



**KIRAN VYAPAR**  
LIMITED

# INFORMATION MEMORANDUM

**KIRAN VYAPAR LIMITED**



**INFORMATION MEMORANDUM**

**KIRAN VYAPAR LIMITED**

**REGISTERED OFFICE:**

KRISHNA, 7TH FLOOR, ROOM NO. 706

224, A. J. C. BOSE ROAD

KOLKATA-700017, WEST BENGAL

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EMAIL ID: [KVL@LNBGROUP.COM](mailto:KVL@LNBGROUP.COM)

WEBSITE: [WWW.LNBGROUP.COM](http://WWW.LNBGROUP.COM)

**CONTACT PERSON:** AAKASH JAIN, Company Secretary

*(A Public Limited Company incorporated on 23<sup>rd</sup> May, 1995, under the Companies Act, 1956. It was initially incorporated as a Private Limited Company. It was later converted into a Public Limited vide special resolution passed on 27<sup>th</sup> July, 2012)*

**INFORMATION MEMORANDUM FOR LISTING OF 2,59,20,000 EQUITY SHARES OF RS.10/- EACH**

**NO EQUITY SHARES ARE PROPOSED TO BE SOLD OR OFFERED PURSUANT TO THIS INFORMATION MEMORANDUM**

**GENERAL RISKS**

“Investments in equity and equity-related securities involve a degree of risk and investors should not invest any fund in the equity shares of KIRAN VYAPAR LIMITED unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in the shares of KIRAN VYAPAR LIMITED. For taking an investment decision, investors must rely on their own examination of the Company including the risks involved. The securities have not been recommended or approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy of this document” Specific attention of the investors is invited to the Risk Factors and Notes on Pages 8 to 12.

**ABSOLUTE RESPONSIBILITY OF KIRAN VYAPAR LIMITED (THE ISSUER)**

KIRAN VYAPAR LIMITED having made all reasonable inquiries, accepts responsibility for and confirms that this Information Memorandum contains all information with regard to KIRAN VYAPAR LIMITED, which is material, that the information contained in the Information Memorandum is true and correct in all material aspects and is not misleading in any material aspect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Information Memorandum as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.”

**LISTING**

The equity shares of KIRAN VYAPAR LIMITED are proposed to be listed on the Bombay Stock Exchange Ltd (BSE) and The Calcutta Stock Exchange Limited (CSE). The Company has submitted this Information Memorandum with BSE and CSE and the same has been made available on the company’s website. The Information Memorandum would also be available in the website of BSE & CSE.

**REGISTRAR & SHARE TRANSFER AGENT**

**MAHESHWARI DATAMATICS PRIVATE LIMITED  
UNIT : KIRAN VYAPAR LIMITED  
6 MANOGE LANE , 2ND FLOOR  
KOLKATA - 700001 PH : 033 - 2243 5029 , 2248 - 2248  
FAX : 033 - 2248 4787  
EMAIL : [infor@mdpl.in](mailto:infor@mdpl.in) / [mdpl@cal.vsnl.net.in](mailto:mdpl@cal.vsnl.net.in)  
CONTACT PERSON : MR. S. RAJAGOPAL**

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**SECTION I****GENERAL****DEFINITIONS, ABBREVIATIONS AND INDUSTRY RELATED TERMS**

Articles/ Articles of Association	Articles of Association of Kiran Vyapar Limited
Appointed date	THE APPOINTED DATE means the 1st day of April 2012.
Auditors	The Statutory Auditors of Kiran Vyapar Limited
Banker(s) to the Company	The Banks which are the Banker's of Kiran Vyapar Limited
Board of Directors/ Board/Directors	The Board of Directors of Kiran Vyapar Limited
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
CSE	The Calcutta Stock Exchange Limited
Companies Act / Act	The Companies Act, 1956, as amended from time to time
Company	KIRAN VYAPAR LIMITED
Current Year	April 1, 2013 to March 31, 2014, unless period specified otherwise.
Depository Act	The Depositories Act, 1996 as amended from time to time.
Depository	A Depository registered with SEBI under the SEBI (Depositories & Participants) Regulations, 1996 as amended from time to time.
DSE	Designated Stock Exchange
Effective Date	"THE EFFECTIVE DATE" means the 24 <sup>th</sup> day of September, 2013 i.e., the date on which certified copy of the order of the High Court at Calcutta under Section 391, 392 and 394 of the Act are filed with the Registrar of Companies, West Bengal.
EPS	Earnings per equity share
Equity Shares	Equity shares of the Company of Rs.10 each unless otherwise specified in the context thereof
Equity Shareholders	Equity Shareholders of the Company
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations there under and amendments thereto
Financial year/ fiscal/ FY	The twelve months ended March 31 of a particular year, unless otherwise stated
FI	Financial Institution
FII	Foreign Institutional Investor(s) registered with SEBI under applicable laws
HUF	Hindu Undivided Family
Information Memorandum	This document as filed with the Stock Exchanges is known as and referred to as the Information Memorandum

I.T. Act	The Income-tax Act, 1961, as amended from time to time, except as stated otherwise
Memorandum/ Memorandum of Association	The Memorandum of Association of KIRAN VYAPAR LIMITED
NAV	Net Asset Value
NSDL	National Securities Depository Limited
P/E Ratio	Price/Earning Ratio
PAT	Profit After Tax
RBI	Reserve Bank of India
Registrar and Share Transfer Agent/Registrars	MAHESHWARI DATAMATICS PRIVATE LIMITED UNIT : KIRAN VYAPAR LIMITED 6 MANOGE LANE , 2ND FLOOR KOLKATA - 700001 PH : 033 - 2243 5029, 2248 - 2248 FAX : 033 - 2248 4787 EMAIL : <a href="mailto:infor@mdpl.in">infor@mdpl.in</a> / <a href="mailto:mdpl@cal.vsnl.net.in">mdpl@cal.vsnl.net.in</a>
ROC	Registrar of Companies, West Bengal
Schemes of Arrangement	Schemes of Arrangement ("the scheme") under Sections 391 and 394 of the Companies Act, 1956 entered between KIRAN VYAPAR LIMITED and MAHARAJA SHREE UMAID MILLS LIMITED and their respective shareholders. The Hon'ble High Court, at Calcutta has approved the Schemes vide its Orders dated 21 <sup>st</sup> August ,2013 which was received by the Company on 20 <sup>th</sup> September ,2013 and were filed with the Registrar of Companies, West Bengal on 24 <sup>th</sup> September, 2013 (effective date) .
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 notified by SEBI on August 26, 2009
Share Certificate(s)	Equity Share Certificate(s)
Stock Exchange	BSE & CSE
DEMERGED Company	Maharaja Shree Umaid Mills Limited (MSUML)
RESULTING Company	Kiran Vyapar Limited ( KVL )

**CERTAIN CONVENTIONS, USE OF MARKET DATA AND FORWARD LOOKING STATEMENTS**

Unless stated otherwise, the financial data in this Information Memorandum is derived from our unconsolidated financial statements prepared in accordance with Indian GAAP. Our first financial year started on the date of incorporation of the Company on 23<sup>rd</sup> May, 1995 and ended on March 31, 1996. Our current financial year commenced on April 1, 2013 and shall end on March 31, 2014. The transfer of assets and liabilities of Investment division of Maharaja Shree Umaid Mills Limited to the Company was made effective from the appointed date being 1st April, 2012. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off.

For definition, please see the Section titled "Definitions, Abbreviations and Industry Related Terms".

All reference to "India" contained in this Information Memorandum are to the Republic of India. All references to "Rupees" or "Rs." are to Indian Rupees, the legal currency of the Republic of India.

Unless stated otherwise, industry data used throughout this Information Memorandum has been obtained from industry publications. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness is not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Information Memorandum is reliable, it has not been independently verified. The information included in this Information Memorandum about the various other Companies is based on their respective Annual Reports and information made available by the respective Companies.

The information included in this Information Memorandum about any of the listed or unlisted companies is based on their respective Annual Reports and their respective information made publicly available by the respective companies.

**FORWARD LOOKING STATEMENTS**

Any projections, forecasts and estimates contained herein are forward looking statements that involve risks and uncertainties. Such statements use forward looking terminology like "may", "believe", "will", "expect", "anticipate", "estimate", "plan" or other similar words. The Company's actual results could differ from those anticipated in these forward looking statements as a result of certain factors including those which are set forth in the "Risk Factors" below.

All forward looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant forward looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- General economic and business conditions in India and other countries;
- Our ability to successfully implement our strategy, our growth and expansion plans and technological changes;
- Changes in the value of the Indian Rupee and other currency changes;
- Increasing prices of the crude oil and other raw materials resulting in increase of cost of Production;
- Changes in laws and regulations in India;
- Changes in political conditions in India;
- Changes in the foreign exchange control regulations in India.

For further discussion of factors that could cause our actual results to differ, see the section titled "Risk Factors". By their nature, certain risk disclosures are only estimates and could be materially different from what actually occur in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

We do not have any obligation to and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.



## SECTION II

### RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all of the information in this Information Memorandum, including the risks and uncertainties described below. If any of the following risks actually occur, our business, financial condition and results of operations could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

#### INTERNAL RISK

- 1. Our Company is an investment Company and its income is mainly derived from the investment activities including dividends receivable on investments on listed and unlisted companies.**

Since the Company is in the business of Investment our main income is that of dividends and profit on sale of investments. It is not sure whether we will receive dividends or gain profits on sale of securities on each transaction and on each company where we have invested.

- 2. Volatility of the Stock Market**

The basic business of the Company is investing in stocks, shares and bonds. The value of these stocks, shares and bonds depend on the prevailing Stock Market scenario. The future success of the Company would depend on its ability to anticipate the volatility of the Stock Markets and minimizing risks through prudent investing decisions. The Company can incur losses in securities. It should not be assumed that the methods, techniques, used by the Company will be profitable or that they will not result in losses.

- 3. Our success is dependent upon the implementation of our strategic plans and if we are prevented from implementing these plans, our business, results of operations and financial condition could be materially affected.**

We are an investment company and we need to strategically plan the investments that we make. Any miscalculation of financial risks by us can reduce the profitability which would affect our results of operations and financial condition.

- 4. Our business requires substantial capital, and any disruption in funding sources and access to capital markets would have a material adverse effect on our liquidity and financial conditions.**

NBFC and do not have access to deposits, our liquidity and ongoing profitability are, in large part, dependent upon our timely access to, and the cost associated with raising capital. We may need to raise additional capital from time to time, which we may not be able to procure.

Additional capital requirements imposed due to changes in the regulatory regime, new guidelines or significant depletion in our existing capital base due to unusual operating losses may arise. Thus our business depends and will continue to depend on our ability to access diversified funding sources. It should be noted that any issuances we make of equity securities, such as the Issue, will dilute the shareholding of our then-existing shareholders.

**5. Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and lender consents and there can be no assurance that we will be able to pay dividends in the future.**

We currently intend to invest our future earnings, if any, to fund our growth. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

**6. Appointing skilled professionals and retaining them.**

The success of our business depends on the efforts and judgments of our key management personnel. Their reputations, relationships with members of the business community and deep understanding of the equity markets and investments are critical to the success of our business. There can be no guarantee that these persons will not resign. Our success also depends on our ability to appoint and retain our finance, operating and investment personnel. If we are unable to employ professionals and retain our key management personnel or our finance operating and investment personnel or attract a sufficient number of these professionals, growth in our assets under management as well as execution of the investment strategies could be constrained or we could incur significant additional personnel expense. Any of the foregoing could have a material adverse effect on our business, results of operations and financial condition. The loss of the services of any of our key asset management and advisory personnel would compromise our ability to manage funds and investment opportunities.

**7. Conflicts of interest may arise and our failure to deal with them appropriately could damage our reputation and adversely affect our business**

As we are an investment company, we may have overlapping investment objectives and conflicts of interest may arise with respect to our decisions on how to execute those objectives. We will seek to manage potential conflicts in a fair and equitable manner, if we are unable to resolve such conflicts of interest; the performance could potentially compromise our ability to invest and would have material adverse effect on our business, results of operations and financial condition.

**8. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.**

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of the listed securities. The Indian stock Exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price or liquidity of the Equity shares could be adversely affected.

**EXTERNAL RISK FACTORS**

**1. Our results of operations have been, and may continue to be, adversely affected by Indian and international financial market and economic conditions.**

Our business has been, and in the future could continue to be, materially and adversely affected by Indian and International market and economic conditions. Such conditions in India include war; acts of terrorism; natural catastrophes; sudden changes in economic and financial policies; fluctuations in interest rates; and corporate or other scandals. International markets and economic conditions include the liquidity of global financial markets, the level and volatility of debt and equity prices and interest rates; investor sentiment; inflation; the availability and cost of capital and credit; and the degree to which the international economies are expanding or experiencing recessionary pressures. The independent and/or collective fluctuation of these conditions could affect confidence in the financial markets leading to decline in investor interest and can directly and indirectly affect demand for our lending finance and financial products.

**2. A slowdown in economic growth in India could adversely impact our business.**

We derive all of our revenues from operations in India and consequently, our performance and growth is dependent on the state of the Indian economy. Any slowdown in the Indian economy or in the growth of industries will effect the capital markets of the country. This in turn could adversely affect our business and financial performance and the price of the Equity Shares.

**3. Terrorist attacks and other acts of violence or war involving India, and other countries could adversely affect the financial markets, result in a loss of business confidence and adversely affect the business, results of operations and financial condition.**

Terrorist attacks, such as the ones that occurred in New York and Washington D.C. on September 11, 2001, New Delhi on October 29, 2005, Gandhi Nagar in Gujarat on September 24, 2002, and Mumbai on August 26, 2008, and other acts of violence or war may negatively affect the Indian stock markets and also adversely affect the global financial markets. These acts may also result in a loss of business confidence and have other consequences that could adversely affect the business, results of operations and financial condition.

Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel and transportation more difficult. Such political tensions could create a greater perception that investments in Indian companies involve a higher degree of risk. This, in turn, could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares of the Company and on the market for its offerings.

**4. Political Turmoil**

Political Turmoil is an inherent risk faced by all the operating businesses. Any significant change in the Government policies or any political instability that adversely affects the business and economic conditions in India could also adversely affect the business, future financial performance and the price of the Company's Equity shares.

**5. Sensitivity to the economy and extraneous factors**

The Company's performance is highly correlated to the performance of the economy and the financial markets. The health of the economy and the financial markets in turn depends on the domestic economic growth, state of the global economy and business and consumer confidence, among other factors. Any event disturbing the dynamic balance of these diverse factors would directly or indirectly affect the performance of the Company.

**6. After this listing, the prices of the Company's equity shares may be volatile, or an active trading market for the Company's equity shares may not develop.**

There has been no public market for the Company's equity shares till now and the prices of the Company's equity shares may fluctuate after this listing. There can be no assurance that an active trading market for the equity shares will develop or be sustained after this listing. The Company's share price could be volatile.

**7. Any trading closure at the NSE and the BSE may adversely affect the trading price of our Equity Shares.**

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The NSE and the BSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the NSE and the BSE could adversely affect the trading price of the Equity Shares.

**8. Our ability to raise foreign capital may be constrained by Indian law.**

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, if at all. Limitations on raising foreign debt may have an adverse effect on our business.

**9. Foreign investors are subject to foreign investment restrictions under Indian law.**

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from sale of shares in India into foreign currency and repatriate that foreign currency from India will require no objection or tax clearance certificate from the income tax authority. We cannot assure you that any required approval from RBI or any other Government agency can be obtained on any particular terms or at all.

**NOTE TO RISK FACTORS:**

As per the Scheme of Arrangement, approved by the Hon'ble High Court of Calcutta vide its Order dated 21<sup>st</sup> August, 2013, the entire Investment division of the Demerged Company has been transferred to the Resulting Company and the same is being carried on by the Resulting Company on a going concern basis. Accordingly, all the above risks are being addressed and will continue to be so addressed by the Resulting Company and the Company does not foresee any adverse impact on the business of the Company in future on this account.

**OUTSTANDING LITIGATION, DEFAULTS AND MATERIAL DEVELOPMENTS**

Save as stated herein:

- (i)** There are no outstanding or pending material litigation, suit, criminal or civil prosecution, proceeding initiated for offence (irrespective of whether specified in paragraph (I) of Part 1 of Schedule XIII of the Companies Act) or litigation for tax liabilities against the Company, its Promoters, Directors or Promoter Group companies.
- (ii)** There are no material defaults, non-payments or over dues of statutory dues, institutional or bank dues or dues towards holders of debentures, bonds and fixed deposits and arrears of preference shares, other than unclaimed liabilities of the Company, its Promoters or Promoter Group Companies.

## **SECTION III**

### **INTRODUCTION**

#### **INDUSTRY SUMMARY**

Non Banking Financial Companies (NBFC) became more into limelight in 1997 with the introduction of NBFC regulations

The performance of the Non Banking Financial Companies depends mainly on the Stock Market conditions. Stock Market being highly volatile is influenced by main factors which affects the price of various scrip's and also on other money market conditions.

The Indian Stock Exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements.

SEBI's efforts at maintaining market integrity are rooted in sound principles. Market surveillance is entrusted to stock exchanges and stock watch systems are used to detect unusual price movements. In addition, the regulator, in co-ordination with stock exchanges, has instituted a range of risk mitigation measures including margining, price bands and inspections of intermediaries.

To summarize, Indian equity and exchange-traded derivatives markets are closer to international best practices as compared to debt markets.

#### **ABOUT KIRAN VYAPAR LIMITED**

Kiran Vyapar Limited was incorporated on 23<sup>rd</sup> day of May, 1995 as a Private Limited Company, Limited by Shares under the provisions of the Companies Act, 1956. The Company has been converted into a Public Limited Company on 14<sup>th</sup> day of August, 2012 under the relevant provisions of the Companies Act, 1956 and a Fresh Certificate of Incorporation consequent upon Change of Name on Conversion to Public Limited Company was obtained and included in its Memorandum of Association. The Corporate Identification number of the Company is U51909WB1995PLC071730.

The Registered Office of the Company is situated at "KRISHNA", Room No.706, 7<sup>th</sup> floor, 224, A.J.C. Bose Road, Kolkata-700017.

The Company is a Non-Banking Financial (Non Deposit Accepting or Holding) Company registered with Reserve Bank of India bearing registration no. B-05.05184. The Company is engaged in the business of investments, trading and dealing in shares and securities, mutual funds, financing and carrying on business in accordance with the regulatory framework mandated by the laws of land.

