

# FLOWER TRADING & INVESTMENT COMPANY LIMITED

## PROSPECTUS

FOR PUBLIC ISSUE OF

1,50,000 Equity Shares of Rs. 10/-

each for cash and at par

*Registered Office :*

25, STRAND ROAD,  
CALCUTTA-700 001

SUBSCRIPTION LIST OPENS ON—1st JUNE, 1982  
EARLIEST CLOSING DATE—4th JUNE, 1982

# FLOWER TRADING & INVESTMENT COMPANY LIMITED

(Incorporated under the Companies Act, 1956)

## PUBLIC ISSUE OF 1,50,000 EQUITY SHARES OF Rs. 10/- EACH AT PAR.

This issue of Equity Shares is within the exemption limit under the Capital Issue (Exemption) Order, 1969.

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.

An application will be made to the Calcutta Stock Exchange Association Limited for permission to deal in and for Official Quotation for the Equity Shares of the Company.

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON TUESDAY, THE 1ST JUNE, 1982 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON TUESDAY, THE 15TH JUNE, 1982 OR EARLIER, AT THE DISCRETION OF THE BOARD OF DIRECTORS, BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON FRIDAY THE 4TH JUNE, 1982.

Attention of Applicants is drawn to sub-section (1) of Section 68A of the Companies Act, 1956 (hereinafter referred to as "Act") which is reproduced below :—

### ANY PERSON WHO :

- a) makes in 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 fictitious name,

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

**SUBSCRIPTION LIST OPENS ON—1ST JUNE, 1982**  
**EARLIEST CLOSING DATE—4TH JUNE, 1982**



## SHARE CAPITAL

### Authorised :

2,50,000 Equity Shares of  
Rs 10/- each Rs. 25.00,000

### Issued, Subscribed & Paid-up :

51,830 Equity shares of Rs. 10/-  
each fully paid-up in cash Rs. 5,18,300

### Present Issue for Cash at Par :

1,88,170 Equity Shares of  
Rs. 10/- each Rs. 18.81,700

### Out of the Present Issue :

38,170 Equity Shares of Rs. 10/-  
each reserved for Promoters,  
Directors of the Company,  
their friends and  
Associates Rs. 3,81,700

### Now offered to the Public for Subscription for Cash at Par :

1,50,000 Equity Shares of  
Rs. 10/- each Rs. 15.00,000

## TERMS OF PAYMENT :

### Per Equity Share :

On Application	Rs. 5/-
On Allotment	Rs. 5/-

Failure to pay the amount due on allotment will render the allottee liable to pay interest at the rate of 12% per annum or such lower rates as the Directors may determine and shall also render the shares (including the amount already paid thereon) liable to forfeiture, in accordance with the Articles of Association of the Company.

Application must be for a minimum of fifty shares or multiple thereof.

Application may be made by Indian Nationals who are resident in India and also by non-resident Indians/Persons of Indian Origin subject to the conditions set out under paragraph "Application by Non-resident"

An applicant should submit only one application and not more than one. Application 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 the first applicant is one and the same. The Board reserves the right to reject in its absolute discretion all or any multiple applications.

Applications must be made on the form accompanying the prospectus and in accordance with the instructions contained in the form 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.

The application form properly completed together with the amount payable on application must be lodged before the closing of banking hours on or before the closing date of the subscription list with the Bankers to the issue named hereunder at Calcutta or any of their Main Offices, a list of which is incorporated in the application form.

Payment may be made in cash or by cheques or draft. Cheques or drafts should be drawn on a Scheduled Bank including State Co-operative Bank included in the Second Schedule to the Reserve Bank of India Act, 1934, or any Bank which is a member or sub-member of clearing houses located at centres where there are recognised Stock Exchanges located at the particular place where the application is tendered. Applications tendered with outstation cheques will be rejected. Cheques or drafts should be made payable to the bankers to the issue with whom the application is lodged and marked "A/c. FLOWER TRADING Equity Issue" and crossed "A/c. Payee only".

