

# COSY (INDIA) LIMITED



## *PROSPECTUS*

ISSUE OF 1,45,000

Equity Shares of Rs. 10.00 each at par

*Registered Office :*

**2, LAL BAZAR STREET,  
CALCUTTA-700 001.**

# COSY (INDIA) LIMITED

( Incorporated on the 21st September, 1982 under the Companies Act, 1956 )

**PUBLIC ISSUE OF 1,45,000 EQUITY SHARES OF RS. 10/- EACH AT PAR.**

A copy of this prospectus having attached thereto, the documents required to be filed under Section 60 of the Companies Act, 1956 has been delivered for registration to the Registrar of Companies, West Bengal.

The Issue of Equity Shares is within the Exemption Limit of Rs. 50 Lakhs under the Capital issues ( Exemption ) order 1969

An application will be made to the Calcutta Stock Exchange, for permission to deal in and for official quotation for the entire Equity Shares of the Company.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON THURSDAY, THE 3RD FEBRUARY, 1983. AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON SATURDAY, THE 12TH FEBRUARY, 1983. OR EARLIER AT THE DISCRETION OF DIRECTORS, BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON SATURDAY, THE 5TH FEBRUARY, 1983.

The attention of the applicants is specifically drawn to the provisions of sub-section of Section 68A of the Act, which is reproduced below :—

## ANY PERSON WHO :

- a) Makes in a fictitious name an application to a Company for acquiring, or subscribing for, any shares therein, or
- b) Otherwise induces a Company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name

Shall be punishable with imprisonment for a term which may extend to five years.

Subscription List Opens on	3 - 2 - 1983
Earliest Closing Date	5 - 2 - 1983



**SHARE CAPITAL :****Authorised :**

2,50,000 Equity Shares of Rs. 10/- each	Rs. 25,00,000
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**Issued, Subscribed and paid up in cash :**

95,000 Equity Shares of Rs 10/- each fully paid up	Rs. 9,50,000
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**Present Issue :**

Now being issued to the Public.

1,45,000 Equity Shares of Rs. 10/- each at par for cash	Rs. 14,50,000
	<u>Rs 24,00,000</u>

**TERMS OF PAYMENT :**

On application	...	...	Rs. 2.50 per share.
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On allotment	...	...	Rs. 7.50 per share.
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Application for shares must be made only by Residents in India, and from non-resident Indian Persons of Indian Origin Resident abroad and must be for a minimum of fifty equity shares or multiple of fifty equity shares.

The Equity now being issued will rank pari passu in all respect with the Existing Equity Shares of Company.

Application must be made on the form accompanying the prospectus and in accordance with the instructions contained in forms, and will be refused if not so made.

The Shares hereby issued are subject to the terms of this prospectus, the said application form and the Memorandum and Articles of Association of the Company.

Copies of this prospectus and forms of application may be obtained from the Brokers and Bankers named herein and from the Registered Office of the Company.

**BOARD OF DIRECTORS :**

<u>DIRECTORS</u>		<u>ADDRESS</u>	<u>OCCUPATION</u>
1. Shyamlal Dhanuka	S/o. Sri Lok Nath Dhanuka	17/1, Gopi Kristo Paul Lane, Calcutta-6	Business
2. Suresh Kumar Saraf	S/o. Sri Banarsilal Saraf	25, Shiv Thakur Lane, Calcutta-7	Business
3. Pramod Kumar Agarwal	S/o. Sri Ram Chandra Agarwal	67/6, Baje Sibpur Road, Howrah-2	Business



**Bankers to the Issue :**

Bharat Overseas Bank Ltd  
3B, Lal Bazar Street,  
Dalhousie Square,  
Calcutta-700 001

or

Punjab National Bank  
135, Biplabi Rash Behari Basu Road,  
Canning Street,  
Calcutta-700 001

**Registered Office :**

2, Lal Bazar Street,  
Calcutta-700 001

**Brokers to the Issue :**

**Ahmedabad :**

Champak Lal Bhailal Chokshi  
Manek Chowk  
Near Share Bazar  
Ahmedabad-380 001.

