

KUMI AGRO INDUSTRIES LIMITED

Reg. Office : 173, MAHATMA GANDHI ROAD, (2nd Floor)

CALCUTTA-700 007

PROSPECTUS

**PUBLIC ISSUE OF
1,57,500 Equity Shares of Rs. 10/-
each for cash at par**

Issue Managed by :

ENKAY CONSULTANTS PRIVATE LTD.

29, STRAND ROAD,

CALCUTTA-700 001

P R O S P E C T U S

1. This issue of equity shares is within the exemption limit under the Capital Issue (Exemption) Order, 1969 and no consent or acknowledgement of the Controller of Capital Issue is needed.
2. A copy of this Prospectus having attached thereto the documents required to be filed under section 60 of the Companies Act, 1956 as amended upto date (hereinafter referred to as "The Act") has been delivered for registration to the Registrar of Companies, West Bengal at Calcutta.
3. Application will be made to The Calcutta Stock Exchange Association Ltd. for permission to deal in and for official quotations for the equity shares of the Company.
4. The subscription list will open at the commencement of the banking hours on Monday, the 28th February, 1983 and will close at the close of the banking hours on Thursday, the 10th March, 1983 or earlier, at the discretion of the Board of Directors but not before the close of the banking hours on Friday, the 4th March, 1983.
5. THE ATTENTION OF THE APPLICANTS IS DRAWN TO SUB-SECTION (1) OF SECTION 68-A 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.

KUMI AGRO INDUSTRIES LIMITED

(Incorporated on 4th September, 1982 under the Companies Act, 1956)

173, MAHATMA GANDHI ROAD (2ND FLOOR)

CALCUTTA-700 007

SHARE CAPITAL

Nominal Value
(Rs.)

AUTHORISED

2,50,000 Equity Shares of 10/- each

25,00,000/-

ISSUED & SUBSCRIBED

50 Equity Shares of Rs. 10/- each fully paid up for cash at par allotted to the Subscribers to the Memorandum and Articles of Association

500/-

89,950 Equity Shares of Rs. 10/- each fully paid up allotted to the friends, relatives and associates of Promoters/Directors for cash at par

8,99,500/-

Total : 9,00,000/-

PRESENT ISSUE : OFFERED TO THE PUBLIC

1,57,500 Equity Shares of Rs. 10/- each for cash at par

15,75,000/-

TERMS OF PAYMENT

On Application

Rs. 2.50 per share

On Attotment

Rs. 7.50 per share

Failure to pay the amount due on allotment will render the allottee (s) liable to pay interest thereon from the day appointed for payment thereof to the day of actual payment at the rate of 15% per annum or at such lower rate as the Directors may determine and will also render the shares including the amounts already paid on them liable to forfeiture.

TERMS OF OFFER

The equity shares now being offered are subject to the terms of this Prospectus, the Application Form and the Memorandum and Articles of Association of the Company. They will rank pari passu with the existing issued and subscribed equity shares of the Company in all respects except that the holders of the Equity Shares now being offered will be entitled to Dividend, if any, which may be declared or paid on the Equity Shares in proportion to the amount paid upon the said Equity Shares and prorata for the period during which such capital is paid up thereon.

BOARD OF DIRECTORS

Name, Address and Description	Occupation and other Directorships
Shri Ram Gopal Khandelia S/o Shri Basant Lal Khandelia 100, Park Street. Calcutta-700 016.	Consulting Engineer Director of : EXCLUSIVE ENGINEERS PRIVATE LTD.
Shri Subh Karan Marda S/o Late Ridh Karan Marda 2/1, Chitpur Bridge Approach Road, Calcutta-700 003.	Service Director of : ORCHID TRADING & INVESTMENT COMPANY LTD.
Shri Shiv Kumar Agarwal S/o Late Nawrang Rai Agarwal 2/1, Sri Satya Narayan Temple Road, P. O. Salkia, Howrah-711 106.	Service

The first directors of the Company as named in the Articles of Association of the Company were Mr. Banarsi Dass Agarwal, Mr. Subh Karan Marda and Mr. Ram Gopal Khandelia. Mr. Banarsi Dass Agarwal resigned from the Board on 9th October, 1982 due to his other preoccupations. Mr. Tej Ram Gupta was appointed as Director in the Extra-Ordinary General Meeting of the members of the Company held on 8th October, 1982, resigned on 14th January, 1983. Mr. Shiv Kumar Agarwal was appointed as Director in the Extra-Ordinary General Meeting of the members of the Company held on 13th January, 1983.

The Company does not at present have or propose to have any Managing/whole time Director or Manager.

REGISTERED OFFICE

173, Mahatma Gandhi Road
(2nd Floor)
Calcutta-700 007.

ADVOCATES

O. P. Pasari & Co.
29, Strand Road
Calcutta-700 001.

AUDITORS OF THE COMPANY

Ram Mohita & Co.,
Chartered Accountants
29 Strand Road,
Calcutta-700 001.

