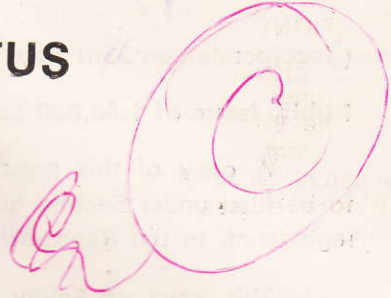


GENESIS EXPORTS LIMITED

PROSPECTUS



Public Issue of

1,60,000 Equity Shares of Rs. 10/- each at par

Certified to be true copy

Rajendra Kr. Banthia

Director

Registered Office :

9, TOTEE LANE, CALCUTTA-700 016

Managers to the Issue

S. D. CONSULANTS PRIVATE LIMITED

2, INDIA EXCHANGE PLACE

CALCUTTA-700 001

GENESIS EXPORTS LIMITED

(Incorporated on 23rd July, 1981 under the Companies Act, 1956)

Public Issue of 1,60,000 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.

This issue of Equity Shares is within the exemption limit of Rs. 50 lacs under the Capital Issues (Exemption) Order, 1969.

An application will be made to the Stock Exchange, Calcutta 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 Monday the 23rd November, 1981 and will close at the close of Banking hours on Thursday the 3rd December, 1981, or earliest, at the discretion of Directors, but not before the close of banking hours on Wednesday the 25th November 1981.

Attention of applicants is drawn to Sub-section(1) of Section 68A of the Companies Act, 1956, which is reproduced below :

Any person who :

- (A) makes in a fictitious name an application to the Company for acquiring, or subscribing for any shares therein, or
- (B) otherwise induces a company to allot, or register any transfer of share 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 23rd November, 1981 Earliest closing date 25th November, 1981

SHARE CAPITAL :**Authorised :**

3,00,000 Equity Shares of Rs. 10/- each

Rs. 30,00,000.00**Issued, Subscribed and Paid up :**80,000 Equity Shares of Rs. 10/- each
fully paid-up in cash.Rs. 8,00,000.00**PRESENT ISSUE :**

Now being offered to the Public.

1,60,000 Equity Shares of Rs. 10/- each
at par for cash.Rs. 16,00,000.00Rs. 24,00,000.00**TERMS OF PAYMENT :**

On Application.

Rs. 5/- per share.

On Allotment.

Rs. 5/- per Share.

Terms of Application :

The application form properly completed together with the amount payable on application must be lodged with bankers to the issue named in the prospectus at any of their offices mentioned against their names in the application form. The instructions contained in the application form are an integral part of the conditions of this issue and must be carefully followed. Otherwise the application is liable to be rejected.

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 the first applicant is one and the same. The Board of Directors reserves the right to reject in its absolute discretion all or any multiple application. In the case of applications in joint names the signature and particulars of each applicant must be properly completed in the appropriate spaces in the application form. Refund, if any, will be made out by cheque or pay order in the first name and all communications will be addressed to the applicant whose name

appears first and at his address stated in the application form.

Application must be in the names of individuals, limited Companies, statutory corporations or statutory institutions. Applications in the name of partnership firms, minors, foreign nationals or their nominees or trust (unless the trust is registered under the Societies Registration Act of 1860 and is authorised under its constitution to hold shares in a company) will not be accepted. All applications must be completed in full in block letters in English/Hindi. Applications which are not complete in every respect are liable to be rejected.

Application forms duly completed together with the amount payable on application at the rate of Rs. 5/- per share must be lodged before the close of the subscription list with the Bankers to the issue named in the prospectus or at any of their offices mentioned against their names in the application form and not with the company or the Managers to the issue.

Terms of Offer :

The equity shares hereby offered are subject to the terms of this prospectus, the application form, the

Memorandum and Articles of Association of the Company and the Special Resolution referred to herein after and will rank paripassu, in all respects with the existing equity shares of the Company except that the holders of equity shares now offered will be entitled to dividend, if any, which may be declared or paid on the equity shares in respect of and in proportion to the amount paid-up on the equity shares and pro-rata for the period during which such capital is paid-up towards the face value of each share.

Application from Non-residents :

Application from non-residents and/or their nominees shall, subject to what is stated below, be accepted.

