Introductory sub-table (I)(a)

Name of the Company: RLF Limited			
Scrip Code, Name of the scrip, class of security: 512618			
Quarter ended 30th June, 2014			
Partly paid-up shares:-			
	No. of partly paid-up shares	As a % of total no. of partly paid-up shares	As a % of total no. of shares of the company
Held by promoter/promoter group	0	0.00	0.00
Held by public	359723	100.00	3.60
Total	359723	100.00	3.60
Outstanding convertible securities:-			
	No. of outstanding securities	As a % of total no. of outstanding convertible securities	As a % of total no. of shares of the company, assuming full conversion of the convertible securities
Held by promoter/promoter group	0	0	0
Held by public	0	0	0
Total	0	0	0
Warrants:-			
	No. of warrants	As a % of total no. of warrants	As a % of total no. of shares of the company, assuming full conversion of warrants
Held by promoter/promoter group	0	0	0
Held by public	0	0	0
Total	0	0	0
Total paid-up capital of the company, assuming full conversion of warrants and convertible securities			
	0		

**Statement Showing Shareholding Pattern under Clause 35, of the listing agreement as on
30.06.2014**

Name of the Company: RLF Limited

Scrp Code, Name of the scrip, class of security: 512618

Quarter ended: 30th June, 2014

Table (I)(a)

Category code	Category of Shareholder	Number of Share holders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered
					As a percentage of(A+B) ¹	As a percentage of (A+B+C)	Number of shares
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)
(A)	Shareholding of Promoter and Promoter Group²						
1	Indian						
(a)	Individuals/ Hindu Undivided Family	9	1954920	568960	19.57	19.57	0
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0
(c)	Bodies Corporate	12	2700580	0	27.04	27.04	0
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0
(e)	Any Others(Specify)	0	0	0	0.00	0.00	0
(e-i)					0.00	0.00	0
(e-ii)					0.00	0.00	0
	Sub Total(A)(1)	21	4655500	568960	46.61	46.61	0
2	Foreign						

A	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0
B	Bodies Corporate	0	0	0	0.00	0.00	0
C	Institutions	0	0	0	0.00	0.00	0
D	Qualified Foreign Investor	0	0	0	0.00	0.00	0
E	Any Others(Specify)	0	0	0	0.00	0.00	0
e-i					0.00	0.00	0
e-ii							
	Sub Total(A)(2)	0	0	0	0.00	0.00	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	21	4655500	568960	46.61	46.61	0
(B)	Public shareholding						
1	Institutions						
(a)	Mutual Funds/ UTI	1	7900	0	0.08	0.08	N.A.
(b)	Financial Institutions / Banks	2	191900	144900	1.92	1.92	N.A.
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00	N.A.
(d)	Venture Capital Funds	0	0	0	0.00	0.00	N.A.
(e)	Insurance Companies	0	0	0	0.00	0.00	N.A.
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	N.A.
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	N.A.
(h)	Qualified Foreign Investor	0	0	0	0.00	0.00	N.A.
(i)	Any Other	0	0	0	0.00	0.00	N.A.

	(specify)						
	Sub-Total (B)(1)	3	199800	144900	2.00	2.00	N.A.
B 2	Non-institutions						
(a)	Bodies Corporate	90	426236	337436	4.27	4.27	N.A.
(b)	Individuals						
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	9510	3333875	1172910	33.38	33.38	N.A.
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	14	1214054	1202854	12.15	12.15	N.A.
(c)	Qualified Foreign Investor	0	0	0	0.00	0.00	N.A.
(d)	Any Other (specify)	55	159418	154418	1.60	1.60	N.A.
	Sub-Total (B)(2)	9669	5133583	2865218	51.39	51.39	N.A.
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	9672	5333383	3012518	53.39	53.39	N.A.
	TOTAL (A)+(B)	9693	9988883	3581478	100.00	100.00	0.00
(C)	Shares held by Custodians and against which Depository Receipts have been issued						
1	Promoter and Promoter Group	0	0	0	N.A.	0.00	N.A.
2	Public	0	0	0	N.A.	0.00	N.A.
	Sub-Total (C)	0	0	0	N.A.	0.00	N.A.
	GRAND TOTAL (A)+(B)+(C)	9693	9988883	3581478	100.00	100.00	0.00