At present, the Authorized Share Capital of the Company is Rs.26,00,00,000/- divided into 2,60,00,000 Equity Shares of Rs. 10/- each. The Company has issued and allotted 2,59,20,000 Equity Shares of Rs. 10/- each on 15-10-2013 pursuant to the Scheme of

Arrangement sanctioned by the Hon'ble High Court of Calcutta vide its order dated 21<sup>st</sup> day of August, 2013 and consequently as on date Paid up Equity Share Capital of the Company is Rs. 25,92,00,000/- divided into 2,59,20,000 Equity Shares of Rs. 10/-.

The Hon'ble High Court of Calcutta vide its order dated 21<sup>st</sup> August, 2013 has approved the Scheme of Arrangement between the Company and Maharaja Shree Umaid Mills Limited (MSUML) whereby and where under the Investment Division of MSUML has been transferred to vested with the Company with effect from 1<sup>st</sup> April, 2012 (i.e. the appointed date under the Scheme), under Section 391 to 394 of the Companies Act, 1956. The Company has filed necessary forms with the Ministry of Corporate affairs for registering the said order passed by the Hon'ble High Court of Calcutta.

Upon the Scheme becoming operative and the transfer and vesting of the "Investment Division" taking place, KVL in consideration of transfer and vesting of "Investment Division" in KVL in terms of the scheme, without further application, issued and allotted to every equity shareholder of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the record date, 1 (One) Equity Share of Rs.10/- each credited as fully paid-up for every 1 (One) Equity Share of Rs.10/- each fully paid-up held by such Equity Shareholder in the Demerged Company on 15<sup>th</sup> October ,2013.

The BSE while according its approval pursuant to clause 24(f) of the Listing agreement stipulated the following conditons:

1. To submit the Information Memorandum containing all the information about KVL and group Companies in line with the disclosure requirements as applicable to public issues with BSE and to make the said information available in the website of KVL
2. To publish an advertisement in the newspaper containing all the information about Information Memorandum. The advertisement should draw specific reference to the Information Memorandum available on the website of the Company as well on the website of BSE.



3. To disclose all material information about KVL on a continuous basis so as to make the same public, in addition to the requirements, if any, specified in the listing agreement.

KVL has submitted this Information Memorandum to BSE containing information about itself and making disclosure in line with the disclosure requirements for public issues as applicable to BSE for making the said information available to public through its website.

KVL has made the Information Memorandum, available on its website. KVL will also publish an advertisement in the newspapers. KVL will make specific reference to the availability of the said Information Memorandum on the website of KVL as well as on the website of BSE. KVL also undertakes that all material information will be furnished on a continuous basis to BSE so as to make same available to public in addition to information, if any, specified in the listing agreement.

The Company, its Directors, its Promoters and other Companies promoted by the Promoters and the Companies with which the Company's Director are associated as Directors have not been prohibited from accessing the Capital Market under any order or direction passed by SEBI.

The Board of Directors of the Company is enumerated below:

- Mr. Lakshmi Niwas Bangur - Non Executive Director
- Mr. Shreeyash Bangur - Managing Director
- Mr. Yogesh Bangur - Non Executive Director
- Mr. Amitav Kothari - Independent Director
- Mr. Rajiv Kapasi - Independent Director
- Mr. Bhaskar Banerjee - Independent Director

**GENERAL INFORMATION**

Name of the Company	KIRAN VYAPAR LIMITED
Registered Office :	"KRISHNA", 7th Floor, Room No. 706 224, A. J. C. Bose Road Kolkata-700017, West Bengal
Corporate Office	3 <sup>rd</sup> Floor, Uptown Banjara, Road no. 3, Banjara Hills, Hyderabad – 500034, Andhra Pradesh
Phone	(033) 2223 – 0016 / 18
Fax:	(033) 2223 1569
E-mail:	<a href="mailto:KVL@LNBGROUP.COM">KVL@LNBGROUP.COM</a>
Registration No.	21-071730
Corporate Identification No. (CIN)	U51909WB1995PLC071730
Registrar of Companies	The Registrar of Companies, "NIZAM PALACE" 234/4 A.J.C. Bose Road, KOLKATA – 700020, West Bengal

**Board of Directors as on the date of filing of the draft Information Memorandum**

Sl. No	Name	Designation	DIN
1.	Mr. Lakshmi Niwas Bangur	Director	00012617
2.	Mr. Shreeyash Bangur	Managing Director	00012825
3.	Mr. Yogesh Bangur	Director	02018075
4.	Mr. Amitav Kothari	Director	01097705
5.	Mr. Rajiv Kapasi	Director	02208714
6.	Mr. Bhaskar Banerjee	Director	00013612

**Company Secretary and Compliance Officer**

Mr. Aakash Jain  
Company Secretary  
Kiran Vyapar Limited  
"KRISHNA", 7th Floor,  
Room No. 706  
224, A. J. C. Bose Road  
Kolkata-700017  
Tel: 033 -2223 0016/ 18  
Fax: 033- 2223 1569  
EMAIL: [KVL@LNBGROUP.COM](mailto:KVL@LNBGROUP.COM)

**AUTHORITY FOR LISTING**

The Hon'ble High Court of Calcutta vide its Order dated 21<sup>st</sup> August, 2013 has approved the Scheme of Arrangement between the Company and Maharaja Shree Umaid Mills Limited whereby the entire Investment division of Maharaja Shree Umaid Mills Limited will stand transferred with effect from 1<sup>st</sup> April, 2012 (i.e. the Appointed Date under the Schemes) under Sections 391 to 394 of the Companies Act, 1956.

Upon the Scheme becoming operative and the transfer and vesting of Investment Division taking place KVL shall in consideration of transfer and vesting of Investment Division in KVL in terms of the Scheme , without further application , issue and allot to every equity shareholder of the Demerged Company whose name is recorded in the register of members of the Demerged Company on the record date 1 ( One ) equity share of Rs 10/ each credited as fully paid up for every 1 ( One ) equity share of Rs 10/ each fully paid up held by such equity shareholder in the Demerged Company .

The equity shares issued in terms of the scheme will be listed and admitted to trading on the Bombay Stock Exchange and The Calcutta Stock Exchange Limited where the shares of the Demerged Company are listed and/or admitted to trading in terms of Regulations and circulars issued by the Securities and Exchange Board of India . KVL shall enter into such arrangements and give such confirmations and /or undertakings as may be necessary in accordance with the applicable laws or regulations for complying with the formalities of the said stock exchanges. On such formalities being fulfilled the said stock exchange shall list and admit such equity shares for the purpose of trading. The Shares allotted by the Resulting Company pursuant to the Scheme shall remain frozen in the depositories system till listing /trading permission is given by the designated stock exchange.

**ELIGIBILITY CRITERION**

**PROHIBITION BY SEBI:** The Company, its Directors, its Promoters, other Companies promoted by the promoters and companies with which the Company's Directors are associated as Directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

**CAUTION**

There being no initial public offering or rights issue, the eligibility criteria of SEBI (Issue of Capital Depository Regulations), 2009 do not become applicable. The Company has submitted its Information Memorandum, containing information about itself, making disclosure in line with the disclosure requirement for public issues, as applicable to Kiran Vyapar Limited as applicable to BSE & CSE for making the said Information Memorandum available to public through their websites viz. [www.bseindia.com](http://www.bseindia.com) and [www.cse-india.com](http://www.cse-india.com).

The Company has made the said information memorandum available on its website viz., [WWW.LNBGROUP.COM](http://WWW.LNBGROUP.COM).

Before commencement of trading, the Company will publish an advertisement in one English and one Hindi newspaper with nationwide circulation, and one regional newspaper with wide circulation at the place where the registered office of the Company is situated.

#### **DISCLAIMER CLAUSE OF BSE & CSE**

As required, a copy of this Information Memorandum has been submitted to BSE & CSE. BSE & CSE has vide their letter Ref. No. DCS/AMAL/IV/24(f)/396/2012-13 dated 23<sup>rd</sup> November, 2012 and CSE /LD/6063/2012 dated 29<sup>th</sup> November, 2012 has approved the Scheme of Arrangement under Clause 24 (f) of the Listing Agreement and by virtue of that approval BSE's and CSE's name in this Information Memorandum as Stock Exchanges on which this Company's securities are proposed to be listed.

The BSE & CSE does not in any manner:-

- Warrant, certify or endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- Warrant that this Company's securities will be listed or will continue to be listed on the BSE; or
- Take any responsibility for the financial or other soundness of this Company, its Promoters, its Management or any Scheme or project of this Company; and
- It should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquires any securities of the Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

#### **FILING**

Copy of this Information Memorandum have been filed with BSE & CSE in due compliance.

#### **LISTING**

Applications have been made to BSE & CSE for permission to deal in and for an official quotation of the Equity Shares of the Company. The Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the shares. The Company has already taken steps for the completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above. The Company is taking steps to comply with the requirements of Clause 19(2)(b) of Securities Contract ( Regulation ) Rules 1957.

The Company has submitted this Information Memorandum, containing information about itself, making disclosures in line with the disclosure requirement for public issues, as applicable, to BSE and to CSE respectively, for making the said Information Memorandum available to public through their websites.

### DEMAT CREDIT

The Demerged Company has executed Agreements with National Securities Depository Limited and Central Depository Services (India) Limited for admitting its securities in demat form. Pursuant thereto, the shares of the Demerged Company were being compulsorily traded in demat form. The shares allotted pursuant to the said Scheme of Arrangement to the holders of shares in demat form has been credited in respective account of the beneficiary.

The Company has entered into Agreements with National Securities Depository Limited and Central Depository Services (India) Limited and subsequent thereto, the ISIN number INE555P01013 is allotted to the Company.

The details of shareholding (both in physical form and dematerialized form) are given hereunder: —

Sl.No.	Details	No. of Shareholders	No. of Shares	% of No. of Shares
1	CDSL	830	37,47,422	14.46
2	NSDL	1,385	2,20,08,715	84.91
3	PHYSICAL	214	1,63,863	0.63
	TOTAL	<b>2,429</b>	<b>2,59,20,000</b>	<b>100.00</b>

<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b> <b>MAHESHWARI DATAMATICS PVT LTD</b> <b>UNIT : KIRAN VYAPAAR LIMITED</b> <b>6 MANOGE LANE , 2ND FLOOR</b> <b>KOLKATA - 700001</b> <b>PH : 033 - 2243 5029 , 2248 - 2248</b> <b>FAX : 033 - 2248 4787</b> <b>EMAIL : <a href="mailto:infor@mdpl.in">infor@mdpl.in</a> / <a href="mailto:mdpl@cal.vsnl.net.in">mdpl@cal.vsnl.net.in</a></b> <b>CONTACT PERSON : MR. S. RAJAGOPAL</b>	<b>STATUTORY AUDITORS</b> <b>AGARWAL MAHESHWARI &amp; CO.</b> <b>Chartered Accountants</b> <b>MANGALAM - A</b> <b>24 HEMANT BASU SARANI</b> <b>ROOM NO 309</b> <b>KOLKATA - 700001</b>
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BANKERS	i) UCO BANK, Hastings Branch, Kolkata ii) HDFC BANK LTD, Stephen House Branch, Kolkata
COMPLIANCE OFFICER	AAKASH JAIN, Company Secretary

## CAPITAL STRUCTURE

AUTHORISED SHARE CAPITAL	SHARE CAPITAL (Rs.)	
	PRE ARRANGEMENT	POST ARRANGEMENT
7,50,000 Equity Shares of Rs.10/- each	75,00,000	
2,60,00,000 Equity Shares of Rs.10/- each		26,00,00,000
<b>TOTAL</b>	75,00,000	26,00,00,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
5,95,200 Equity Shares of Rs. 10/-each	59,52,000	
2,59,20,000 Equity Shares of Rs. 10/-each		25,92,00,000
<b>TOTAL</b>	59,52,000	25,92,00,000

- I.** The Company was incorporated as Private Limited Company on 23<sup>rd</sup> May, 1995 in the name and style of Kiran Vyapar Private Limited under the provisions of Companies Act, 1956 in the West Bengal. The Company became a wholly owned subsidiary of Maharaja Shree Umaid Mills Limited on 30<sup>th</sup> November, 2011. It was converted into a Limited Company by passing a special resolution at the Extra Ordinary General meeting held on 27<sup>th</sup> July, 2012. The Registrar of Companies West Bengal issued a fresh Certificate of Incorporation on 14<sup>th</sup> August, 2012 recording the conversion of the Company.

The Hon'ble High Court of Calcutta vide its Order dated 21<sup>st</sup> August, 2013 has approved the Scheme of Arrangement between the Company and Maharaja Shree Umaid Mills Limited and their respective shareholders whereby entire Investment division of Maharaja Shree Umaid Mills Limited has been transferred to and vested in Company w.e.f. 1<sup>st</sup> April, 2012 (i.e. appointed date under the scheme) under Section 391 to 394 of the Companies Act, 1956.

As per Scheme, the Company has issued and allotted following shares:

Shareholders holding one equity share of Rs.10 each of the Demerged Company on the record date i.e. 10<sup>th</sup> October, 2013 have been allotted one equity share of Rs.10/- each of Resulting Company. Accordingly 2,59,20,000 equity shares of Resulting Company of Rs.10/- each have been allotted to the Equity Shareholders of Demerged Company.

- II.** The Share Capital of the Company before the approval of the scheme was as follows:

	Amount (Rs.)
<b>AUTHORISED</b>	
7,50,000 equity shares of Rs 10/- each	75,00,000
<b>TOTAL</b>	75,00,000
<b>ISSUED, SUBSCRIBED AND PAID-UP</b>	
5,95,200 equity shares of Rs 10/- each fully paid up	59,52,000
<b>TOTAL</b>	59,52,000

## EQUITY BUILD UP OF THE COMPANY

Date of Allotment	No. of Shares	Cumulative No. of Shares	Face Value (Rs.)	Cumulative Paid-up Capital (Rs.)	Nature of Allotment/ Remarks	Mode of Consideration
23.05.1995	200	200	10	2,000	On Incorporation	Cash
30.03.1996	4,55,000	4,55,200	10	45,52,000	Private Placement	Cash
31.03.1997	40,000	4,95,200	10	49,52,000	Private Placement	Cash
31.03.2007	1,00,000	5,95,200	10	59,52,000	Private Placement	Cash
15.10.2013 15.10.2013	(5,95,200) 2,59,20,000	2,59,20,000	10	25,92,00,000	Cancellation of 595200 Equity Shares and allotment of 2,59,20,000 Equity Shares other than cash pursuant to Scheme Of Arrangement sanctioned by Hon'ble High Court vide its order dated 21.08.2013	

**III.** Names of the shareholders of Kiran Vyapar Limited on the date of incorporation of the Company i.e. 23<sup>rd</sup> day of May, 1995.

Sl.no	Name of the shareholder	No of shares of Rs. 10/- each	% of total paid up capital
1.	Brajesh Kumar Chowdhury	100	50%
2.	Binod Kumar	100	50%

The Members of the Company at the Annual General Meeting held on 28<sup>th</sup> June, 2013 has increased the Authorized Share Capital of the Company to Rs. 26,00,00,000 (Rupees Twenty Six Crores) divided into 2,60,00,000 equity shares of Rs. 10/- each.

### NOTES TO CAPITAL STRUCTURE

1. Shareholding pattern of the Company after the allotment of equity shares on 15<sup>th</sup> October, 2013, post demerger, as also on the date of Information Memorandum is given hereunder:

◆ Post Arrangement Share Holding Pattern as on 15<sup>th</sup> October, 2013.

(Kiran Vyapar Limited 2,59,20,000 Equity Shares of Rs 10/- each.)

Category of Shareholder	No. of Shareholders	No. of Shares	No. of Shares held in Demat form	Total Shareholding as a percentage of total number of shares	
				As a % of	As a % of
A. Promoter and Promoter Group					
1. Indian					
a. Individuals/Hindu Undivided Family	11	4086180	4086180	15.7646	15.7646

b. Central/State Government(s)					
c. Bodies Corporate	12	15305220	15303720	59.0479	59.0479
d. Financial Institutions/Banks					
e. Any Other					
Sub Total (A1)	23	19391400	19389900	74.8125	74.8125
2.Foreign					
a. Individuals (NRI/Foreign Individuals)					
b. Bodies Corporate					
c. Institutions					
d. Qualified Foreign Investor					
e. Any other					
Sub Total(A2)					
Total Shareholding of Promoter and Promoter Group A=(A)(1)+(A)(2)	23	19391400	19389900	74.8125	74.8125
B. Public Shareholding					
1.Institutions					
a. Mutual Funds/UTI					
b. Financial Institutions/Banks					
c. Central/State Government(s)					
d. Venture Capital Funds					
e. Insurance Companies					
f. Foreign Institutional Investors					
g. Foreign Venture Capital Investors					
h. Qualified Foreign Investor					
i. Any Other					
Sub Total (B1)					
2.Non-Institutions					
a. Bodies Corporate	132	5129089	5124889	19.7882	19.7882
b. Individuals holding					
i. Nominal Share Capital up to Rs.1 Lakh	2239	1018610	872897	3.9298	3.9298
ii.Nominal Share Capital in excess of Rs.1 Lakh	12	304098	292098	1.1732	1.1732
c. Qualified Foreign Investor					
d. Any Other					
Non Resident Individual	23	76803	76803	0.2963	0.2963
Sub Total (B2)	2406	6528600	6366687	25.1875	25.1875
Total Public Shareholding B=(B)(1)+(B)(2)	2406	6528600	6366687	25.1875	25.1875
(C) Shares held by custodians and against which depository Receipts has been issued					
Grand Total (A)+(B)+(C)	2429	25920000	25756587	100.0000	100.0000



◆ Pre Arrangement Shareholding Pattern as on 12<sup>th</sup> October, 2013.

(Kiran Vyapar Limited 59,52,000 Equity Shares of Rs 10/- each.)