Applications from non-resident Indians will be accepted after the application has been properly completed together with the remittances from abroad towards the amount payable on application, through approved banking channels or out of the funds held in the non-resident (external) accounts alongwith the documentary evidence in this behalf and together with an undertaking not to seek repatriation or the capital or dividend and is delivered before the closure of the subscription list to the Bankers to the issue named in the prospectus at any of the branches mentioned against their names in the application form. Allotment of shares to non-resident Indians shall be made if the permission is granted by the Reserve Bank of India. Indian nationals residing outside India need not apply direct to the Reserve Bank of India for permission to subscribe for the shares of the Company. The Company shall apply to Reserve Bank of India for permission to subscribe for the shares of the Company.

Consent of Existing Shareholders to the Issue :

Pursuant to Section 81(1A) of the Act, the present issue has been authorised by the shareholders of the Company by a Special Resolution passed at the Extra ordinary General Meeting of the Company held on the 21st day of September, 1981.

Application under Power of Attorney :

In the case of application under Power of Attorney or by Limited Companies or Corporate Bodies, the

relevant Power of Attorney or the relevant application, as the case may be, alongwith a duly certified copy thereof must be attached to the application form or lodged separately with the Company.

Availability of Forms :

Application forms with copies of the prospectus may be obtained from the Managers to the Issue, Brokers to the Issue and Bankers to the Issue named herein, the branches of the Bankers to the Issue mentioned in the application form and the Company at its Registered Office.

Receipt of Money :

Payment should be made in cash or by Cheques or Bank Drafts. Cheques or Bank Drafts must be made payable to the Bankers to the issue and marked 'A/c. Genesis Exports Limited—Equity Issue' and crossed A/c. Payee only. (For example Bank of Maharashtra A/c. Genesis Exports Limited—Equity Issue). A separate cheque or draft must accompany each application form and must be drawn on any Bank (including a co-operative Bank) which is a member or sub-member of the Bankers Clearing House located at the place where the application is being submitted. Applications accompanied by such cheques or drafts drawn on outstation banks will be rejected. Money orders will not be accepted.

Disposal of Application and Application Monies :

No receipt will be issued for the application money. However, the Bankers to the Issue receiving the application will acknowledge receipt of the application by stamping and returning to the applicant the acknowledgement slip at the foot of each application form.

Circular letters concerning allotment or Share Certificate or Letter of Regret together with refund order, if any, will be despatched by post at the applicant's risk within 60 days from the date of closing of subscription list or in the event of unforeseen circumstances within such further time as may be allowed by the The Calcutta Stock Exchange Association Limited.

Refunds will be made by Cheques or pay orders

drawn on the Company's Bankers in Calcutta and bank charges, if any, for encashment of such cheques or Pay Orders will be payable by the applicant. Such cheques or pay orders will however, be payable at par at all the places where applications are accepted. All cheques, pay orders and share certificates shall be despatched to the applicant or in the case of joint applications, the first named applicant and will be sent to his registered address at his own risk.

Basis of Allotment if issue is Oversubscribed :

In the event of the present issue of Equity Shares being oversubscribed, the basis of allotment will be finalised in consultation with the Calcutta stock Exchange Association Limited.

Issue of Share Certificates :

The Share Certificates will be ready for delivery within 3 (three) months from the date of allotment in exchange of Letter of Allotment issued, if any.

BOARD OF DIRECTORS :

Name, Description, Address and occupation.

1. Sri Rajendra Kumar Banthia,
S/o. Sri Champa Lal Banthia,
15A, Laxmi Narayan Mukherjee Road,
Calcutta-700 006.
Business.

Other Directorship.

Sudarshan Exports Ltd.
Supriya Exports Ltd.
Srimant Exports Ltd.

2. Sri Satya Ghosh
S/o. Late Jogendra Nath Ghosh,
48, Kali Nabin Sen Road,
Calcutta.
Service.

Other Directorship

None

3. Sri Ashok Kumar Virmani,
S/o. Sri Prithvi Raj Virmani,
9, Totee Lane,
Calcutta-700 016.
Chartered Accountant.

Other Directorship

None

REGISTERED OFFICE :

9, Totee Lane,
Calcutta-700 016.

AUDITORS :

Dangi Jain & Co.
Chartered Accountants,
2, India Exchange Place,
Room No. 1, 1st Floor,
Calcutta-700 001.