**Statement showing holding of securities (including shares, warrants, convertible securities)
of persons belonging to the category “Promoter and Promoter Group”**

(I)(b)

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)				Details of warrants		Details of convertible securities	Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
		Number of shares held	As a % of grand total (A)+(B)+(C)	No	As a % age	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	$\frac{VI=V}{III*100}$	(VII)	(VIII)	(IX)	(X)	(XI)	(XII)
1	United Leasing & Industries Ltd.	1,125,300	11.27	0	0.00	0.00	0	0.00	0	0.00	NA
2	Telecom Finance (India) Ltd.	110,000	1.10	0	0.00	0.00	0	0.00	0	0.00	NA
3	ULL securities Pvt. Ltd.	1142880	11.44	0	0.00	0.00	0	0.00	0	0.00	NA
4	Aquarius Travels Pvt. Ltd.	22,500	0.23	0	0.00	0.00	0	0.00	0	0.00	NA

5	Leisure Golf Private Limited.	262,800	2.63	0	0.00	0.00	0	0.00	0	0.00	NA
6	R.K. Khanna & Sons	144,300	1.44	0	0.00	0.00	0	0.00	0	0.00	NA
7	Kanta Khanna	31,700	0.32	0	0.00	0.00	0	0.00	0	0.00	NA
8	Anoop Kumar Khanna	568,960	5.70	0	0.00	0.00	0	0.00	0	0.00	NA
9	Anil Kumar Khanna	880,940	8.82	0	0.00	0.00	0	0.00	0	0.00	NA
10	Su Sampark Pvt. Ltd.	37,100	0.37	0	0.00	0.00	0	0.00	0	0.00	NA
11	Meena Khanna	252,920	2.53	0	0.00	0.00	0	0.00	0	0.00	NA
12	Anil Khanna & Sons	76,100	0.76	0	0.00	0.00	0	0.00	0	0.00	NA
TOTAL		4,655,500	46.61	0	0.00	0.00	0	0.00	0	0.00	NA

Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Public” and holding more than 1% of the total number of shares

Sr. No.	Name of the shareholder	Number of shares held	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Punjab National Bank	144900	1.45	0		0	0.00	NA
2	Sav Stock Management Pvt. Ltd.	141253	1.41	0	0.00	0	0.00	NA
3	Ajay Aggarwal	106894	1.07	0	0.00	0	0.00	NA
4	Ranbir Chauhan	345308	3.46	0	0.00	0	0.00	NA
5	Dharm Pal Khanna	168310	1.68	0	0.00	0	0.00	NA
6	Pradeep Kumar Agrawal	109522	1.10	0	0.00	0	0.00	NA
7	Kailash Chand	232783	2.33	0	0.00	0	0.00	NA
TOTAL		1248970	12.50	0	0.00	0	0.00	0.00

Statement showing holding of securities (including shares, warrants, convertible securities) of persons(together with PAC) belonging to the category “Public” and holding more than 5% of the total number of shares of the company.

Sr. No	Name(s) of the shareholder (s) and the Persons Acting in Concert (PAC) with them	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	NIL	0	0.00	0	0.00	0	0.00	0
TOTAL		0	0.00	0	0.00	0	0.00	0

Statement showing details of locked-in shares

Sr. No.	Name of the shareholder	Number of locked-in shares	Locked-in shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	NIL	0	0.00
TOTAL		0	0.00

Statement showing details of Depository Receipts (DRs)

Sr. No.	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of outstanding DRs	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	NIL	0	0	0.00
TOTAL		0	0	0.00

Statement showing holding of Depository Receipts (DRs), where underlying shares held by "promoter/promoter group" are in excess of 1% of the total number of shares

Sr. No.	Name of the DR Holder	Type of outstanding DR (ADRs, GDRs, SDRs, etc.)	Number of shares underlying outstanding DRs	Shares underlying outstanding DRs as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}
1	NIL	0	0	0.00
TOTAL		0	0	0.00

As on the date of this Information Memorandum, There are no outstanding warrants, options or rights to convert debentures, loan or other instruments into equity shares of the Company.