BANKERS TO THE COMPANY

Canara Bank
2, Hare Street,
Calcutta-700 001.

BANKERS TO THE ISSUE

Canara Bank
2, Hare Street,
Calcutta-700 001.

MANAGERS TO THE ISSUE

Enkay Consultants Private Ltd.
29, Strand Road,
Calcutta-700 001.

PRINCIPAL BROKERS TO THE ISSUE

Khandelwal Bros.
Wardley House,
25, Swallow Lane,
Calcutta-700 001.

OTHER BROKERS TO THE ISSUE

CALCUTTA

- 1) Mohan Lal Dhelia
26, Tarachand Dutta Street,
Calcutta-700 073.
- 2) Luxmi & Co.
16, India Exchange Place,
Calcutta-700 001.

AHMEDABAD

Gordhan Das, N. Gupta
Anandji Kalyanji Building,
Opp. Dhanasuthar Pole,
Relief Road,
Ahmedabad-380 001.

CONSENTS

Consents in writing of the above named Bankers to the Company, Bankers to the Issue, Auditors, Advocates, Managers to the Issue, Principal Brokers to the Issue and other Brokers to the Issue, to act in their respective capacities have been obtained and filed with the Registrar of Companies, West Bengal, Calcutta as required by the Act and have not been withdrawn upto the time of filing of this Prospectus. Ram Mohita & Co., Chartered Accountants, the Auditors

OTHER BROKERS TO THE ISSUE (Contd.)

BANGALORE

M. Nanjappaiah Jahgirdar
205, K. Kamraj Road,
Bangalore-560 042.

BOMBAY

M. J. Patel
Cama Building (3rd Floor),
24-26, Dalal Street,
Bombay-400 23.

DELHI

B. D. Agarwal & Co.
Laxman House,
9/3, Asaf Ali Road,
New Delhi-110 002.

HYDERABAD

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

INDORE

Pushkar Lal Ghudawala
44, Bada Sarafa,
Indore-452 002.

MADRAS

Dalal & Co.
National Insurance Building,
224, N. S. C. Bose Road,
Madras-600 001.

COCHIN

A. Aaron & Co.
Congress House,
Hospital Road, Ernakulam,
Cochin-682 011.

KANPUR

Atma Ram Kagriwal
Vishwambar House,
25/32 A, Karachi khana,
Kanpur-20800.

of the Company have given their written consent to the inclusion in this Prospectus of their report in the form and context in which it is included and such consent has not been withdrawn upto the time of filing of this prospectus.

HISTORY AND BUSINESS OF THE COMPANY

The Company has been incorporated as a Public Limited Company in the State of West Bengal on 4th September, 1982 and obtained the certificate of commencement of business on 21st September, 1982. The main objects for which the company has been established and which have been reproduced hereafter in this prospectus inter-alia include cultivation, manufacture, purchase, sell and otherwise dealing in tea, coffee, cinchona, cocoa, rubber, tea seeds and/or their by-products and derivatives and financing, advancing and lending of monies. Member of the Company through a Special Resolution passed in the Extra-Ordinary General Meeting of the Company held on 24th November, 1982 have also authorised the Company to commence the business of buying, selling, investing and dealing in shares, debentures and other securities as specified in Sub-Clause 15 of Clause iii(c) of the Memorandum of Association of the Company.

MAIN OBJECTS

The main objects of the Company as set out in its Memorandum of Association read as follows :

1. To grow, cultivate, manufacture, treat, cure, blend, process, win, buy, sell, export and otherwise deal in tea or coffee, whether in bulk, packets or concentrated forms, cinchona, cocoa, rubber, tea seed and clones, their by-products and derivatives, timber, and other produce, whether of spontaneous growth or not : to carry on business as warehousemen, shippers, exporters of the products as aforesaid, and to carry on the business of cultivators, winners and buyers of every kind of vegetable, mineral or other allied produce of the soil ; to prepare, manufacture and render marketable any such produce and to sell, export, dispose of and deal in any such produce either in its prepared, manufactured or raw state and either by wholesale or retail and in connection with all or any of the business aforesaid to acquire by amalgamation, purchase, takeover or otherwise the whole or part of the assets, liabilities and undertaking in India or elsewhere of any other company, body corporate, firm, association or person.
2. To carry on the business of advancing and lending money and assets of all kinds with or without security to such persons, firms, companies or association of persons as may be thought fit and on such terms and conditions as may be agreed to provided that the Company shall not do any banking business as defined under the banking Regulation Act, 1949.

PROSPECTS

The Company has been established with the object of cultivation, manufacture and dealing in tea and financing, advancing and lending monies as mentioned in the memorandum of association. The Board of Directors are of the opinion that subject to unforeseen circumstances, the operations of the Company will be remunerative and the Company will be in a position to pay reasonable dividends on its equity shares within a reasonable period.

MANAGEMENT

The Company is managed by its Board of Directors and it is not envisaged at this stage to appoint any Managing or whole-time Director or Manager. The necessary management personnel will be appointed as and when necessary, No difficulty is envisaged in this regard.