Category of Shareholder	No. of Shareholders	No. of Shares	No. of Shares held in Demat form	Total Shareholding as a percentage of total number of shares	
				As a % of	As a % of
A. Promoter and Promoter Group					
1. Indian					
a. Individuals/Hindu Undivided Family	7	700			
b. Central/State Government(s)				0.1176	0.1176
c. Bodies Corporate	1	594500			
d. Financial Institutions/Banks				99.8824	99.8824
e. Any Other					
Sub Total (A1)	8	595200			
				100.0000	100.0000
2. Foreign					
a. Individuals (NRI/Foreign Individuals)					
b. Bodies Corporate					
c. Institutions					
d. Qualified Foreign Investor					
e. Any other					
Sub Total (A2)					
Total Shareholding of Promoter and Promoter Group A=(A)(1)+(A)(2)	8	595200		100.0000	100.0000
B. Public Shareholding					
1. Institutions					
a. Mutual Funds/UTI					
b. Financial Institutions/Banks					
c. Central/State Government(s)					
d. Venture Capital Funds					
e. Insurance Companies					
f. Foreign Institutional Investors					
g. Foreign Venture Capital Investors					
h. Qualified Foreign Investor					

KVL	INFORMATION MEMORANDUM			
i. Any Other				
Sub Total (B1)				
2.Non-Institutions				
a. Bodies Corporate				
b. Individuals holding				
i. Nominal Share Capital up to Rs.1 Lakh				
ii.Nominal Share Capital in excess of Rs.1 Lakh				
c. Qualified Foreign Investor				
d. Any Other				
Sub Total (B2)				
Total Public Shareholding B=(B)(1)+(B)(2)				
(C) Shares held by custodians and against which depository Receipts has been issued				
Grand Total (A)+(B)+(C)	8	595200	100.0000	100.0000

- ◆ List of the persons/entities comprising Promoters as shown in the Post-Arrangement Shareholding pattern above are as follows:

Sl. No.	Name of the Promoters	No. of Equity Shares of Rs. 10/- each	% of total paid up capital
1.	Lakshmi Niwas Bangur	1256257	4.8467
2.	Lakshmi Niwas Bangur	4200	0.0162
3.	Lakshmi Niwas Bangur	500000	1.9290
4.	Lakshmi Niwas Bangur C/O L. N. Bangur (HUF)	4623	0.0178
	Lakshmi Niwas Bangur C/O L. N. Bangur (HUF)	460000	1.7747
5.	Alka Devi Bangur	3000	0.0116
	Alka Devi Bangur	750000	2.8935
6.	Shreeyash Bangur	3000	0.0116
	Shreeyash Bangur	550000	2.1219
7.	Yogesh Bangur	5100	0.0197
	Yogesh Bangur	550000	2.1219
8.	Placid Ltd	3640000	14.0432
9.	Placid Ltd	2982420	11.5062
10.	M.B.Commercial Co. Ltd	2819700	10.8785
11.	M.B.Commercial Co. Ltd	300	0.0012
12.	Placid Ltd	1800000	6.9444
13.	Amalgamated Development Ltd	1638000	6.3194
14.	Amalgamated Development Ltd	14000	0.0540
15.	The Kishore Trading Co. Ltd	1220400	4.7083
16.	Apurva Export Pvt Ltd	540000	2.0833
17.	The General Investment Co. Ltd	346200	1.3358
18.	Shree Krishna Agency Ltd	303000	1.1690
19.	The General Investment Co. Ltd	1200	0.0046
<b>TOTAL</b>		<b>19391400</b>	<b>74.8125</b>

- ◆ List of top ten shareholders of Kiran Vyapar Limited (Resulting Company) and the number of shares held by them on the date of allotment of shares on 15<sup>th</sup> October, 2013 and as on the date of this Information Memorandum is as below :

Sl. No.	Name of the Shareholders	No. of Equity Shares	% of total no. of shares
1.	Placid Limited	3640000	14.0432
2.	Placid Limited	2982420	11.5062
3.	M. B. Commercial Co Ltd	2819700	10.8785
4.	Placid Limited	1800000	6.9444
5.	Amalgamated Development Limited	1638000	6.3194
6.	Lakshmi Niwas Bangur	1256257	4.8467
7.	The Kishore Trading Company Limited	1220400	4.7083
8.	Pan Emami Cosmed Ltd	1203300	4.6424
9.	Payal Commercial Co Ltd	879707	3.3939
10.	Alka Devi Bangur	750000	2.8935
	TOTAL	18189784	70.1766

- ◆ List of top ten shareholders of Kiran Vyapar Limited (Resulting Company), and the number of shares held by them ten days prior to the date of this Information Memorandum is given hereunder

Sl. No.	Name of the Shareholder	No. of Equity Shares	% of total no. of shares
1.	Placid Limited	3640000	14.0432
2.	Placid Limited	2982420	11.5062
3.	M. B. Commercial Co Ltd	2819700	10.8785
4.	Placid Limited	1800000	6.9444
5.	Amalgamated Development Limited	1638000	6.3194
6.	Lakshmi Niwas Bangur	1256257	4.8467
7.	The Kishore Trading Company Limited	1220400	4.7083
8.	Pan Emami Cosmed Ltd	1203300	4.6424
9.	Payal Commercial Co Ltd	879707	3.3939
10.	Alka Devi Bangur	750000	2.8935
	TOTAL	18189784	70.1766

1. Except as stated above, there has been no further issue of capital, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from the date of approval of the Scheme by the High Court till listing of the Equity Shares allotted as per the Scheme.
2. Except as mentioned elsewhere, and as provided under this Scheme, there are no other interest of the above Shareholders in the Company.
3. As on the date of this Information Memorandum, there are no outstanding warrants, options, or rights to convert debentures, loans or other instrument into equity shares of the Company.

4. The Company, its directors or promoters have not entered into any buy back, standby or similar arrangements to purchase equity shares of the Company from any person.
5. There will be no further issue of capital by KVL whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of approval of the Scheme by the High Court till listing of the equity shares.
6. There shall be only one denomination for the equity shares of the Company, subject to applicable regulations and the Company shall comply with such disclosure and accounting norms specified by SEBI, from time to time.
7. The Company has 2429 members as on the date of allotment of equity shares.
8. None of the Equity shares of the Company were under lock in period prior to the approval of the scheme.
9. 51,84,000 Equity shares of the Company being 20% of the paid up share capital are subject to lock-in in consequence of the Scheme of Arrangement. In terms of approval granted by the BSE pursuant to Clause 24(f) of the listing agreement the Equity shares of the Company allotted pursuant to the Scheme of Arrangement shall remain frozen in the depositories system till /listing /trading permission is given by the designated stock exchange.

**Promoters' capital and lock-in -**

As per BSE directive: -		
I	Lock-in of Promoter Shares	51,84,000 equity shares being 20% of the paid up share capital .
ii	Increase of Non-promoter Shareholding	N.A

Promoters of the Company, their relatives and associates, and their Directors have not purchased or sold or financed, directly or indirectly, any equity shares from the date of approval of the scheme by the High Court till the date of submission of this Information Memorandum.

10. The Company presently does not have an Employee Stock Option Scheme.
11. There are no outstanding debentures or bonds and other instruments issued by the Company.

## **OBJECTS OF THE SCHEME OF ARRANGEMENT**

### **(A) The Main Object or rationale as set forth in the Scheme of Arrangement for hiving off INVESTMENT Division from MAHARAJA SHREE UMAID MILLS LIMITED (MSUML)**

- a. As part of an overall scheme of restructuring, the management of the Demerged Company has concurred on a plan whereby the Demerged Company will demerge its "Investment Division" to KVL.
  - b. The "Investment Division" of the Demerged Company is engaged in investing in Shares & Securities & Mutual Fund and providing finance to other companies and is carrying on business in accordance with the regulatory frame work mandated by the laws of the land.
  - c. KVL is a wholly owned subsidiary of the Demerged Company wherein the entire paid-up share capital of KVL is held either by the Demerged Company or its nominees.
  - d. The management of the Demerged Company is of the opinion that demerger will enable it to consolidate its business by restructuring and reorganising its business activities and capital structure. Similarly the management of KVL believe that this demerger will enable them to become an establishment with larger resources and larger capital base providing further scope to diversify their line of business. Further, demerging of the "Investment Division" of the Demerged Company into KVL would lead to pooling of capacities, building scale, synergies in operation, cost savings etc. for KVL.
- ◆ Thus the present scheme of arrangement (hereinafter referred to as the "Scheme") would involve transfer on a going concern basis, of the "Investment Division" of the Demerged Company into KVL and in consideration thereof the Resulting Company will issue equity shares to the shareholders of the Demerged Company on a proportionate basis pursuant to Section 391 to 394 and the other relevant provisions of the Companies Act, 1956.

- ◆ This restructuring is intended to rationalize and simplify the structure of holding and ownership in companies so that there is alignment of interest of all shareholders and to provide greater business focus to KVL and the Demerged Company. This will also provide scope for individual expansion without extra baggage of any unrelated entities.
- ◆ Post this restructuring KVL is expected to be better poised for meeting future growth opportunities, gain the advantage of cost savings and improvement of their earning potential.
- ◆ Post this restructuring, KVL shall stand vested with the "Investment Division" of the Demerged Company.
- ◆ The Board of Directors of the Demerged Company, are of the opinion that the restructuring involving demerger would benefit their shareholders, creditors, employees, the companies concerned and the general public.
- ◆ The Scheme has been drawn up to comply with the conditions relating to "Demerger" as specified under Section 2(19AA) of the Income Tax Act, 1961. If any terms or provisions of the Scheme are found or interpreted to be inconsistent with the said provisions at a later date including resulting from an amendment of law or for any other reason whatsoever, the provisions of the said section of the Income Tax Act, 1961 shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(19AA) of the Income Tax Act, 1961. Such modification will however not affect other parts of the Scheme.

#### **THE MAIN FEATURES OF THE SCHEME**

MSUML had filed a Scheme of Arrangement under Section 391 to 394 of the Companies Act, 1956 with the Hon'ble High Court of Calcutta, West Bengal (the Court). The Court vide its Order dated 21<sup>st</sup> August, 2013 has approved the Scheme of Arrangement of Transferor Company. The salient features of the Scheme are as follows:

1. **"THE APPOINTED DATE"** means the 1<sup>st</sup> day of April 2012 or such other date as the Hon'ble High Court at Calcutta may direct.
2. **"THE EFFECTIVE DATE"** means the later of the following dates or such other dates as the High Court at Calcutta may direct, namely;
  - ◆ the date on which the last of all the consents, approvals, permissions, resolutions, sanctions and order as are hereinafter referred to have been obtained or passed.
  - ◆ the date on which certified copy of the order of the High Court at Calcutta under Section 391, 392 and 394 of the Act are filed with the Registrar of Companies, West Bengal.
3. Upon the coming into effect of this Scheme and with effect from the Appointed Date, the "Investment Division" including all the estate, assets, rights, claims, title interest and authorities including accretions and appurtenances of the "Investment Division" pursuant to the provisions of Section 394(2) of the Act, without any further act or deed, be demerged from the Demerged Company and be transferred to and vested in and shall be deemed to be demerged from the Demerged Company and transferred to and vested in the KVL as a going concern so as to become as and from the Appointed Date, the estate, assets, rights, claims, title, interest and authorities of the KVL subject this Scheme in relation to Encumbrances in favour of banks and/or financial institutions;
4. All assets or investments including investments made in subsidiaries and associates, right, title or interest acquired by the Demerged Company after the Appointed Date but prior to the Effective Date in relation to the "Investment Division", shall also, without any further act, instrument or deed, be and stand transferred to and vested in and be deemed to have been transferred to and vested in KVL upon the coming into effect of this Scheme pursuant to the provisions of Sections 391 to 394 of the Act;

5. Upon the coming into effect of this Scheme, all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties or obligations of any kind, nature or description of the Demerged Company (as on the Appointed Date) and relating to the "Investment Division" specified in Schedule I shall, without any further act or deed, be and stand transferred to and be deemed to be transferred to KVL to the extent that they are outstanding as on the Effective Date and shall become the debts, liabilities, duties and obligations of KVL which shall meet, discharge and satisfy the same.
  
6. Upon the coming into effect of, and subject to the provisions of the Scheme, all contracts, deeds, bonds, agreements, schemes, arrangements and other instruments of whatsoever nature including tenancy arrangements in relation to the "Investment Division" to which the Demerged Company is a party or to the benefit of which the Demerged Company may be eligible, and which are subsisting or have effect immediately before the Effective Date, shall continue in full force and effect on or against or in favour of, as the case may be, KVL in which the "Investment Division" vests by way of the Demerger hereunder and may be enforced as fully and effectually as if, instead of the Demerged Company, KVL had been a party or beneficiary or oblige thereto or there under.
  
7. As and from the Appointed Date and till the Effective Date:
  - a) All debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on 31<sup>st</sup> March 2012 whether or not provided in the books of the Demerged Company in respect of the "Investment Division" and all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to the Demerged Company on or after the Appointed Date in accordance with this Scheme, shall be deemed to be the debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations of KVL.



- b) All assets and properties comprised in "Investment Division" as on the date immediately preceding the Appointed Date, whether or not included in the books of the Demerged Company and all assets and properties relating thereto, which are acquired by the Demerged company in relation to the "Investment Division", on or after the Appointed Date, in accordance with this Scheme, shall be deemed to be the assets and properties of KVL.
8. All the assets, properties and liabilities of the "Investment Division" shall be transferred to KVL at the values appearing in the books of the Demerged Company at historical cost less depreciation on the close of business on 31<sup>st</sup> March, 2012.

**DETAILS OF THE INVESTMENT DIVISION OF MAHARAJA SHREE UMAID MILLS LIMITED AS ON CLOSE OF BUSINESS AS ON 31<sup>ST</sup> MARCH, 2012 TO BE TRANSFERRED UPON DEMERGER TO KVL.**

**PART – A**

**(Rs. In Lacs)**

<b>ASSETS</b>	
<b>NON CURRENT INVESTMENTS</b>	<b>10,578.30</b>
<b>LONG TERM LOANS &amp; ADVANCES</b>	<b>29,095.22</b>
<b>CURRENT INVESTMENTS</b>	<b>9,275.62</b>
<b>SHORT TERM LOANS &amp; ADVANCES / CURRENT ASSETS</b>	<b>622.59</b>
<b>INTER UNIT BALANCES</b>	<b>4,014.75</b>
<b>CASH &amp; BANK BALANCES</b>	<b>2,865.14</b>
<b>TOTAL</b>	<b>56,451.62</b>

**PART – B**

<b>LIABILITIES</b>	
<b>SHORT TERM PROVISIONS</b>	<b>1,506.24</b>
<b>TOTAL</b>	<b>1,506.24</b>

**NET DIFFERENCE**

**54,945.38**

## **SECTION IV**

### **INDUSTRY OVERVIEW**

#### **HISTORY OF THE COMPANY**

Kiran Vyapar Limited was incorporated on the 23<sup>rd</sup> day of May, 1995 as a Private Limited Company Limited by Shares under the provisions of the Companies Act, 1956. The Company has been converted into a Public Limited Company on 14<sup>th</sup> day of August, 2012 under the relevant provisions of the Companies Act, 1956 and a Fresh Certificate of Incorporation consequent upon Change of Name on Conversion to Public Limited Company was obtained and included in its Memorandum and Articles of Association.

The Company has no branch or units however it has a Corporate Office at 3<sup>rd</sup> Floor, Uptown Banjara, Road no. 3, Banjara Hills, Hyderabad - 500034. The Registered Office is situated at "KRISHNA" 7<sup>th</sup> FLOOR, ROOM NO - 706, 224 A.J.C. BOSE ROAD, KOLKATA - 700017.

Presently, the Company is a Non-Banking Financial (Non Deposit Accepting or Holding) Company registered with Reserve Bank of India. The Company is engaged in the business of investments, trading and dealing in shares and securities, mutual funds, financing and carrying on business in accordance with the regulatory framework.

#### **Main Objects of the Company as set out in the Memorandum of Association of the Company are as under:**

1. To carry on in India or elsewhere the business to manufacture, produce, process, prepare, fabricate, market, convert, commercialize, grade, develop, design, press, stitch, mould, flex, export, import, jobwork, buy, sell, stretch, stamp, shape, smelt, emboss, print, laminate, and to act as agent, broker, adatia, consultant, advisor, representative, marketing man, collaborator, franchisers, stockists, distributors or otherwise to deal in all shapes, sizes, varieties, capacities, description and dimensions of packing materials whether made of wood, plywood, thermocole, wood wool, particle board, corrugated paper, craft paper, rubber straw boards, card boards, aluminium foils, metal foils, glass, plastics, gelatine, bakelite, polypropylene and its compounds, tin, iron sheets, jute, synthetic material, cloths, and other ferrous and non ferrous materials, such as containers, receptacles, boxes, cartons, cases, drums, flasks, cages, bins, corks, jar, carboys, tubes, rolls, tapes, creates, ropes, cones, cups, plates, collapsibles, bottles, carrybags and other allied item and parts, fixtures, fittings accessories consumables, components, ingredients and to do all incidental acts and things necessary for the attainment of above objects.

2. To carry on the business of investment company and to invest in, acquire and hold shares stocks, debentures stocks, bonds, commercial papers, Tradable warrants, secured premium notes, obligations and securities issued or guaranteed by any company constituted or carrying on business in India or elsewhere and/or by any Government, state dominion, sovereign ruler, commissioner, Public body or authority, supreme, municipal, local or otherwise, dispose off, ex-change, Transfer or eliminate any of the investment of the company and to do the money lending Business and to borrow as well as to advance and lend money with or without security even on gold security, housing, upon such terms and conditions as the company may approve provided that the company shall not do any Banking business as defined under the Banking Regulation Act, 1947 and subject to the provisions of Act.
  
3. To carry on and undertake the business of Finance, investment and Trading, hire purchase, leasing and to finance lease operation of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment that the company may think fit and to.' assist in financing of all kinds of description on hire purchase as on deferred payment or similar Transactions and to subsidies financing the sale and maintenance of any goods, articles or commodities of all or every kinds and description upon. any, terms whatsoever and to purchase or otherwise deal in all forms of immovable and movable property including land and buildings, plant and machinery, equipment, Ships, automobile, motor vehicles, computer software and all consumer, commercial and Industrial items and to bare or otherwise deal with them in any manner whatsoever including resale thereof regardless of whether the property purchased and leased new and or used from India or from any part of the world and to provide leasing, financing and investment advisory/Counseling services to other entities.