The Company has 9693 members and face value of the shares is Rs. 10/- per share as on the date of filing this Information Memorandum.

STOCK MARKET DATA

As the Securities of the Company is suspended at BSE, since 20th April, 2012 there are no Stock Exchange Market Price of the Company and the Company is listed only at BSE.

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 continue to be traded on the BSE; or
- Take any responsibility for the financial or other soundness 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 and are available on the website of the Company

Objects of revocation of suspension in the trading of Equity Shares of the Company.

The basic objective behind revocation of suspension in the trading of Equity shares of the Company is that the shareholders get the exit route and the Company achieves higher degree of compliance level. This removes the stigma of non-complaint Company. The revocation of suspension in the trading of Equity Shares of the Company will help in fund raising activities of the Company for further business.

Business & General information:

The Company was incorporated on April 2, 1979 as Raksons Finance Private Limited and subsequently converted into a public limited company and changed its name to Raksons Leasing & Finance Ltd., vide fresh certificate issued by the Registrar of Companies, Delhi & Haryana, dated 26.12.1985 under the Companies Act, 1956 and the name of the Company was again changed to RLF Ltd., vide fresh certificate of Incorporation dated 02.03.1994.

RLF Limited was engaged in the business of financial services, hire purchase & leasing and proposed to diversify in to cultivation and canning of 189D tpa of white button mushrooms with the assisted sector in Haryana Agro Industries Corporation Ltd.(HAIC) and Financial cum technical collaboration with Dalsem Veciap b.v. Agro Industries, Holland, at 14 KM Stone, Gurgaon Pataudi Road, Dist: Gurgaon, Haryana. The Company diversified into textile embroidery and handicrafts business in the year 1996.

The company came out with its Initial Public Offer in 1986 & got its shares listed on the Stock Exchange at Bombay (Mumbai). The Company came out with another public issue in 1994.

Management- Promoters, Board of Directors and their profile.

The Promoters of the Company were Mr. Anil Kumar Khanna, Mr. Anoop Kumar Khanna, Mrs. Kanta Khanna, Mrs. Meena Khanna, United Leasing & Industries Ltd., Telecom Finance (India) Ltd., ULL Securities Pvt.Ltd., Aquarius Travels Pvt.Ltd., Leisure Golf Private Limited, Su-Sampark Pvt.Ltd., R.K. Khanna & Sons, Anil Khanna & Sons.

The present directors are:

The following table sets forth current details regarding our board of Directors:

<u>Name, Fathers Name, Address, Occupation</u>	<u>Age</u>	<u>Status of Directorship in our office.</u>	<u>DIN No.</u>
ANIL KUMAR KHANNA S/o LATE SHRI R.K. KHANNA Address:- D-41, South Extension, Part-II, New Delhi-110049	61 Yrs	Managing Director	00207839
SUMAN KAPUR S/o LATE BISHAMBER NATH KAPUR Address: D-12/14B, Ardee City, Sector 52, Gurgaon.	64 Yrs	Director	00590936
ASHWINI KUMAR S/o VISHWA NATH Address: C-754, NEW FRIENDS COLONY, NEW DELHI-110065	93 Yrs	Director	00961821
B.L. KHURANA S/O LATE SHRI MENGHA RAM KHURANA Address: H.No E-150, Forest Lane, Sainik Farm, New Delhi-110062	88 Yrs	Director	00671592
ADITYA KHANNA S/O MR. ANIL KUMAR KHANNA Address: D-41, South Extension, Part-II, New Delhi-110049	32 Yrs	Director	01860038

Profile of Directors:

Mr. Anil Kumar Khanna aged 61 years is the promoter & Managing Director of the Company. He is a Chartered Accountant with over 36 years of experience. He is responsible for supervising the business development, marketing and financial activities of the Company.