**Bangalore :**

L. K. S. Murthy & Co.  
No. 17 Third Floor  
Kempegowda Road,  
Bangalore-560 009

**Bombay :**

Jamnadas Virji & Sons  
8/812, Stock Exchange Tower,  
Dalal Street, Fort,  
Bombay-400 023.

**Calcutta :**

Ram Narain Kayan & Co.  
7, Lyons Range,  
Calcutta-700 001

**Cochin :**

Mathew and Company  
Mullassery Canal Road,  
(Near Passport Office)  
Ernakulam, Cochin-682 011.  
Kerala ( S. India )

**Delhi :**

Bharat Bhusan & Co.  
H-45, Connaught Place,  
New Delhi-110 001.

**Hyderabad :**

Laxmi Narayan Rathi,  
4-5-173 & 174 Hashmat Gunj  
Sultan Bazar,  
Hyderabad-500 001 (A. P.)

**Indore :**

Pushkarlal Ghudawala,  
44, Bada Sarafa  
Indore-452 002

**Kanpur :**

R. K. Tondon & Co.  
241, Civil Lines Bareilly  
37/19-C, The Mall, Kanpur

**Madras :**

V. S. Krishnaswami & Co.  
45, Armenian Street  
Post Box No. 265  
Madras-600 001.

**Auditors :**

M/s. Saraf & Company  
2, Lal Bazar Street,  
Calcutta-700001



**Underwriters :**

No part of the issue is underwritten.

**Management :**

The Company is managed by its Board of Directors. All the Directors of the Company are well experienced in the Company's line of business.

**History of Business of Company :**

The Company was incorporated as a public limited Company on the 21st day of September 1982 in the name and style of COSY (INDIA) LTD. in West Bengal. Thereafter, Commencement of certificate was received on 30th September, 1982. The Main objects as stated in the Company's Memorandum of Association which are reproduced hereinafter in the prospectus is to carry on business as manufacturers in Iron steel, plants machineries, equipments, apparatns, spare parts or other merchandise including Automobile Machinery and their components and spare parts and trading in jute & jute goods, lamination, textile etc. and to deal in all kinds of properties and to conduct the business financiers & Investors.

**Prospectus :**

The Directors feel that subject to unforeseen circumstances the Company will continue earning profit.

**Tax Benifits :**

- (i) The Company and in case where members of the Company who are themselves companies shall be entitled to the benefits of total exemption from surtax, partial exemption from income tax on dividends received by them from other companies or this Company's as the case may be u/s. 80 M of the Income Tax Act, and in case of Company's investment in new industries, the Company shall be entitled to exemption from Income-Tax on so much of the dividend paid to it so attributed to the profits of the Company exempted from Income Tax under Section 80 K of the Income Tax Act.
- (ii) Members shall be entitled to claim deduction from their total income to the extent of Rs. 4,000/- per year in respect of specified items including dividends from Indian Companies under Section 80 L of the Income-Tax Act, and
- (iii) Members shall also be entitled to exemption from Wealth Tax on specified financial assets to the extent of Rs. 1.5. Lakhs including shares in this Company under Section 5 (1A) of the Wealth Tax Act, 1957.

AUDITORS' REPORT

To  
M/s. COSY (INDIA) LIMITED.  
2, Lal Bazar Street,  
Calcutta-700 001.

Dear Sirs,

We have examined the books of M/s. Cosy (India) Ltd. for the period from 21st September, 1982 (date of incorporation) to 2nd November, 1982 and in accordance with the provisions of clause 24 of part II of Schedule II of the Companies Act, 1956 and we report as follows :

**PROFIT & LOSS**

Rs.

