

# TAMILNADU FINANCE LIMITED

## PROSPECTUS

ISSUE OF 1,60,000 EQUITY SHARES  
OF RS. 10/- EACH ISSUED FOR  
CASH AT PAR

*Registered Office :*

11, Odayappa Chettiar Colony  
SALEM-7

## PROSPECTUS

Consent of the Controller of Capital issue is not required as the present issue is exempted from the provisions of Sections 3, 4 and 5 of the Capital Issue Control Act, 1947 in terms of clause 4 of the Capital Issue (Exemption) Order, 1969.

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

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

THE SUBSCRIPTION LIST WILL OPEN AT THE COMMENCEMENT OF THE BANKING HOURS ON MONDAY THE 6TH DAY OF APRIL 1981 AND WILL CLOSE AT THE CLOSE OF BANKING HOURS ON SATURDAY THE 18TH DAY OF APRIL 1981 OR EARLIER AT THE DISCRETION

OF THE DIRECTORS BUT NOT BEFORE THE CLOSE OF THE BANKING HOURS ON WEDNESDAY THE 8TH DAY OF APRIL 1981.

Attention of the applicants is invited to sub-section (1) of the Section 68A of the Companies Act, 1956 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.



# TAMILNADU FINANCE LIMITED

(Incorporated under the Companies Act, 1956)

Registered Office: 11, Odayappa Chettiar Colony, Salem-7

SHARE CAPITAL	Rs.
Authorised : 2,50,000 Equity Shares of Rs. 10/- each	25,00,000

ISSUED, SUBSCRIBED & PAID UP:	
40,000 Equity Shares of Rs. 10/- each	4,00,000

PRESENT ISSUE:	
1,60,000 Equity Shares of Rs. 10/- each for cash at par	16,00,000

NOW OFFERED TO THE PUBLIC FOR SUBSCRIPTION FOR CASH AT PAR IN TERMS OF THIS PROSPECTUS :	
1,60,000 Equity Shares of Rs. 10/- each at par	16,00,000

## TERMS OF PAYMENT :

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

Failure to pay the amount due on allotment will render the allottee liable to pay interest at the rate of 15% per annum and shall also render the share in question including the amount already paid thereon liable for forfeiture.

## RIGHTS OF EQUITY SHARES NOW BEING ISSUED :

The Equity Shares hereby issued are subject to the terms of this prospectus, the application forms and the Memorandum and Articles of Association of the Company and will rank paripassu in all respects with the existing Equity Shares of the Company including dividends, if any, to the extent and in proportion to the amount actually paid up on them.

## BOARD OF DIRECTORS

### Names, Addresses, Description and Occupation of Directors

- Shri P. R. Doshi  
S/o. Shri Dulraj Doshi,  
11, Odayappa Chettiar Colony,  
Salem - 7  
Business
- Shri Ram Kumar  
S/o. Shri Sewag Ram Agarwal  
29, T. H. Road,  
Madras-19  
Business
- Narang Rai Bansal,  
S/o. Sri Sitaram Bansal  
29, Thirarottiyar High Road,  
Madras-19  
Business

## REGISTERED OFFICE :

11, Odayappa Chettiar Colony,  
Salem - 7.

## CALCUTTA OFFICE :

60, Bentinck Street,  
Calcutta - 700 069.

## AUDITORS :

Chaturvedi & Company  
Chartered Accountants,  
9, Anderson Road,  
Madras - 600 006.

## BANKERS TO THE COMPANY :

The Jammu & Kashmir Bank Limited,  
Mount Road,  
Madras - 600 006.

## BANKERS TO THE ISSUE :

The Jammu & Kashmir Bank Ltd.  
OR its Main branches at :—  
190-Hamid Building, Mount  
Road, Madras-600 006.

Ahmedabad,  
Bangalore, Bombay,  
Calcutta, Delhi and  
Srinagar.

Canara Bank  
OR its Main branches at :—  
81-Thiruvottiyur,  
Madras-600 019.

Ahmedabad,  
Bangalore, Bombay,  
Calcutta, Madras,  
Delhi, Hyderabad,  
Indore, Srinagar,  
Cuttack, Cochin,  
Jaipur, Lucknow,  
Poona, Patna, Bhopal,  
Vijayawada, Coimbatore,  
Kanpur, Nagpur, Agra, Varanasi,  
and Jabalpur

Andhra Bank  
OR its Main branches at :—  
95-Mount Road,  
Madras-600 002.