MANAGERS TO THE ISSUE :

S. D. Consultants Private Limited,
2, India Exchange Place,
Calcutta-700 001.

**BANKERS TO THE COMPANY &
BANKERS TO THE ISSUE :**

Bank of Maharashtra
7, Ganesh Chandra Avenue,
Calcutta-700 013.

BROKERS TO THE ISSUE :

Ahmedabad :

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

Bangalore :

Vijai & Company
9, Eleventh Main Road,
Post Box 319
Malleswaram.
Bangalore-560 003.

Bombay :

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

Calcutta :

Saijan Kumar Saraf
7, Lyons Range
Calcutta-700 001
Bhawarlal Dhyawala
7, Lyons Range
Calcutta-700 001

Cochin :

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

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.

Indore :

Pushkarlal Ghudawala
44, Bada Sarafa,
Indore-452 002.

Madras :

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

Consents :

Consent in writing from the above named Auditors, Bankers to the Company & Bankers to the Issue, Managers to the Issue and Brokers to the Issue are filed with the Registrar of Companies, West Bengal

at Calcutta as required by the Act and none of them has withdrawn the said consent upto the time of delivery of a copy of this prospectus to the Registrar of Companies, West Bengal at Calcutta for registration.

The Auditors of the Company M/s. Dangi Jain & Co. have given their written consent to the Issue of the prospectus with the inclusion therein of their report in the form and context in which it appears later in this prospectus and such consent has not been withdrawn upto the time of delivery of this prospectus for registration with the Registrar of Companies, West Bengal at Calcutta.

History and business of the Company :

The company was incorporated as a Public Company Limited by shares on 23rd July, 1981. It received the Certificate for commencement of Business on 10th August, 1981, from the Registrar of Companies, West Bengal, Calcutta.

The main object as stated in the Company's Memorandum of Association, which are as reproduced hereafter in this prospectus.

Prospects and Profitability :

The Directors feel that subject to unforeseen circumstances the Company will start earning profit from 1982-83.

Tax Benefits :

The Directors are advised that under the current laws, the following tax benefits are available to the Company and its members :

- (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 as the case may be u/s. 80M 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 as attributed to the profits of the Company exempted from Income-Tax under Section 80K of the Income Tax Act, 1961.

- (ii) Amortisation of certain preliminary expenses, including the expenses, incurred on the present issue of shares for a period of ten successive assessment years under Section 35D of the Income Tax Act, 1961

DANGI JAIN & CO.
Chartered Accountants

- (iii) Members shall be entitled to claim deduction from their total income to the extent of Rs. 3,000/- per year in respect of specified items including dividends from Indian Companies under Section 80L of the Income-Tax Act, and
- (iv) 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.

2, India Exchange Place,
Calcutta-700 001
23rd October, 1981

AUDITORS' REPORT

The Directors,
Genesis Exports Limited,
9, Tottee Lane,
Calcutta-700 016

As at 21st October, 1981

Gentlemen,

We have examined the books of Account of M/s. GENESIS EXPORTS LIMITED for the period from 23rd July, 1981 (date of incorporation) to 21st October, 1981.

In accordance with the relevant provisions of clause 24 of Part II of Schedule II of the Companies Act, 1956, we report as under.

A. PROFIT AND LOSS ACCOUNTS

The working results of the company for the period, after making such adjustments as in our opinion, appropriate as under :

For the period from 23rd
July, 1981 (date of incorpo-
ration) to 21st October, 1981

Income :

Interest on Loan 1,972.60

Expenditure :

Administrative & other expenses 2,697.41

Loss : 724.81

B ASSETS AND LIABILITIES

The assets and liabilities of the Company as at 21st October, 1981 which we have examined, are as set out below :—

ASSETS.

Currents Assets, Loans and Advances :

A. CURRENT ASSETS :	Rs.	P
Cash in hand		2,611.41
Balance with Scheduled Bank on current account		1,35,501.00
B. LOANS AND ADVANCES :		
(Unsecured & Considered good)		
Unsecured loans (Including Interest accrued but not due)		4,26,972.60
Advances		2,25,000.00

MISCELLANEOUS EXPENDITURE : (to be extent not written off or adjusted).

Preliminary Expenses.	15,698.24
	<u>8,05,783.25</u>

Less :

CURRENT LIABILITIES AND PROVISIONS :

Sundry Creditors	6,508.06
	<u>7,99,275.19</u>

Represented by

Share Capital.