**Income :**

Nil

**Expenditure :**

Rates &amp; Taxes

250

Filing Fee

120

	Loss	370
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**Assets :****Current Assets, Loans & Advances****A. Current Assets :**

Balance with Schedule Bank

85,651

Cash on hand

1,164

**Miscellaneous Expenditures :**

Preliminary Expenses

8,515

Profit &amp; Loss Account

370

	95,700
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Less

Current Liabilities

Nil

	95,700
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**Represented by :****Share Capital**

70 Equity Shares of Rs 10/- each fully paid up	700
Share Application money	85,000
Unsecured Loan (From Director)	10,000
	<hr/> 95,700 <hr/>

We further report that the company has not declared any dividend since its incorporation.

Yours faithfully,

For SARAF & COMPANY

Chartered Accountants

D. P. Saraf

Proprietor.

Dated : 4th day of November, 1982.

**Main Objects of the Company :**

To carry on business as manufacturers, fabricators, processors, producers, buyers, sellers, importers, exporters, dealers, commission agents and otherwise in all kinds of goods, plants machineries, equipments, apparatus gadgets appliances, accessories, spare parts, automobile machinery and their components and spare parts and dealers in jute and jute goods, lamination, textiles, cotton, yarn, wool and woolen goods, handicrafts, jewellery, ornaments, steel, plastic, rubber, chemicals, engineering goods, minerals, electronic, cloth, dresses, garments, transports vehicles, food products, live stocks, paper and paper products.

To acquire by purchase, lease exchange or otherwise land, buildings, and hereditaments of any tenure or description, and any estate or interest therein, and all other properties, movable and immovable, which the company for the purposes thereof, may from time to time think proper to acquire and any rights over or connected with the same in India or elsewhere and to create sell and deal in freehold, leasehold, ground rents and other lands to make advanced upon the security of land or house or other property or and interest therein and generally to deal in, traffic by way of sale, lease, exchange, let on rent hire purchase, finance, grant option of purchase or otherwise with land and have property and any other property whether real or personal

**Minimum Subscription :**

The Minimum subscription in respect of the present issue will be subscription of the entire shares offered under the prospectus. The directors will proceed to allot shares covered by this prospectus on receipt of the amount to be paid at the time of application for these shares i.e. Rs. 3,62,500.



**Object of the Present Issue :**

This issue is being made with the object of inviting public to participate in the equity shares Capital of the Company. The entire subscription will be utilised as per the object clause of the Company.

**Expenses of the Issue :**

The expenses of the issue are payable by the Company inclusive of brokerage, registration fees, legal charges, auditors fees and Registrars' fees, Bank charges, Printing and Publicity estimated at Rs. 35,000/- to be met out of the proceeds of this issue.

**Brokerage and underwriting Commission :**

Brokerage at the rate of 1.5% on the issue price will be paid to members of Stock Exchange, Bankers and Brokers named earlier in the prospectus, in respect of shares allotted as a result of application procured by them and bearing their stamp. No commission is payable to underwriter as no part of the issue has been underwritten.

**Issue at a Premium :**

No amount has been paid or is payable by way of premium any Shares issued by the Company at any time.

**Issue otherwise than for Cash :**

No shares have been allotted for consideration otherwise than for cash.

**Option to Subscribe :**

The Company has not entered into any contract or arrangements and does not at present propose to enter into any contract or arrangements whereby any option or preferential rights of any kind has been or is proposed to be given to any person to subscribe for any shares in the Company.

**Interest of Promoters and Directors :**

The Directors may be deemed to be interested to the extent of their shareholdings in the company. No amount has been paid or is payable to the promoters or any officers of the Company other than the normal remuneration reimbursement of reasonable sums expended on behalf of the Company by the officers.

**Alternate Directors :**

The Board of Directors may appoint alternate Directors as envisaged under Section 313 on the Companies Act, 1956.



**Directors :**

Until otherwise determined by special Resolution, the number of Directors of the Company shall not be less than three or more than twelve.

