

RAGHUNATH PRASAD PHOOL CHAND LIMITED

(Incorporated on the 19th December, 1966 under the Companies Act, 1956)

Registered Office :

**135, CANNING STREET,
CALCUTTA-700 001.**

PROSPECTUS

FOR PUBLIC ISSUE OF

**1,80,000 Equity Shares of Rs. 10/-
each for cash at par**

This issue of Equity Shares is within the exemption limit of Rs. 50 lacs under the Capital Issue (Exemption) order 1969. A copy of this Prospectus, having attached thereto the documents required to be filed under Sec. 60 of the Companies Act, 1956 has been delivered for registration to the Registrar of Companies, West Bengal.

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

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF BANKING HOURS ON MONDAY, THE 11TH JANUARY, 1982 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON FRIDAY, THE 22ND JANUARY, 1982 OR EARLIER AT THE DISCRETION OF THE BOARD OF DIRECTORS BUT NOT BEFORE THE CLOSE OF BANKING HOURS ON WEDNESDAY, THE 13TH JANUARY, 1982.

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

ANY PERSON WHO :

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

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

SUBSCRIPTION LIST OPENS ON 11-1-82

EARLIEST CLOSING DATE 13-1-82

SHARE CAPITAL :

Authorised :

4,00,000 Equity Shares of Rs. 10/- each	Rs. 40,00,000.00
1,00,000 Unclassified Shares of Rs. 10/- each	Rs. 10,00,000.00
	<hr/>
	Rs. 50,00,000.00

Issued, Subscribed and Fully Paid up :

50,000 Equity Shares of Rs. 10/- each fully paid up in cash	Rs. 5,00,000.00
--	-----------------

Present Issue for cash at par :

1,99,500 Equity Shares of Rs. 10/- each	Rs. 19,95,000.00
---	------------------

Out of the present Issue :

19,500 Equity Shares of Rs. 10/- each have been reserved for promoters, their relatives, friends and business associates	Rs. 1,95,000.00
--	-----------------

Now offered to the public for subscription for cash at par in terms of this prospectus :

1, 80,000 Equity Shares of Rs. 10/- each	Rs. 18,00,000.00
--	------------------

TERMS OF PAYMENT :

Per Equity Share :

On application	Rs. 5/-
On allotment	Rs. 5/-

Application may be made only by Residents in India and non-resident Indians/ persons of Indian origin residing abroad and must be for a minimum of fifty shares or multiples thereof.

Applications must be made on the form accompanying the Prospectus and in accordance with the instructions contained in the form, and will be refused if not so made. The shares hereby issued are subject to the terms of this prospectus, the said application form and the Memorandum and Articles of Association of the Company.

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

Applicants should submit only one application (and not more than one) for the total number of shares required. Application may be made in single or joint names of not more than three persons. Two or more applications in single and/or joint names will be deemed to be multiple application if the sole and/or first applicant is one and the same. The Board of Directors reserve their right to reject in its absolute discretion, all or any multiple applications. There are no Preference Shares.

Application Forms from non-resident Indians/persons of Indian origin residing abroad, properly completed together with remittance from abroad towards the amount payable on application through approved Banking Channel or out of funds held in the non-resident (external) account along with documentary evidence in this behalf must be delivered before closing of the subscription list to any of the Bankers to the issue named in the prospectus at any of the branches at the places 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 application from non-resident Indians/persons of Indian Origin residing abroad. Non-resident Indians/persons of Indian origin residing abroad need not apply direct to Reserve Bank of India for permission to purchase shares of the Company.

The application form properly completed together with the amount payable on application at the rate of Rs. 5/- per share must be lodged on or before the closing of banking hours on the closing date of the subscription list with the Bankers to the issue named hereunder at their branches and offices mentioned on the application form. No receipts will be issued for the application money. However, the Bankers to the issue will acknowledge their receipt of the application by stamping and returning to the applicant the perforated acknowledgement slip at the bottom of such application form.

Payment may be made in cash or by cheque or draft. Cheques or Drafts should be drawn on a Scheduled Bank included in the second Schedule to the Reserve Bank of India Act, 1934 or any bank which is member or sub-member of Clearing House located at the particular place where the application is tendered. Application tendered with out-station cheques will be liable to be rejected. Cheques or drafts should be made payable to the bankers to the issue aforesaid with whom the application is lodged and marked "A/C. Raghunath-Equity Issue" and crossed 'A/c Payee only.'