A separate cheque or draft must accompany each application form. A receipt will be issued for application money in the perforated space of the application form and final acknowledgement will be made by despatch of letter of allotment or share certificate or letter of regret within two months from the date of closing of the subscription list or such time as may be extended by the Calcutta Stock Exchange Association Limited., where a Letter of Allotment is issued to notify the allotment share



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certificate will be ready for delivery in exchange for the letter of allotment within three months from the date of allotment. The Directors reserves the right to accept or reject any application in whole or in part without assigning any reasons.

Where an application is rejected in full the whole of the application money received and where an application is rejected in part the balance of the application money received will be refunded simultaneously with the despatch of letter of regret or letter of allotment or share certificate. No interest will be paid in respect of money so refunded. Refund will be made by cheques or pay order or Demand Draft drawn on Company's Bankers to the issue and will be payable at par at all the places where subscription monies were collected.

Refund Pay order, if any, will be made in the name of and all communication will be sent to the applicant whose name appears first on the application form, at the address given by him.

Application for shares must be made in the names of individuals, Limited Companies, Statutory Corporation or Institutions and not in the names of minors, partnership firms or trust (unless the trust is registered under the "Societies Registration Act" and is authorised by its Memorandum and Rules to hold shares in a Company).

In the case of an application under Power of Attorney or by Limited Companies the relevant power or other authorities must be lodged with the Company at its Registered Office for registration and return.

#### **Application by Non-Resident :**

In terms of relaxation of rules to non-resident Investment in India, non-resident Indians/person of Indian origin resident abroad may subscribe to the Equity Shares hereby offered in accordance with the rules of the Reserve Bank Of India. The Company will obtain necessary permission in this connection of Reserve Bank Of India and the applicant need not apply directly to the Reserve Bank of India for permission for subscription to the said Shares. Allotment of shares to non-resident Indian/person of Indian origin resident abroad shall be subject to the Company's obtaining such permission from the Reserve Bank Of India.

Copy 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 :**

#### **Other Directorship**

- |  |     |
|--|-----|
| 1. Sri Jagadish Chandra Agarwal<br>S/o. Sri R. P. Agarwal<br>6/1A, Moira Street,<br>Calcutta-700 017<br>( Business ) | NIL |
| 2. Sri Pramod Kumar Agarwal<br>S/o. Sri R. P. Agarwal<br>6/1A, Moira Street,<br>Calcutta-700 017<br>( Business )     | NIL |
| 3. Sri Rampratap Agarwal<br>S/o. Late Prabhudayal Agarwal<br>40, Strand Road,<br>Calcutta-700 001<br>( Business )    | NIL |

#### **REGISTERED OFFICE :**

530-31, Marshall House  
25, Strand Road,  
Calcutta-700 001

#### **BANKERS TO THE ISSUE :**

Bank of Baroda  
4, India Exchange Place,  
Calcutta-700 001

#### **BROKERS TO THE ISSUE :**

##### **CALCUTTA**

- |   |   |
|---|---|
| 1. Hariram Naveenkumar<br>37, Strand Road<br>Calcutta-700 001 | 2. Gourdhandas<br>Lakshminarayan<br>32, Baranashi Ghosh<br>Street<br>Calcutta-700 007 |
|---|---|

##### **BOMBAY**

L. K. Pandey  
45/47, Apollo Street,  
Bombay-400 023

##### **MADRAS**

- |   |   |
|---|---|
| 1. Kothari & Sons<br>Kothari Buildings,<br>Nungambakkan<br>High Road,<br>Madras-600 034 | 2. Venkataraman & Co<br>78, Dr. Rangachari<br>Road<br>Mylapore,<br>Madras-600 004 |
|---|---|



#### AHMEDABAD

Gordhandas N. Gupta  
Anandji Kalyanji Building,  
Relief Road,  
Ahmedabad-380 001

#### HYDERABAD

Laxminarayan Rathi  
4-5-173 & 174, Hasmat-  
ganj,  
Sultan Bazar,  
Hyderabad-500 001