### **Change in Memorandum of Association since Company's Inception**

Year	Particulars of change
1996	Change in Clause V - Increase in authorized capital from Rs 5 Lacs to Rs 50 Lacs
2007	Change in Clause V - Increase in authorized capital from Rs 50 Lacs to Rs 75 Lacs
2012	Change of name Upon Conversion into Public Limited Company
2013	Change in Clause III (A) - shifting of objects from other object to main object
2013	Change in Clause V - Increase in authorized capital from Rs 75 Lacs to Rs 2600 Lacs

**SUBSIDIARIES OF THE COMPANY**

The Company had no subsidiary prior to the appointed date. Upon Scheme being implemented and become effective IOTA MTECH LIMITED has become subsidiary of the Company.

**SHAREHOLDERS AGREEMENT –**

There is no separate agreement executed between the Shareholders and the Company.

**STRATEGIC / FINANCIAL PARTNERS AND OTHER MATERIAL CONTRACTS**

The Company does not have any strategic or financial partners, nor has it entered into any material contracts, other than in ordinary course of business.

## MANAGEMENT OF THE COMPANY

The overall management is vested in the Board of Directors, comprised of qualified, proficient and experienced persons.

### BOARD OF DIRECTORS

The details regarding the Board of Directors of the Company is given as under:

#### PRESENT BOARD OF DIRECTORS

NAME, AGE, DESIGNATION, QUALIFICATIONS, ADDRESS, OCCUPATION, DIN	DATE OF EXPIRATION OF CURRENT TERM	OTHER DIRECTORSHIPS
LAKSHMI NIWAS BANGUR AGE 64 YEARS , DES – NON INDEPENDENT, QUAL - COMMERCE GRADUATE, ADDRESS – 7 MUNSHI PREM CHAND SARANI , HASTINGS , KOLKATA -700022 , OCC – INDUSTRIALIST. DIN 00012617	ROTATIONAL	<ol style="list-style-type: none"> <li>1. THE SWADESHI COMMERCIAL COMPANY LTD</li> <li>2. THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LTD</li> <li>3. M.B. COMMERCIAL CO LTD</li> <li>4. SHREE KRISHNA AGENCY LTD</li> <li>5. THE MARWAR TEXTILE (AGENCY ) PVT LTD</li> <li>6. PLACID LTD</li> <li>7. THE KISHORE TRADING COMPANY LTD</li> <li>8. THE GENERAL INVESTMENT COMPANY LTD</li> <li>9. MAHARAJA SHREE UMAID MILLS LTD</li> <li>10. MUGNEERAM RAMCOOMAR BANGUR CHARITABLE &amp; RELIGIOUS COMPANY</li> <li>11. APURVA EXPORT PVT LTD</li> <li>12. SAMAY INDUSTRIES LTD</li> <li>13. AMALGAMATED DEVELOPMENT LTD</li> <li>14. PKT PLANTATIONS LTD</li> <li>15. IOTA MTECH LTD</li> <li>16. SIDHIDATA TRADECOMM LTD</li> <li>17. MANIFOLD AGRICROPS PVT LTD</li> <li>18. LNB REAL ESTATES PVT LTD</li> <li>19. PURNAY GREENFEILD PVT LTD</li> <li>20. SIDHYAYI GREENVIEW PVT LTD</li> </ol>
SHREEYASH BANGUR AGE 33 YEARS , DES – MANAGING DIRECTOR, NON INDEPENDENT, QUAL – MSc. IN ENGINEERING BUSINESS MANAGEMENT, ADDRESS – 7 MUNSHI PREM CHAND SARANI , HASTINGS , KOLKATA -700022 , OCC – INDUSTRIALIST. DIN 00012825	NON ROTATIONAL	<ol style="list-style-type: none"> <li>1. PLACID LTD</li> <li>2. THE PERIA KARAMALAI TEA &amp; PRODUCE CO LTD</li> <li>3. SHIVPHAL VINIMAY PVT LTD</li> <li>4. NAVJYOTI COMMODITY MANAGEMENT SERVICES LTD</li> <li>5. SIDHIDATA TRADECOMM LTD</li> <li>6. WINSOME PARK PVT LTD</li> <li>7. MAGMA REALTY PVT LTD</li> <li>8. GOLDEN GREENERIES PVT LTD</li> <li>9. SIDHIDATA SOLAR URJA LTD</li> <li>10. EMINENCE AGRIFIELD PVT LTD</li> <li>11. LNB RENEWABLE ENERGY PVT LTD</li> <li>12. LNB SOLAR ENERGY PVT LTD</li> <li>13. JUBLIEE HILLS RESIDENCY LTD</li> <li>14. PALIMARWAR SOLAR HOUSE PVT LTD</li> </ol>

		<ol style="list-style-type: none"> <li>15. ANANTAY GREENVIEW PVT LTD</li> <li>16. SARVADEVA GREENPARK PVT LTD</li> <li>17. SUBHPRADA GREENERIES PVT LTD</li> <li>18. SATYAWATCHE GREENERIES PVT LTD</li> <li>19. PARMARTH WIND ENERGY PVT LTD</li> <li>20. JANARDAN WIND ENERGY PVT LTD</li> <li>21. PALIMARWAR SOLAR PROJECT PVT LTD</li> <li>22. LNB REAL ESTATES PVT LTD</li> <li>23. MAINFOLD AGRICROPS PVT LTD</li> <li>24. UTTARAY GREENPARK PVT LTD</li> <li>25. SARVAY GREENHUB PVT LTD</li> <li>26. MAHATE GREENVIEW PVT LTD</li> <li>27. AMRITPAY GREENFEILD PVT LTD</li> <li>28. AGRAJAY GREENERIES PVT LTD</li> <li>29. BASBEY GREENVIEW PVT LTD</li> <li>30. PRATAPNAY GREENFEILD PVT LTD</li> <li>31. MANTRAY GREENPARK PVT LTD</li> <li>32. RAWAYE GREENPARK PVT LTD</li> <li>33. SUKHDAY GREENVIEW PVT LTD</li> <li>34. SANTE GREENHUB PVT LTD</li> <li>35. SISHIRAY GREENVIEW PVT LTD</li> <li>36. SUBIRAY GREENERIES PVT LTD</li> <li>37. AKRURAY GREENHUB PVT LTD</li> <li>38. DAKSHINAY GREENPARK PVT LTD</li> <li>39. DAKSHAY GREENERIES PVT LTD</li> <li>40. SANTAY GREENFIELDS PVT LTD</li> <li>41. SURUCHAYE GREENERIES PVT LTD</li> <li>42. SWASTINE GREENPARK PVT LTD</li> <li>43. VIROCHANAYE GREENFIELD PVT LTD</li> <li>44. CHAKRINE GREENFIELD PVT LTD</li> <li>45. DISHAY GREENHUB PVT LTD</li> <li>46. KAPILAY GREENERIES PVT LTD</li> <li>47. JIWANAY GREENVIEW PVT LTD</li> <li>48. YASHESHVI GREENHUB PVT LTD</li> </ol>
<p>YOGESH BANGUR  AGE 30 YEARS ,  DES - NON INDEPENDENT ,  QUAL - MASTER IN PROGRAMME  AND PROJECT MANAGEMENT AND  BACHELOR WITH SPECIALISATION  IN FINANCE ,  ADDRESS -  7 MUNSHI PREM CHAND SARANI ,  HASTINGS , KOLKATA -700022 ,  OCC - INDUSTRIALIST.  DIN 02018075</p>	<p>ROTATIONAL</p>	<ol style="list-style-type: none"> <li>1. IOTA MTECH LTD</li> <li>2. MAHARAJA SHREE UMAID MILLS LTD</li> <li>3. SHIVPHAL VINIMAY PVT LTD</li> <li>4. NAVJYOTI COMMODITY MANAGEMENT SERVICES LTD</li> <li>5. SIDHIDATA TRADECOMM LTD</li> <li>6. WINSOME PARK PVT LTD</li> <li>7. MAGMA REALTY PVT LTD</li> <li>8. GOLDEN GREENERIES PVT LTD</li> <li>9. SIDHIDATA SOLAR URJA LTD</li> <li>10. EMINENCE HARVEST PVT LTD</li> <li>11. LNB RENEWABLE ENERGY PVT LTD</li> <li>12. LNB SOLAR ENERGY PVT LTD</li> <li>13. JUBLIEE HILLS RESIDENCY LTD</li> <li>14. PALIMARWAR SOLAR HOUSE PVT LTD</li> <li>15. ANANTAY GREENVIEW PVT LTD</li> <li>16. SARVADEVA GREEN PARK PVT LTD</li> </ol>

		<ul style="list-style-type: none"> <li>17. SUBHPRADA GREENERIES PVT LTD</li> <li>18. SATYAWATCHE GREENERIES PVT LTD</li> <li>19. PARMARTH WIND ENERGY PVT LTD</li> <li>20. JANARDAN WIND ENERGY PVT LTD</li> <li>21. PALIMARWAR SOLAR PROJECT PVT LTD</li> <li>22. LNB REAL ESTATES PVT LTD</li> <li>23. DIVYAY GREENERIES PVT LTD</li> <li>24. UTTARAY GREENPARK PVT LTD</li> <li>25. SARVAY GREENHUB PVT LTD</li> <li>26. MAHATE GREENVIEW PVT LTD</li> <li>27. AMRITPAY GREENFEILD PVT LTD</li> <li>28. AGRAJAY GREENERIES PVT LTD</li> <li>29. BASBEY GREENVIEW PVT LTD</li> <li>30. PRATAPNAY GREENFEILD PVT LTD</li> <li>31. MANTRAY GREENPARK PVT LTD</li> <li>32. RAWAYE GREENPARK PVT LTD</li> <li>33. SUKHDAY GREENVIEW PVT LTD</li> <li>34. SANTE GREENHUB PVT LTD</li> <li>35. SISHIRAY GREENVIEW PVT LTD</li> <li>36. SUBIRAY GREENERIES PVT LTD</li> <li>37. AKRURAY GREENHUB PVT LTD</li> <li>38. DAKSHINAY GREENPARK PVT LTD</li> <li>39. DAKSHAY GREENERIES PVT LTD</li> <li>40. SANTAY GREENFIELDS PVT LTD</li> <li>41. SURUCHAYE GREENERIES PVT LTD</li> <li>42. SWASTINE GREENPARK PVT LTD</li> <li>43. VIROCHANAYE GREENFIELD PVT LTD</li> <li>44. CHAKRINE GREENFIELD PVT LTD</li> <li>45. DISHAY GREENHUB PVT LTD</li> <li>46. KAPILAY GREENERIES PVT LTD</li> <li>47. JIWANAY GREENVIEW PVT LTD</li> </ul>
<p>AMITAV KOTHARI</p> <p>AGE 61 YEARS , DES -INDEPENDENT, QUAL- FELLOW CHARTERED ACCOUNTANT ADDRESS - 26B, CAMAC STREET, 8E, NEELKANTH BUILDING, KOLKATA, 700016, West Bengal, INDIA, OCC - CHARTERED ACCOUNTANT DIN 01097705</p>	ROTATIONAL	<ul style="list-style-type: none"> <li>1. MAHARAJA SHREE UMAID MILLS LTD</li> <li>2. KANORIA CHEMICALS &amp; INDUSTRIES LTD</li> <li>3. SOUTH ESTERN COALFIELDS</li> <li>4. NATIONAL INSURANCE CO LTD</li> <li>5. ANMOL BISCUITS LTD</li> </ul>
<p>BHASKAR BANERJEE</p> <p>AGE 30 YEARS , DES -INDEPENDENT , QUAL - Law Graduate , ADDRESS - ARVIND TOWERS, FLAT NO. 5, 2<sup>ND</sup> FLOOR, 242/1B, A.P.C. ROAD, KOLKATA, 700004, West Bengal, INDIA OCC - Advocate. DIN 02208714</p>	ROTATIONAL	AMALGAMATED DEVELOPMENT LIMITED



RAJIV KAPASI AGE 30 YEARS , DES – INDEPENDENT , QUAL - Chartered Accountant ADDRESS – G-66,Secod Floor , South City - II , Gurgaon , Haryana –India OCC – Chartered Accountant DIN 02208714	ROTATIONAL	NIL
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## **BRIEF PROFILE OF DIRECTORS**

### **Mr. Lakshmi Niwas Bangur – Chairman**

Mr. Lakshmi Niwas Bangur is the Chairman of LNB (LAKSHMI NIWAS BANGUR) Group of Companies, which has interests in multifarious fields like Textiles, Paper, Power, Tea, etc. He holds a Bachelors Degree in Commerce.

### **Mr. Shreeyash Bangur – Managing Director**

Mr. Shreeyash Bangur, Managing Director is an MSc in Engineering Business Management from the Warwick Manufacturing Group and has worked with PWC in the Global Risk Management Services Division and with E&Y in the Risk and Business Solutions Division.

He served as Director at The Andhra Pradesh Paper Mills Ltd and played a vital role in divesting the company to International Paper, USA in 2012. Currently, he works as Director at The LNB Group managing the Business Development, Investor Relations, Global M&A and Corporate Communication functions.

### **Mr. Yogesh Bangur – Non Executive Director**

Mr. Yogesh Bangur is an Young and energetic leader with academic background of Master in Programme and Project Management and Bachelors with Specialisation in Finance from The University of Warwick has handled multiple market / financial researches for diverse industries. Capability to build team and handle the timelines using latest technological developments for value creation through a collaborative, environment friendly approach are his instincts to build the Organisation. Part of the Change Management Team of the Group, he spearheads Corporate strategy formulation and implementation.

### **Mr. Amitav Kothari – Independent Director**

Mr. Amitav Kothari is an M. Com, LLB, FICA and Fellow Chartered Accountant and has an expertise in specific functional areas such as banking and financial services etc. He is in the Board of Maharaja Shree Umaid Mills Ltd.

**Mr. Bhaskar Banerjee – Independent Director**

Mr. Bhaskar Banerjee is a law graduate and an advocate with rich experience in commercial legal and Board matter. He is an independent director from past 20 years in the listed Company.

**Mr. Rajiv Kapasi – Independent Director**

Mr. Rajiv Kapasi has more than 15 years of experience in Consulting across all Industries in the field of Strategy and M & A ranging from FMCG, Retail, Oil and Gas, Food and Beverages, Pharmaceuticals, Healthcare, Retail Sectors to Infrastructure. The role has entailed him leading on India Entry Consulting, Facilitating Cross-border Transactions, Strategic Planning, Organization Design, Corporate Development and Market Research.

**COMPENSATION TO MANAGING DIRECTOR**

The detail of compensation to be paid to the Managing Director is as follows:

**Terms and Conditions:**

The terms and conditions as to remuneration of Mr. Shreeyash Bangur for his appointment as Managing Director, as recommended by the Remuneration Committee are as follows:

- I. Terms:** The tenure of the Managing Director shall be for a period of 3 years commencing from 4<sup>th</sup> November 2013.
- II. Salary:**Rs. 1,20,000 (Rupees one lakh twenty thousand only) per month with such increments as may be determined by the Board of Directors of the Company from time to time in the salary range of Rs. 1,20,000 to Rs. 1,50,000/-.
- III. Commission:** Commission on net profits of the company in each year computed in accordance with Section 349 of the Companies Act, 1956, subject to such limit as may determined by the Board of Directors.
- IV. Perquisites:**
  - ❖ In addition to salary and commission, the Managing Director shall also be entitled to perquisites which shall not exceed 100% of his salary.
  - ❖ Leave in accordance with the rules applicable to the managerial staff of the Company.
  - ❖ Use of Company's car for official purposes, cell phone, and telephone at residence, encashment of leave at the end of tenure, contribution to Provident Fund, Superannuation Fund and Gratuity Fund will not be considered as perquisites.
  - ❖ Gratuity payable shall not exceed half a month's salary for each completed year of service or at the rate as may be modified from time to time.
- V.** In the event of loss or inadequacy of profits in any financial year, the Managing Director shall be paid remuneration by way of salary, allowances and perquisites as specified under Section II of Part II of Schedule XIII of the Companies Act, 1956, or within such ceilings as may be prescribed under Schedule XIII from time to time of the Companies Act, 1956, and as may be amended from time to time.

- VI.** The Managing Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committees thereof.
- VII.** The Managing Director shall be entrusted with substantial powers of management and shall exercise his powers subject to the superintendence, control and direction of the Board of Directors.
- VIII.** The Managing Director shall not be subject to retirement by rotation while he continues in office.
- IX.** The appointment of three years may be determined by either party by giving three months' notice in writing to the other party.
- X.** The appointment and remuneration payable shall be subject to the approval of the members in the ensuing Annual General Meeting.

### **CORPORATE GOVERNANCE**

The provisions of the Listing Agreement to be entered into with the Stock Exchange with respect to the Corporate Governance will be applicable to the Company immediately upon the Listing of the equity Shares on the Stock Exchange.

The Company is now fully compliant with the provisions of Clause 49 of the Listing Agreement. The details are enumerated below:

The Board of Directors of the Company comprises of 6 (Six) Members of whom 5 (Five) are Non-Executive Directors out of which 3 (Three) are Independent Directors.

#### **PROMOTER DIRECTOR**

Mr. Lakshmi Niwas Bangur – Non Executive Chairman

Mr. Shreeyash Bangur- Managing Director

Mr. Yogesh Bangur – Non Executive

#### **INDEPENDENT DIRECTOR**

Mr. Amitav Kothari – Non Executive

Mr. Bhaskar Banerjee – Non Executive

M. Rajiv Kapasi –Non Executive

The Compliance with Clause 49 of the Listing Agreement is already in place. The Company has a Non-Executive Chairman and one half of the Board comprises of Independent Directors. The Company has constituted Audit Committee, Remuneration Committee and Shareholders'/Investors Grievance Committee as required by Clause 49 of the Listing Agreement to be entered into with the Stock Exchange.

## AUDIT COMMITTEE

The Board of the Company has constituted a Qualified and Independent Audit Committee consisting of 3 (Three) members viz., Mr. Amitav Kothari, Mr. Bhaskar Banerjee and Mr. Yogesh Bangur. All the Members of the Audit Committee are financially literate and have accounting and related management expertise. Mr. Aakash Jain, Company Secretary is Secretary to the Committee.

The responsibilities of Audit Committee includes

1. Overseeing the financial reporting process to ensure proper disclosure of financial statement;
2. Recommending appointment, re-appointment and removal of the statutory auditor and fixing their remuneration;
3. Reviewing, the annual and quarterly financial statements before submission to the Board for approval;
4. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
5. Adequacy, structure and staffing of internal audit function;
6. Reviewing the findings of internal investigation, discussing the scope of audit with external auditors and looking into reasons of substantial default, if any, of non payment to shareholders;
7. Disclosure of Related party transactions;
8. Compliances with the listing and other legal requirements relating to the financial statements.