A separate cheque or draft must accompany each application form. A receipt will be issued for application money in the perforated space of the application form and final acknowledgement will be made by despatch of Letter of Allotment or Share Certificate or Letter of Regret within two months from the date of closing of the Subscription list. Where a letter of Allotment is issued to notify the allotment, Share Certificate will be ready for delivery in exchange for the letter of allotment within three months from the date of Allotment. The Directors reserve the right to accept or reject any application in whole or in part without assigning any reason.

Where an application is rejected in full the whole of the application money received and where an application is rejected in part the balance of the application money received will be refunded simultaneously with the despatch of letter of Allotment or

Share Certificate. No interest will be paid in respect of money so refunded. Refund will be made by cheques or Pay Order drawn on the Company's Bankers to the issue and will be payable at par at all centres where there are recognised Stock Exchanges.

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

Application for Shares must be made in the names of individuals, limited companies, statutory corporations or institutions and not in the names of minor, partnership firm, or a trust (unless the trust is registered under the Societies Registration Act, and is authorised by its Memorandum and Rules to hold Shares in a Company.)

Copies of this Prospectus and Form of Application may be obtained from the Brokers and Bankers named herein.

CONSENT OF THE EXISTING SHAREHOLDERS TO THE ISSUE :—

Pursuant to Section 81(1A) of the Companies Act, 1956, the present issue has been authorised by a Special Resolution passed at an Extra-Ordinary General Meeting of the Shareholders of the Company held on 16th November, 1981.

DIRECTORS :

- | | |
|--|---|
| 1. Sri Raghunath Prasad Jhunjunwala,
S/o. Late Ranglal Jhunjunwala,
5E, New Road,
Alipore,
Calcutta-700 027.
(Business.) | 3. Sri Vinod Kumar Jhunjunwala,
S/o. Sri Raghunath Prasad
Jhunjunwala,
5E, New Road,
Alipore,
Calcutta-700 027.
(Business.) |
| 2. Sri Phoolchand Jhunjunwala,
S/o. Sri Raghunath Prasad
Jhunjunwala,
5E, New Road,
Alipore,
Calcutta-700 027.
(Business.) | REGISTERED OFFICE :
135, Canning Street,
Calcutta-700 001. |

BANKERS TO THE ISSUE :

- | | |
|--|---|
| 1. Bank of Baroda,
India Exchange Place,
Calcutta-700 001. | and their Main Office at :
Ahmedabad, Bombay, and New Delhi. |
|--|---|

2, Punjab National Bank,
Canning Street,
Calcutta-700 001,

and their Main Offices at :

Agra, Allahabad, Bangalore, Cochin, Coimbatore, Deoria, Gorakhpur, Hyderabad, Indore, Jammu, Jaipur, Jabalpur, Kanpur, Lucknow, Madras, Madurai, Mujjafurpur, Nagpur, Pune, Srinagar and Varanasi.

BROKERS TO THE ISSUE :

CALCUTTA

1. S. K. Bhatler,
8, Lyons Range,
Calcutta-700 001.
2. Singhanian Bros.,
16, India Exchange Place,
Calcutta-700 001.

BOMBAY

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

DELHI

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

MADRAS

V. S. Krishnaswami & Co.
45, Armenian Street,
Post Box No. 256,
Madras-600 001.

COCHIN

Mathew & Co.,
Mullassery Canal Road,
Ernakulam,
Cochin-682 011.

BANGALORE

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

INDORE :

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

AHMEDABAD :

Champaklal Bhailal Chokshi,
Manek Chowk,
Near Share Bazar,
Amedabad-380 001.

HYDERABAD :

Laxminarayan Rathi,
4-5-173 & 174, Hashmat Ganj,
Sultan Bazar,
Hyderabad-500 001.

AUDITORS :

G. P. Agrawal & Co.
7, Kiran Shankar Ray Road,
Calcutta-700 001.

UNDER WRITING :

No part of the issue is underwritten.