Ahmedabad, Bombay,  
Calcutta, Madras,  
Delhi, Hyderabad,  
Indore, Cuttack,  
Cochin, Jaipur, Lucknow,  
Poona, Patna, Bhopal,  
Vijayawada, Coimbatore,  
Kanpur, Nagpur, Agra, Varanasi,  
Jabalpur and Allahabad.



## **BROKERS TO THE ISSUE :**

### **Ahmedabad**

Champaklal Bhailal Chokshi  
Manik Chowk, Near Share Bazar  
Ahmedabad-380 001.

### **Bangalore**

Vijai & Company,  
9, Eleventh Main Road,  
Malleswaram,  
Bangalore-560 003

### **Bombay**

Nagindas Chhaganlal,  
112, Jolly Maker Chambers No. 2,  
11th Floor, 225,  
Backbay Reclamation,  
Nariman Point,  
Bombay-400 021.

### **Calcutta**

Manik Chand Choraria,  
32, Ezra Road, 2nd Floor,  
Room No. 269,  
Calcutta-700 001

### **New Delhi**

Raja Ram Bhasin & Company,  
Jewan Mansion,  
814, Desh Bandhu Gupta Road,  
New Delhi-110 055.

Bharat Bhushan & Co.,  
107, Rohit House,  
3, Tolstoy Marg,  
New Delhi-110 001.

### **Indore**

Santosh & Company,  
29, Dhenu Market,  
1st Floor,  
S. G. S. I. T. S. Road,  
Indore-452 003.

### **Madras**

Maconothic & Company,  
30, Rajaji Road,  
Mercantile Bank Building,  
Madras-600 001.

M/s. Murali Vasudhara  
21, Second Line Beach,  
Madras-600 001.

### **Hyderabad**

Laxminarayan Rathi,  
Hashmat Gunj,  
Sultan Bazar,  
Hyderabad-510 001.  
Andhra Pradesh (A. P.).

### **Cochin**

A. Aaron & Company,  
Congress House,  
P. B. No. 1003,  
Hospital Road, Ernakulam,  
Cochin.

## **CONSENTS :**

Consents in writing of the above named Auditors, Bankers to the Company, Bankers and Brokers to the Issue to act in their respective capacities have been obtained and filed with the Registrar of Companies, Tamilnadu, Madras and none of the consents has been withdrawn up to the date of filing of this prospectus.

M/s. Chaturvedi & Company, Auditors of the company have also given their written consent to the issue of this prospectus with their reports included in the form and context in which it appears and such consent has not been withdrawn upto the date of delivery of the copy of the prospectus for registration with the said Registrar of Companies, Madras.

## **INCORPORATION AND OBJECTS :**

The Company was incorporated on 24th September 1980 as a Public Limited Company and obtained the Certificate of Commencement of Business on 29th November 1980. The objects for which the company has been incorporated are given in the Memorandum of Association. The main objects of the Company are to conduct business as lenders and investors in shares securities bonds etc.

## **MANAGEMENT :**

The Company is managed by the Board of Directors. All the Directors of the Company are well experienced in commercial and business field.

## **MEANS OF FINANCE :**

Besides the Equity Share Capital that is being raised in terms of this prospectus, the company proposes to raise further money by accepting deposits in terms of companies acceptance of Deposit rules and also by borrowing from commercial banks for financing the activities.

## **COMPANY'S BUSINESS AND PROSPECTUS :**

The Company presently is carrying on business of investment and Financing. In a developing economy the trade and industries always remain in need of finance and the directors feel that subject to unforeseen circumstances the Company will start earning profit and will be in a position to declare dividend on Equity Shares within a reasonable time.

## **TAX BENEFITS :**

The Directors are advised that according to the current laws, the following tax benefits will be available to the members of the Company.

1. Members of the company, who are themselves Domestic companies will be entitled to a total exemption from sur-tax on dividends received by them from the company as also to the benefit under Income-tax Act of a deduction of 60% of the dividends received by them from the company under section 80-M of the Income Tax Act, 1961.
2. Members of the company, who are individuals or Hindu Undivided Family would be entitled to claim deduction from the total income to the extent of Rs. 3,000/- per year, in respect of specified items including dividends received from the Company as provided in section 80-L of the Income-Tax Act, 1961
3. Under section 5(1) (xxiii) of the wealth-tax Act, 1957, Wealth-tax will not be payable by members of the Company who are individuals or Hindu Undivided Family on specified assets upto an aggregate amount of Rs 1,50,000/- including shares in the company.