OBJECTS OF THE PRESENT ISSUE

This issue is being made with the object of inviting public to participate in the Equity share capital of the company and/or providing finance required by the Company for its business operations. After meeting the expenses of this issue estimated at Rs 60,000/- and other preliminary expenses incurred/to be incurred and estimated at Rs. 11,000/- the balance proceeds will be accordingly employed.

TAX BENEFITS

The Directors are advised that under the current law the following benefits will be available to the Company/its members—

To the Members

1. Members of the Company who are individuals or Hindu Undivided Families will be entitled to a deduction under Section 80L of the Income-Tax Act, 1961 from their total income upto a maximum of Rs. 4,000/- in the aggregate per year in respect of specified items including dividends received from this Company.
2. Members of the Company who are domestic Companies will be entitled to partial exemption u/s. 80M of the Income-tax Act, 1961 from Income-tax on dividends received by them from this Company.
3. Members of the Company who are themselves companies will be entitled to the benefit of total exemption of dividends received by them from this Company in computing chargeable profits under the Companies (Profits) Sur-tax Act, 1964.
4. Members of the Company who are individuals or Hindu Undivided Families will be entitled to exemption from Wealth-tax under Section 5(1) (xxiii) of the Wealth-tax Act, 1957 on the value of equity Shares to the extent of Rs. 1,65,000/- as per Section (5) (1A) in respect of specified assets including the value of shares in this Company.

To the Company

5. The Company shall be entitled to the benefit of exemption from Income-tax on dividends received by it from other domestic Companies to the extent provided in Section 80M of the Income-tax Act, 1961.
6. The Company shall be entitled to the benefit of total exemption of dividend received by it from other domestic Companies in computing chargeable profits under the Companies (Profits) Sur-Tax Act, 1964.
7. Amortisation of certain preliminary expenses including the expenses incurred on the present issue of shares over a period of ten successive years under Section 35D of the Income-tax Act, 1961.

AUDITORS' REPORT

To
The Directors
Kumi Agro Industries Limited
173, Mahatma Gandhi Road
(2nd Floor)
Calcutta 700 007

Dear Sirs,

We have examined the books of Accounts of M/s. Kumi Agro Industries Limited for the period from 4th September, 1982 (Date of Incorporation) to 3rd January 1983 in accordance with the requirements of clause 24 of Part II of Schedule II of the Companies Act, 1956 and we report as follows :

(1) The company has started its business activities during the above period. Based on the examination as mentioned above and in accordance with the provision of Clause 24 of Part II of Schedule II of the Companies Act, 1956 we report that the profits of the Company for the period ended 3rd January 1983 is set out as below :

I. INCOME :

Interest Receivable

Rs. P.
10,187.85

EXPENDITURE :

Miscellaneous Expenses (Except Preliminary Expenses)

1,229.90

PROFIT ... 8,957.95

Note :

The above profit has been arrived at after charging all expenses of working and after making such adjustments as are in our opinion, appropriate except that no provision has been made for income tax on profit for the period.

II. The Assets and Liabilities of the Company as at 3rd January 1983 are set out below :

ASSETS :

Investment in shares of Minoo Biscuits Private Ltd.

Rs. P.
Rs. P.
1,00,000.00

Current Assets, Loans & Advances :

A. Current Assets

Cash in hand

9,359.10

Balance with Canara Bank in Current A/c.

2,990.00

B. Loans & Advances

Loans—Unsecured Considered good

7,87,000.60

Interest accrued but not due

10,187.85

MISCELLANEOUS EXPENDITURE

(To the extent not written off/or adjusted)

Preliminary Expenses

9,325.00

8,18,861.95

TOTAL ASSETS

9,18,861.95

LESS : LIABILITIES AND PROVISIONS

Preliminary & other Expenses to be incurred by,
and reimbursed to, a Director

9,904.00

NET ASSETS

9,08,957.95

REPRESENTED BY

Share Capital

9,00,000.00

90,000 Equity Shares of Rs. 10/- each fully paid up

RESERVES AND SURPLUS

Profit and Loss Account (Balance)

8,957.95

9,08,957.95

(2) We further report that Company has not declared any dividend since the date of its incorporation.

29, Strand Road,
Calcutta-700 001
The 4th day of January 1983

For RAM MAHTA & COMPANY
Chartered Accountants
Sd/- RAM MAHTA
Proprietor

OTHER STATUTORY AND GENERAL INFORMATION

SIGNATORIES TO THE MEMORANDUM :