BRIEF HISTORY AND BUSINESS OF THE COMPANY :—

The Company was incorporated on 19th December, 1966 as a Private Limited Company in the State of West Bengal under the Companies Act, 1956 and was converted into a public company on 4th September, 1981. The Company was promoted by Sri Raghunath Prasad Jhunjhunwala and Sri Phoolchand Jhunjhunwala with the object of carrying on business of rolling and rerolling mills, iron foundry, manufacturers, dealers, and traders in ferrous and non-ferrous materials etc. In April, 1969 the company acquired from Raghunath Prasad Jhunjhunwala, H.U.F. the Land and Foundry situate at 13, Belur Road, Liluah, Howrah on lease. In July, 1970 the Company purchased the Foundry from the said Raghunath Prasad Jhunjhunwala, H.U.F. alongwith all plants and machineries and also entered into an agreement with the said Raghunath Prasad Jhunjhunwala, H.U.F. refixing the rent of the Land for the remainder period of Lease. The Lease has since expired and the Company is continuing as a tenant of the Land. The Company is also considering to expand and diversify its business activities.

MANAGEMENT :—

The company is managed by its Board of Directors. All the Directors of the company are well experienced in industrial and commercial field.

PROJECT AND ITS LOCATION :—

The Company has got a Foundry situate at 13, Belur Road, Liluah, Howrah, where it manufactures Cast Iron products mainly Cast Iron Sleeper Plates for Indian Railways. The Company also produces Cast Iron Goods for Export.

AVAILABILITY OF RAW MATERIALS AND OTHER UTILITIES :—

The main raw material of the company i.e. C.I. and other Scrap is available in plenty at the place where the project of the company is situated. The other utilities such as coke, electricity, etc. are also available in abundance.

PROFITABILITY AND DIVIDEND :

The company has been showing good working results and progress. Baring unforeseen circumstances, the company would be in a position to declare dividends on the enhanced capital in near future.

TAX BENEFITS :

- (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 Sur-tax and partial exemption from Income-Tax on dividends received by them from this company to the extent provided under section 80-M of the Income-tax Act, 1961.
- (ii) The members of the Company being individuals shall be entitled to claim deduction from their total income to the extent of Rs. 3000/- per year in respect of specified items including dividends from Indian Companies, Under section 80-L of the Income-Tax Act, and
- (iii) The Members of the company being individuals shall be entitled to exemption from Wealth Tax on specified financial assets to the extent of Rs. 1.5 Lacs, including Shares in this Company under Section 5 (1A) of the Wealth Tax Act, 1957.

AUDITORS' REPORT

The Directors,

Raghunath Prasad Phoolchand Limited,
135, Canning Street,
Calcutta-700 001.

Dear Sirs,

We have examined the books and accounts of Raghunath Prasad Phoolchand Limited for the five financial periods as stated below being the last date to which the accounts of the company have been made up and audited by us and adopted by the Members, and in accordance with the Provisions of Clause 24(2)(a) of Part II of Schedule II of the Companies Act, 1956, we report that the Profits of the Company are as set out below.

I. PROFIT AND LOSSES :

These Profits, expressed in lakhs of rupees, have been arrived at after charging all expenses of working and management including depreciation and after making such adjustments, as are in our opinion, appropriate and are subject to the notes given below.

	For the year ended 31st March, 1977 Rs. Lac	For the year ended 31st March, 1978 Rs. Lac	For the year ended 31st March, 1979 Rs. Lac	For the 15 months period ended 30th June, 1980 Rs. Lac	For the year ended 30th June, 1981 Rs. Lac
INCOME :—					
Sales and other income	29.64	43.18	136.69	243.84	205.80
EXPENDITURE :—					
Manufacturing, adminis- tration, selling & other expenditure	27.90	40.38	130.08	233.20	197.14
Depreciation	0.36	0.29	0.45	0.67	0.46
Interest	1.08	1.66	3.84	5.44	5.26
Total Expenditure	29.34	42.33	134.37	239.31	202.86
Profit before taxation	0.30	0.85	2.32	4.53	2.94
Taxation	0.11	0.40	0.95	2.75	2.00
Profit after taxation	0.19	0.45	1.37	1.78	0.94

NOTES :—

1. Transfers and other adjustments in profit after tax—

(i) Transfer to Investment Allowance Reserve

— — 0.17 0.07 0.03

(ii) Development Rebate Reserve written back

— — 0.01 0.38 0.02

(iii) Excess Provision for Income-tax written back

— — — 0.30

2. Other income includes the following amounts :—

(i) Export Incentive and Duty Draw back

0.82 1.20 0.64 1.96 0.12

(ii) Service charges

— 0.06 0.42 0.60 0.23

(iii) Interest Received

0.18 0.04 0.01 — 0.01

(iv) Miscellaneous Income (Net)

0.15 0.26 0.01 0.02 0.27

3. The expenditure for the five financial periods, as indicated above, includes actual bonus payments as the Company follows a practice of charging bonus in the year of actual payment. The amounts charged in the relative years include bonus relating to previous year.

