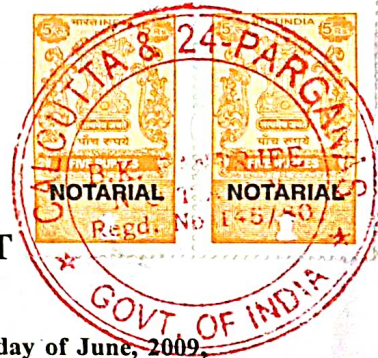


बंगाल WEST BENGAL

P 066603



BUSINESS TRANSFER AGREEMENT

This Business Transfer Agreement ("Agreement") is made on this 01st day of June, 2009, ("Execution Date"), and shall be effective from 01st day of June, 2009 (Effective Date) by and between:

- (a) M/s. ARC INSULATION AND INSULATORS, a Proprietorship Firm represented by Mr. Manish Bajoria, having its office at 5, Buroshibatala, Main Road, Kolkata- 700038, West Bengal [hereinafter called the "Transferor", which expression shall unless repugnant to the context or meaning thereof, include its successors in title and permitted assigns] of the **FIRST PART**;

AND

- (b) ARC INSULATION AND INSULATORS PRIVATE LIMITED, a company incorporated on September 10, 2008 under the Companies Act, 1956, represented by its director Mr. Manish Bajoria having CIN: U18109WB2008PTC129263 and its registered office at Village - Ramdevpur, PO-Bawali, Bishnupur2, Bishnupur West Bengal-743384 (hereinafter referred to as the "Transferee", which expression shall unless repugnant to the context or meaning thereof, include its successors in title and permitted assigns) of the **SECOND PART**;

(The Transferor and the Transferee shall hereinafter be individually referred to as the "Party" and collectively as the "Parties")

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NOTARY
C.M.M.'s Court Campus
2, Hanksall Street
Calcutta-700005

01.06.09

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Serial No.
Name..... ARC Insulation & Insulators

Address:.....
8, Lyons Range, Kolkata-700 001

M. Kunderpan
P.O. Bawali

Date

Licensed Stamp Vendor
B BHOSH

Dist: 924 (S)-743384

18 MAY 2009

WHEREAS:

- (i) The Transferor is engaged, inter alia, in the business engaged in various activities related to designing, manufacturing, trading, and marketing textiles and related materials (hereinafter referred to as the "Business").
- (ii) Now, as a view to consolidate the business and in furtherance to the Memorandum of Understanding (MOU) dated 1st June, 2009 between the parties, both the Parties have agreed to transfer the business from Transferor to Transferee as per the terms of this Agreement.
- (iii) The Transferor has agreed to transfer the entire Business and the Transferee has agreed to acquire the said business (hereinafter referred to as "Entire Business"), as a going concern, for the Consideration (as defined hereinafter) and accordingly, the Parties have agreed to enter into these presents to record the terms and conditions of the said transfer of Entire Business.

NOW THEREFORE NOTWITHSTANDING ANYTHING AS PER THE AFOREMENTIONED MOU AND IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES CONTAINED HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION THE ADEQUACY OF WHICH IS HEREBY ACKNOWLEDGED, IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AND THIS AGREEMENT WITNESSETH AS UNDER:

1. TRANSFER OF ENTIRE MANUFACTURING BUSINESS

Upon the terms and subject to the conditions of this Agreement, the Transferee shall cause the Transferor to sell, assign, transfer and convey all of the Transferor's right, title and interest in, or pertaining to the entire Business, free and clear of all encumbrances to the Transferee, and the Transferee shall purchase and acquire from the Transferor all of the Transferor's right, title and interest in, or pertaining to the Business, free and clear of all encumbrances ("Transfer").

2. CONSIDERATION

2.1 The Consideration for the said sale (net of assets & liabilities) is the sum of Rs. 34,00,000/- (Thirty Four Lakhs) that is paid by the said company by way of allotment of Equity Shares of Rs. 10/- and total number of shares is 3,40,000 of the said company. The proprietor has suggested the purchase consideration in the following manner;

Name	No. of Shares	Face Value per Share	Amount
Manish Bajoria	2,45,000	10	24,50,000
Neelam Bajoria	95,000	10	9,50,000

2.2 No part of the Consideration is attributed to any particular asset, contract, employee, or liability comprised in the entire business. However, determination and allocation of a value to any asset, contract, employee, or liability comprised in the entire business for the purpose of payment of stamp duty, registration fees or other similar taxes or fees shall not be regarded as assignment of values to such individual asset, contract, employee, or liability.

2.3 The Transferee shall assume liability for and to pay stamp duty and registration fees, as a result of the transactions contemplated under this Agreement.