## COMPOSITION OF AUDIT COMMITTEE

SL.NO	NAME	CATEGORY
1	Mr. AMITAV KOTHARI	INDEPENDENT
2	Mr. BHASKAR BANERJEE	INDEPENDENT
3	Mr. YOGESH BANGUR	NON INDEPENDENT

## REMUNERATION COMMITTEE

The Company has constituted Remuneration Committee which will recommends the remuneration and annual increments for the Executive Directors as well as the commission payable (if any) to the Non Executive Directors from year to year. The Committee comprises of Mr. Amitav Kothari, Mr. Bhaskar Banerjee and Mr. Lakshmi Niwas Bangur as Non-Executive Members. Mr. Aakash Jain, Company Secretary is the Secretary to the Committee.

**COMPOSITION OF REMUNERATION COMMITTEE**

SL.NO	NAME	CATEGORY
1	Mr. BHASKAR BANERJEE	INDEPENDENT
2	Mr. RAJIV KAPASI	INDEPENDENT
3	Mr. LAKSHMI NIWAS BANGUR	NON INDEPENDENT

**SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Board of the Company has constituted Shareholders/Investors Grievance Committee comprising of Mr. Lakshmi Niwas Bangur, Mr. Bhaskar Banerjee and Mr. Rajiv Kapasi as members of the Committee. Mr. Aakash Jain, Company Secretary is the Secretary to the Committee.

**COMPOSITION OF SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

SL.NO	NAME	CATEGORY
1	Mr. LAKSHMI NIWAS BANGUR	NON INDEPENDENT
2	Mr. BHASKAR BANERJEE	INDEPENDENT
3	Mr. RAJIV KAPASI	INDEPENDENT

**INTEREST OF THE DIRECTORS**

Other than their respective shareholdings in the Company and reimbursement of expenses incurred and normal remuneration/sitting fee/commission from the Company as stated above, the directors of the Company have no other interest in the Company.

### **CHANGE IN BOARD OF DIRECTORS OF THE COMPANY SINCE INCORPORATION**

There has been changes in the Board of Directors since incorporation of the Company which is enumerated below:-

<b>Sl.No</b>	<b>Name</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>
1	Mr. Brajesh Kumar Chowdhury	23.05.1995	18.01.2000
2	Mr. Binod Kumar	23.05.1995	18.01.2000
3	Mr.Ramesh Parekh	18.01.2000	28.12.2011
4	Mr. Pravina Parkeh	18.01.2000	28.12.2011
5	Mr. Shreeyash Bangur	22.11.2011	--
6	Mr. Yogesh Bangur	22.11.2011	--
7	Mr. Govind Sharda	22.11.2011	15.10.2013
8	Mr. Lakshmi Niwas Bangur	10.09.2013	--
9	Mr. Amitav Kothari	15.10.2013	--
10	Mr. Rajeev Kapasi	15.10.2013	--
11	Mr. Bhaskar Banerjee	15.10.2013	--

### **CHANGE IN KEY MANAGERIAL PERSONNEL SINCE INCEPTION**

There was change in key management personnel since its inception. Mr. Brajesh Kumar Chowdhury, Mr. Binod Kumar, Mr. Ramesh Parekh and Mrs. Pravina Parkeh all of whom were Key Managerial Personnel earlier have resigned from the Board since it became a subsidiary of MSUML.

### **PRESENT KEY MANAGERIAL PERSONNEL OF THE COMPANY**

- Mr. Lakshmi Niwas Bangur – Chairman
- Mr. Shreeyash Bangur – Managing Director (w.e.f. 04.11.2013)
- Mr. Aakash Jain – Company Secretary – (w.e.f. 01.10.2013)

## PROMOTERS AND MANAGEMENT CONTROL

Kiran Vyapar Limited was originally incorporated as Private Limited Company under the name Kiran Vyapar Private Limited. The entire shareholding in the Company held by Mr. Ramesh Parekh, his family and business associates was acquired by Maharaja Shree Umaid Mills Limited in the year 2011. Thus upon acquisition, it became wholly owned subsidiary of Maharaja Shree Umaid Mills Limited. Thereafter MSUML increased the number of its members and share capital and converted the Company into a Public Limited Company.

Pursuant to approval of Scheme of Arrangement, the Company has now been vested with Investment Division of Maharaja Shree Umaid Mills Limited.

List of the persons/entities comprising Promoters as shown in the Post-Arrangement Shareholding pattern above are as follows:

Sl. No.	Name of the Promoter	No. of shares of Rs. 10/- each	% of total paid up capital
1	Lakshmi Niwas Bangur	1256257	4.8467
2	Lakshmi Niwas Bangur	4200	0.0162
3	Lakshmi Niwas Bangur	500000	1.9290
4	Lakshmi Niwas Bangur C/O L. N. Bangur (HUF)	4623	0.0178
	Lakshmi Niwas Bangur C/O L. N. Bangur (HUF)	460000	1.7747
5	Alka Devi Bangur	3000	0.0116
	Alka Devi Bangur	750000	2.8935
6	Shreeyash Bangur	3000	0.0116
	Shreeyash Bangur	550000	2.1219
7	Yogesh Bangur	5100	0.0197
	Yogesh Bangur	550000	2.1219
8	Placid Ltd	3640000	14.0432
9	Placid Ltd	2982420	11.5062
10	M.B.Commercial Co. Ltd	2819700	10.8785
11	M.B.Commercial Co. Ltd	300	0.0012
12	Placid Ltd	1800000	6.9444
13	Amalgamated Development Ltd	1638000	6.3194
14	Amalgamated Development Ltd	14000	0.0540
15	The Kishore Trading Co. Ltd	1220400	4.7083
16	Apurva Export Pvt Ltd	540000	2.0833
17	The General Investment Co. Ltd	346200	1.3358
18	Shree Krishna Agency Ltd	303000	1.1690
19	The General Investment Co. Ltd	1200	0.0046
	<b>TOTAL</b>	<b>19391400</b>	<b>74.8125</b>

**PLACID LIMITED: (PLACID)**

Placid Limited was incorporated on 31<sup>st</sup> day of July, 1946. As per the Memorandum of Association the main objects of the Company is to carry on the business of Non Banking Financial Companies.

Presently, the Company is engaged in the business of investment in shares and securities. PLACID is registered with RBI as an NBFC vide certificate of registration number 05.00539 dated 2<sup>nd</sup> March, 1998 under Section 45IA of Reserve Bank of India Act, 1934.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **PLACID** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoters	4,99,240	97.85
2	Public	10,994	2.15
	<b>TOTAL</b>	<b>5,10,234</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **PLACID** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Shreeyash Bangur
3. Ms. Sheetal Bangur
4. Mr. Alok Kabra
5. Mr. Ashwini Kumar Singh

**Registration No.** 014233

**CIN No.** U74140WB1946PLC014233

**PAN No.** AABCP5447J

**FINANCIAL PERFORMANCE**

Brief audited financials of **PLACID** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	165	26866	1940
Profit/(Loss) After Tax	(14)	11006	1359
Equity Share Capital (of Rs.100/- each)	100	510	510
Reserves & Surplus (excluding revaluation reserves, if any )	151	55091	56451
Earnings per Share ( Rs )	(14)	2158	266
Net Asset Value per Share ( Rs )	251	10902	11168



**SHARE QUOTATION**

The shares of the Company are not listed in any stock exchange, hence no quotation is available.

**M.B. COMMERCIAL LIMITED: (MB COMMERCIAL)**

M.B. COMMERCIAL LIMITED was incorporated on 21<sup>st</sup> day of October, 1960. As per the Memorandum of Association the main objects of the Company is to carry on the business of dealing in shares and securities, land and landed properties etc.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **M.B. COMMERCIAL** as on 15<sup>th</sup> October, 2013 was as follows:

Sl no.	Category	No. of Shares	% of Shares
1	Promoters	2,06,722	92.08
2	Public	17,778	7.92
	<b>TOTAL</b>	<b>2,24,500</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **M.B. COMMERCIAL** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Alok Kabra
3. Mr. Pradip Kumar Khan

**Registration No.** 024849

**CIN No.** L51909WB1960PLC024849

**PAN No.** AABCM6766B

**FINANCIAL PERFORMANCE**

Brief audited financials of **M.B. COMMERCIAL** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	131	1421	515
Profit/(Loss) After Tax	56	846	119
Equity Share Capital (Rs.10/- each)	22.45	22.45	22.45
Reserves & Surplus (excluding revaluation reserves, if any)	567	1414	1533
Earnings per Share ( Rs )	25	377	53
Net Asset Value per Share ( Rs )	263	640	693

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchange.

**AMALGAMATED DEVELOPMENT LIMITED: (AMALGAMATED)**

Amalgamated Development Limited was incorporated on 8<sup>th</sup> April, 1948. As per the Memorandum of Association the Main objects of the Company is to carry on the business of dealing and investment in shares and securities, granting of loans, deal in land etc.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **AMALGAMATED** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoters	15,671	89.55
2	Public	1,829	10.45
	<b>TOTAL</b>	<b>17,500</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **AMALGAMATED** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Ram Gopal Rathi
3. Mr. Bhaskar Banerjee
4. Mr. Bhagwan Das Karwa

**Registration No.** 016546

**CIN No.** L70109WB1948PLC016546

**PAN No.** AACCA3659A

**FINANCIAL PERFORMANCE**

Brief audited financials of **AMALGAMATED** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs.Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	27	130	88
Profit/(Loss) After Tax	15	60	80
Equity Share Capital (Rs.100/- each)	17.5	17.5	17.5
Reserves & Surplus (excluding revaluation reserves, if any)	133	194	274
Earnings per Share ( Rs )	87	347	454
Net Asset Value per Share ( Rs )	860	1208	1665

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchange.

**THE KISHORE TRADING CO. LTD.: (KISHORE)**

The Kishore Trading Co. Ltd was incorporated on 30<sup>th</sup> June, 1943. As per the Memorandum of Association the Main objects of the Company is to carry on the business of dealing and trading in shares and securities etc.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **KISHORE** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoters	38,246	84.99
2	Public	6,754	15.01
	<b>TOTAL</b>	<b>45,000</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **KISHORE** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Brijmohan Sharma
3. Mr. Yagya Dutt Sharma

**Registration No.** 000161

**CIN No.** L51101RJ1943PLC000161

**PAN No.** AABCT1625Q

**FINANCIAL PERFORMANCE**

Brief audited financials of **KISHORE** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs.Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	35	92	85
Profit/(Loss) After Tax	20	63	70
Equity Share Capital (Rs.100/- each)	45	45	45
Reserves & Surplus (excluding revaluation reserves, if any)	439	502	572
Earnings per Share ( Rs )	44	135	155
Net Asset Value per Share ( Rs )	1075	1215	1371

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. and Jaipur Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchanges.

**THE GENERAL INVESTMENT CO. LTD.: (GENERAL)**

The General Investment Co. Ltd was incorporated on 14<sup>th</sup> January, 1935. As per the Memorandum of Association the Main objects of the Company is to carry on the business of dealing and investment in shares and securities, granting of loans etc. GENERAL is an Non Banking Financial Company registered under Section 45IA of Reserve Bank of India Act, 1934

**SHAREHOLDING PATTERN**

Shareholding Pattern of **GENERAL** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No	Category	No. of Shares	% of Shares
1	Promoters	30901	88.29
2	Public	4,099	11.71
	<b>TOTAL</b>	35,000	100.00

**BOARD OF DIRECTORS**

Board of Directors of **GENERAL** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Mangi Lal Bangur
3. Mr. Suraj Mall Singhi
4. Mr. Surya Prakash Pasari

**Registration No.** 000045

**CIN No.** L65993RJ1935PLC000045

**PAN No.** AACT9725C

**FINANCIAL PERFORMANCE**

Brief audited financials of **GENERAL** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs.Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	21	43	73
Profit/(Loss) After Tax	7	25	9
Equity Share Capital (of Rs.100/- each)	35	35	35
Reserves & Surplus (excluding revaluation reserves, if any )	265	291	300
Earnings per Share ( Rs )	20	72	25
Net Asset Value per Share ( Rs )	857	931	957

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company during the last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchange.

### **APURVA EXPORT PVT. LTD.: (APURVA)**

Apurva Export Pvt. Ltd. was incorporated on 12<sup>th</sup> March, 1991. As per the Memorandum and Articles of Association the Main objects of the Company is to carry on the business of dealing cum trading in shares and securities.

### **SHAREHOLDING PATTERN**

Shareholding Pattern of **APURVA** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoter	2,54,695	99.88
2	Public	305	0.12
	<b>TOTAL</b>	<b>2,55,000</b>	<b>100.00</b>

### **BOARD OF DIRECTORS**

Board of Directors of **APURVA** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Ms. Sheetal Bangur
3. Smt. Alka Devi Bangur
4. Mr. Alok Kabra

**Registration No.** 051096

**CIN No.** U85190WB1991PTC051096

**PAN No.** AACCA2185M

### **FINANCIAL PERFORMANCE**

Brief audited financials of **APURVA** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	6	1415	94
Profit/(Loss) After Tax	5	1138	(329)
Equity Share Capital (of Rs.10/- each)	25.50	25.50	25.50
Reserves & Surplus (excluding revaluation reserves, if any)	144	1283	953
Earnings per Share ( Rs )	2	446	(129)
Net Asset Value per Share ( Rs )	68	523	391

**SHARE QUOTATION**

The equity shares of the Company are not quoted with any exchange. Hence the share prices are not available.

**SHREE KRISHNA AGENCY LTD : ( SHREE KRISHNA )**

Shree Krishna Agency Ltd was incorporated on 12<sup>th</sup> August, 1939. As per the Memorandum and Articles of Association the Main objects of the Company is to carry on the business of dealing and investment in shares and securities, granting of loans, etc.

SHREE KRISHNA is registered with RBI as a NBFC vide certificate of registration number 10-0027 dated 6<sup>th</sup> March, 1998 under Section 45IA of Reserve Bank of India Act, 1934.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **SHREE KRISHNA** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. no.	Category	No. of Shares	% of Shares
1	Promoters	55,040	98.29
2	Public	960	1.71
	<b>TOTAL</b>	<b>56,000</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **SHREE KRISHNA** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Brij Mohan Sharma
3. Mr. Rang Nath Baldwa
4. Mr. Ramesh Chandra Sharma
5. Mr. Surya Prakash Pasari

**Registration No.** 000063

**CIN No.** U51102RJ1939PLC000063

**PAN No.** AAEC50549P

**FINANCIAL PERFORMANCE**

Brief audited financials of **SHREE KRISHNA** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs.Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	10	28	67
Profit/(Loss) After Tax	3	20	14
Equity Share Capital (of Rs.100/- each)	56	56	56
Reserves & Surplus (excluding revaluation reserves, if any)	342	361	375
Earnings per Share ( Rs )	6	35	24
Net Asset Value per Share ( Rs )	710	745	770

**SHARE QUOTATION**

The shares of the Company are not listed in any stock exchange, hence no quotation is available.

**CHANGE OF CONTROL OF THE COMPANY IN TERMS OF THE SCHEME OF ARRANGEMENT**

As per the Scheme of Arrangement the control of the Company has vested in the above said promoters after the vesting and transfer of the Investment Division of Maharaja Shree Umaid Mills Limited (MSUML) with the Company.

**Note : Financial figures have been rounded off to the nearest Lacs / Rs where the same is applicable .**



**CURRENCY OF PRESENTATION**

In this Information Memorandum all references to 'Rupees' and 'Rs.' are to Indian Rupees, the legal currency of India.

**DIVIDEND POLICY**

There is no set dividend payment policy. Dividend is intended to be declared based on the quantum and availability of profits and will be disbursed based on shareholder approval based on the recommendation of the Board of Directors.

The declaration, recommendation and payment of dividend by the Board of Directors and the shareholders, would be in their discretion, which will depend on a number of factors, including but not limited to the Company's earnings, capital requirements and overall financial condition.

The Company has not declared any dividend for the financial year ended on 31st March, 2013.

**RIGHTS OF MEMBERS & MISCELLANEOUS****RIGHTS OF EQUITY SHAREHOLDERS**

The Shareholders are entitled to receive dividend, as and when declared and bonus and rights shares, as and when issued. Further, the rights of the above and other holders of shares are subject to the provisions of the Companies Act, 1956 the Memorandum and the Articles of Association of the Company and other laws as applicable from time to time.

**FACE VALUE**

The Face Value of Equity Share of the Company is Rs.10/-each.

## STATEMENT OF POSSIBLE TAX BENEFITS

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO M/s KIRAN VYAPAR LIMITED AND ITS SHAREHOLDERS

We hereby report that the enclosed annexure states the possible tax benefits available to the Company and its shareholders under the current direct tax laws presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the company or its shareholder to drive the tax benefits is dependent upon fulfilling such conditions. The benefits discussed in enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own consultant with respect to the specific tax implications arising out of their participation in the issue.

We do not express any opinion or provide any assurance as to whether:

- i. the Company or its shareholders will continue to obtain these benefits in future; or
- ii. the conditions prescribed for availing the benefits have been/would be met with.

The contents of the enclosed annexure are based on information, explanations and representation obtained from the company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the current direct tax laws presently in force in India.

**For AGARWAL MAHESWARI & CO.**  
**Chartered Accountants**  
**Firm Reg. No. 314030E**

**( A K Maheswari )**  
**Partner**  
**M. No. 051394**

Place: KOLKATA  
Date: 04.11.2013

**ANNEXURE****STATEMENT OF TAX BENEFITS****1. TO THE COMPANY- UNDER THE INCOME- TAX ACT, 1961 [THE ACT]**

1.1. Under section 10 (34) of the Act, any income by way of dividends referred to in section 115 O (i.e. dividends declared, distributed or paid on or after April 1, 2003 by domestic companies) received on the shares of a domestic company is exempt from tax if the same is subject to dividend distribution tax as referred to in section 115-O of the I.T Act.

However, as per section 94(7) of the Act, losses arising from sale / transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

1.2. Under section 10 (35) of the Act, any income received from units of a Mutual Fund specified under section 10 (23D) of the Act or unit from administrator of UTI or units from UTI is exempt from tax, subject to such income not arising from the transfer of units in such Mutual Fund. However, as per section 94(7) of the Act, losses arising from the sale/ redemption of units purchased within three months prior to the record date (for entitlement to receive income) and sold within nine months from the record date, will be disallowed to the extent such loss does not exceed the amount of income claimed exempt.