0.03 0.13 0.56 0.54 0.94

4. In arriving at the Profits for the five financial periods as indicated above, no provision has been made on account of ascertained doubtful debts and advances. The amount not provided for was as follows.

0.09 0.09 0.12 0.12 0.09

5. Depreciation has been provided on written-down basis for all fixed assets for the five financial periods, as indicated above.

II. ASSETS AND LIABILITIES :

We further report that in accordance with the Provisions of clause 24 (2) (b) of Part II of Schedule II of the Companies Act, 1956, the assets and liabilities of Raghunath Prasad Phoolchand Limited as at 30th June, 1981 which is the last date to which the company's accounts have been made up and audited by us are set out below. These assets and liabilities, expressed in lacs of rupees, have been arrived at after making such regroupings as are, in our opinion, appropriate and are subject to the notes given below.

FIXED ASSETS :

		As at June, 30, 1981
	Rs Lac	Rs Lac
At cost		8.08
Less : Depreciation		6.28
		1.80

CURRENT ASSETS :

Stocks—	
Raw Materials	29.03
Stores & Spares	0.79
Fuel	0.45
Finished Goods	7.34
Sundry Debtors :	
Unsecured, considered good	29.75
Unsecured, considered doubtful	0.03
Cash & Bank Balances	0.36

LOANS & ADVANCES :

Unsecured, considered good	10.49
Unsecured, considered doubtful	0.06

Carried Forward

78.30

1.80

As at June,
30, 1981

	Rs Lac	Rs Lac	Rs Lac
Brought Forward		78.30	1.80
Less : CURRENT LIABILITIES AND PROVISIONS			
(A) Current Liabilities—			
Sundry Creditors	35.06		
(B) Provisions—			
Provision for Taxation	6.55	41.61	36.69
			38.49
Less : LOAN FUNDS :			
Secured Loans—			
Loans from a bank	13.28	13.28	
Unsecured Loans—			
From Directors	2.24		
,, Shareholders	6.43		
,, Others	2.53		
Interest thereon	2.81	14.01	27.29
NET ASSETS			11.20
<i>Represented By</i>			
Share Capital—			
50,000 Equity Shares of Rs. 10/- each fully paid up in cash	-	5.00	5.00
Reserves & Surplus—			
Development Rebate Reserve		0.08	
Investment Allowance Reserve		0.26	
General Reserve		0.65	
Profit & Loss Account		5.21	6.20
<i>Shareholders' Funds</i>			11.20

NOTES :—

1. Secured Loans—Loans from a bank are secured by hypothecation of stocks of raw-materials, semi-finished and finished goods, Diesel Generator, Mould Boxes, Book Debts and guaranteed by the Directors.

2. Contingent Liabilities as on June 30, 1981 :—

Rs|Lac

- (a) Income-tax for Assessment year 1976-77 (Under Appeal)

0.16

- (b) Sales tax for Accounting Years 1974-75, 1975-76 (Under Appeal)

2.69

- (c) Underdeemed Bank guarantee

1.00

3. No Provision has been made for doubtful debts and advances aggregating Rs. 0.09 Lac.
4. No Provision has been made for the bonus Liability for the financial year ended June 30, 1981 in view of the past practice to charge bonus in the year of actual payment.
5. No provision has been made for the gratuity liability for the financial year ended June 30, 1981 in view of the past practice to charge gratuity in the year of actual payment. The total liability for gratuity accruing as on June 30, 1981 in Rs. 20,500/-.
6. Sundry debtors include Rs. 2.11 lacs being due over six months, as under :

	Rs Lac
Unsecured, considered good	2.08
Unsecured, doubtful	0.03
7. Sundry debtors include a sum of Rs. 1.18 lacs due from a company under the same management. (Maximum amount due during the year Rs. 1.18 lacs).
8. Stocks are valued at cost except finished goods which is valued at selling price.
9. The figures above have been expressed in lac of rupees.

(III) DIVIDENDS—

The Company has not declared any dividends for the five financial periods, as indicated above.

Yours faithfully,

For G. P. Agrawal & Co.