**Power of Directors :**

Subject to the provisions of the companies Act, 1956 the control of the Company shall be vested in the Board and the Directors may exercise all such powers, and do all acts and things as the Company by the Memorandum or otherwise directed or required to be exercised or done by the Company in General Meeting but subject to nevertheless to the provisions of the Companies Act, and any other act and of the Memorandum and the Articles and to any regulation not being in consistant with the Memorandum and the Articles of the Act from time to time made by the Company in General Meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

**Qualifying Share :**

A Director shall not be required to hold any share as qualification share.

**Remuneration of Directors :**

- i) Remuneration of the Directors shall be a fee of Rs 250/- for each Director for such Meeting of Board of Directors attended by him
- ii) Any Director performing extra services or making any special exertion for any of the purposes of the Company or who is managing or whole time Director, may be paid such fixed sum of remuneration either by way of profit or in any other manner as the Company may determine, subject to provisions of the Act.
- iii) The remuneration of the Directors shall be in so far as it consists of a monthly payment, be deemed to accure from time to time
- iv) The Directors may allow and pay to any Director who, for the time being is resident out of the place at which any meeting or Committee meeting of the Directors may be held and who shall come to that place for the purpose of attending such meeting such sum as the Directors may consider fair and reasonable for his expenses, in connection with his attending at the meeting in additions to his remuneration as specified herein earlier. The Directors may also be paid or reimbursed all travellings, hotel and other expenses properly incurred by them in connection with the business of the Company.



**Managing Director :**

Subject to the provisions of the Companies Act, 1956 the Company in General Meeting or the Directors may at any time appoint one or more directors as Managing Director or whole time director on such remuneration, terms and conditions as may be decided by them on such meeting. A whole time or Managing Director shall not be liable to retire by rotations.

**Borrowing Powers :**

The Articles of Association of the Company provide that :

- (i) The Board may from time to time at their discretion, subject to the provisions of the Act, raise or borrow either from the Director or from elsewhere and secure the payment of any of sums or money for the purpose of the Company.
- (ii) The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respect as they think fit and in particular by the issue of bonds perpetual or redeemable debentures or any mortgage, charge or other security on the undertaking or the while any part of the property of the company (both present and future) including its uncalled capital for the time being.

**Classes of Shares and their Respective Rights :**

The authorised share Capital of the Company is Rs. 25,00,000/- divided into 2,50,000/- Equity shares of Rs. 10/- each. There is no other class of shares in the Company. Company may increase or reduce the capital and divide the share in the capital for time being into several classes with such preferential, qualified and special rights, privileges and conditions respectively and to vary modify and abrogate any of them as may be determined in accordance with the Articles of Association, subject to the Articles of Association, the profits of the company shall be divisible amongst the members in proportion to the amount of capital paid upon the shares held by the respectively. If any share issued on terms providing that it shall rank for dividend as from a particular date, such share will rank for dividend accordingly.

**Voting Rights :**

The Articles, inter alia provide :

- (i) Save as hereinafter provided on a show of hands every members present in person and being a holder of Equity Shares shall have one vote and every person present either as a General Proxy on behalf for



Equity Shares if he is not entitled to vote in his own right or, as duly authorised representative of a body corporate, being a holder of equity shares, shall have one vote.

- (ii) On a poll the voting rights of Equity Shares shall be as specified in Section 87 of the Companies Act, 1956.
- (iii) The holders of Preference Shares shall not be entitled to vote at the general meeting of the Company except as provided for in Section 87 of the Companies Act, 1956. Provided that no body corporate shall not by proxy so long as resolution of its Board of Directors under the provisions of Section 187 of the Companies Act, 1956 is in force and the representative named in such resolution is present at the general meeting at which the note by proxy is tendered.