## TAX BENEFITS TO THE COMPANY :

Under Section 35D of the Income-Tax Act, 1961 the company can amortise certain preliminary expenditure including expenses incurred on this issue over a period of ten successive years.

## AUDITORS' REPORT

To  
The Directors,  
Tamilnadu Finance Limited,  
No. 11, Odayappa Chettiar Colony,  
Salem - 7.

Dated 12. 2. 81.

Dear Sirs,

1. We have examined the books of accounts of the company for the period from 24th September 1980 (the date of incorporation) to 9. 2. 81 being the last date to which the accounts of the company have been made up.

2. In accordance with the requirements of Caluse 24 of Part II of Schedule II of the Companies Act, 1956, we report that :

- No Profit and Loss Account has been made up as the company has not earned any income nor it has spent any money in revenue account.
- The assets and liabilities of the company as at 9th February 1981 are as set out below :

<b>ASSETS :</b>	<i>As at 9. 2. 1981</i>
	Rs.
Fixed Assets :	—
Stock-in-trade at cost	—
Cash and Bank balances	3,88,008
Loans and Advances	—
Less: Liabilities: Amount due to a director	2,000
<b>Total net assets</b>	<b>3,86,008</b>
<b>Net Assets Represented by Share Capital :</b>	
40,000 Equity shares of Rs. 10/- each fully paid up in cash	4,00,000
Share Applications money (pending allotment)	—
Less: Preliminary expenses	13,992
<b>Total</b>	<b>3,86,008</b>

- We further report that no dividend has been declared by the company since the date of incorporation.

Yours faithfully,

FOR CHATURVEDI & COMPANY  
*Chartered Accountants*  
sd. H. R. SHARMA  
*Partner*

Place : Madras  
Date : 12. 2. 1981

## OTHER STATUTORY AND GENERAL INFORMATION MAIN OBJECTS OF THE COMPANY :

The main objects of the company are set out in its Memorandum of Association which includes the following :

- To purchase, acquire hold and dispose of or otherwise deal and invest in any shares, debentures and other securities in or of any company or companies, real estates or properties either out of its own funds or out of

funds that the company or companies, real estates or properties either out of its own funds or out of funds that the company might borrow by issue of debentures or from bankers or otherwise howsoever in any other manner whatsoever.

- To act as investors, guarantors, underwriters, financiers and, to lend invest or deal with the money either with or without interest or security, including in current or deposit account with any Bank or Banks, other person or persons upon such terms, conditions and manner as may from time to time be determined and to receive money on deposit or loan upon such terms and conditions as the company may approve, subject to the provisions of The Companies Acts, provided the company shall not do any banking business as defined under the Banking Regulation Act, 1949.

## OBJECTS OF THE ISSUE :

The objects of the present issue are to enable the Company to meet its requirement of working capital. The funds obtained through this issue could be utilised for providing finance required for the Company's investment business.

## MINIMUM SUBSCRIPTION :

The minimum amount which in the opinion of the Directors must be raised by the issue of share capital in order to provide the sums required in terms of the Act is Rs. 16,00,000 being the face value of 1,60,000 Equity Shares of Rs. 10/- each to be issued to the public. The minimum amount on receipt of which the Directors will proceed to allot the said shares is Rs. 8,00,000/- being the aggregate amount payable on application on 1,60,000 Equity shares of Rs. 10/- each at the rate of Rs. 5/- per Equity share. The minimum subscription is assured in view of the undertaking given by the Directors of the Company to take up shares to the extent they remain unsubscribed by the public.

## PREVIOUS ISSUE :

Except as set out in this prospectus, no shares have been issued since the incorporation of the company

## ISSUE OF SHARES FOR CONSIDERATION OTHERWISE THAN FOR CASH :

No shares or debentures have been issued or agreed to be issued as fully or partly paid-up for consideration otherwise than for cash within two years preceding the date of this prospectus.

## ISSUE AT 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 so far. The company has neither issued or agreed to issue any share at a discount.

## EXPENSES OF THE ISSUE :

The expenses of the issue payable by the company inclusive of brokerage, printing, distribution, publicity, expenses, registration fees, legal charges, bank charges, and Auditors fee etc. are estimated at Rs. 50,000/- and are to be met out from the proceeds of the issue.

## BROKERAGE :

Brokerage will be paid by the company at the rate of 1% (one percent) on the nominal value of the shares offered to the public on the basis of allotments made against applications bearing the stamp of a member of any recognised stock exchange in India in the Brokers column. Brokerage at the



same rate will be payable to the Brokers and Bankers to the issue in respect of allotments made against application procured by them provided the relative forms of application bear their respective stamp in the brokers column.