Mr. Suman Kapur aged 64 years is an independent Director of the Company, He has more than 9 years of experience in the Company. He is responsible for day to day activities of the Company.

Mr. Ashwini Kumar aged 93 the independent Director of the Company, He has more than 40 years of experience as Police Officer and has had a distinguished career. He is responsible for providing overall guidance to the Company.

Mr.B.L. Khurana aged 88 is the independent Director of the Company, he has more than 20 years of experience in the Company. He is responsible for providing guidance for operations of Company.

Mr. Aditya Khanna aged 32 is the Non independent Director of the Company, he has more than 4 years of experience in operations. He is responsible for day to day activities of the Company.

Corporate Governance

The Corporate Governance is administered through the Board & various Committees of the Board. In compliance with clause 49 of the listing agreement with the stock exchange, the company has formed Audit Committee, Shareholders/ Investors Grievances Committee & remuneration Committee. The Company is in compliance with various clauses of Listing Agreement including that of Corporate Governance. The Board of Directors' consist of 5 Directors, wherein 4 are the Non executive Directors & 1 is an executive director, out of 5 Directors, 3 are independent Directors.

Committee	Name of the Director	Designation
Audit Committee	Mr. B.L. Khurana	Non Executive & Independent Director.
Audit Committee	Mr. Ashwini Kumar	Non Executive & Independent Director.
Audit Committee	Mr. Suman Kapur	Non Executive & Independent Director.

Material Contract

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.

Listing

Application has been made to BSE for permission to deal in and for official quotation of the equity Shares of the Company. The Company has already complied with various clauses of listing agreement as on date. BSE Ltd. has given In-Principle vide its letter dated 10th April, 2014 for revocation of suspension in the Equity shares of the Company, subject to timely compliance of various clauses of Listing Agreement for one quarter from the date of letter.

Management Discussion & Analysis Report

Industry Scenario

The textile sector is set for a strong growth buoyed by both rising domestic consumption as well as export demand for the embroidery in the international market. The Indian textile industry has an overwhelming presence in the economic life of the country. Apart from being the -biggest job generation sector of the country it also plays a vital role through its contribution to industrial output, employment generation and the export earning of the country. Thus the growth and all round development of this industry has a direct bearing on the improvement of the economy of the nation.

Outlook

Indian textile and apparel manufacturers are expecting boost for the sector as Union Budget 2013-14 has opened new opportunities for investments in the domestic as well as international market with reduced excise duty on branded garments, extended Technology Up-gradation Fund Scheme (TUFS), assured investments and connectivity in rural areas.

Embroidery serves as the major value addition factor for manufacturing garments and made ups and the main emphasis of the company is to concentrate on orders from embroidery exporters.

For the textile industry, the proposed hike in FDI limit in multi-brand retail will bring in more players, thereby providing more options to consumers. It will also bring in greater investments along the entire value chain - from agricultural production to final manufactured goods.

The company is also looking at alternative avenues and has ventured into undertaking assignments as contractors for civil and other works including alternations and beautification of premises. This could yield substantial gains to the company in the coming years.

Threats, Risk & Concerns

The key risk identified in this sector is foreign exchange losses due to the volatility in the rupee against the US dollar as well as higher interest costs; large portion of the processing capacity is obsolete and also Indian textile industries need to increase focus on product development. The key strengths identified in Indian textile sector are abundant availability of raw materials, low cost skilled labors and also growing domestic markets.

So, the Government of India must take some effort in the forth coming years towards the optimum utilization of all the key strengths and also the government should minimize the risk by means of increasing the support and incentives.