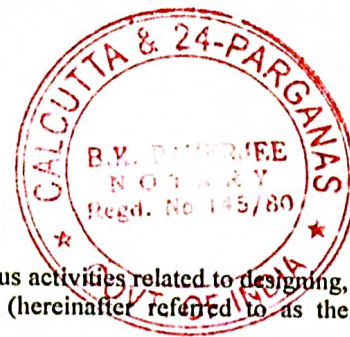
2.4 In addition to the Consideration, as per clause 2.1 above, the Transferee shall pay for fixed assets, current assets and sundry debtors as mentioned under Annexure A, wherein the fixed asset shall be transferred as a part of this transaction based on their WDV (written-down value) as on May 31, 2009.

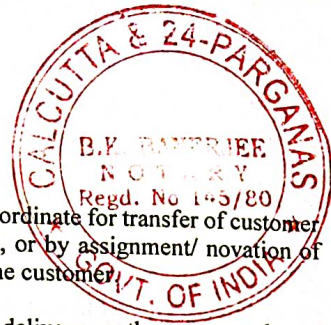
2.5 Notwithstanding anything to the contrary contained in clause 2.1 and 2.4, the Transferee shall not assume or be responsible for any capital gains taxes which may arise due to the profits realized from sale of the entire Business by the Transferor to the Transferee.

3. TRANSFER OF ENTIRE BUSINESS

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3.1 The Transferor shall coordinate with all existing customers and coordinate for transfer of customer contracts to the Transferee, either by way of execution of fresh contract, or by assignment/ novation of existing contracts on the Effective Date or at any earliest date agreed by the customer.

3.2 The Parties shall consummate the sale, assignment, transfer, and delivery, as the case may be, of the entire business, in accordance with the terms of this Agreement. At the Execution Date, the following events shall occur to achieve the transfer of the entire business and fulfilment of the transactions contemplated by this Agreement to the satisfaction of the Transferee:

3.2.1 At the Execution Date, the Transferor shall deliver to the Transferee, the following:

a) a written confirmation that as on the Execution Date:

(i) no event has occurred which has or may have a Material Adverse Effect on the transaction contemplated under this Agreement.

(ii) the representations and warranties are true, accurate, and complete, and that they are not aware of any matter or thing which is in breach of or inconsistent with any of the representations and warranties; and

(iii) neither the consummation nor the performance of any of the transactions contemplated hereunder will contravene or conflict with or result in a violation under any Law or other requirement of any Governmental Authority.

b) certificates of title or origin (or like documents) with respect to the fixed assets to be transferred to the Transferee and a bill of sale or assignment, executed by the Transferor conveying the Assets to the Transferee;

c) a certified copy of resolution passed at the General Body meeting of the Transferor authorizing the transfer of the entire business, including the sale of the Assets, and execution and performance of this Agreement;

3.3 The Transferor admits, acknowledges, and recognizes the Transferee as the absolute owner, possessor, and beneficiary of the entire business from and after takeover of the entire business i.e., Effective Date, entitled to deal with the entire business in any manner whatsoever as the Transferee deems fit.

3.4 Following the Effective Date, each of the Parties shall, from time to time, provide such assistance as may be required by the other Party in connection with the process of (i) the novation of the contracts in the name of the Transferee, (ii) transfer and/or procurement of the Licenses in the name of the Transferee.

3.5 Employees of the transferor shall be transferred to the transferee with continuity of service. Employees shall be transferred in a phased manner, based on the date of transfer of the corresponding customer contract to the Transferee. The retirement dues of the transferred employees, as mentioned hereinabove, shall be computed on the Effective Date, and deducted from the Consideration to be paid for transfer of entire Business.

4. CUSTOMERS

4.1 The subsisting customers and their respective contracts/agreements with the Transferor, shall stand transferred by way of foreclosure, novation or completion of the term period and a fresh contract with the Transferee. Provided, the customer(s) of the Transferor wishes or provide their assent to engage with the Transferee as their new service provider. Further, for contracts which are transferred to the Transferee subsequent to the Effective Date, the Transferee may pay appropriate fees or commission to the Transferor for management of these contracts in the intervening period. The Parties may enter into a separate "Business Support Service Agreement" for capturing the detailed terms and conditions to give effect to this clause.

4.2 If any customer does not give assent to transfer of Entire Business to the Transferee, such customer business will continue with the Transferor. Impact of such non-transfer shall be taken, while calculating the consideration for transfer of Entire Business.