No brokerage will be payable on shares which may be subscribed for by the Directors in view of the undertaking given by them to take up shares remaining unsubscribed by the public.

#### **PREVIOUS COMMISSION, BROKERAGE AND DISCOUNT ON SHARES :**

No sum have been paid within the two years period preceeding the date of this prospectus or are payable as commission, brokerage or discount for subscribing or agreeing to be subscribe or for procuring or agreeing to procure subscription for any other Share of the company. The company has also not paid or agreed to pay any commission, brokerage or discount in respect of the Equity shares that may be subscribed by the Directors as stated above.

#### **UNDERWRITING COMMISSION :**

No underwriting commission is payable by the company since no part of this issue is underwritten.

#### **CAPITALISATION OF RESERVES :**

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

#### **REVALUATION OF ASSETS :**

No revaluation of any asset has been made since the incorporation of the company.

#### **OPINION TO SUBSCRIBE :**

The company has not entered into any contract or arrangement whereby any option or preferential right of any kind has been given to any person to subscribe for any share in the Company except the shares reserved for allotment to Directors and their associates and the shares which may be allotted to the directors in view of their undertaking mentioned hereinbefore.

#### **PAYMENT OF BENEFITS TO THE PROMOTERS OR OFFICERS :**

Save as mentioned herein the company has not paid any money or given any benefit nor does it intend to pay any money or give any benefit to any promoter or officer of the company except their remuneration, fees and other expenses etc., to which they are entitled or may become entitled under the articles of the company or otherwise by law.

#### **CLASSES OF SHARES :**

The authorised share capital of the company is Rs. 25,00,000/- divided into 2,50,000 Equity shares of Rs. 10/- each.

#### **RIGHTS OF SHAREHOLDERS IN RESPECT OF CAPITAL AND DIVIDEND :**

The nature and extent of interest of shareholders in the property and profits of the company are as provided in the Company's Articles of Association and the Companies Act, 1956.

#### **VOTING RIGHTS :**

Subject to any right or restriction for the time being attached to any class or classes of shares, and subject to the provision of the Companies Act (and particularly of Sections 87, 88 and 92(2) of the Act and the Articles :

- (a) on a show of hands, every member present in person shall have one vote and

- (b) on a poll, the voting rights of members shall be as laid down in section 87 of the Act.

In the case of the 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. 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.

#### **RESTRICTION ON SHARE TRANSFERS :**

The Board may, subject to the right of appeal conferred by Section 111 of the Companies Act, 1956 decline to register.

- (a) the transfer of a share not being a fully paid share to a person to whom they do not approve, or
- (b) any transfer of shares on which the company has a lien.
- (c) the instrument of transfer is not accompanied by the instrument of the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transfer.

However the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person/persons indebted to the company on any account whatsoever.

#### **LIEN ON SHARES :**

The company shall have first and paramount lien upon all partly paid up share registered in the name of each member (whether solely or jointly with others), and shall also have such lien upon the proceeds of sale thereof for his debts, liabilities and engagements solely or jointly with any other persons to or with the company in respect of the shares in question and no equitable interest in any such share shall be created except upon the footing and condition, that provisions of these presents is to have full effect, and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed, the registration of transfer of such shares shall operate as waiver of the Company's lien, if any, on such shares. Provided that the Company's lien shall be restricted to money called or made payable at a fixed time in respect of such shares.

#### **DIRECTORS :**

Subject to the provisions of section 252 of the Companies Act 1956 and unless otherwise determined by a general meeting the number of Directors shall not be less than three and more than nine. The Article 76 of Articles of Association provide that a Director shall not be required to hold any share in the company as qualification shares.

#### **POWERS OF DIRECTORS AND RESTRICTIONS THEREON :**

Subject to the provisions of the Companies Act, 1956 the control of the company shall be vested in the Board of Directors who shall be entitled to exercise all such powers and to do all 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 Companies Act, 1956 or any other statute or by the Memorandum of the Company 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 Companies Act, 1956 or any other Statute or in the Memorandum of the Company or in the Articles, or in any regulations not inconsistent therewith and duly made thereunder, including regulations made by the company in General Meeting and no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

#### BORROWING POWERS :

The articles provide that subject to the provisions of the Companies Act, 1956, the Directors shall have power from time to time at their discretion to raise or borrow any sum or sums of money for the purposes of the Company and to secure repayment of any sum or sums of money so borrowed in such manner and upon such terms and conditions in all respects as they think fit and in particular by issue of bonds, perpetual or redeemable debentures or debentures—Stock or any mortgage or charge or other security on the undertaking of the whole or part of the property of the company (both present and future) including its uncalled capital for the time being.