Research & Development (R&D)

Research & development of our new services, designs, process and methodologies continue to be of importance to us. This allows us to enhance quality, productivity and -customer satisfaction through continuous innovation. In order to successfully carve a niche of our own we need to develop a vital competitive edge in the design development to stay ahead of the competition.

Human Resource Development/Industrial Relation

Our employees are the most valuable asset of the company where encouragement is given for innovation and pursuit of excellence. The company effort is to optimize productivity and enhance efficiency especially in terms of workforce. This initiative has assisted in achieving operating efficiencies and resulted in enhancing overall productivity levels within the company.

Environment , Occupational Health & Safety

Your Company regularly measures and records its direct and indirect emissions of Green House Gases, water consumption and reuse, as well as waste generation and disposal. We are conscious of our environmental impact across our operations and strive to reduce consumptions.

As we continue to bring about energy efficiencies in our operations, we also strive to substitute our energy consumptions with increased component of renewable energy. The Plant of the Company is eco-friendly and do not generate any harmful effluents. Safety devices have been installed wherever necessary.

Risk Management System

Your Company follows a comprehensive & effective system of Risk Management. In addition to economic risks, your Company faces risks from the socio-political environment, internationally as well as within the country and is affected by events like political instability, change in the Government policies and the demand in the international market for our product .The Board of Directors & the Audit Committee periodically review the Risk Management System.

Cautionary Statement

Statement in the management Discussion and Analysis describing the Company's objects, expectations or projections may be forward looking statement within the meaning of applicable securities, law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Government regulations tax regimes, economic development within India.

Outstanding Litigations and Material Development

There is no outstanding litigation for or against the Company or its Director or its Promoters.

The Company is regular in depositing the statutory dues(except for the details given below) including provident fund, investor education and protection fund; employees state insurance, sales tax, wealth tax, Service tax, custom duty, excise duty, cess and any other material statutory dues as applicable with the appropriate authorities.

The Company is under appeal for an amount of Rs. 28,64,433.00 in terms of Sales Tax matter with the appropriate authorities. Refer point 21 of contingent liability, notes to accounts (balance sheet 2012-2013)

Further there are no cases of pending litigations, defaults, etc. in respect of companies/ firms/ ventures with which the promoters were associated in the past but are no longer associated further, there are no litigations against the promoters involving violation of statutory regulations or alleging criminal offence.

There are no pending proceedings initiated for economic offences against the promoters, and the Company. There are no pending litigations, defaults, nonpayment of statutory dues, proceedings initiated for civil offences (including the pat cases if found guilty). Further, no disciplinary action was taken by the SEBI/ Stock Exchanges against the promoters and their other business ventures (irrespective of the fact whether they are companies under the same management with the issuer company as per section 370(1B) of the Companies Act, 1956).

Government Approval

The Company has all necessary approval from various Government authorities to carry on its business.

FINANCIAL INFORMATION

AUDITED FINANCIAL RESULTS FOR THE LAST 3 YEARS

Part 1				
Sr.no	Particulars	Ended		
		31.03.2014	31.03.2013	31.03.2012
		Audited	Audited	Audited
1.	Income from Operations			
	(a) Revenue from operations	39,178,592	31,543,099	23,846,265
	(b) Other Incomes	3,367,030	4,99,723	3,358,441
	Total	42,545,622	32,042,822	27,204,706
2.	Expenses			
	Changes in inventories of finished goods,WIP & stock-in-trade	305,611	(319,392)	205,384
	Employee benefits expense	3,070,543	4,741,733	7,460,771
	Finance costs	9,600,423	11,068,102	7,791,195
	Depreciation and amortisation expenses	6,982,424	7,012,276	6,756,241
	Manufacturing expenses	15,981,194	9,287,232	1,714,009
	Other expenses	2,350,279	1,024,298	7,913,372
	Total	38,290,474	32,814,249	31,840,972
3.	Profit/ (Loss) before tax	4,255,148	(771,426)	(4,636,266)
4.	Tax expenses			
	Current tax	788,834	-	-
	Deferred tax (Net)	586,974	(396,691)	1,577,139
	Earlier Year Tax Adjustments	48,769	2,093,154	-
5	Profit / (Loss) after Tax	2,830,571	(2,467,889)	(6,213,405)
6	Earnings per equity share of Rs.10 each			
	- Basic (Rs.)	0.29	(0.26)	(0.64)
	- Diluted (Rs.)	0.29	(0.26)	(0.64)