1.3. Under Section 10[38] of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented Mutual fund (i. e. capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.

However, from Assessment Year 2007-2008, such long term capital gains will be included while computing book profits for the purpose of MAT under the provision of section 115JB of the Act.

1.4. Section 115BBB of Income-tax Act provides for taxation of gross dividends received by an Indian company from a specified foreign company (in which it has shareholding of 26% or more in nominal value of the equity share capital) at the rate of 15% if such dividend is included in the total income for the Financial Year 2013-14 i.e. Assessment Year 2014-15.

1.5. As per section 94(8) of the Act, if an investor purchases units within three months prior to the record date for entitlement of bonus, and is allotted bonus units without any payment on the basis of holding original units on the record date and such person sells/ redeems the original units within nine months of the record date, then the loss arising from sale/ redemption of the original units will be ignored for the purpose of computing income chargeable to tax and the amount of loss ignored shall be regarded as the cost of acquisition of the bonus units.

1.6. Income by way of interest, premium on redemption or other payment on notified securities, bonds, certificates issued by the Central Government is exempt from tax under section 10(15) of the Act in accordance with and subject to the conditions and limits as may be specified in notifications.

1.7. Under section 48 of the Act, if the investments in shares are sold after being held for not less than twelve months, the gains (In cases not covered under section 10 (38) of the Act], if any, will be treated as long-term capital gains and such gains will be calculated by deducting from the gross consideration, the indexed cost of acquisition and expenses, if any, incurred in relation to such transfer.

1.8. In the computation of long term capital gains (which is not exempt from tax), as per the provisions of section 48, the actual cost of acquisition may be substituted by the indexed cost of acquisition i.e. the actual cost is scaled up by the prescribed index factor, resulting into reduced taxable income.

1.9. According to the provisions of section 54EC of the Act and subject to the conditions specified therein, capital gains arising from the transfer of any long-term capital asset shall not be taxable, provided that the Company has at any time within a period of six months after the date of such transfer, invested the whole of capital gains in any long-term specified asset.

However, if such long-term specified asset is transferred or converted into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier shall become chargeable to tax as long term capital gains in the year in which such long-term specified asset is transferred or converted into money. Section 54EC also provides for a ceiling of INR 5 million per financial year on investments in such long term specified asset. Further, if only a portion of capital gains is so invested, then the exemption is available proportionately.

For the purpose of section 54EC, long term specified assets means any bond redeemable after three years and issued by:

1. National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988; or
2. Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

1.10. Under section 112 of the Act, long-term capital gains (i.e., if shares are held for a period exceeding 12 months), [in cases not covered under section 10 (38) of the Act] arising on transfer of investment in shares, will be taxed at a rate of 20% (plus applicable surcharge and cess) after indexation as provided in the second proviso to section 48. The amount of such tax should, however, be limited to 10% (plus applicable surcharge and cess) without indexation, at the option of the shareholder.

1.11. Under section 111 A of the Act and other relevant provisions of the Act, short-term capital gains (i.e., if the shares are held for a period not exceeding 12 months), arising on transfer of investment in shares listed on a recognized stock exchange, will be taxed at a rate of 15% (plus applicable surcharge and cess) in cases where securities transaction tax has been paid.

1.12. Under section 115 JAA (1A), the company is eligible to claim credit for any tax paid as MAT under section 115 JB of the Act for any Assessment Year commencing on or after April 1, 2006 against income tax liabilities incurred in subsequent years as prescribed. MAT credit eligible in subsequent years is the difference between MAT paid and the tax computed as per the normal provisions of the Act. Such MAT credit will be available for set-off up to 10 years succeeding the year in which the MAT credit initially arose.

1.13. As per Section 35DDA, the Company is eligible for deduction in respect of payments made to its employees in connection with their voluntary retirement for an amount equal to 1/5th of such expenses over 5 successive AYs subject to conditions specified in that section.

1.14. As per section 35DD, the Company is eligible for the expenditure incurred wholly and exclusively for the purpose of amalgamation and demerger of an undertaking an amount equal to one-fifth of such expenditure for each of the successive five previous years.

1.15. The Company is eligible for amortization of preliminary expenses being the expenditure on public issue of shares under section 35D of the IT Act, subject to the fulfillment of the prescribed conditions and limits specified in the section. The said deduction is an amount equal to one-fifth of the said expenditure for each of the five successive previous years beginning from the year in which the business commences.

1.16. Subject to compliance with certain conditions laid down in section 32 of the IT Act, the company will be entitled to a deduction for depreciation:

1. In respect of buildings, machinery, plant or furniture being tangible assets (at the rates prescribed under Income Tax Rules, 1962 ('the Rules'));
2. In respect of Intangible assets being in the nature of knowhow, patents, copyrights, trademarks, licenses, franchises or any other business or commercial rights of similar nature acquired after 31<sup>st</sup> day of March, 1998 (at the rates prescribed under the Rules);
3. In respect of new plant or machinery which has been acquired and installed after 31<sup>st</sup> March, 2005 by a tax payer engaged in the business of manufacture or production of any article or thing, additional depreciation @ 20% of the actual cost of such new plant or machinery will be allowed as deduction.

1.17. In case of loss under the head "Profit and Gains from Business or Profession" except loss from speculation business, it can be set-off against incomes of other head of sources except income under the head "Income from salary" and the excess remaining loss, if any, after set-off can be carried forward for set-off - against business income of the next eight Assessment Years.

1.18. Under section 32(2) of the Act, the unabsorbed depreciation arising due to absence/ insufficiency of profits or gains chargeable to tax can be carried forward. The amount is allowed to be carried forward and set off for the succeeding years until the amount is exhausted without any time limit , subject to section 115JB wherever applicable.

1.19. As per the provisions of section 80G of the Act, the deduction will be available in respect of donations to various charitable institutions and funds covered under that section, subject to fulfillment of the conditions specified therein.

## 2. TO THE MEMBERS OF THE COMPANY-UNDER THE INCOME TAX ACT

2.1. Under Section 10 (34) of the Act, income earned by way of dividend from domestic company referred to in Section 115-O of the Act is exempt from income-tax in the hands of the shareholders, if the same is subject to dividend distribution tax as referred to in section 115-O of the I.T Act.

However, as per section 94(7) of the Act, losses arising from sale/ transfer of shares, where such shares are purchased within three months prior to the record date and sold within three months from the record date, will be disallowed to the extent such loss does not exceed the amount of dividend claimed exempt.

2.2. Under Section 10[38] of the Act, long term capital gain arising to the shareholder from transfer of a long term capital asset being an equity share in the company or unit of an equity oriented Mutual fund (i. e. capital asset held for the period of twelve months or more) entered into in a recognized stock exchange in India and being such a transaction, which is chargeable to Securities Transaction Tax, shall be exempt from tax.

2.3. Under section 48 of the Act, if the Company's shares are sold after being held for not less than twelve months, the gains (in cases not covered under section 10 (38) of the Act, if any, will be treated as long term capital gains, and such gains will be calculated by deducting from the gross consideration, the indexed cost of acquisition, indexed cost of improvement and expenses, if any, incurred in relation to such transfer.

2.4. As per section 54-EC of the Act, subject to the conditions specified therein, tax on capital gains arising from transfer of long-term capital asset shall not be taxable, provided that the Shareholder has at any time, within a period of six months from the date of transfer, invested the whole of capital gains in any specified long-term asset.

However, if such long-term asset is transferred or converted into money within a period of three years from the date of its acquisition, amount of capital gains exempted earlier shall become chargeable to tax as long term capital gains in the year in which such long-term asset is transferred or converted into money. Section 54EC also provides for a ceiling of INR 5 million per financial year on investments in such long-term specified asset. Where the whole of capital gains is not invested in long term specified asset, then exemption would be proportional to the amount of capital gains invested in long term specified asset.

For the purpose of section 54EC, long term specified assets referred to herein above means any bond redeemable after three years and issued by:

- ◆ National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
- ◆ Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956 .

2.5. According to the provisions of section 54-F of the Act and subject to the conditions specified therein, long-term capital gains arising to an individual or a Hindu undivided family on transfer of shares of the company on which STT is not payable, shall not be chargeable to tax, provided that the net consideration is utilized for either of the following

1. Purchase of a residential house within a period of one year before or two years after the date of transfer of such long term capital assets; or
2. Construction of a residential house within a period of three years after the date of transfer of the long-term capital asset. Such benefit will not be available
3. if the individual- owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or purchases another residential house within a period of one year after the date of transfer of the shares; or
4. constructs another residential house within a period of three years after the date of transfer of the shares; and the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

Further, if only a portion of the net consideration is so invested, then the exemption is available proportionately. However, if the residential house in which investment is made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains exempted earlier would become chargeable to tax as long term in the year in which such residential house is transferred.

2.6. As per the provision of Section 71(3), if there is a loss under the head "Capital Gains", it cannot be set-off with the income under any other head. As per section 74 of the Act, short term capital loss suffered during the year is allowed to be set-off against short-term capital gains as well as long term capital gains. Balance loss, if any, can be carried forward for eight years for claiming set-off against subsequent years' short term as well as long-term capital gains of subsequent years. Long-term capital loss suffered during the year is allowed to be setoff against long-term capital gains. Balance loss, if any, can be carried forward and set-off against long-term capital gains only.

2.7. Under section 36(1)(xv) of the Act, STT paid by a shareholder in respect of taxable securities transactions entered into in the course of its business, would be allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head "Profits and gains of business or profession"

2.8. Under section 111A of the Act and other relevant provisions of the Act, short-term capital gains arising on transfer of equity shares in the Company would be taxable at a rate of 15 percent (plus applicable surcharge, education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax.

2.9. Under section 112 of the Act and other relevant provisions of the Act , long term capital gain [not covered under Section 10[38] of the Act] arising on transfer of shares in the Company, if shares are held for a period exceeding 12 months, shall be taxed at a rate of 20% (plus applicable surcharge and educational cess on income-tax) after indexation as provided in the second proviso to Section 48 or at 10% (plus applicable surcharge and educational cess on income-tax) [without indexation), at the option of the Shareholders.

## **2.2 NON-RESIDENT INDIAN/NON-RESIDENT SHAREHOLDERS (OTHER THAN FIIS AND FOREIGN VENTURE CAPITAL INVESTORS ).**

1. Under Section 115-I of the Act, a non-resident Indian may elect not to be governed by the provisions of chapter XII-A of the Act for any assessment year by furnishing his return of income under Section 139 of the Act declaring therein that the provisions of the Chapter XII-A shall not apply to him for that assessment year and if he does so the provisions of this Chapter shall not apply to him. In such a case *the tax on such total income* would be computed as per normal provisions of the Act.

2. Under the first proviso to Section 48 of the Act, in case of a non resident, in computing the capital gains arising from transfer of shares of the company acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. Cost indexation benefits will not be available in such a case.

3. Under provisions of Section 115-G of the Act, it shall not be necessary for a non-resident Indian to furnish his return of income if his only source of income is investment income or long term capital gains or both arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted there from as per provision of chapter XVII-B of I.T Act.

4. As per section 54-EC of the Act, subject to the conditions specified therein, tax on capital gains arising from transfer of long-term capital asset shall not be taxable, provided that the Shareholder has at any time, within a period of six months from the date of transfer, invested the whole of capital gains in any specified long-term asset.

However, if such long-term asset is transferred or converted into money within a period of three years from the date of its acquisition, amount of capital gains exempted earlier shall become chargeable to tax as long term capital gains in the year in which such long-term asset is transferred or converted into money. Section 54EC also provides for a ceiling of INR 5 million per financial year on investments in such long-term specified asset. Where the whole of capital gains is not invested in long term specified asset, then exemption would be proportional to the amount of capital gains invested in long term specified asset.

For the purpose of section 54EC, long term specified assets referred to herein above means any bond redeemable after three years and issued by:

- i) National Highway Authority of India constituted under section 3 of The National Highway Authority of India Act, 1988;
- ii) Rural Electrification Corporation Limited, the company formed and registered under the Companies Act, 1956.

5. According to the provisions of section 54-F of the Act and subject to the conditions specified therein, long-term capital gains arising to an individual or a Hindu undivided family on transfer of shares of the company on which STT is not payable, shall not be chargeable to tax, provided that the net consideration is utilized for either of the following:



i) Purchase of a residential house within a period of one year before or two years after the date of transfer of such long term capital assets; or

ii) Construction of a residential house within a period of three years after the date of transfer of the long-term capital asset.

Such benefit will not be available if the individual

a. owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

b. purchases another residential house within a period of one year after the date of transfer of the shares; or

c. constructs another residential house within a period of three years after the date of transfer of the shares; and

d. the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

Further, if only a portion of the net consideration is so invested, then the exemption is available proportionately.

However, if the residential house in which investment is made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred

6. Under section 111A of the Act and other relevant provisions of the Act, short - term capital gains arising on transfer of equity shares in the Company would be taxable at a rate of 15 percent (plus applicable surcharge, education cess) where such transaction of sale is entered on a recognized stock exchange in India and is liable to securities transaction tax.

7. Under section 112 of the Act and other relevant provisions of the Act, long term capital gains, (other than those exempt under section 10(38) of the Act) arising on transfer of shares in the Company, would be subject to tax at the rate of 20 percent (plus applicable surcharge, education cess) after indexation. The amount of such tax should however be limited to 10% (plus applicable surcharge, education cess) without indexation, at the option of the shareholder, if the transfer is made after listing of shares.

8. As per the provisions of Section 90, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.

9. Non-Resident Indian ("**NRIs**") (as defined in Section 115C(e) of the Act) shareholders who have subscribed to shares in an Indian company in convertible foreign exchange, can exercise the option of being governed by the provisions of Chapter XII-A of the Act, which inter alia entitles them to the following benefits:

a. In accordance with and subject to the provisions of section 115D read with section 115E of the Act, long term capital gains arising on transfer of shares in an Indian company acquired out of convertible foreign exchange, are taxable at the rate of 10% (plus applicable surcharge and education cess). Cost indexation benefit and deduction under Chapter VI-A, will not be available but with protection against foreign currency fluctuation under the first proviso to section 48 of the Act.. Further, income from investment or income from long term capital gains of an asset other than Specified Asset as defined in 115C(f) (which includes shares, debentures, deposits of Indian Company and other prescribed securities/ assets) will be chargeable to tax at the rate of 20%.

b. In accordance with and subject to the provisions of section 115F of the Act, long term capital gains arising on sale of shares in an Indian company held by a NRI shareholder and purchased out of convertible foreign exchange shall not be chargeable to income tax, if the entire net consideration is invested for a period of three years in any savings certificates specified under section 10(4B) or specified assets as defined in section 115C(f) (which includes shares, debentures, deposits of Indian Company and other prescribed securities/ assets) of the Act. In case the whole of sales consideration is not invested in prescribed savings certificates or specified assets, proportionate capital gains would be liable to tax.

Such exemption is available provided investment in savings certificates/ specified assets are made within a period of six months from the date of transfer of shares. However, if such savings certificates or specified assets are transferred or converted (otherwise than by way of transfer) into money within three years from the date of acquisition, the amount so exempted will be chargeable to tax under the head 'Capital Gains' in the year when such assets/ certificates are transferred.

c. As per section 115G of the Act, a NRI Shareholder would not be required to file a return of income under section 139(1) of the Act, where the total income consists only of investment income and/or long-term capital gains as defined under section 115C of the Act and tax deductible at source has been deducted from such income as per provisions of Chapter XVIIIB of the Act.

d. According to the provisions of section 115H of the Act, where, a NRI shareholder in any previous year, becomes assessable as a resident in India in any subsequent assessment year, he may furnish a declaration in writing to the assessing officer, along with his return of income for that assessment year filed under section 139 of the Act, to the effect that the provisions of the Chapter XII-A shall continue to apply to him in relation to such investment income derived from specified assets for that year and subsequent assessment years until such assets are converted into money. However, this option is not available in respect of shares in an Indian company.

e. As per the provision of section 115I of Act, an NRI Shareholder may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the Act, declaring therein that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the Act.

### **2.3 FOREIGN INSTITUTIONAL INVESTORS [FIIS]**

a. By virtue of Section 10[34] of the Act, income earned by way of dividend income from another domestic company referred to in Section 115-0 of the Act, are exempt from tax in the hands of the institutional investor.

b. Under section 115AD capital gain arising on transfer of short term capital assets, being shares and debentures in a company, are taxed as follows:

i. Short term capital gain on transfer of shares/debentures entered in a recognized stock exchange which is subject to securities transaction tax shall be taxed @10% (plus applicable surcharge and educational cess); and

- ii. Short term capital gains on transfer of shares /debentures other than those mentioned above would be taxable @30% (plus applicable surcharge and educational cess).Under Section 115AD capital gain arising on transfer of long term capital assets, being shares and debentures in a company, are taxed @10% (plus applicable surcharge and educational cess). Such capital gains would be computed without giving effect to the first and second proviso to section 48. In other words, the benefit of indexation, direct or indirect, as mentioned under the two provisos would not be allowed while computing the capital gains.
- c. Under section 54EC of the Act, long term capital gain arising on the transfer of shares of the Company other than the sale referred to in section 10(38) of the Act is exempt from tax to the extent the same is invested in certain notified bonds within a period of six months from the date of such transfer (up to a maximum limit of INR 5.0 million) for a minimum period of three years.
- d. Under section 10(38) of the Act, long term capital gains arising to a shareholder on transfer of equity shares in the Company would be exempt from tax where the sale transaction has been entered into on a recognized stock exchange of India and is liable to securities transaction tax.
- e. In accordance with and subject to the provisions of section 115AD read with section 196D(2) of the Act, no deduction of tax at source is applicable on payment in respect of capital gains arising to a FII from the transfer of the equity shares in an Indian company.
- f. As per the provisions of Section 90, the Non Resident shareholder has an option to be governed by the provisions of the tax treaty, if they are more beneficial than the domestic law wherever India has entered into Double Taxation Avoidance Agreement (DTAA) with the relevant country for avoidance of double taxation of income.
- g. In the case of all non-resident shareholders, the aforesaid tax rates are subject to the benefits, if any, available under the double taxation avoidance agreements signed by India with the country of which the non-resident shareholder may be a tax resident, subject to fulfillment of conditions prescribed there under.