By a resolution of the Company passed at the General meeting held on 6. 2. 1981 the Board of Directors was authorised to borrow moneys for the purposes of the Company from time to time to the extent of Rs. 2 crores.

#### REMUNERATION OF DIRECTORS :

Subject to the provisions of the Companies Act, each Director shall be paid out of the funds of the company by way of remuneration of a sum not exceeding Rs. 250/- for every meeting of the Board attended by him. The Directors shall be entitled to be paid reasonable travelling expenses incurred in connection with their attendance at Meetings of the Board of the Directors or any committee thereof or general meetings of the company. Subject to the provisions of the Companies Act, the Directors shall also be entitled to receive commission (to be divided between them equally or in such manner as they have determined) not exceeding 3 percent of the net profit of the company computed in the manner provided under the Companies Act, 1956. If any Director, being willing, may be called upon, to perform extra services for the purposes of the company or in giving special attention to the business of the company as a member of committee of Directors may be remunerated in such manner as may be determined. The remuneration payable to Directors is subject to the provisions of Sections 198, 309, 310 and 314 and other applicable provisions of the Companies Act, 1956.

#### MANAGING DIRECTORS :

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

#### INTEREST OF PROMOTERS AND DIRECTORS :

The Directors are interested to the extent of the remuneration payable to them as commission or fees for attendance at meeting of the board or of committee thereof. All the Directors are also interested to the extent of reimbursement of travelling, hotel and other expenses if any, under the provisions of the Articles. All the Directors or promoters may be deemed to be interested in the company to the extent of their respective

shareholdings in the company and the shares, if any, that may be subscribed for by, and allotted to them.

#### SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION :

Names, Addresses Description & Occupations of Subscribers	No. of shares taken by each subscriber
1. Shri Arvind Gupta, 4, Eight street, Dr. Radhakrishnan Road, Mylapore, Madras-4, S/o. Late O. P. Gupta, BUSINESS	100
2. Shri Navin Maheswari Plot No. 49, Kalwa, Industrial Area, Thana - Belapur Road, Thana, S/o. Late H. C. Maheswari, BUSINESS	100
3. Shri Bilasrai Goyal, 14, Persipolis Apartment, Cuffeparade, Colaba, Bombay - 5, S/o. Durgadutt Goyal, BUSINESS	100
4. Shri Om Prakash Garg, 14, G. T. Road, Mohan Nagar, Uttar Pradesh, S/o. Shri Bhiku Ram Garg BUSINESS	100
5. Shri P. R. Doshi, 11, Odayappa Chettiar Colony, Salem-7, S/o. Shri Dulraj Doshi, BUSINESS	100
6. Shri Ram Kumar, 24, T. H. Road, Madras-19, S/o. Shri Sewag Ram,	100
7. Shri Ravi Gupta, 4, Eight Street, Dr. Radhakrishnan Road, Madras-600 004, S/o. Late O. P. Gupta, BUSINESS	100
	<hr/> 700 <hr/>

#### INDEMNITY :

Every officer or agent for the time being of the company shall be indemnified out of the assets of the company proceedings whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with any application under Section 633 of the Companies Act, 1956 in which relief is granted to him by court.

#### MATERIAL CONTRACTS & INSPECTION OF DOCUMENTS :

The contracts together with the documents referred to below copies of all of which have been delivered to the Registrar of Companies, may be inspected at the Registered Office of the



company between 10.30 a.m. to 12.30 p.m. on any working day during a period of 22 days from the date of publication of this prospectus or until the closing of subscription list whichever is earlier.

- (1) Memorandum and Articles of Association of company,
- (2) Certificate of Incorporation of the company dated, 24th September, '80 and Business commencement certificate dated 29th November, '1980.
- (3) Auditors' report dated 12. 2. 1981,
- (4) Consents of the Bankers, Auditors and Brokers,
- (5) Resolution passed on 6th February 1981 at the Extra Ordinary General Meeting of the Company under section 293(1) (d) of the Companies Act, 1956. Special resolution dated 6. 2. 1981 authorising the Board of Directors to lend monies upto the 30% of its capital.