80,000 Equity Shares of Rs. 10/-each fully paid up in cash	8,00,000.00
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Less : Debit balance on profit & Loss Account.	724.81
	<u>7,92,275.19</u>

C. We further report that :

- (1) No dividends has been declared by the Company since its incorporation.
- (2) Adjustments may be necessary to make the accounts for the period from 23rd July, 1981 to 21st October, 1981 to comply with the requirement of the Law relating to accounts to be laid before the Company in general meeting but at the date of signing this report, we are not aware of any material adjustments which would effect the results of the Company.

Yours faithfully,
For DANGI JAIN & CO.
Chartered Accountants
(S K. DANGI)
Partner

Main Objects of the Company :

1. To manufacture, sell, purchase, import, export or otherwise deal in all or any kind of table ware or crockery, industrial ceramics, ceramics ware, white ware, industrial ware, porous or coarse earthen ware, vitreous or hard procelain, bone china or china wares, stone wares, bricks, tiles, pipes, china and terracotta and any other pottery, ceramic, cement products or refractory articles.
2. To manufacture, prepare, import, export, buy, sell and otherwise deal in all kinds of glass, glass-ware, mirror, looking glass, scientific glass, sheet and plate glass, bangles, false pearls, bottles and all kinds of articles prepared of glass and carry on the business of glass patent solvers, glass embosser, glass tablet, show card and show case manufacturers partly or wholly made with glass.
3. To carry on the business of importers, exporters, manufacturers and distributors of agent for and dealers in sodium silicate, sodium bicarbonate, sulphuric acid, salt and salt based chemicals, electro chemicals, petrochemicals, organic, inorganic and organometallic chemicals including rubber chemicals, leather chemicals, polymer chemicals, synthetic chemicals, industrial explosives and chemical products of every nature and descriptions.
4. To purchase, take on lease, acquire in exchange or otherwise own, hold, occupy, manage, control, construct, alter, develop, pull down, improve, repair, renovate, work, build, plan, lay out, transfer, mortgage, charge, assign, let out, hire, sublease all types of lands, plots, buildings, hereditaments, bungalows, quarters, offices, flats, chawls, warehouses, godowns, shops, stalls, market, houses, structures, undertakings, constructions, tenements, roads, bridges, forests, estates, assets and properties, moveable or immoveable free-hold or leasehold or whatever nature and description and wherever situated and to carry on the business of construction and selling offices, flats, plots, houses and other accommodation on ownership basis.

Minimum Subscription :

The minimum amount on receipt of which the Directors will proceed with the allotment of shares is

Rs. 8,00,000 being the amount payable on application at the rate of Rs. 5/- per share in respect of 1,60,000 equity shares of Rs. 10/- each offered to the public for subscription in terms of this prospectus.

Object of the Issue :

This issue is being made with the object of inviting public to participate in the Equity share 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 present issue including brokerage, fees of Managers to the issue, stamp duty, printing and publication expenses, legal charges and registration fee etc. are estimated at Rs. 50,000 which will be met out of the proceeds of this issue.

UNDERWRITING COMMISSION, BROKERAGE AND FEES OF THE MANAGERS TO THE ISSUE

Brokerage will be paid at the rate of 1% on nominal value of the shares on the basis of allotment made against the application received bearing the stamp of a member of any recognised Stock Exchange in India. Brokerage at the same rate, will be payable to the brokers and bankers to the issue in respect of allotment made against application procured by them, provided the relative form of application bears their respective stamps in the Brokers column.

M/s. S. D. Consultants Private Limited, the Managers to the Issue will be paid a consolidated fee of Rs. 10,000/- plus out of pocket expenses on actual basis.

No commission is payable to underwriter as no part of the issue has been underwritten.

ISSUE OTHERWISE THAN FOR CASH :

No shares have been issued or agreed to be issued since the date of incorporation of the Company for consideration other than for cash.

BONUS SHARES, PREFERENCE SHARES AND DEBENTURES :

The Company has not issued so far any Bonus Shares, Preference Shares or Debentures.

PREVIOUS ISSUE :

Except as stated in this prospectus, the Company has not issued any shares since the date of its incorporation.

ISSUE AT 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 so far. The Company has not issued any shares at a discount.