## **2.4 VENTURE CAPITAL COMPANIES/FUNDS**

As per the provisions of Section 10(23FB) of the Act, income including dividend and Income from sales of shares of the company of:

- ◆ Venture Capital Company which has been granted a certificate of registration under the Securities and Exchange Board of India Act ,1992 and notified as such in the Official Gazette; and
- ◆ Venture Capital Fund, operating under a registered trust deed or a venture capital scheme made by Unit Trust of India, which has been granted a certificate of registration under the Securities and Exchange Board of India Act, 1992 and notified as such in the Official Gazette set up for raising funds for investment in a Venture Capital undertaking is exempt from income –tax.

## **2.5 MUTUAL FUNDS**

As per the provisions of Section 10(23D) of the Act, all mutual funds set up by public sector banks, public financial institutions or mutual funds registered under the Securities and Exchange Board of India (SEBI) or authorized by the Reserve Bank of India are eligible for exemption from income-tax, subject to the conditions specified therein, on their entire income including income from investment in the shares of the company.

## **3. TO THE MEMBERS OF THE COMPANY-UNDER WEALTH TAX ACT, 1957**

Shares in a company held by a shareholder will not be treated as an asset within the meaning of Section 2 (ea) of Wealth Tax Act, 1957; hence, wealth tax is not leviable on shares held in a company.

## **4. TO THE MEMBERS OF THE COMPANY-UNDER THE GIFT TAX ACT, 1957**

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, gift of shares will not attract gift tax in the hands of the shareholders. Under section 56(2)(vii) of the Income Tax Act, 1961, if an individual or HUF receives any property, which includes shares, without consideration, the aggregate fair market value of which exceeds 50,000, the whole of the fair market value of such property will be considered as income in the hands of the recipient. Similarly, if an individual or HUF receives any property, which includes shares, for consideration which is less than the fair market value of the property by an amount exceeding ` 50,000, the fair market value of such property as exceeds the consideration will be considered as income in the hands of the recipient..

## **5. TAX DEDUCTION AT SOURCE**

No income-tax is deductible at source from income by way of capital gains under the present provisions of the IT Act, in case of residents. However, as per the provisions of section 195 of the IT Act, any income by way of capital gains, payable to non residents (other than long-term capital gains exempt under section 10(38) of the IT Act), may be liable to the provisions of with-holding tax, subject to the provisions of the relevant tax treaty. Accordingly, income tax may have to be deducted at source in the case of a non- resident at the rate under the domestic tax laws or under the tax treaty, whichever is beneficial to the assessee, unless a lower withholding tax certificate is obtained from the tax authorities. As per section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares payable to Foreign Institutional Investor

## **6. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY UNDER THE INCOME TAX ACT, 1961**

**NIL**

## **7. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY**

**NIL**

NOTES:-

- a) All the above benefits are as per the current tax law and will be available only to the sole/first named holder in case the shares are held by joint holders.
- b) In respect of non-residents, taxability of capital gains mentioned above shall be further subject to any benefits available under the Double Taxation Avoidable Agreement, if any between India and the country in which the non-resident has fiscal domicile.

## **SECTION V FINANCIAL INFORMATION**

### **AUDITORS' REPORT**

To  
The Board of Directors  
M/s. Kiran Vyapar Limited  
'Krishna' 7<sup>th</sup> Floor, Room No. 706  
224, A. J. C. Bose Road,  
Kolkata -700017.  
West Bengal

Dear Sirs,

#### **RE: PUBLIC LISTING OF KIRAN VYAPAAR LIMITED**

1. We have examined the financial information of **M/S. KIRAN VYAPAR LIMITED** ("the Company"), as attached to this report stamped and initialed by us for identification, which has been prepared in accordance with Part-II of Schedule-II of the Companies Act, 1956 ("the Act") and The SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 issued by Securities and Exchange Board of India ('SEBI'), on August 26, 2009 and related clarifications. This financial information is prepared for inclusion in Information Memorandum to be submitted in connection with listing of company's fully paid up Equity Shares.

2. We have audited accounts of the Company for the financial year ended March 31, 2013 being the last date to which the Accounts of the Company have been made up, audited and adopted by the members of the Company.

3. In accordance with the requirements of Paragraph-B-I of Part-II of Schedule-II to the Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 issued by Securities and Exchange Board of India ('SEBI'), on August 26, 2009 and our terms of reference with the Company, requesting us to make this report for the purpose of the Information Memorandum as aforesaid, we report that:

a. The assets and liabilities of the Company as at March 31, 2013 as set out in Annexure-I to this report to be read together with Notes appearing in Annexure-14 to this report.

b. The Profit and Loss Account of the Company for the period between 01.04.2008 to 31.03.2013 is set out in Annexure-2 to this report to be read together with Notes appearing in Annexure-14 to this report.

c. The Cash Flows of the Company for the period between 01.04.2008 to 31.03.2013 as set out in Annexure-3 to this report to be read together with Notes appearing in Annexure-14 to this report.

d. We have examined the following Financial Information relating to the Company and as approved by the Board of Directors for the purpose of inclusion in the Information Memorandum:

- I. The Company has not declared any dividend in relation to the period 01.04.2008 to 31.03.2013.
- II. Statement of Fixed Assets as appearing in Annexure-4 to this report.
- III. Statement of Investments as appearing in Annexure-5 to this report.
- IV. Statement of Trade Receivable as appearing in Annexure- 6 to this report.
- V. Statement of Loans & Advances as appearing in Annexure- 7 to this report.
- VI. Statement of Unsecured Loans as appearing in Annexure- 8 to this report.
- VII. Statement of Current Liabilities as appearing in Annexure- 9 to this report.
- VIII. Statement of Revenue Operations Restated as appearing in Annexure-10 to this report.
- IX. Statement of Significant Accounting Ratios as appearing in Annexure- 11 to this report.
- X. Statement of Capitalization as appearing in Annexure- 12 to this report.
- XI. Statement of Tax shelter as appearing in Annexure-13 to this report.

4. The Financial statements of the company for the year ended as on 31.03.2009, 31.03.2010 and 31.03.2011 were audited by other auditors and such audited statements have been adopted for the financial information in this report without verification. However, cash flow statements for those periods have been audited by us.

5. The information provided in this report are without giving effect to the order dated 21-08-2013 of Hon'ble High Court at Calcutta approving the Scheme of Arrangement between Maharaja Shree Umaid Mills Ltd., Kiran Vyapar Limited and their respective shareholders.

6. In our opinion the above Financial Statements of the Company and Notes attached to this report, after making necessary adjustments/re-grouping as considered appropriate has been prepared in accordance with Part-II of Schedule-II of the Act and the SEBI Guidelines.

7. This report is intended for your information and for inclusion in the Information Memorandum in connection with the listing of the equity shares of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For Agarwal Maheswari & Co.  
Chartered Accountants  
Firm Reg. No. 314030E**

**Place: Kolkata  
Date: 04.11.2013**

**( A. K. Maheswari )  
Partner  
M. No. 051394**

**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH**  
**ANNEXURE 1**

( FIG IN RS)

	AS AT 31.03.2013	AS AT 31.03.2012	AS AT 31.03.2011	AS AT 31.03.2010	AS AT 31.03.2009
<b>A. FIXED ASSETS</b>					
GROSS BLOCK	-	93,556	93,556	93,556	52,156
LESS : DEPRECIATION	-	64,850	59,808	53,681	48,453
NET BLOCK	-	<b>28,706</b>	<b>33,748</b>	<b>39,875</b>	<b>3,703</b>
<b>B. INVESTMENTS</b>	<b>10,596,461</b>	<b>10,000,000</b>	-	-	-
<b>C. CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
INVENTORIES	21,150	21,150	8,994,730	8,890,021	8,144,996
SUNDRY DEBTORS	14,500	24,091	-	-	-
CASH & BANK BALANCES	501,646	344,157	155,981	250,321	176,300
LOANS & ADVANCES	102,181	222,307	2,218,893	2,067,844	1,791,766
DEFERRED TAX ASSETS	-	748	394	596	596
	<b>639,477</b>	<b>612,453</b>	<b>11,369,998</b>	<b>11,208,782</b>	<b>10,113,658</b>
<b>D. LIABILITIES &amp; PROVISIONS</b>					
SECURED LOANS	-	-	-	-	-
UNSECURED LOANS	-	-	1,137,784	1,002,453	-
CURRENT LIABILITIES	329,334	45,439	144,170	270,516	538,927
PROVISIONS	40	171,771	-	46,904	1,018
DEFERRED TAX LIABILITIES	-	-	-	-	-
	<b>329,374</b>	<b>217,210</b>	<b>1,281,954</b>	<b>1,319,873</b>	<b>539,945</b>
<b>E. NETWORTH ( A + B + C - D)</b>	<b>10,906,564</b>	<b>10,423,949</b>	<b>10,121,792</b>	<b>9,928,784</b>	<b>9,577,416</b>
<b>F. REPRESENTED BY</b>					
<b>1. PAID UP SHARE CAPITAL</b>	<b>5,952,000</b>	<b>5,952,000</b>	<b>5,952,000</b>	<b>5,952,000</b>	<b>5,952,000</b>
<b>EQUITY SHARE CAPITAL</b>					
<b>2. RESERVES &amp; SURPLUS</b>	<b>4,954,564</b>	<b>4,471,949</b>	<b>4,169,792</b>	<b>3,981,884</b>	<b>3,635,616</b>
<b>3. MISCELLANEOUS EXPENDITURE</b>	-	-	-	(5,100)	(10,200)
	<b>10,906,564</b>	<b>10,423,949</b>	<b>10,121,792</b>	<b>9,928,784</b>	<b>9,577,416</b>

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH**

**ANNEXURE 2**

**( FIG IN RS)**

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
<b>INCOME</b>					
Revenue From Operations	976,282	11,685,828	5,293,919	8,324,337	549,789
Other Income	2,461	-	3,506	7,671	8,108
	<b>978,743</b>	<b>11,685,828</b>	<b>5,297,425</b>	<b>8,332,008</b>	<b>557,897</b>
<b>EXPENDITURE</b>					
Purchase of Traded Goods	-	1,992,150	4,242,291	8,284,861	247,138
Employee benefits	-	-	670,000	143,000	210,000
Change In Inventories	-	8,973,580	(104,709)	(745,025)	398,062
Finance Cost	301,472	91,497	150,368	113,836	-
Other expenses	197,506	149,985	145,238	128,975	99,136
	<b>498,978</b>	<b>11,207,212</b>	<b>5,103,188</b>	<b>7,925,647</b>	<b>954,336</b>
<b>PROFIT BEFORE DEPRECIATION &amp; TAX</b>	<b>479,765</b>	<b>478,616</b>	<b>194,237</b>	<b>406,361</b>	<b>(396,439)</b>
DEPRECIATION	4,133	5,042	6,127	5,228	2,469
<b>PROFIT BEFORE TAX</b>	<b>475,632</b>	<b>473,574</b>	<b>188,110</b>	<b>401,133</b>	<b>(398,908)</b>
<b>PROVISION FOR TAXATION</b>					
CURRENT TAX	-	164,000	-	46,904	-
TAX FOR EARLIER YEARS	-	-	-	7,961	3,733
FRINGE BENEFIT TAX	-	-	-	-	-
DEFERRED TAX	748	(354)	202	-	(596)
	<b>748</b>	<b>163,646</b>	<b>202</b>	<b>54,865</b>	<b>3,137</b>
<b>PROFIT AFTER TAX</b>	<b>474,884</b>	<b>309,928</b>	<b>187,908</b>	<b>346,268</b>	<b>(402,045)</b>
<b>ADD : BALANCE B/F</b>	<b>236,533</b>	<b>132,210</b>	<b>(18,116)</b>	<b>(364,384)</b>	<b>37,661</b>
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>	<b>711,417</b>	<b>442,138</b>	<b>169,792</b>	<b>(18,116)</b>	<b>(364,384)</b>
<b>APPROPRIATIONS</b>					
<b>CONTINGENT PROVISION FOR STANDARD ASSET</b>	<b>(7,731)</b>	<b>7,771</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TRANSFER TO STATUTORY RESERVE</b>	<b>94,977</b>	<b>197,834</b>	<b>37,582</b>	<b>-</b>	<b>-</b>
<b>BALANCE CARRIED FORWARD TO BALANCE SHEET</b>	<b>624,171</b>	<b>236,533</b>	<b>132,210</b>	<b>(18,117)</b>	<b>(364,384)</b>
	<b>711,417</b>	<b>442,138</b>	<b>169,792</b>	<b>(18,117)</b>	<b>(364,384)</b>



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH

## ANNEXURE 3

(FIG IN RS.)

Sl. No.	Particulars	For the year ended 31.03.2013	For the year ended 31.03.2012	For the year ended 31.03.2011	For the year ended 31.03.2010	For the year ended 31.03.2009
A)	<b><u>CASH FLOW FROM OPERATING ACTIVITIES :</u></b>					
	Net Profit before Extraordinary items and Tax Adjusted for :	475,632	473,574	188,110	401,133	(398,908)
	Depreciation and amortisation	4,133	5,042	6,127	5,228	2,469
	Preliminary Expenses	-	-	5,100	5,100	5,100
	Loss on sale of fixed assets	10,073	-	-	-	-
	Interest Paid	-	-	-	113,836	-
	Interest Received	-	-	-	(189,000)	(188,999)
	Dividend Income	(654,091)	-	-	(97,550)	(75,387)
	<b>Operating Profit Before working capital changes</b>	<b>(164,253)</b>	<b>478,616</b>	<b>199,337</b>	<b>238,747</b>	<b>(655,726)</b>
	<b><u>Changes in Working Capital :</u></b>					
	Adjustments for (increase)/ decrease in operating assets:					
	Inventories	-	8,973,580	(104,709)	(745,025)	398,062
	Debtors	-	-	-	-	993
	Trade receivables	9,591	(24,091)	-	-	-
	Short term loans and advances	-	2,104,931	(151,049)	(276,078)	597,147
	Other current assets	108,346	(108,345)	-	-	-
	Trade payables	244,115	(86,155)	129,133	-	-
	Other current liabilities	39,780	(12,576)	(255,479)	(222,525)	(456,908)
	Acceptance /(repayment) of Short term borrowing	-	(1,137,784)	135,331	-	-
	Operating Cash Flow Before Taxes	237,579	10,188,176	(47,436)	(1,004,881)	(116,432)
	Less: Taxes paid	(152,220)	-	(46,904)	(54,865)	(3,733)
	<b>Net Cash used/Flow from Operating Activities (A)</b>	<b>85,359</b>	<b>10,188,176</b>	<b>(94,340)</b>	<b>(1,059,746)</b>	<b>(120,165)</b>

<b>B)</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES :</u></b>					
	Dividend Income	654,091	-	-	97,550	75,387
	Sale of assets	14,500	-	-	-	-
	Purchase of Fixed Assets	-	-	-	(41,400)	-
	Purchased of investments	(2,696,461)	(10,000,000)	-	-	-
	Sale of investments	2,100,000	-	-	-	-
	<b>Net Cash flow/used in Investing Activities (B)</b>	<b>72,130</b>	<b>(10,000,000)</b>	<b>-</b>	<b>56,150</b>	<b>75,387</b>
<b>C)</b>	<b><u>CASH FLOW FROM FINANCING ACTIVITIES :</u></b>					
	Interest paid	-	-	-	(113,836)	-
	Interest Received	-	-	-	189,000	-
	Loan Received	-	-	-	1,002,453	188,999
	<b>Net Cash used/Flow from Financing Activities (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,077,617</b>	<b>188,999</b>
	Net Increase/Decrease in Cash and Cash Equivalents (A+B+C)	157,489	188,176	(94,340)	74,021	144,221
Cash and Cash Equivalents at the beginning of the year	344,157	155,981	250,321	176,300	32,080	
	<b>Cash and Cash Equivalents at the end of the year</b>	<b>501,646</b>	<b>344,157</b>	<b>155,981</b>	<b>250,321</b>	<b>176,300</b>
	<b>Cash and Cash Equivalents Comprise:</b>					
	Cash on hand	22,237	1,317	5,972	76,496	75,726
	Balance with banks on current/Deposits account	479,409	342,840	150,009	173,825	100,574
		<b>501,646</b>	<b>344,157</b>	<b>155,981</b>	<b>250,321</b>	<b>176,300</b>

## STATEMENT OF FIXED ASSETS

## ANNEXURE - 4

(FIG IN RS)

<b>PARTICULARS</b>	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
<b>TANGIBLE</b>					
<b>OFFICE EQUIPMENT</b>					
<b>GROSS BLOCK</b>	-	93,556	93,556	93,556	52,156
<b>DEPRECIATION</b>	-	64,850	59,808	53,681	48,453
	<b>-</b>	<b>28,706</b>	<b>33,748</b>	<b>39,875</b>	<b>3,703</b>

## STATEMENT OF INVESTMENTS

## ANNEXURE - 5

( FIG IN RS)

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
<b>INVESTMENTS</b>					
HDFC CASH MANAGEMENT FUND ( WHOLESALE )	10,587,499	10,000,000	-	-	-
HDFC CASH MANAGEMENT FUND ( RETAIL )	8,962	-	-	-	-
	<b>10,596,461</b>	<b>10,000,000</b>	-	-	-

**STATEMENT OF TRADE RECEIVABLE****ANNEXURE - 6****(FIG IN RS)**

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
<b>TRADE RECEIVABLE</b>					
( Unsecured Considered good )					
Trade Receivable outstanding for a period exceeding six months from the date they were due for payment	-	-	-	-	-
Other Debts	14,500	24,091	Nil	Nil	Nil
	<b>14,500</b>	<b>24,091</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

**STATEMENT OF LOANS & ADVANCES****ANNEXURE - 7****( FIG IN RS )**

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
Advance income Tax & TDS	102,181	113,961	68,893	117,844	141,766
Short Term Loans & Advances ( Unsecured , considered good )	-	-	2,150,000	1,950,000	1,650,000
Interest Accrued on shortterm Loans & advances		108,346	-	-	-
	<b>102,181</b>	<b>222,307</b>	<b>2,218,893</b>	<b>2,067,844</b>	<b>1,791,766</b>

## STATEMENT OF UNSECURED LOANS

## ANNEXURE - 8

(FIG IN RS)

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
Unsecured Loans from Directors	-	-	1,137,784	1,002,453	
	<b>-</b>	<b>-</b>	<b>1,137,784</b>	<b>1,002,453</b>	<b>-</b>