#### **Transfer :**

Save as provided in Section 108 of Companies Act, 1956, no transfer of a share shall be registered unless a proper instrument of transfer in the common form as may be prescribed by law duly stamped and executed by or on behalf of the transferee has been delivered to the Company together with the Certificate or, if no such certificate is in existence the letter of allotment of the share. Each signature to such transfer shall be duly attested by the signature of one creditable witness who shall add his address and occupation. 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 a partly paid share be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of the Companies Act, 1956 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 of the transfer was made by the transferee. The Company shall not make any charge for registration of transfer of its shares and debentures and for subdivision and consolidation of shares and securities into denominations corresponding to the market units of trading in a Stock Exchange.

#### **Modification of Rights :**

All or any of the rights, privileges attached to each class of shares may be varied, modified, commuted, affected, abrogated or dealt with in the manner and subject to the provisions laid down in Section 106 and 107 of the Companies Act, 1956.



**Lien :**

The Company shall have no lien on its fully paid up shares. In case of partly paid up shares the Company shall have a first and permanent lien only in respect of all money called or payable at fixed time in respect of shares. Any such lien shall extend to all dividends from time to time declared in respect of such shares, unless otherwise agreed, the registration of a transfer of shares shall not operate as a waiver of the Company's lien, if any, on such shares. The Directors may at any time declare any shares to be wholly or in part exempt from these provisions.

**Capitalisation of Reserve :**

There has been no capitalisation of reserves or profits since the incorporation of the Company.

**Revaluation of Assets :**

There has been no revaluation of assets of the Company since incorporation.

**Material Contracts :**

No contract ( not being contracts entered in the ordinary course of business carried on by the Company ) which may be deemed material have been or are proposed to be entered into by the Company.

**Inspection of Documents :**

Document referred to below may be inspected at the Registered Office of the Company situated at 2, Lal Bazar Street, Calcutta-700 001, between 10-30 A. M. and 12 noon and 2-30 P. M. and 5 P. M. on any working day (except Saturdays and holidays) for a period of fourteen days from the date of publication of the prospectus or until the closing of the subscription list whichever is earlier.

- (i) Memorandum and Articles of Association.
- (ii) Certificate of Incorporation.
- (iii) Certificate of Commencement of business.
- (iv) Report of Auditors of the Company, and
- (v) Consents of Bankers, Auditors, and Brokers.

**Previous Commission, Brokerage and Discount of Shares :**

Save for the brokerage payable as mentioned above no sums have been paid



since incorporation of the Company or payable as commission for subscribing or procuring or agreeing to procure subscription for any shares in or debentures of the Company.

#### Consents

Consents is writing of the Bankers to the Company, the Bankers to the issue, Auditors and Brokers to act in their respective capacities have been obtained and filed with the Registrar of Companies, West Bengal as required by the Companies Act, 1956 and have not been withdrawn, Messrs SARAF & COMPANY Auditors of the Company have given their written consent to the issue of this prospectus with the inclusion herein of the report in the form and context in which it appears and such consent has not been withdrawn.

#### Preliminary Expenses and Payment to Promoters :

Preliminary expenses incurred have been reimbursed to promoters.

#### Previous Capital :

95,000 Equity Shares of Rs. 10/- each fully paid up were taken up by the promoters. Directors, their friends and associates.

#### Capital Outlay :

The Capital Outlay of the Company's Business as stated herein estimated as follows :—

Working Capital	Rs. 23,50,000/-
Expenses of the issue & Preliminary expenses.	Rs. 50,000/-
	<u>Rs. 24,00,000/-</u>

#### Sources of Finance :

The above capital outlay of the Company's Business as stated herein is estimated to be met as follows :-

Issued, subscribed and paid up Capital	Rs. 9,50,000/-
Present issue of Shares	<u>Rs. 14,50,000/-</u>
	<u>Rs. 24,00,000/-</u>



**Application and Allotment of Shares :**

An applicant should submit only one application (and not more than one) for the total number of shares required. Applications may be made in single or joint names (not more than three). Two or more applications in single and/or joint names will be deemed to be multiple applications if the sole and/or first applicant in one and the same. The Board of Directors reserves the right to reject in its absolute discretion all or any multiple application or applications.