Sd/- A. K. Agrawal

Partner

Chartered Accountants

Place : Calcutta

Dated : The 11th day of December, 1981

OTHER STATUTORY AND GENERAL INFORMATION

Main objects of the Company :

The objects of the Company are as set out in the Companies Memorandum of Association, a printed copy of which is available for inspection. The main objects of the Company are :

1. To carry on business as rolling and rerolling mills, iron foundry, wire drawing, manufacturers, dealers and traders in ferrous and non-ferrous materials, to act as importers, exporters, stockists, distributors and agents in respect of the aforesaid materials and other engineering business.

Object of the Issue :

The issue is being made with the object of providing finance required for the Company's business set out in detail under the heading 'Sources of finance'.

Minimum Subscription :

The minimum Subscription in respect of the present issue will be subscription of 1,80,000 Equity Shares offered to the public under this prospectus. The Directors will proceed to allot shares covered by this prospectus on receipt of the amount to be paid at the time of application for these shares i.e. Rs. 9,00,000/-. The entire minimum subscription will be utilised for the Company's business.

Expenses of the Issue :

The expenses of the issue are payable by the Company inclusive of brokerage, legal charges, Auditor's and other fees estimated at Rs. 50,000/- and are to be met out of the proceeds of this issue.

Brokerage and Under-writing Commission :

Brokerage at the rate of 1% on the issue price will be paid to Brokers and Bankers named hereabove in this Prospectus, as well as to the members of recognised Stock Exchanges in India in respect of Shares allotted

as a result of applications procured by them and bearing their stamp. No Commission is payable to underwriters, as no part of the issue has been under-written.

Issue otherwise than for Cash :

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

Issue at a Premium or discount :

No amount has been paid or is payable by way of premium on any Share issued or agreed to be issued by the Company at any time. 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 any contract or arrangement whereby any option or preferential right of any kind has been or is proposed to be given to any person to subscribe for any share in the Company.

Classes of Shares :

The Share Capital of the Company is Rs. 50,00,000/- divided into 4,00,000 Equity Shares of Rs. 10/- each and 1,00,000 Unclassified Shares of Rs. 10/- each.

Rights of the Equity Shareholders :

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

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

Voting Rights :

The Articles of Association of the Company provide inter alia that on a show of hands every member present in person and being holder of Equity Shares shall have one vote and every person either as a general proxy on behalf of a holder of Equity Share if he is not entitled to vote in his own right, or as a duly authorised representative of a body corporate being a holder of Equity Shares, shall have one vote and on poll the voting right of Equity Shareholders shall be as specified in Section 87 of the Companies Act, 1956.

The Articles of Association of the Company also provide that no Member shall be entitled to exercise any voting right either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

Modification of Rights :

All or any of the rights attached to the different classes of share of the Company (unless otherwise provided by the terms of issue of the shares of that class) may subject to the provisions of the Act be varied either with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

Restriction on the Right to Transfer Share :

The Company's Articles of Association provide that Subject to Section 111 of the Companies Act, 1956 the

Board without assigning any reason, may within two months from the date on which the instrument was delivered to the Company refuse to register any transfer of or the transmission by operation of law of the right to share.

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

Lien :

The Company has a first and paramount lien upon Share not being a fully paid up Share registered in the name of each member (whether solely or jointly held) and upon the proceeds of sale thereof for monies called or payable at a fixed time in respect of such Shares whether the time for payment thereof shall have actually arrived or not and no Equity interest in any Shares shall be created except upon the footing and condition that Article 42 is to have full effect. Such lien shall extend to all dividends from time to time declared in respect of such Shares. Unless otherwise agreed, the registration of a transfer of a Share shall operate as a waiver of the Companies lien, if any, on such Shares.

Managing Directors :

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

Subject to the provisions of Section 309, 310 and 311 of the Act, a Managing Director shall, in addition to the remuneration payable to him as a Director of the Company under the Articles of the Company, receive such additional remuneration as may from time to time be sanctioned by the Company.

Directors and Restrictions on their Powers :

Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or

required whether by the act or any other statute or by the Memorandum of the Company or by the Articles or otherwise, to be exercised or done by the Company in General Meeting.

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

Until otherwise determined in the general meeting, by special resolution the number of the Directors of the Company shall not be less than three nor more than twelve. The Company in general meeting may from time to time increase or reduce the number of Directors within the limit fixed as above.

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

The Articles of Association contain (inter alia) provisions to the following effect :—

The Directors are not required to hold any qualification shares.

Unless otherwise determined by the Company in General Meeting each Director shall be entitled to receive, out of the fund 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, as may be determined by the Board from time to time. (All other remuneration, if any, payable by the Company to each Director whether in respect of his service as a Managing Director, in the whole or part-time employment of the Company shall be determined in accordance with and subject to the provisions of the Articles of Association of the Company and of the Act).