#### BANGALORE

M. Nanjappaiah Jhagirdar  
205, Cavalry Road,  
Bangalore-560 042

#### INDORE

- |   |  |
|---|--|
| 1. Pushkarlal Ghudawala<br>44, Bada Sarafa,<br>Indore-452 002 | 2. Santosh & Co.,<br>29, Dhenu Market,<br>S. G. S. I. T. S. Road,<br>Indore-452 003. |
|---|--|

#### NEW DELHI

- |  |  |
|--|--|
| 1. Vinod Kumar & Co.<br>A-6, Connaught Place,<br>New Delhi-110 001 | 2. Bharat Bhushan & Co.,<br>H-45, Connaught<br>Place,<br>New Delhi-110 001 |
|--|--|

#### COCHIN

Mathew & Company  
Mullassery Canal Road,  
Ernakulam  
Cochin-682 211

#### AUDITORS

More V. & Co.  
Chartered Accountants  
16B, Roberts Street,  
Calcutta-700 012.

#### MANAGEMENT :

The Company is managed by its Board of Directors. All the Directors of the Company are well experienced in Commercial and Business fields.

#### TAX BENEFITS :

The Board of Directors are advised that according to the Taxation Laws presently in force, the following tax benefits would be available :—

1. The Company is entitled to deduction of a 1/10th of the Specified expenditure including the expenses incurred on the issue of shares for a period of 10 successive years under section 35D of the Income-tax Act, 1961.
2. Members of the Company who are themselves Indian Companies will be entitled to claim exemption from Sur-tax on the amount of dividends received by them from the Company. Such Companies can also have the benefits of appropriate deduction on dividends received by them from the Company under section 80M of the Income-tax Act, 1961.
3. Members of the Company who are individuals and Hindu undivided families would also be entitled to claim deduction from their total income the amount of dividends received from the Company together with other dividends etc., to the extent of Rs 4,000/- per year under section 80L of the Income-tax Act, 1961.
4. Under Section 5(1A) of the Wealth Tax Act, 1957 the Wealth Tax will not be payable by members of the Company, being individuals and HUF on specified assets upto an aggregate amount of Rs. 1,50,000/- including shares in this Company.

#### AUDITOR'S REPORT

To  
The Directors,  
Messrs. Flower Trading & Investment Co. Ltd.,  
530-31, Marshall House,  
25, Strand Road, Calcutta-700 001.

Dear Sirs,

We have examined the Books of Account of Messrs. Flower Trading & Investment Co. Ltd. for the period from 4th March, 1981 ( the date of incorporation ) to 31st March, 1982 being the last date upto which the Accounts of the Company have been made up. In accordance with the provisions of Clause 24(2)(a) and (b) of part II of Schedule II of Companies Act, 1956, we are to report as follows :—



## 1. PROFIT & LOSS ACCOUNT

The Company has started its business during the above period. The working results of the Company for the period ended on 31st March, 1982 are as under :—

### INCOME

	Rs.
Sales of Shares of Joint Stock Companies	2,12,290
Interest Income	2,877
Closing Stock of Shares	2,26,400
	<u>4,41,567</u>

### EXPENDITURE

Purchase of Shares of Joint Stock Companies	4,42,736
Administrative & Other Expenses	14,301
	<u>4,57,037</u>
Net Loss	<u>15,470</u>

## 2. ASSETS AND LIABILITIES

We further report that the Assets and Liabilities as at 31st March, 1982 are as stated below :—

### ASSETS :

#### Current Assets, Loans & Advances

##### Current Assets :

Stock of Shares ( at cost or market value whichever is lower )	2,26,400
Cash at Bank	13,423
Cash in hand	199

Loans & Advances ( unsecured considered good )	2,89,614
	<u>5,29,636</u>

##### Less : Current Liabilities & Provisions

Sundry Creditors	<u>36,836</u>
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4,92,800

##### Miscellaneous Expenditure

( To the extent not written off or adjusted )

Preliminary Expenses

10,030

5,02,830

##### Represented by :

##### Share Capital :

Issued, Subscribed and paid up

51,830 Equity Shares of Rs. 10/- each fully paid up

5,18,300

Less : Debit balance of Profit & Loss A/c.