OPTION TO SUBSCRIBE :

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

PREVIOUS COMMISSION, BROKERAGE AND DISCOUNT ON SHARES :

Except for the brokerage payable as mentioned in this prospectus, no sum has been paid since the date of incorporation of the Company till the date of the issue of the prospectus, or is payable as commission or discount for subscribing or agreeing to subscribe for procuring or agreeing to procure any subscription of shares in the Company.

CAPITALISATION OF RESERVES AND REVALUATION OF ASSETS :

No capitalisation of reserves or profits and revaluation of assets have been made since the incorporation of the Company.

CLASSES OF SHARES AND THEIR RESPECTIVE RIGHTS :

The authorised share capital of the Company is Rs 30,00,000/- divided into 3,00,000 Equity shares of Rs. 10/- each. There is no other class of Shares in the Company. The Company may increase or reduce the capital of the Company and divide the shares in the capital for the 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 them respectively. If any share is issued on terms providing that it shall rank for dividend as from a particular date, such share will rank for dividend accordingly.

PURCHASE OF PROPERTY :

The Company has neither purchased/acquired any property nor proposes to purchase or acquire any property which is to be paid wholly or partly out of the proceeds of the present issue other than property :

- a) the contract for the purchase or acquisition whereof was entered into in the ordinary course of the Company's business, contract not being made in contemplation of the issue or the issue in consequence of the contract : or
- b) in respect of which the amount of the purchase money is not material.

VOTING RIGHTS :

The Articles, inter alia provide :

- (1) 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.
- (2) On a poll the voting rights of Equity Shares shall be as specified in Section 87 of the Companies Act, 1956.
- (3) 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 vote by proxy so long as a 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 vote by proxy is tendered.

RIGHT OF THE SHAREHOLDERS IN CAPITAL AND DIVIDEND :

The nature and extend of the interest of shareholders in the property, and in profits of the Company are provided in the Articles of the Company, or in conformity with the Act. Subject to the provisions of the Articles and to the right of members entitled to the shares, if any, with preferential or special right attached there to, profits of the Company are divisible among the members in proportion to the amount of capital paid-up on shares held by them respectively.

LIEN ON SHARES :

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 paramount 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.

TRANSFER :

Save as provided in Section 108 of the 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 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 share. Each signature to such transfer shall be duly attested by the signature of one credible 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 charges for registration of transfer of its shares and debentures and for subdivision and consolidation of shares into denominations corresponding to the market units of trading in a Stock Exchange.

RETURN OF CAPITAL :

Subject to the provisions of the Companies Act, and without prejudice to the rights of the holders of shares, issued upon special terms and conditions, if the Company shall be wound-up and the assets available for distribution among the members are as such shall be less than sufficient 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 winding up on the shares held by them respectively. And if in winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of winding up the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding up or which ought to have been paid up on the shares held by them respectively.

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 Sections 106 and 107 of the Companies Act, 1956.

INTEREST OF PROMOTERS & DIRECTORS :

All the Directors are interested to the extent of the remuneration payable to them as fees, attendance at meetings of the Board or Committee thereof. All the

the Directors are interested to the extent of reimbursement of travelling, hotel and other expenses if any, entitled under the provisions of the Articles. All the Directors and Promoters may be deemed to be interested in the Company to the extent of their respective share holdings in the Company and the shares, if any that may be subscribed for and allotted to them. Such Directors of the Company are or may be regarded as interested in shares allotted or to be allotted to the Companies in which they are Directors or members.

PAYMENT TO PROMOTERS AND OFFICERS OF THE COMPANY :

Save as stated hereinabove the Company has not paid any money or given any benefit to any promoter or officer of the Company except their normal remuneration, fee and other expenses etc. to which they are entitled or may become entitled under the Articles or otherwise under the provisions of the Act

DIRECTORS :

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

QUALIFICATION SHARE :

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

NOMINATION OF DIRECTORS :