Names, addresses, descriptions & Occupations of subscribers	No. of Equity Shares subscribed
Shri Banarsi Das Agarwal S/o. Late Kalu Ram Agarwal 43, Burtolla Street, Calcutta-700 007. Business	10
Shri Ram Gopal Khandelia S/o. Late B. L. Khandelia 100, Park Street, Calcutta-700 016. Engineer	10
Shri Subh Karan Marda S/o. Late Shri Rihkaran Marda 173, Mahatma Gandhi Road, Calcutta-700 007. Service	5
Shri Rajendra Prasad Choudhary S/o. Sri Durga Prasad Choudhary 77D, Dilkhusha Street, Calcutta-700 017. Service	5
Shri Pawan Kumar Parasrampur S/o. Sri Jiwan Ram Parasrampur 8/1B, M. D. Road, Calcutta-700 007. Business	10
Shri Manas Lahiri S/o. Sri Jamini Kanta Lahiri 28, Motilal Mullick Lane, Calcutta-700 035. Service	5
Shri Chittilamchery Raman Madhavan S/o. Sri Chittilamchery Raman 10/1, Russa Road (South), 3rd Lane, Tollygunge, Calcutta-700 033. Service	5

Total : 50

MINIMUM SUBSCRIPTION

The minimum subscription in respect of the present issue on which the Directors will proceed to allot the shares is Rs. 3,93,750/- being the application money @ Rs. 2.50 per share payable in respect of 1,57,500 Equity Shares of Rs. 10/- each. The entire amount after meeting the preliminary expenses and the expenses of this issue, as hereinbefore mentioned, will be used as working capital.

UNDERWRITERS

No part of this issue is underwritten.

DIRECTORS AND RESTRICTIONS ON THEIR POWERS

Subject to the provisions of the Act and Articles of Association of the Company (hereinafter referred to as 'Articles') the control of the Company's affairs is vested in the Board of Directors. Under Articles 23, the Board is entitled to exercise all such powers and to do all such acts and things as the Company is authorised to exercise and do in furtherance of its objects specified in the Memorandum of Association for which the company is established, except such powers as are specifically required by the said Act or the Memorandum or Articles of Association of the Company to be exercised or done by the Company in General Meetings. In exercising any such powers or doing any such act or things, the Board will be subject to the provisions contained in that behalf in the said Act, or in the Memorandum or Articles of Association of the Company or in any regulations not inconsistent therewith, and duly made thereunder including regulations made by the Company in general meetings. No regulation made by the Company in general meetings will invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Other provisions of the Articles relating to Directors are :—

1. Until otherwise determined by a special resolution, the number of Directors of the Company will not be less than three nor more than eleven.
2. Directors are not required to hold any shares in the Company as qualification shares, but nevertheless will be entitled to attend and speak and otherwise participate at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company.
3. 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 any time the Company issues any shares or debentures and enters into any contract or agreement 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 will have the right to appoint one or more Director or Directors on the Board of the Company, then subject to the provisions of Section 255 of the Companies Act, 1956 and subject to the terms and conditions of such loan, assistance, contract or arrangement the Institution will be entitled to appoint one or more Director or Directors as the case may be, on 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 will be made in writing and will be served at the Office of the Company. The Director or Directors so appointed will neither be required to hold any qualification shares nor be liable to retire by rotation and will continue in office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists.
4. The Board may from time to time authorise or empower any Director, Managing Director, Manager, or Secretary of the Company either by name, in virtue of office or otherwise or any other person or persons, either singly or jointly, to exercise or perform all or any of the powers (including the power to subdelegate) authorities and duties conferred or imposed on the Board of Directors by law or Articles of Association subject to such restrictions and conditions, if any, and either generally or in specific cases as the Board may think proper.
5. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum fixed by these Articles, the Directors will not, except in emergency or for the purpose of filling vacancies or for summoning a general meeting act so long as their number is below the minimum.

6. (i) The Board may, at any time and from time to time by Power of Attorney under seal may appoint any person to be the Attorney of the Company for such purposes and with such powers, authorities, and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may, from time to time think fit and any such Power of Attorney may contain such provisions for the protection of person dealing with such attorneys as the Board thinks fit.
- (ii) Any such delegate or attorney as aforesaid may be authorised by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him.
7. Subject to the provisions of the Companies Act, 1956, the Board will have power to appoint a person as alternate Director to act for a Director during his absence for a period of not less than three months from the State in which meetings, of the Board are ordinarily held. An alternate Director will not be required to hold qualification shares, if any.
8. If any Director appointed by the Company in general meeting vacates office as a Director before his term of office will expire in the normal course, the resulting casual vacancy may be filled by the Board. But any person so appointed will 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 section 284 of the Companies Act, 1956.
9. (a) The Board will have power any time, and from time to time, to appoint any person as an additional Director, but so that the total number of Directors shall not exceed the maximum number fixed by these Articles.
- (b) Such additional Director shall hold office until the next following annual general meeting but will however be eligible for appointment by the Company at that meeting as a Director, after the meeting has, if necessary, increased the number of Directors.
10. Regulations in Table A of the Schedule 1 to the Act applies to this Company except in so far as they are not modified, substituted or abrogated by the Articles of the Company.

SHARE QUALIFICATIONS

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

MANAGING/WHOLE-TIME DIRECTORS AND MANAGERS

Article 31 provides that subject to the provisions of Sections 316 and 317 of the Act, the Board may from time to time appoint one or more Directors to be Managing Directors or whole time Directors of the Company, for fixed time not exceeding five years at a time 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.