15,470

5,02,830

##### Note :

- i) Estimated amount of contract remaining to be executed on Capital Account ( Less advance )

80,000

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

Calcutta,  
the 26th day of April, 1982.

For MORE V. & CO.,  
Chartered Accountants  
VIJAY MORE  
Proprietor.



## THE STATUTORY AND GENERAL INFORMATION :

### Incorporation & Main Objects of the Company :

The Company was Incorporated in the State of West Bengal under the Companies Act, 1956 on 4th March, 1981 and obtained the Certificate of Commencement of Business on 3rd July, 1981 and has started carrying on business since then.

Names, Father's Name, Address and Occupations of the Signatories to the Memorandum of Association of the Company and the Number of Shares subscribed for by each of them are set out below :—

Sl. No.	Names, Father's Name, Addresses and Occupations	Number of Equity Shares taken
1.	Mr. P. K. Agarwal S/o. Sri R. P. Agarwal 6/1A, Moira Street, Calcutta-700 017	30 (Thirty)
2.	Mr. Bajranglal Sodhani S/o. Sri S. L. Sodhani 3/1, Dwarka Jungal Road, Hindmotor, Hooghly	200 (Two Hundred)
3.	Mr. Rama Kant Sharma S/o. Sri B. L. Sharma 95, Dr. Aboni Dutta Road, Near Gulabari Thana, Howrah	80 (Eighty)
4.	Mr. Jawahar Mondal 35-B, Bethune Row, Calcutta-700 006	50 (Fifty)
5.	Sri Rampratap Agarwal S/o. Late Prabhudayal Agarwal 40, Strand Road, Calcutta-700 001	100 (One Hundred)
6.	Mr. Devendra Prasad Swain S/o. Sri K. Swain Vill. & P. O. Bhandisain (Via) Kakatpur Dist. Puri (Orissa)	70 (Seventy)
7.	Mr. B. M. Goel S/o. Sri R. K. Goel 4th Floor, Room No. 7 40, Strand Road, Calcutta-700 001	100 (One Hundred)
Total		630 (Six Hundred Thirty)

The objects of the Company are as set out in the Company's Memorandum of Association, a printed copy of which is available for inspection. The main objects of the Company inter-alia are :—

1. To carry on the business of buyers, sellers, suppliers, traders, merchants, importers, exporters, indentors, brokers, agents, manufacturers, assemblers, packers, stockists distributors, financiers, hire purchase and dealers of and in all kinds of agricultural produces, good articles, industrial products, Industrial components electronic parts & devices forest products, raw-materials, metals, minerals, industrial and other wastes and bye products, industrial and other gases, Alcohol, wines and beverages, edible and non-edible oils & fats, consumer goods, house-hold goods hardware & stores, plant & machinery stores, spare parts and accessories, commercial and man made fibres, textiles of all kinds, jute products, cement, chemicals, plastics, building materials, vehicles, bullion, shares and securities.
2. To carry on the business of an investment company and for that purpose to invest in, acquire, sell, transfer, subscribe for, hold and otherwise dispose of and invest in any shares, bonds, stocks, obligation issued or guaranteed by any Company or Companies constituted and carrying on business in India or elsewhere and debentures, debenture-stocks, bonds, obligations and securities issued and guaranteed by any Government, state, Sovereign, Commissioners Central or Provincial public body or authority, supreme, municipal, local or otherwise whether in India or elsewhere either out of its own funds or out of funds that it might borrow.
3. To act as investors, guarantors, underwriters, financiers and to lend or deal with the money either with or without interest or security, including in current or deposit account with any bank or banks, other person or persons upon such terms and conditions as the Company may approve. Provided Company shall not do any banking business as defined under the Banking Regulation Act, 1949.



## OBJECTS OF THE ISSUE :

The issue is being made with the object of providing finance required for the Company's Business set out in detail under the heading "Capital Outlay."