#### **APPLICATION AND ALLOTMENT :**

Applications must be made in the form accompanying this prospectus and in accordance with the instructions contained in the form and will be rejected if not so made. The application form duly completed together with the amount payable on application must be lodged before the closing date of the subscription list with the Bankers to the Issue or any of their branches indicated in the application form and NOT to the Registered Office of the Company or to the Registrars to the Issue.

#### **ELIGIBILITY :**

Applications must be made only,

- a. in the prescribed form accompanying this prospectus,
- b. for a minimum of 50 shares or multiples thereof,
- c. in single or in joint names,
- d. in the name of individuals being Indian Nationals resident in India, Limited Companies or Statutory Corporations and not in the name of foreign nationals, trusts (unless trust is registered under the Societies Registration Act and authorised by its articles to hold shares in a company). Minors or partnership firms or in the names of nominees of any of them.
- e. in the case of joint application, refund orders, if any, will be made out in the first name and all communications will be addressed to the applicant whose name appears first in the application at the address specified therein.

#### **CRITERIA FOR REJECTION :**

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

#### **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 authority, as the case may be or a

duly certified copy thereof must be attached to the application form or lodged separately with the Registered Office of the Company.

#### **APPLICATIONS BY NON-RESIDENT INDIAN PERSONS OF INDIAN ORIGIN RESIDENT ABROAD :**

In terms of the recent relaxation of rules for non-residents investment in India, non-resident Indians/persons of Indian Origin resident abroad may subscribe to the Equity Shares hereby offered. The company will obtain necessary permission in this connection from the Reserve Bank of India and the applicants need not apply directly to the Reserve Bank for permission for subscription to the said shares. Allotment of shares to non-resident Indians/persons of Indian Origin resident abroad shall be subject to the company obtaining such permission from the Reserve Bank of India. Under the existing Exchange Control Regulations, the investment in Equity Shares of this company by such non-residents persons of Indian Origin resident abroad will not be allowed to be repatriated. The applicant should also furnish along with the application, an undertaking not to seek repatriation of the capital invested as well as the income accruing thereon.

#### **RECEIPT OF MONEY :**

Payment should be made by cash or cheque or draft and should be made payable to the Bankers to the Issue with whom the application is lodged and should bear the words and crossed 'Account Payee Only' (for example: The Jammu & Kashmir Bank Ltd: Account, Tamilnadu Finance Limited, Equity Issue).

A separate cheque or draft must accompany each application and should 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) situated in the same town where the application is submitted. Out-station cheque(s) or draft(s) will not be accepted and application(s) accompanying such cheque(s) or draft(s) will be rejected. Money orders will not be accepted.

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

#### **DISPOSAL OF APPLICATIONS AND APPLICATION MONEY :**

The company shall inform the applicants by despatch of allotment letters/share certificates and/or letters of regret, as the case may be together with the refund orders, if any, by post to the applicants at the applicant's risk within two months from the date of closing of the subscription list or in unforeseen circumstances, within such extended period as may be approved by the Madras Stock Exchange Limited and/or Calcutta Stock Exchange Associations Ltd.

The Directors reserve the right to accept or reject any application in whole or part without assigning any reason. Where the application is rejected in full, the whole of the application money received will be refunded. Where the application is rejected in part, the balance of the application money received will be adjusted against the allotment money due on the shares allotted and the balance, if any, will be refunded to the applicant in accordance with the provisions of section 73 of the Act. No interest will be paid on the application money refunded. Refunds will be made by cheques or pay orders drawn on company's Bankers payable at par at all places where there are Stock Exchanges and also at places where the applications are received through post or otherwise at the applicant's risk.



**AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS AND PLACES OF ACCEPTANCE :**

Copies of this prospectus and application forms may be obtained from the Registered Office of the company, the brokers, and bankers to the Issue named in this prospectus or at any of the offices mentioned against their names in the application form. Application forms duly completed together with cash cheque(s), draft(s) for the amount payable on application at the rate of Rs. 5.00 per share must be delivered before the closing of the subscription list, to the bankers to the issue named in this prospectus or at any of their offices mentioned against their name(s) in the application form.

**BASIS OF ALLOTMENT IN CASE OF OVER SUBSCRIPTION :**

In the event of the present issue of equity shares being over subscribed the basis of allotment will be finalised in consultation with the Madras Stock Exchange Limited.

**ISSUE OF SHARE CERTIFICATES :**

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

Place : MADRAS

Date : 7/3/81

S/d. P. R. Doshi

S/d. Ram Kumar

S/d. N. R. Bansal

**DIRECTORS**