Under Regulation 82 of Table A and subject to the provisions of the Act, a manager may be appointed by the Board for such term at such remuneration and upon such conditions as it may think fit; and any manager so appointed may be removed by the Board. A Director may be appointed as manager.

Remuneration if any, payable by the Company to a Director in respect of his services as a Managing Director or a whole time Director will be determined in accordance with and subject to the provisions of the Companies Act, 1956.

The Company has not so far appointed any Managing/Whole-time Director or Manager since its inception and also does not propose to have any Managing or Whole-time Director or Manager at this stage.

BORROWING POWERS

Article 27 provides that the Board, may from time to time, at its discretion, subject to the provisions of Sections 292, 293 and 370 of the Act raise or borrow from the Directors or anywhere else and secure the payment of any sum or sums of money for the purposes of the Company ; provided that the Board will not, without the sanction of the Company in general meeting, borrow any money which together with moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate for the time being of the paid up capital of the Company and its free reserves that is to say, reserves not set aside for any specific purpose. The Board of Directors of the Company has been authorised by the Members of the Company in the Extra-ordinary General Meeting held on 24th day of November, 1982 to borrow (apart from temporary loans obtained from the Company's bankers in the ordinary course of the business) upto Rs. 10,00,000/- in excess of the aggregate for the time being of the paid up capital of the Company and its free reserves i.e. reserves not set apart for any specific purpose.

REMUNERATION TO DIRECTORS

Articles 21 and 22 provide that :—

- (a) Unless otherwise determined by the Company in general meeting each Director will be entitled to receive out of the funds of the Company for his services in attending meetings of the Board or a Committee of the Board, a fee not exceeding Rs. 250/- per meeting of the Board or Committee of the Board attended by him.
- (b) The Directors (other than a Managing Director and a Director in the whole time Employment of the Company) will also be paid, if the Board so decides, by way of further remuneration 3% of the annual net profits of the Company ; (the rate of such commission will be reduced to 1% in the circumstances referred to in section 309(4)(a) of the Companies Act, 1956) ; such net profits being computed in the manner laid down in Section 349 of the said Act except that the remuneration of Directors will not be deducted from the gross profit. Such remuneration under this sub-para will 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 resolution of the Board authorising such payments decide, and in default of such decision, equally amongst all the Directors for the time being in office during the year. Such remuneration in respect of each financial year will be paid in the next subsequent year. All other remuneration, if any, payable by the Company to each Director, whether in respect of his service as a Managing Director or a Director in the whole or part time employment of the Company will be determined in accordance with and subject to the provisions of the Companies Act, 1956. The Directors will be entitled to be paid their reasonable travelling, and hotel and other expenses incurred in consequence of their attending any Board or Committee meeting or otherwise incurred in the execution of their duties as Directors.
- (c) If any Director, being willing, will be called upon to perform extra services or to make any special exertion in going or residing away from Calcutta for any of the purposes of the Company or in giving special attention to the business of the Company or as a member of a Committee of the Board then subject to the provisions of Sections 198, 309, 310 and 314 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.

INTEREST OF DIRECTORS AND PROMOTERS

The Directors and Promoters of the company are or may be deemed to be interested in the promotion of the company and/or present issue to the following extent :

- (a) of the remuneration payable to them under the Articles of Association of the Company ;
- (b) of reimbursement of expenses incurred by them in respect of formation of the Company and repayment of loan, if any, given by them to the Company ;
- (c) of the shares held by them in the Company or that may be subscribed for by them and allotted to them or to their relatives or to any company of which they are directors out of the present issue.

AMOUNT OF BENEFIT PAID OR GIVEN TO PROMOTERS OR OFFICERS

No amount or benefit has been paid or given or is intended to be paid or given to any Promoter, Director or any officer of the Company since its inception save and except the reimbursement of preliminary and other expenses amounting to Rs. 9,904/- incurred by Sri S. K. Marda one of the Promoters and Directors of the company in connection with the formation of the company and repayment of loan (free of interest) of Rs. 500/- given by him to the Company after its incorporation for meeting various other expenses.

CAPITALISATION OF RESERVES

The Company has not capitalised any profit or reserve since its incorporation. The Company does not have any subsidiary company.

ISSUE AT A PREMIUM OR DISCOUNT

No amount has been paid or is payable by way of premium on any shares issued within the preceding two years or on any shares agreed to be issued by the Company. The Company has neither issued nor agreed to issue any shares at a discount.

ISSUE OTHERWISE THAN FOR CASH

No share or debenture has been issued or agreed to be issued otherwise than for cash within the 2 years preceeding the date of this Prospectus.

REVALUATION OF ASSETS

There has been no revaluation of the assets of the Company since its inception.

EXPENSES OF PRESENT ISSUE

The expenses of the present issue including brokerage, stamp duty, printing, distribution and publication expenses, bank charges and auditors' fees, fees of the managers to the issue and their expenses, legal and other charges estimated at about Rs. 60,000/- are payable by the Company and will be met out of the proceeds of the present issue.