## CAPITAL OUTLAY :

Investments in shares and debentures of Joint-Stock Companies and Securities issued by Government and Statutory bodies and to invest as loans, advances and for other business of the Company as may be decided by the Directors

Working Capital  
Expenses of the Issue  
Preliminary expenses & other expenses

Rs. 23,25,000/-
Rs. 30,000/-
Rs. 35,000/-
Rs. 10,000/-
<u>Rs. 24,00,000/-</u>

## Source of Finance :

Shares already Issued & Subscribed for Present Issue as per this Prospectus including reserved for directors, friends, associates etc.)	Rs. 5,18,300/-
	Rs. 18,81,700/-
	<u>Rs. 24,00,000/-</u>

## Minimum Subscription :

The minimum subscription in respect of the present issue will be subscription of 1,50,000 Equity shares offered to the Public under the Prospectus. The Directors will proceed to allot shares covered by this Prospectus on receipt of the full amount to be paid at the time of application for these shares i. e. Rs. 7,50,000/-. The entire minimum subscription will be utilised for the Company's business and to meet the expenses of this issue.

## Preliminary Expenses :

Preliminary Expenses amounting to Rs. 10,030/- have been incurred so far. A sum of Rs. 8,000/- was advanced by Sri J. C. Agarwal, a Director for meeting the above Preliminary expenses.

## Expenses of the Issue :

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

## Brokerage and Underwriting Commission :

Brokerage at the rate of 1% on the issue price will be paid to Brokers and Bankers named earlier in this prospectus, as well as to the members of recognised Stock Exchange in India in respect of shares allotted as a result of application procured by them and bearing their stamp. No commission is payable to underwriters as no part of the issue has been underwritten.

## Previous Commission, Brokerage and Discount on shares :

Save for the brokerage payable as mentioned above, no sums have been paid or are payable as commission for subscribing for or procuring or agreeing to procure subscription for any shares in or debentures of the Company.

## Issue otherwise than for Cash :

No issue of shares has been made by the Company otherwise than for cash

## Issue at a Premium or Discount :

No amount has been paid or is payable by way of premium on any shares issued or agreed to be issued by the Company at any time. The Company has not issued any shares at a discount.

## Option to the Subscribe :

The Company has not entered into any contract or arrangement whereby any option or preferential right of any kind has been or is proposed to be given to any person to subscribe for any share in the Company.

## Classes of Shares :

The Share Capital of the Company is Rs. 25,00,000/- divided into 2,50,000 Equity Shares of Rs. 10/- each.



### **Rights of the Equity Shareholders :**

Subject to the provisions of the Companies Act, 1956 and to the Articles of Association of the Company, the Profit of the Company which shall from time to time determined to be divided in respect of any year or other period shall be applied, subject to the payment of preferential dividend, in the payment of a dividend to the holders of the Equity Shares of the Company in proportion to the amount paid-up on the Equity Shares held by them respectively and where capital is paid-up in advance of calls upon the footing that the same shall carry interest, such capital shall not rank for dividends or confer a right to participate in profit.

Subject to the right of the holders of the preference shares of the Company, the Equity shareholders shall be entitled to be repaid the amount of capital paid-up on such shares and all surplus assets thereafter shall belong to the holders of the Equity shares in proportion to the amount paid or which ought to have been paid on the Equity Shares held by them respectively at the commencement of the winding-up. If, however, the assets shall be insufficient to repay the whole of the paid-up capital such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding up on the shares held by them respectively.

### **Voting Rights :**

Subject to any special conditions or restrictions as to voting upon which any shares may be issued or may, for the time being, be held, on a show of hands every member present in person shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share held by him in respect of which he is entitled to vote.

On a poll the voting rights of a holder of Equity shares shall be as specified in Section 87 of the Act.

No Company or body corporate shall vote by proxy so long as a resolution of its Board of Directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the General Meeting at which the vote by proxy is tendered.

Where a company or a body corporate (herein after called "member company") is a member of the Company a person duly appointed by resolution in accordance with the provisions of Section 187 of the Act to represent such member Company at a meeting of the Company shall not, by reason of such appointment, be deemed to be a proxy, and the production at the meeting of a copy of such resolution duly signed by one Director of such member company and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers including the right to vote by proxy on behalf of the member company which he represents, as that member company could exercise if it were an individual member.