5. COVENANTS AND OTHER AGREEMENTS

BIMAL KUMAR BANERJEA

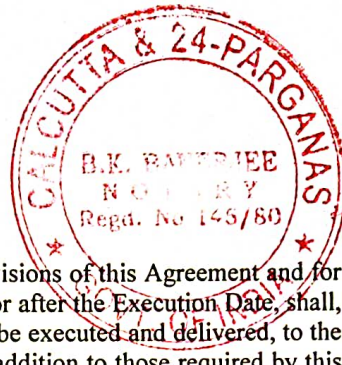
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5.1 Each Party shall use its reasonable efforts to implement the provisions of this Agreement and for such purpose each Party, at the reasonable request of the other Party, at or after the Execution Date, shall, without further consideration, promptly execute and deliver, or cause to be executed and delivered, to the other Party such deeds, assignments, consents and other instruments in addition to those required by this Agreement, and take all such other actions may be reasonably necessary or desirable to implement any provision of this Agreement as soon as practicable. Without limiting the foregoing, the Parties shall consult and fully cooperate with and provide assistance to each other in obtaining all necessary Permits and Licenses and giving all necessary notices to and making all necessary filings with and applications and submissions to or filing with any Governmental Authority as soon as reasonably practicable after the Execution Date. Prior to making any application or filing or otherwise communicating with reasonably any Governmental Authority in connection with this transaction, each Party shall consult with the other Party and afford it the opportunity to participate in such communication.

5.2 The Transferor shall comply with all the obligations as contemplated under this Agreement.

5.3 The Transferor will assist the Transferee, if the Transferee so requires, in entering into discussions, negotiating with, and executing contracts with vendors or contractors of the Transferor in relation to the entire business.

6. CONFIDENTIALITY

6.1 Each Party undertakes that it shall not reveal, and shall ensure that its directors, officers, managers, partners, members, employees, legal, financial, and professional advisors, and bankers (collectively referred to as "Representatives") do not reveal, to any third party any Confidential Information without the prior written consent of the concerned Party, as the case may be regardless of whether this Agreement is terminated or not.

6.2 The term "Confidential Information" as used in this Agreement means: (a) any information concerning the Parties, entire Business, technology, trade secrets, know-how, finance, transactions or affairs of the Party, directors, officers or employees (whether conveyed in written, oral or in any other form and whether such information is furnished before, on or after the date hereof); and (b) any information or materials prepared by a Party or its Representatives that contains or otherwise reflects, or is generated from, Confidential Information.

7. APPORTIONMENTS

All outgoings relating to or payable in respect of the entire business, or any of the other Assets up to the Effective Date shall be borne by the Transferor and as from the date of Transfer shall be borne by the Transferee.

8. FURTHER ASSURANCES

The Parties undertake to each other to execute and perform all such deeds, documents, assurances, acts and things and to exercise all powers and rights available to them, including the convening of all meetings and the giving of all waivers and consents and passing of all resolutions reasonably required to ensure that the Transferor and the Transferee give effect to the terms of this Agreement or any other agreement in relation to the transaction contemplated in this Agreement.

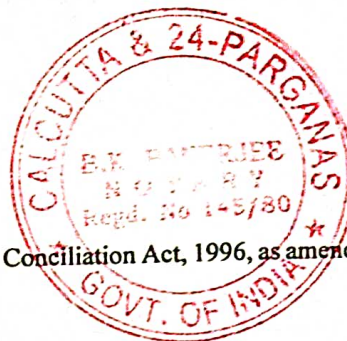
9. GOVERNING LAW AND DISPUTE RESOLUTION

9.1 **Governing Law:** This Agreement shall be governed in accordance with the Laws of India.

9.2 **Dispute Resolution:** In the event any disputes or differences arise between the parties relating to implementation, enforceability and/or interpretation of this Agreement (including any issue pertaining to breach of the terms of and/or termination of the Agreement), such disputes shall be referred to the sole arbitration of an arbitrator to be appointed by the parties herein. The seat and venue of the arbitration shall be at Kolkata, West Bengal.

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01.02.09



The arbitration shall be governed by the provisions of the Arbitration & Conciliation Act, 1996, as amended from time to time.

10. ANNOUNCEMENTS

No Party shall make or permit any Person connected with it to make any announcement to the media or to the general public concerning this Agreement or any ancillary matter relating to the arrangements between the Parties except as required by Law or any competent regulatory body or with the prior written approval of the other Party, such approval not to be unreasonably withheld or delayed.

11. SEVERABILITY

11.1 If any provision of this Agreement will be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable, such invalidity or unenforceability will not affect the other provisions of this Agreement which will remain in full force and effect.

11.2 If any provision of this Agreement is so found to be invalid or unenforceable but would be valid or enforceable if some parts of the provision were deleted, the provision in question will apply with such modification(s) as may be necessary to make it valid.