Article 17(a) provides that if at any time the Company obtains any loans or any assistance in connection therewith by way of guarantee or otherwise from any person, firm, body corporate local authority or public body (hereinafter called "the institution") or if at any time the company issues any share, debenture and enters into any contract or arrangement with the Institution whereby the Institution subscribes for or underwrites the issue of the Company's shares or debentures or provides any assistance to the company in any manner and it is a term of the relative loan, assistance, contract or arrangement that the Institution shall have the right to appoint one more or Director/ Directors to the Board of the Company, then subject to the provisions of Section 255 of the Act and subject to the terms and conditions of such loan,

assistance, contract or arrangement the Institutions shall be entitled to appoint one or more Director or Directors, as the case may, to the Board of the Company and to remove from office any Director so appointed and to appoint another in his place or in the place of a Director so appointed who resigns or otherwise vacates his office, any such appointment or removal shall be made in writing and shall be served at the office of the Company. The Director or Directors so appointed shall neither be required to hold any qualification share nor shall be liable to retire by rotation and shall continue in office for so long as the relative loan, assistance, contract or arrangement, as the case may subsist.

ALTERNATE DIRECTORS :

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

POWER OF DIRECTORS :

Subject to the provisions of the Companies Act, 1956, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and do all such acts and things as the Company is authorised to exercise and do, provided the Board shall not exercise any power or do any act or thing which is directed or required, whether by the 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 provision on that behalf contained in the Companies act, 1956 or any other statute or in the Memorandum of the Company or in the Articles of Association, or in any regulation not inconsistent therewith and duly made thereunder including regulations made by the Company in general meeting but no regulation made by the Company in the general meeting will invalidate any prior act of the Board which would have been valid if that regulation had not been made.

MANAGING DIRECTOR/ WHOLE-TIME DIRECTOR

Subject to the provisions of the Companies Act, 1956, Managing Director or whole-time Director may be

appointed by the Board at such remuneration as may be approved by the Central Government. No such Managing Director has been proposed or appointed by the Company upto now.

REMUNERATIONS OF DIRECTORS :

Article 18 provides that every Director shall be paid such sitting fee, not exceeding Rs. 250/- per meeting of the Board, or a committee of the Board attended by him, as the Board may determine. Such Directors shall also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meeting of the Board of Directors or any committee thereof or General Meetings of the Company.

The Directors other than the Managing Director and a Director in the whole time employment of the Company shall also be paid by way of further remuneration @ 3% of the annual net profits of the Company. The rate of such commission shall be reduced to 1% in the circumstances referred to in Section 309(4) (a) of the Act, such net profits being computed in the manner laid down in section 349 of the Act except that the remuneration of Directors shall not be deducted from the gross profit. Such remuneration under this para shall be paid to all the Directors for the time being or to any one or more of them in such proportion as the Directors may by the resolution of the Board authorising such payments decide, and in default of such decision, equally amongst all the Directors for the time being in the office during the year. Such remuneration in respect of each financial year shall be paid in the next subsequent year.

Article 19 provides that if any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going and or residing away from Calcutta for any of the purposes of the Company or giving special attention to the business of the Company or as a member of a committee of the Board then, subject to the Sections 198, 309 and 310 of the Companies Act, 1956, the Board may remunerate the Director so doing either by a fixed sum and/or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.

BORROWING POWERS :

The Board may, from time to time, at its discretion subject to the provisions of Section 292, 293 and 370 of the Companies Act, 1956 raise or borrow, either from the Directors, or from elsewhere and secure the payment of any sum or sums of money for the purposes of the Company. The Company, has by a resolution passed at an extra ordinary general meet-held on 21st september, 1981 authorised the Board pursuant to Section 293 (1) (d) of the Act, to borrow from time to time moneys up to a sum not exceeding

Rs. 2 crores outstanding at any one time (apart from temporary loan from its Bankers in the usual course of the business).

INDEMNITY :

Articles 41 provides that :

Every Director, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed shall be indemnified out of the funds of the Company against all liability incurred by him as Director, Secretary, Officer, employee or Auditor in defending any proceedings whether civil, 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 Act in which relief is granted to him by the Court.

MATERIAL CONTRACTS AND INSPECTION OF DOCUMENTS :

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 9, Totee Lane, Calcutta-700 016, between 11 A.M. and 1 P.M. on any working day (except Saturday 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 to the Company & Bankers to the Issue, Auditors, Managers to the issue and Brokers.

We, the Directors of GENESIS EXPORTS LIMITED hereby confirm the correctness of the information relating to the Company contained in these documents.

Satya Ghosh
Rajendra Kumar Banthia
Ashoke Kumar Virmani

Directors

Calcutta

Dated, the 31st day of October 1981.