Where the President of India or the Governor of a state is a member of the Company, the President, or as the case may be, the Governor may appoint such person as he thinks fit to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers including the right to vote by proxy as the President or, as the case may be, the Governor could exercise as a member of the Company.

If any member be a lunatic, idiot or non compos mentis, he may vote whether on a show of hand or at a poll by his committee, curator bonis or other legal curator and such last mentioned persons may give their votes by proxy provided that fortyeight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote he shall satisfy the Board of his right under the Transmission Article to the shares in respect of which he proposes to exercise his right under this Article, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

Where there are joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such joint holders be present



at any meeting either personally or by proxy that one of the said persons so presents whose name stands first on the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executor or administrators of a deceased member in whose name any share stands shall for the purpose of this Article be deemed joint holders thereof.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has and has exercised any right or lien,

On a poll a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes use all his votes or cast in the same way all the vote he uses.

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

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a Separate General meeting of the holders of the share of that class. To every such separate meeting the provisions of these Articles relating to General Meetings shall apply, but so that the necessary quorum shall be two persons at least holding that class but so that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum and that any holder of shares of that class present in person or by proxy may demand a poll and on a poll shall have one vote for each share of the class of which he is the holder. This Article is not by implication to curtail the power of modification which the Company would have if this Article was omitted. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy or any such agreement or resolution to the Registrar,

#### **Restrictions on the right to transfer shares :**

Subject to the provision of Section 109 of the Act no transfer of shares shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and 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 shares. The transferor shall be deemed to remain the member in respect of such share until the name of the transferee is entered in the Register in respect thereof.

The instrument of transfer shall be in the form prescribed by the Act.

Application for the registration of the transfer of a share may be made either by the transferor or the transferee provided that where such application is made by the transferor no registration shall in the case of partly paid shares be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles 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 transfer was made by the transferee.

The Board shall not refuse to register any properly executed transfer of shares on which Company has no lien and in the case of a share not fully paid up, may refuse to register a transfer to a transferee of whom the Board does not approve. Provided that registration of a transfer being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.

No transfer shall be made to a minor or person of unsound mind.

#### **Lien :**

The Company has a first and paramount lien upon shares, not being fully paid-up shares, registered in the name of each member (Whether solely or jointly hold) and upon the proceeds of sale thereof, for moneys called or payable at fixed time in respect of



such share, whether the time for payment thereof shall have actually arrived or not and no equitable interest in any shares shall be created except upon the footing and condition that articles 10 is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of transfer of a share operate as a waiver of the Company's lien, if any on such share.

#### **Managing Director :**

Subject to the provisions of section 316 and 317 of the Act, the Board may from time to time appoint one or more Directors to be Managing Director or Managing Directors of the Company either for fixed term not exceeding five years for which he is to hold such office, and may from time to time (Subject to the provisions of any contract between him and the Company) remove or dismiss him from office and appoint another in his place.

Subject to the provisions of section 309, 310 and 311 of the Act, a Managing Director shall, receive such remuneration as may from time to time be sanctioned by the Company. Presently the Company does not have any Managing Director.

#### **Directors and Restriction on their Powers :**

Subject to the provisions of the Act, the Control of the Company shall be vested in the Board who shall be entitled to exercise all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required whether by the Act, or any other statute or by the Memorandum of the Company or by the Articles or otherwise, to be exercised or done by the Company in general meeting.

Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other Statute or in the Memorandum of the Company or in the Articles or in any regulations not inconsistent therewith and duly made thereunder, including regulation made by the Company in general meeting but no regulation made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

The number of the Directors of the Company shall not be less than three and nor more than nine.

Any casual vacancy occurring among the Directors may be filled up by the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 100.

The Board shall have power at any time and from time to time to appoint any person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for re-election.