REMUNERATION OF PRINCIPAL BROKERS TO THE ISSUE

No separate remuneration is payable to the Principal Brokers to the issue except payment of Brokerage to them i.e. $1\frac{1}{2}$ percent of the issue price in respect of shares allotted on the applications procured by them and bearing their stamp in the broker's column.

FEES PAYABLE TO MANAGERS TO THE ISSUE

M/s. Enkay Consultants Private Ltd., Managers to the issue, will be paid for their services as mentioned in their letter of offer dated 22nd September, 1982 and accepted by the Company Vide its letter of acceptance there of dated 25th September, 1982. These letters are kept open for public inspection.

PREVIOUS CAPITAL ISSUE

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

REDEEMABLE PREFERENCE SHARES

The Company does not have any Preference Share Capital and does not presently intend to issue Redeemable Preference Shares. However, Article No. 4 of the Articles of Association of the Company confers power on the Company to issue Redeemable Preference Shares. It provides that subject to the provisions of the Companies Act, 1956, the Company will have power to issue preference shares carrying a right to redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or liable to be redeemed at the option of the Company and the Board may, subject to the provisions of Section 80 of the said Act exercise such power in such manner as may be provided in these Articles.

OPTION TO SUBSCRIBE

The Company has not entered into any contract or arrangement and does not propose to enter 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 shares in or debentures of the Company.

CLASSES OF SHARES

The shares of the Company consists of one Class only viz. Equity shares. The Authorised Share Capital of the Company is Rs. 25.00 lacs (Rupees twentyfive lacs only) divided into 2,50,000 equity shares of Rs. 10/- each. Article No. 5 of the Articles of Association of the Company provides that :—

- (a) The Company in general meeting may, from time to time, increase its capital by creation of new shares of such amount as may be deemed expedient.
- (b) Subject to any special rights or privileges from the time being attached to any shares in the capital of the Company then issued, the new shares may be issued upon such terms and conditions and with such rights and privileges attached thereto as the general meeting resolving upon the creation thereof will direct, and, if no direction be given, as the Board will determine, and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.

RIGHTS OF SHAREHOLDERS

1. Article 17 provides as follows :

Subject to any rights or restrictions for the time being attached to any class or classes of shares :—

- (a) On show of hands, every member present in person (including body corporate present by a representative duly authorised in accordance with the provisions of the law) will have one vote ; and
- (b) On a poll, the voting rights of members will be as laid down by the Act.

2. Regulation 57 to 63 of Table A in Schedule 1 of the Companies Act, 1956 which applies to this Company provides as follows ;—

(a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

(b) A member of unsound mind or in respect of whom an order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may on a poll, vote by proxy.

(c) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid.

(d) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairman of the meeting, whose decision shall be final and conclusive.

(e) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or in the case of the poll, not less than 24 hours before the time appointed for the taking of the poll ; and in default the instrument of proxy shall not be treated as valid.

(f) An instrument appointing a proxy shall be in either of the forms in Schedule IX to the Act or a form as near thereto as circumstances admit.

(g) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given : Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Regulation 98 of Table A in Schedule 1 of the Companies Act, 1956 which applies to this Company, provides as follows :

(1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trust for the benefit of the contributories, as the liquidator with the like sanction shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Except as aforesaid, the shareholders have no interest in the property of the Company.

CAPITAL AND DIVIDEND

The Articles of Association of the Company and Table A in Schedule 1 to the Companies Act, 1956 provide as follows :

1. The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
2. The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.
3. Subject to the provisions of the Act, the Board may, from time to time before recommending any dividend, set apart any and such portion of the profits of the Company as it thinks fit as Reserves to meet contingencies or for the liquidation of any debentures, debts or other contingency or other liabilities of the Company, equalisation of dividends, for repairing, improving or maintaining any of property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interests of the Company and may subject to the provisions of Section 372 of the Act, invest the several sums so set aside upon such investments (other than in the shares of the Company) as it may think fit, and from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the Reserve into such special funds as the Board thinks fit, with full power to employ the Reserves or any parts thereof in the business of the Company, and without being bound to keep the same separate from other assets,
4. The Board may also carry forward any profits which it may think prudent not to divide, without setting them aside as a reserve.
5. Subject to the rights of persons if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividends is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
6. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
7. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid ; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
8. The Board may deduct from any dividend payable to any member all sums of money, if any presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
9. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holders or in the case of joint holders, to the registered address of that one of the joint holders who is the first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
10. Any one of two or more joint holders of a share may give effectual receipts for any dividends bonuses or other moneys payable in respect of such share.

11. Notice of any dividend that may have been declared shall be given to the person entitled to share therein in the manner mentioned in the Act.
12. No dividend shall bear interest against the Company.
13. Unclaimed dividend will be dealt with in accordance with Section 205A of the Act.
Article No. 7 of the Articles of Association of the Company provides that any amount paid up in advance of calls on any share may carry interest, as may be decided by the Board but will not in respect thereof confer any right to dividend or to participate in profits.