With the approval of the Board in appropriate cases, the Directors shall be entitled to be paid their reasonable travelling and hotel and other expenses (including expenses so incurred by him for an escort) incurred in consequence of their attending Board and Committee meetings or otherwise incurred in the execution of their duties as Directors.

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from his usual place of residence for any of the purposes of the Company or in giving special attention to the business of the Company or any member of a committee of the Board than, subject to Sections 198, 309 and 310 of Act, the Board may remunerate the Directors so doing either 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.

Indemnity :

The Articles of Association of the Company provides that every Director or Officer of the Company or any person whether officer of the Company or not employed by the Company and any person appointed as Auditor shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, Officer, Employee or 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.

Revaluation of Assets and Capitalisation of Reserves:

There has been no revaluation of assets or capitalisation of reserves of the company since incorporation.

Material Contracts :

The Company has entered into an agreement dated 9th July, 1981 read with agreement dt. 16th April, 1979 with M/s. Aditya Makua Engineers Pvt. Ltd. whereby the company provides them Power, Office space and other office facilities. This contract (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) may be deemed to be material has been entered into by the Company.

Interest of Directors & Promoters :

Directors and Promoters are or may be deemed interested to the extent of the remuneration which they are entitled in the Company's Articles of Association and to the extent of any share being held by them or which may be subscribed by and allotted to them and Sri Raghunath Prasad Jhunjhunwala and Sri Vinod Kumar Jhunjhunwala, directors of the company are interested in the agreement referred to under the heading 'Material Contracts' as directors of M/s. Aditya Makua Engineers Private Limited.

Payment of benefit to promoters and Officers :

Save as stated in this Prospectus no amount or benefit has been paid and none of the directors or promoters is in any way interested in the promotion of the company except as Director or Shareholder. No benefit has been paid or given or is intended to be paid or given to any Promoter or Officer except the normal remuneration and/or perquisites for services as Directors, Officers or employees of the Company.

Borrowing Powers :

The Board may from time to time at their discretion but subject to the provisions of the act raise or borrow any sum or sums of money for the purposes of the Company and may secure payment or repayment of the same in such manner and upon such terms and conditions in all respect as it think fit and in particular, by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property (both present & future).

PREVIOUS CAPITAL ISSUE :

50,000 Equity Shares of Rs. 10/- each fully paid up have been taken by the subscribers, promoters, directors, their friends, relatives and business associates.

Inspection of Documents :

Documents referred to below may be inspected at the Registered office of the Company situated at 135, Canning Street, Calcutta-700 001 between 10-30 A.M. to 12-00 Noon and 2-30 P.M. to 4-00 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 closing of the Subscription list whichever is earlier ;

- (i) Memorandum and Articles of Association,
- (ii) Certificate of Incorporation,
- (iii) Report of the Auditors of the Company,
- (iv) Consent letters of Bankers, Auditors & Brokers.
- (v) Agreement entered into between the company and M/s. Aditya Makua Engineers Pvt. Ltd. dt. 9th July, 1981 read with agreement dt. 16th April, 1979.

Previous Commission, Brokerage and Discount on Shares :

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

Consent :

Consent in writing of the Bankers to the issue, Auditors and Brokers to act in their respective capacities has been obtained and filed with the Registrar of Companies, West Bengal, as required by the Companies Act, 1956 have not been withdrawn.

Messrs G. P. Agrawal & Co., Auditors of the Company, have given their written consent to the issue of this Prospectus with the inclusion herein of the report in the form and context in which it appears, and such consent has not been withdrawn.

CAPITAL OUTLAY :

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

	Rupees in Lacs
Fixed Assets	.. 1.79
Working Capital	.. 56.15
Expenses of the issue	.. .50

	58.44

Sources of Finance:

Shares already issued and subscribed for	5.00
Shares reserved for promoters, their relatives, friends and business associates	1.95
Present public issue as per this Prospectus	18.00
Reserves & Surplus	6.21
Secured Loans	13.28
Unsecured Loans	14.00
	<hr/> 58.44

Registered Office:

135, Canning Street,
CALCUTTA-700 001,

Dated the 16th day of December, 1981.

RAGHUNATH PRASAD JHUNJHUNWALA

PHOOLCHAND JHUNJHUNWALA

VINOD KUMAR JHUNJHUNWALA

Directo