12. SAVING OF RIGHTS IN LAW

The Parties agree that on all matters covered under this Agreement they will respect and be governed by the provisions of this Agreement. On all other matters, the Parties shall be governed by and shall act, perform, and comply with all the Laws for the time being in force and the Parties shall have the right to exercise all rights vested in them by the relevant law.

13. MISCELLANEOUS

13.1 Nothing in this Agreement is intended to create a partnership between the Parties or any of them, or to authorize any Party to act as agent for any other. Save where expressly stated in this Agreement neither Party will have authority to act in the name or on behalf of or otherwise to bind any other.

13.2 No failure or delay by either Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by either Party of any breach of any provision of this Agreement shall be deemed to be a waiver of any subsequent breach of that or any other provision of this Agreement.

13.3 The Parties agree that, having regard to all the circumstances, the covenants contained herein are reasonable and necessary for the protection of the Parties and their Affiliates. If any such covenant is held to be void as going beyond what is reasonable in all the circumstances but would be valid if amended as to scope or duration or both, the covenant will apply with such minimum modifications regarding its scope and duration as may be necessary to make it valid and effective.

13.4 This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same agreement, and either Party may enter into this Agreement by executing a counterpart.

As on the date of this Agreement, this Agreement constitutes the whole agreement between the Parties relating to the transaction contemplated by this Agreement and supersedes all previous agreements between the Parties or their Affiliates relating to these transactions entered into between the Parties.

13.5 The Parties agree that the rights and remedies of the Parties hereunder are in addition to their rights under Law or equity.

13.6 It is agreed by the Parties that they shall be exclusively responsible in respect of approvals, sanctions, consents, whether statutory or non-statutory which are required in entering into and for effective performance of this Agreement and other matters incidental and ancillary thereto.

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13.7 Each Party herein expressly warrants to all other Party hereto that (a) before executing this Agreement, said Party has fully informed itself of the terms, contents, conditions and effects of this Agreement; (b) said Party has relied solely and completely upon its own judgment in executing this Agreement; (c) said Party has had the opportunity to seek and has obtained the advice of its own legal, tax and business advisors before executing this Agreement; (d) said Party has acted voluntarily and of its own free will in executing this Agreement; (e) said Party is not acting under duress, whether economic or physical, in executing this Agreement; and (f) this Agreement is the result of arm's length negotiations conducted by and among the Parties and their respective counsel.

IN WITNESS WHEREOF, each party hereto has caused this Agreement to be executed in duplicate in English as of the date first above written, by its duly authorized officer or representatives. Each copy shall be deemed as an original and each of the parties shall receive one copy thereof.

Signed and Delivered by the within named "Transferor"
ARC INSULATION & INSULATORS through Mr. Manish Bajoria S/o Mr. Gopal Bajoria R/o ½, Harish Mukherjee Road, Kolkata- 700020.

Signed and Delivered by the within named "Transferee"
ARC INSULATION & INSULATORS PRIVATE LIMITED through Mr. Manish Bajoria S/o Mr. Gopal Bajoria R/o ½, Harish Mukherjee Road, Kolkata- 700020 duly authorised by its Board Resolution dated 01st June, 2009

In the presence of

Witnesses:

1. Signature:

Name: SAKCHI MODI.

Fathers Name: SANJAY MODI.

Address: AF-108, Kestopur.

Occupation: Self Employed

2. Signature:

Name: Shradha Kujirwal

Fathers Name: Dev Kujirwal

Address: Civil Park

Occupation: Self Employed

Identified by Me
Himadri Chakraborty
Advocate
Enrollment No. WB/154-A/1991
C.M.M Court, Kolkata
1.6.09

BIMAL KUMAR BANERJEA
NOTARY
C.M.M.'s Court Campus
2, Bankshall Street
Calcutta-70000

A TESTED SIGNATURE ONLY
BEFORE ME ON IDENTIFICATION

(B.K. BANERJEA)
NOTARY

01.06.2009



ANNEXURE-A
LIST OF ASSETS AND LIABILITIES TO BE TRANSFERRED

Assets of Transferor to be Transferred	Value as on 31 st May, 2009 (in Rupees)
Assets	
I. Fixed Asset	25,63,374.00
II. Cash-in-hand	15,149.00
III. Stock in Trade	15,57,713.00
IV. Current Assets	2,09,596.10
V. Duties & Taxes	3,81,626.44
VI. Sundry Debtors	63,49,326.23
Total Assets (A)	1,10,76,784.67
Liabilities	
I. Secured Loans	6,39,412.75
II. Unsecured Loans	17,32,183.59
III. Bank Accounts	2,95,074.10
IV. Sundry Creditors	48,43,920.23
V. Current Liabilities	1,66,194.00
Total Liabilities (B)	76,76,784.67
Total Value of Transfer (A-B)	34,00,000.00

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