Application forms from non-resident Indian persons of Indian Origin resident abroad, properly completed together with remittance from abroad towards the amount payable on application through approved Banking channel or out of the funds held in the non-resident (external) account alongwith documentary evidence in this behalf named in the prospectus at any of the branches mentioned against their named in the application forms.

The Company as required by the Reserve Bank of India shall apply to the Reserve Bank of India for its permission in the manner prescribed by the Reserve Bank of India to accept such application from nonresident Indian persons of Indian origin resident abroad need not apply direct to Reserve Bank of India for permission to purchase shares of the Company.

The Application forms properly completed together with the amount payable on application at the rate of Rs. 2.50 per share must be lodged on or before the close of banking hours on the closing date of subscription list with Bharat Overseas Bank Ltd. and/or Punjab National Bank (being the Bankers to the issue) at their respective branches and offices, appearing on the application forms. No receipt will be issued for the application money. However, the Bankers to the issue will acknowledge receipt of the application by stamping and returning to the applicant the perforated acknowledgement slip at the bottom of such application form.

Payments may be made in Cash or by Cheque or Draft. Cheques or Drafts should be drawn on a Schedule Bank including a State Co-operative Bank specified in the Schedule for the Reserve Bank of India Act, 1934 or any member of clearing house located at the particular place where the application is tendered. Applications tendered with outstation cheques or drafts will be liable to be rejected. Cheques or Drafts should be payable to the bankers to the issue aforesaid with whom the applications lodged and marked Bharat Overseas Bank Ltd. and/or Punjab National Bank A/c. Cosy Equity Issue.

A separate cheque or draft must accompany each application form. Save as herein after provided Share Certificate/Letter of allotment/Letter of Regret as the case may be issued within 60 days from the date of closer of the subscription list or within such further time as the Calcutta Stock Exchange may agree to extend. The Directors of the Company reserve the right to accept or reject any application in whole or in part without assigning any reason. If the applications exceed the number of shares offered, the basis of acceptance will be decided in consultation with the Calcutta Stock Exchange.



Where an application is rejected in full the whole of the application money received will be refunded to the applicant and where an application is rejected in part, the balance of the application money received will be refunded after adjustment of the amount, if any, due on allotment in both cases, refund will be made at the risk of the applicant within two months of closing date of the subscription list or within such period as may be extended by the Calcutta Stock Exchange, but no interest will be paid in respect of the application money received. Refund will be made by cheques or pay orders drawn on the Company's Bankers to the issue at Calcutta and Bank charges, if any, for encashing such Cheques or pay orders will be payable by the applicants. Such cheques or pay orders will however, be payable at par at all Branches of the Bankers where applications are received.

Application for shares must be in the names of individuals, Limited Companies, statutory corporations and not in the name of minors, partnership firms, trust or a society (unless the trust or society is registered under any Societies Registration Act and is authorised under its constitution to hold shares in a company).

Any application not in conformity with this or by persons not entitled to apply shall be rejected.

**Issue of Shares Certificates :**

On accepting an application wholly or partly, shares Certificate (s) for the number of Shares in respect of which the application is accepted will be forwarded to the applicant by post at the applicants' risk within 90 days from the date of closing of the application list or within such extended time as may be allowed by the Calcutta Stock Exchange.

We the Directors of Cosy (India) Limited hereby confirm the correctness of the informations relating to the Company contained in these documents.

Shyam Lal Dhanuk

SRI SHYAM LAL DHANUKA

Suresh Kumar Saraf

SRI SURESH KUMAR SARAF

Pramod Kumar Agarwal

SRI PRAMOD KUMAR AGARWAL

DIRECTORS

**Registered office :**

2, Lal Bazar Street,  
Calcutta-700 001.

Dated the 12<sup>th</sup> day of January 1983.