STATEMENTS OF ASSETS AND LIABILITIES			
Statements Of Assets And Liabilities	As on 31.03.2014	As on 31.03.2013	As on 31.03.2012
		Audited	Audited
A. EQUITY AND LIABILITIES			
1) Shareholders' funds			
a) (a) Share capital	98,008,225	96,508,225	96,508,225
b) Reserves and surplus	190,979,945	188,149,374	7,003,108
Total of Shareholders' funds	288,988,170	284,657,599	103,511,333
2) Non-current liabilities			
a) Long term borrowings	39,919,197	56,029,538	97,313,539
b) Deferred tax liabilities net	4,769,554	4,182,580	4,579,271
Total of Non-current liabilities	44,688,751	60,212,118	101,892,810
3) Current liabilities			
Short-term borrowings	61,240,616	57,815,424	18,908,390
Trade payables	464,801	304,101	304,101
Other current liabilities	10,310,822	4,836,419	10,094,494
Total of Current liabilities	72,016,239	62,955,944	29,306,985
Total of Equity and liabilities	405,693,159	407,825,661	234,711,128
B) Assets			
1) Non Current Assets			
(a) Fixed assets	256,820,737		
Tangible assets		262,728,161	81,693,836
(b) Non-current investments	106,714,915	106,714,915	108,464,915
(c) Long-term loans and advances	2,161,007	2,641,716	2,766,054
(d) Other non-current assets	-	350,000	700,000
Total of Non-current assets	365,696,659	372,434,792	193,624,805
(2) Current assets			
(a) Current investments	1,750,000	1,750,000	--
(b) Inventories	8,953,538	9,086,231	9,074,133
(c) Trade receivables	23,820,739	15,424,652	4,622,355
(d) Cash and bank balances	2,858,976	2,497,975	2,667,905
(e) Short-term loans and advances	2,613,246	6,632,011	24,721,930
Total of Current Assets	39,996,500	35,390,869	41,086,323
Total of Assets	405,693,159	407,825,661	234,711,128

The Company has availed credit facilities from any Banks, Financial Institutions or Finance Companies as on the date of Information Memorandum.

DIVIDEND POLICY

As such, no dividend on equity shares of the Company has been declared. Dividends will be declared at the annual general meeting of the shareholders based on recommendations by the Board. The Board may recommend dividends, at its discretion, to be paid to the members of RLF Limited.

MATERIAL DOCUMENTS FOR INSPECTION

- 1)** Memorandum and article of Association of the Company as amended from time to time.
- 2)** Certificate of Incorporation of the Company.
- 3)** Copies of Annual Report of the Company for the year ended 31st March, 2012, 2013, 2014.
- 4)** Agreement between the Company & Link Intime India Pvt.Ltd.(Share transfer agent of the Company).

DECLARATION

NO STATEMENT MADE IN THIS INFORMATION MEMORANDUM SHALL CONTRAVENE ANY OF THE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER ALL THE LEGAL REQUIREMENTS AS ALSO THE GUIDELINES, INSTRUCTIONS ETC., ISSUED BY SEBI, GOVERNMENT OR ANY OTHER COMPETENT AUTHORITY IN RESPECT LISTING OF SECURITIES HAVE BEEN DULY COMPLIED WITH. ALL THE INFORMATION CONTAINED IN THIS DOCUMENT IS TRUE AND CORRECT.

On behalf of the Board

**Place : New Delhi
Date : 31/07/2014**

**Anil Kumar Khanna
Managing Director**