Except as stated above, the shareholders have no interest in the profits of the Company

MODIFICATION OF RIGHTS

Regulations 3 and 4 of Table A provides that 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 the issue of that class) may, subject to the provisions of Sections 106 and 107 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of 3/4ths of the issued shares of that class or with the sanction of special resolution passed at the separate meeting of the holders of shares of that class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights will not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari-passu therewith.

RESTRICTIONS ON THE TRANSFER OF SHARES :

Articles Nos. 9 to 13 of the Articles of Association of the Company provide as follows :

1. Save as provided in Section 108 of the Companies Act, 1956 no transfer of a share will 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 will be duly attested by the signature of one credible witness who will add his address and occupation.
2. Application for registration of 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 will, 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 Companies Act, 1956, and subject to the provisions of the Companies Act, 1956 the Company will 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.
3. The Board may in their absolute discretion refuse to register any transfer of shares, whether fully or partly paid up and the Board will not be bound to disclose the reason or reasons for such refusal. The Board may also decline to register any transfer of shares on which the Company has any lien under the provisions of these Articles or otherwise provided that registration of a transfer will not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except stated herein-above.
4. The Company will incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made, by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of

persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice, or referred thereto, in any books of the Company and Company will not be bound or required or regard or attend or given effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some books of the Company ; but the Company will nevertheless, be at liberty to regard and attend to any such notice and give effect thereto if the Board will so think fit.

5. The Company will not charge any fee for registration of transfer of shares or for sub-division of its share-certificates into denominations corresponding to the market units of trading.

LIEN

Article No. 8 provides that the Company will not have any lien on fully paid shares and in the case of partly paid shares the Company's lien will be restricted to money called or payable at a fixed time in respect of such shares.

PURCHASE OF PROPERTY

The Company has not purchased or entered into any contract or understanding for purchase or acquisition of any property upto the date of this Prospectus.

BROKERAGE AND UNDERWRITING COMMISSION

Brokerage @ $1\frac{1}{2}\%$ on the issue price will be paid to the brokers and bankers to the issue named earlier in this Prospectus as well as to any other members of any recognised Stock Exchange in India in respect of shares allotted as a result of applications procured by them and bearing their stamps.

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

PREVIOUS COMMISSION

Except the brokerage payable to the Brokers and bankers as mentioned herein above no sums have since the inception of the Company been paid or payable as commission for subscribing or agreeing to procure subscriptions for any share in or debentures of the Company.

PRELIMINARY EXPENSES

Preliminary expenses relating to the formation of the company are estimated at Rs. 11,000/- out of which Rs. 9,325/- have already been incurred so far. This amount of Rs. 9,325/- has been borne by Sri S. K. Marda one of the promoters and Directors of the Company which has since been reimbursed to him by the Company.

INDEMNITY AND RESPONSIBILITY

Article No. 39 provides that every Director, Manager, 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 as Auditor will be indemnified out of the funds of the Company against all liability incurred by him as such Director, Manager, Secretary, Officer, Employee, Agent, Auditor 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 Act in which relief is granted to him by the Court.

MATERIAL CONTRATS AND INSPECTION OF DOCUMENTS :

The contract referred to in paragraph 'A' below (Not being contract entered into in the ordinary course of business carried on by the Company, or entered into more than two years before the date of this prospectus) which are or may be deemed material have been entered into by the Company. This contract together with the documents referred to in paragraph 'B' below, copies of all of which have been attached to the copy of this prospectus which has been delivered to the Registrar of Companies, West Bengal, for registration may be inspected at the registered office of the company between 10.00 a.m. and 1.00 p.m. on any working day (except Saturday) until closing date of the subscription list.

A. MATERIAL CONTRACT :

1. Letter of offer dated 22nd September 1982 from Enkay Consultants Private Ltd. to act as managers to the issue and the company's letter of acceptance thereof dated 25th September 1982.

B. DOCUMENTS :

1. Memorandum and Articles of Association of the Company.
2. Certificate of Incorporation No. 35247 dated 4th September, 1982 issued by the Registrar of Companies, West Bengal.
3. Certificate of commencement of business dated 21st September, 1982 issued by the Registrar of Companies, West Bengal.
4. Consent letters of Auditors, Advocates, Bankers to the issue, Bankers to the Company, principal Brokers to the issue, other Brokers to the issue, Managers to the issue to act in their respective capacities.
5. Report of the Auditors of the Company referred to in this prospectus.
6. Minutes of the Extra-ordinary General Meeting of the Members of the Company held on 8th October 1982.
7. Minutes of the Extra-ordinary General Meeting of the Members of the Company held on 24th November 1982.
8. Minutes of the Extra-ordinary General Meeting of the Members of the Company held on 13th January 1983.