The Board may appoint any person to act as alternate Director or a Director during the latter's absence for a period of not less than three months from the State in which meetings of the Board are ordinarily held and such appointment shall have effect and such appointee whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly ; but he shall not require any qualification and shall ipso facto vacate office if and when the absent Director returns to the state in which meetings of the Board are ordinarily held or the absent Director vacate office as a Director, whichever is earlier.

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

#### **Remuneration of Directors :**

A Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or of a Committee thereof attended by him a fee not exceeding Rs. 250/- as may from time to time be determined by the Board. All other remuneration, if any, payable by the Company to each Director whether in respect of his services as a Managing Director or Deputy Managing Director in whole or part-time employment of the Company, shall be determined in accordance with and subject to the provisions of the Articles and of the Act. The



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Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred in consequence of their attending at Board and Committee meetings or otherwise incurred in the execution of their duties as Directors.

If any Director, being willing, is appointed as an Executive Officer either whole time or part-time or be called upon to perform extra services to make any special exertions in going or residing away from Calcutta for any of the purposes of Company or as a member of the Committee of the Board then, subject to Section 198, the Board may remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise in any of the ways as provided in Section 309 of the Act and such remuneration may be either in addition to or substitution for any other remuneration to which he may be entitled.

Provided that any Director including Managing Director (if any) holding an office of profit under the Company within the meaning of Section 314 of the Act shall not be entitled to sitting fee as aforesaid for their attendance at meeting of the Board of Directors or Committee thereof.

#### **Borrowing :**

Article 55 provides that the Board may from time to time at its discretion subject to the provisions of section 58A, 292, 293 and 370 of the Act, raise or borrow, either from the directors or from elsewhere and secure the payment of any sums of money for the purpose of the Company.

#### **Interest of Promoters and Directors :**

The Promoters and Directors are or may be deemed to be interested to the extent of the remuneration to which they are entitled under the Company's Articles of Association and to the extent of any share in the Company held by them or which may be subscribed by and allotted to them.

#### **Payment to Promoters and Directors :**

A sum of Rs. 8,000/- is to be paid to Sri J. C. Agarwal, a Director of the Company on account of re-imbursement of the amount advanced by him.

#### **Indemnity :**

The Articles of Association of the Company provide that every Director or Officer of the Company or any person employed by the Company and any person appointed as Auditors shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Directors, Officer, Employee or

Auditors in defending any proceedings, whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under section 633 of the Companies Act, 1956, in which relief is granted to him by the Court.

#### **Revaluation of assets and Capitalisation of Reserves :**

There has been no revaluation of assets or capitalisation of reserves of the Company since Incorporation.

#### **Previous Share Capital Issue :**

630 Equity Shares of Rs. 10/- each fully paid up were taken by the subscribers to the Memorandum of Association of the Company. 51,200 shares of Rs. 10/- each fully paid-up have been subscribed by and allotted to other friends and associates of the promoters/directors.

#### **Material Contracts :**

No contracts (not being contracts entered into 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 :**

Documents referred to below may be inspected at the Registered Office of the Company situated at 25, Strand Road, Calcutta-700 001 between 10-30 a.m. to 12-00 noon and 2-00 p.m. to 4-00 p.m. on any working day (except Saturday and holiday) 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.

1. Memorandum and Articles of Association
2. Certificate of Incorporation.
3. Certificate of Commencement of Business.
4. Report of the Auditors of the Company.
5. Consent Letter of Bankers, Auditors' and Brokers.

Consent in writing of the Bankers to the Issue, Auditors and Brokers to act in their respective capacities has been obtained and filed with the Registrar of Companies, West Bengal, as required by the Act and have not been withdrawn.

M/s. More V. & Co., Auditors of the Company have given their written consent to the issue of the Prospectus with the inclusion herein of the report in the form and context in which it appears and such consent has not been withdrawn.

#### **Registered Office :**

25, Strand Road, Calcutta-700 001

Dated, The 10th day of May, 1982

JAGADISH CHANDRA AGARWAL  
PRAMOD KUMAR AGARWAL  
RAMPRATAP AGARWAL

} Directors.

11 MAY 1982