APPLICATION AND ALLOTMENT :

Applications must be made for a minimum number of 50 shares or multiples thereof on the forms accompanying the Prospectus and in accordance with the instructions contained herein and in the Application Form. Applications made otherwise will be 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 and/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 applications.

In case of joint applications, refund pay order if any will be made out in favour of and all communications will be addressed to the applicant whose name appears first and at its address stated in the application form.

Applications must be in the names of individuals, Limited Companies, Statutory Corporations or Statutory Institutions. Applications in the names of partnership firms or trusts (unless the trust is registered under the Societies Registration Act, 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. Applications which are not complete in every respect are liable to be rejected.

Applications forms from Indian nationals resident in India, properly completed together with the full amount payable on application i.e. at the rate of Rs 2.50 per share must be lodged before the close of the subscription list with the Bankers to the issue named in this Prospectus at any of their offices mentioned in the Application Form.

Application from foreign nationals will not be accepted.

Application forms from non-resident Indians/persons of Indian origin resident abroad properly completed together with remittance from abroad towards the amount payable on the application through approved banking channels or out of the funds held in the non-resident (External) accounts along with the documentary evidences in this behalf must be delivered before closing date of the subscription list with the bankers to the issue named in this Prospectus or in the column mentioned against their names in the application form. 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 applications from non-resident Indians/persons of Indian origin resident abroad. The allotment of shares to non-resident Indians/persons of Indian origin resident abroad shall be subject to the Company obtaining such approval from the Reserve Bank of India. Non-resident Indians/persons of Indian origin resident abroad need not apply direct to the Reserve Bank of India.

In the case of applications under Power of Attorney or by limited companies or corporate bodies, the relevant Power of Attorney or the relevant authority to make the application, as the case may be or a duly certified copy thereof must be attached to the application form or lodged separately at the registered office of the Company.

AVAILABILITY OF FORMS AND PLACES OF ACCEPTANCE :

Application forms with copies of the prospectus may be obtained from the principal Brokers to the issue, other brokers to the issue, Bankers to the issue and managers to the issue named herein or from the branches of the Bankers to the Issue mentioned in the application form and from the company at the Registered Office.

All application forms duly completed together with cash/cheques or bank draft for the amount payable on application must be delivered before the closing of the subscription list to the Bankers to the Issue named herein or to any of their branches, a list of which is incorporated in the Application Form and NOT to the Company nor Managers to the Issue. For further instructions, please read the application form carefully.

RECEIPT OF MONEY :

Cheques or drafts must be made payable to the Bankers to the Issue and marked "A/c. Kumi Agro—Equity Issue" and crossed 'A/c. Payee only'. For example Canara Bank A/c. Kumi Agro—Equity Issue'. A separate cheque or draft must accompany each application form and must be drawn on a Scheduled Bank, including a State Co-operative Bank included in the Second Schedule to the Reserve Bank of India Act, 1934 which is a member or sub-member of clearing house or located at the centres and which is situated in the town where the application is submitted.

Applications accompanied by such cheques or draft which are drawn on outstation banks will be rejected. Money orders will not be accepted.

DISPOSAL OF APPLICATION AND APPLICATION MONIES

No receipts 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 perforated acknowledgement slip at the bottom of each Application form.

Allotment Letters or Share Certificate or Letters of Regret together with refund orders, if any, will be despatched by post at the applicant's risk within two months or in the event of unforeseen circumstances, within such further time as may be allowed by the Stock Exchange at Calcutta from the date of closing of subscription list.

The Directors reserve the right to accept or reject any application in whole or in part without assigning any reason. If an application is rejected in full the whole of the application money received will be refunded to the applicant. If an application is rejected in part, the balance of the application money received after adjustment of the amount, if any, due on allotment will be refunded to the applicant in terms of Section 73 of the Act or in the event of unforeseen circumstances, within such further time as may be allowed by the Stock Exchange, from the date of the closing of the Subscription List. No interest will be payable on application money so refunded.

Refunds will be made by Cheques or Pay Orders drawn on the Company's Bankers in 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 the branches of the Bankers where there are recognised Stock Exchanges.

All cheques, pay orders, letters of allotment and shares certificates shall be despatched to the applicants at his/her registered address at his/her own risk.

BASIS OF ALLOTMENT OF ISSUE IS OVER SUBSCRIBED

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.

ISSUE OF SHARE CERTIFICATES

The share certificates will be ready for delivery within three months from the date of allotment in exchange for letter of allotment issued, if any.

CAPITAL OUTLAY

The Capital outlay of the Company's business is estimated as follows :

Working Capital

Rs. 24,04,000/-

Expenses of this issue and Preliminary Expenses

Rs. 71,000/-

Rs. 24,75,000/-

Sources of Finance :

Shares already issued and subscribed for

Rs. 9,00,000/-

Present public issue as per this Prospectus

Rs. 15,75,000/-

Rs. 24,75,000/-

SUBH KARAN MARDA
RAM GOPAL KHANDELIA
SHIV KUMAR AGARWAL

} Directors.

Calcutta, the 28th day of January, 1983.