## STATEMENT OF CURRENT LIABILITIES

## ANNEXURE – 9

( FIG IN RS)

	AS AT 31.03.2013	AS AT 31.03.2012	AS AT 31.03.2011	AS AT 31.03.2010	AS AT 31.03.2009
Acceptance	15,860	42,978	129,133	-	-
Interest Accrued and Due on borrowings from holding Company	271,233	-	-	-	-
Liabilities	-	-	-	259,133	538,927
Unclaimed Credits	-	2,461	-	-	-
Statutory Liabilities	42,241	-	15,037	11,383	-
Contingent Provision For Standard Asset	40	7,771	-	-	-
Provision for Taxation	-	164,000	-	46,904	1,018
	<b>329,374</b>	<b>217,210</b>	<b>144,170</b>	<b>317,420</b>	<b>539,945</b>



**REVENUE FROM OPERATIONS****ANNEXURE - 10****( FIG IN RS)**

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
Sale Of Shares	-	11,099,724	5,001,460	8,037,787	285,403
Interest Income	322,191	488,267	194,614	189,000	188,999
Dividend Income	654,091	97,837	97,845	97,550	75,387

**SIGNIFICANT ACCOUNTING RATIO BASED ON INDIAN ACCOUNTING STANDARD****ANNEXURE - 11****( FIG IN RS )**

	<b>AS AT 31.03.2013</b>	<b>AS AT 31.03.2012</b>	<b>AS AT 31.03.2011</b>	<b>AS AT 31.03.2010</b>	<b>AS AT 31.03.2009</b>
<b>EARNING PER SHARE ( EPS )</b>					
Basic and Diluted					
Net profit After Tax	474,884	309,928	187,908	346,268	(402,045)
Number of Equity Shares (weighted)	595,200	595,200	595,200	595,200	595,200
<b>EARNING PER SHARE ( EPS ) ( Rs )</b>	<b>0.80</b>	<b>0.52</b>	<b>0.32</b>	<b>0.58</b>	<b>(0.68)</b>
<b>NET ASSET VALUE ( NAV )</b>					
Net Asset	10,906,564	10,423,949	10,121,792	9,928,784	9,577,416
Number of Equity Shares (weighted)	595,200	595,200	595,200	595,200	595,200
<b>NAV /SHARE ( Rs )</b>	<b>18.32</b>	<b>17.51</b>	<b>17.01</b>	<b>16.68</b>	<b>16.09</b>
<b>RETURN ON NETWORTH</b>					
Net profit After Tax	474,884	309,928	187,908	346,268	(402,045)
Net Worth	10,906,564	10,423,949	10,121,792	9,928,784	9,577,416
<b>RETURN ON NETWORTH ( % )</b>	<b>4.35</b>	<b>2.97</b>	<b>1.86</b>	<b>3.49</b>	<b>(4.20)</b>

## CAPITALISATION STATEMENT

## ANNEXURE – 12

( FIG IN RS)

	AS AT 31.03.2013	AS AT 31.03.2012	AS AT 31.03.2011	AS AT 31.03.2010	AS AT 31.03.2009
<b>A. BORROWINGS</b>					
SECURED	-	-	-	-	-
UNSECURED	-	-	1,137,784	1,002,453	-
<b>TOTAL DEBT</b>	<b>-</b>	<b>-</b>	<b>1,137,784</b>	<b>1,002,453</b>	<b>-</b>
<b>B. SHAREHOLDER'S FUND</b>					
SHARE CAPITAL	5,952,000	5,952,000	5,952,000	5,952,000	5,952,000
RESERVE & SURPLUS	4,954,564	4,471,949	4,169,792	3,976,784	3,625,416
<b>TOTAL SHAREHOLDERS FUND</b>	<b>10,906,564</b>	<b>10,423,949</b>	<b>10,121,792</b>	<b>9,928,784</b>	<b>9,577,416</b>
DEBT- EQUITY RATIO ( A/B )	-	-	0.11	0.10	-

**NOTE :****MISCELLANEOUS EXPENDITURE**

Rs. 5,100 in 2010, Rs. 10,200 in 2009 has deducted from Reserve &amp; Surplus

## STATEMENT OF TAX SHELTER

## ANNEXURE - 13

( FIG IN Rs)

	AS AT 31.03.2013	AS AT 31.03.2012	AS AT 31.03.2011	AS AT 31.03.2010	AS AT 31.03.2009
<b>PROFIT BEFORE CURRENT &amp; DEFERRED TAX AS RESTATED</b>	475,632	473,574	188,110	401,133	(398,908)
<b>PERMANENT DIFFERENCE</b>					
Dividend	<b>(654,091)</b>	-	-	<b>(97,550)</b>	<b>(75,387)</b>
Loss on sale of Fixes Assets	<b>10,073</b>				
Depreciation as Per Companies Act	<b>4,133</b>	<b>5,042</b>	<b>6,127</b>	<b>5,228</b>	<b>2,469</b>
Provisions For doubtful Debts	48,802				
Other Statutory Disallowances	51,593				
	<b>(539,490)</b>				
<b>TEMPORARY DIFFERENCE</b>	8,602				
<b>TAXABLE PROFIT</b>	(55,256)	503,350	91,570	937	(474,295)

**ANNEXURE - 14****Notes****SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****a) Corporate information:**

The Company has change its name from **Kiran Vyapar Private Limited** to **Kiran Vyapar Limited** during the year 2012-13

**b) Basis of Preparation**

The financial statement of the company has been prepared in accordance with generally accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the companies (Accounting standards) Rules,2006 (as amended) and the relevant provisions of the companies Act,1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

**c) Use of estimate**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and action, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**d) Recognition of Income & Expenditure**

Revenues/Income and costs/Expenditure are generally accounted for on accrual basis, as there are earned or incurred.

**e) Fixed Assets**

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses up to the date of installation/commissioning of assets.

**f) Depreciation**

Depreciation has been provided for on written down value method at the rates in force from time to time as per the Schedule XIV of the Companies Act, 1956.

**g) Investments**

Investments are generally shown at cost. Provision for diminution in value is made if the fall is other than temporary in nature.

**h) Inventories**

Inventories of stock in trade: Quoted shares are valued at cost or market value whichever is lower and unquoted share are valued at cost.

**i) Taxes on Income**

Provision for current tax made in accordance with the provisions of the Income-tax Act, 1961, and after taking into consideration, benefits admissible therein. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit entitlement as a separate line item. The Company reviews the same at each Balance Sheet date and write down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that the company will pay normal tax during the specified period.

**j) Provisions, Contingent Liabilities and Contingent Assets**

A provision is made when there is a present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation, that may, but probably will not, require an outflow of resources. When there is a possible or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. The Company does not recognized assets which are of contingent nature until there is virtual certainty of realisability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in then financial statements of the period in which the change occurs.

**k)** The company has been converted from Private Limited to Public Limited with effect from 14<sup>th</sup> August 2012 and a new certificate of incorporation has been issued by the Registrar of Companies, West Bengal.

**l)** There are no reported Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the company owes dues

**m)** Previous years figures have been reproduced /reclassified, wherever necessary to corresponds with the current year's classification/disclosure.

**n) Related Party Disclosure (As Identified by Management)**

As required under Accounting Standard-18 on Related Party Disclosure of transactions with related party as defined in the Accounting Standard are given below for the year ended 31.03.2013: -

The related parties included in the various categories above, where transaction have taken place below :

Holding Company

Maharaja Shree  
Umaid Mills Ltd.

**Transaction with related parties**

**Nature of Transaction**

**Amount**

Inter corporate deposit received from Holding company	Rs. 2,00,00,000/-
Interest on inter corporate deposit to holding company	Rs. 3,01,370/-
Repayment of inter corporate deposit of holding company	Rs. 2,00,30,137/-
Year end balance of Inter Corporate Deposit from holding Company	Rs.2,71,233/-

o) The Board of Directors of the company at its meeting held on 14<sup>th</sup> August, 2012 had approved scheme of Arrangement u/s. 391 to 394 of the Companies Act, 1956 between Maharaja Shree Umaid Mills Ltd. and the Company and their respective shareholders whereby "Investment Division" of Maharaja Shree Umaid Mills Ltd. was to be transferred and vested with the company by way of Demarger. The said Scheme of Arrangement has been approved by the shareholders of both the companies in their respective meeting held on 13-02-2013.

An application has already been submitted with Hon'ble High Court at Calcutta for its sanction.

The scheme could be effective after the approval of Regulatory Authorities & Hon'ble High Court of Judicature at Kolkata with effect from the 1<sup>st</sup> day of April 2012 or from such other date as the Hon'ble High Court may fix.

## **GROUP COMPANIES: FINANCIAL AND OTHER INFORMATION**

There are seven listed companies promoted by the promoters, their financials have been given below :

1. MAHARAJA SHREE UMAID MILLS LTD
2. THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LTD
3. THE KISHORE TRADING COMPANY LTD
4. THE GENERAL INVESTMENT COMPANY LTD
5. M.B. COMMERCIAL COMPANY LTD
6. AMALGAMATED DEVELOPMENT LTD
7. THE SWADESHI COMMERCIAL COMPANY LTD

### **1. MAHARAJA SHREE UMAID MILLS LTD ( MSUML )**

**MSUML** was incorporated on 12<sup>th</sup> day of August, 1939 under the name and style of Maharaja Shree Umaid Mills Limited under the Indian Companies Act, 1913. As per its Memorandum and Articles of Association, the main objects of the company is to carry on the business of

- ◆ To carry on the business of manufacturers of cotton, silk, artificial silk, wool, flax, hemp and jute and similar fibres and of merchants, importers and growers of and dealers in cotton, Silk, Wool flax, hemp and jute and all products thereof; and the business of cotton spinners and doublers silk, wool, flax, hemp and jute spinners, combers and weavers and/or dyers, bleachers, cleaners and finishers and manufacturers of and dealers in dyeing and bleaching materials, and manufacturing and general chemists and druggists; and to comb, spin, wind, twist, scour, clean, prepare, render marketable and buy, sell or deal in Cotton, silk, flax, hemp, jute, wool and other like substances; and to manufacture, work up, buy, sell and deal in linen, cloth, silk, satin, satinette, plush, velvet, velveteen yarn, thread and other goods and fabrics and to carry on the business of spinning and pressing and to supply power.
- ◆ To carry on the business of Investment and to invest, sell, purchase, exchange, surrender, extinguish, relinquish, subscribe, acquire, undertake, underwrite, hold, auction, convert or otherwise deal in any shares, stocks, debentures, debenture stock, bonds, negotiable instruments, hedge instruments, warrants, certificates, premium notes, treasury Bills, obligations, inter corporate deposits, call money deposits, public deposits, commercial papers, options, futures, money market securities, marketable or non marketable securities, derivatives and other instruments and securities issued, guaranteed or given by any government, semi-government, local authorities, public



sector undertakings, companies, corporations, co-operative societies, trusts, funds, State, Dominion sovereign, Ruler, Commissioner, Public body or authority, Supreme, Municipal, Local or otherwise and other organizations lenities persons and to acquire and hold controlling and other interests in the securities or loan capital of any issuer, company or companies.

The Corporate identification Number CIN – L17124WB1939PLC128650, allotted by the Registrar Of Companies, West Bengal

Presently, the Company is engaged in manufacture of cotton and blended fabrics and yarn, Investment in shares and securities etc. Its manufacturing unit is situated at Pali, Rajasthan.

The Registered office of the Company is situated at KRISHNA, 7<sup>TH</sup> FLOOR ROOM NO – 706, 224 A J C BOSE ROAD, KOLKATA, WEST BENGAL – 700017.

#### **SHAREHOLDING PATTERN**

Shareholding Pattern of MSUML as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoter	1,93,91,400	74.81
2	Public	65,28,600	25.19
	<b>TOTAL</b>	<b>2,59,20,000</b>	<b>100.00</b>

#### **BOARD OF DIRECTORS:**

Board of Directors of MSUML as on 15<sup>th</sup> October, 2013 comprised of:

1. Mr. L.N. BANGUR (Chairman cum Managing Director)
2. Mrs. ALKA DEVI BANGUR
3. Mr. GOVIND SHARDA
4. Mr. YOGESH BANGUR
5. Mr. SS KOTHARI
6. Mr. CHANDRAVADAN DESAI
7. Mr. AMITAV KOTHARI
8. Mr. GR AGARWAL

**FINANCIAL PERFORMANCE OF MSUML**

Brief audited financials of **MSUML** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs.Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	43564	44490	52396
Profit/(Loss) After Tax	15356	40903	4419
Equity Share Capital (of Rs.10/- each)	2592	2592	2592
Reserves & Surplus (excluding revaluation reserves, if any )	23441	61110	65768
Earnings per Share			
Basic ( before Extraordinary Items ) ( Rs )	8.95	2.64	17.05
Diluted ( after Extraordinary Items ) ( Rs )	59.24	157.81	17.05
Net Asset Value per share ( Rs )	100	245	263

The Company has allotted 17280000 equity shares as bonus shares during the financial year 2011-12.

**DETAILS OF LISTING AND HIGHEST & LOWEST MARKET PRICE DURING THE PRECEDING SIX MONTHS:**

The equity shares of **MSUML** are listed on Bombay Stock Exchange Ltd.(BSE), The Calcutta Stock Exchange Ltd . The highest and lowest market price of shares of MSUML on the BSE during the preceding six months are as follows:

	<b>BSE</b>	
	HIGH (Rs)	LOW (Rs)
APRIL,13	119	86
MAY,13	138	93
JUNE,13	108	90
JULY,13	105	87
AUG,13	101	85
SEPT,13	94	70

**DIVIDEND DECLARED DURING LAST 3 YEARS**

YEAR	RATE
31.03.2011	50%
31.03.2012	50%
31.03.2013	25%

**PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance.

**MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

MSUML has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/transmission of shares, sub division and consolidation of share certificates and other related matters. The Company has appointed MAHESHWARI DATAMATICS PRIVATE LIMITED 6, Manoge Lane, 2<sup>nd</sup> Floor, Kolkata – 700001 as the Registrar and Share Transfer Agent.

There was no pending investor complaint as on 15<sup>th</sup> October, 2013.

**2. THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LTD ( PERIA )**

**PERIA** was incorporated on 5<sup>th</sup> July, 1913 under the name and style of THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LTD under the Indian Companies Act, 1882. As per its Memorandum and Articles of Association, the main objects of the company is to

- ◆ To plant, grow and produce rubber, tea, cocoanuts, cocoa, cardamom, pepper; rhea, ramie plants, trees and other products or produce of any kind in India, the Island of Ceylon; the Federated Malay States, or elsewhere.
- ◆ To treat cure, prepare, manipulate, submit to any process of manufacture, and render marketable (whether on account of the Company or others) rubber, tea. or other allied products or produce; to sell, export, rubber, tea and other products, articles and things either in a prepared, manufactured, or raw state, and either by wholesale or retail.

The Corporate identification Number CIN – L01132TZ1913PLC000350, allotted by the Registrar of Companies, Tamil Nadu.

Presently, the Company is engaged in manufacture of tea generation and sale of energy, Investment in shares and Mutual Funds. Its manufacturing unit is situated at Coimbatore in, Tamil Nadu.

The Registered office of the Company is situated at No 286, RACE COURSE ROAD, COIMBATORE, TAMIL NADU- 641018.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **PERIA** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoter	1496930	48.33
2	Public	1599489	51.67
	<b>TOTAL</b>	<b>3095879</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **PERIA** as on 15<sup>th</sup> October, 2013 comprised of:

1. Mr. L.N. BANGUR – Chairman
2. Mrs. ALKA DEVI BANGUR – Managing Director
3. Mr. R. L. GAGGAR
4. Mr. H. M. PAREKH
5. Mr. P. R RAMAKRISHNAN
6. Mr. N. SWAMINATHAN

**FINANCIAL PERFORMANCE OF PERIA**

Brief audited financials of **PERIA** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	3898	10726	4237
Profit/(Loss) After Tax	481	6302	143
Equity Share Capital (of Rs.10/- each)	309.60	309.60	309.60
Reserves & Surplus (excluding revaluation reserves, if any )	3740	9860	9931
Earnings per Share ( Rs )	16	204	5
Net Asset Value per ( Rs )	130	328	330

**DETAILS OF LISTING AND HIGHEST & LOWEST MARKET PRICE DURING THE PRECEDING SIX MONTHS:**

The equity shares of **PERIA** are listed on Madras Stock Exchange Limited, The Calcutta Stock Exchange Ltd, Coimbatore Stock Exchange Ltd. The highest and lowest market price of shares of **PERIA** during the preceding six months are as follows:

- ◆ Admitted under permitted Category in NSE by the Madras Stock Exchange :

	<b>NSE</b>	
	HIGH ( Rs )	LOW ( Rs )
APRIL,13	169	131
MAY,13	160	142
JUNE,13	152	144
JULY,13	152	107
AUG,13	106	100
SEPT,13	118	98

### **DIVIDEND DECLARED DURING LAST 3 YEARS**

YEAR	RATE
31.03.2011	30%
31.03.2012	50%
31.03.2013	20%

### **PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance .

### **MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

**PERIA** has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/transmission of shares, sub division and consolidation of share certificates and other related matters. The Company has appointed **SKDC CONSULTANTS LIMITED** Kanapathy Towers, 1391/1-A ,III Floor , Sathy Road , Ganapathy , Coimbatore – 641006.

There was no pending investor complaint as on 15<sup>th</sup> October, 2013.

### **3. THE KISHORE TRADING CO. LTD. ( KISHORE )**

**KISHORE** was incorporated on 30<sup>th</sup> June, 1943 under the name and style of THE KISHORE TRADING COMPANY LIMITED under the Indian Companies Act, 1913. As per its Memorandum of Association, the main objects of the company is

- ◆ To acquire, hold, exchange, sell, and deal in shares, stocks, debentures, debenture-stocks, bonds obligations and securities issued or guaranteed by any Company constituted or carrying on business in India, United Kingdom or in any colony or dependency, or possession thereof, or in any foreign country and debentures,
- ◆ debenture-stocks, bonds, obligations, and securities issued or guaranteed by any Government Sovereign, Ruler, Commissioner, Public body or authority Supreme, Municipal, Local or otherwise, whether in India, the United Kingdom or elsewhere.
- ◆ To acquire any such shares, stocks, debentures, debenture-stocks, bonds obligations, or securities, by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise, and to guarantee and underwrite the subscription thereof, and to exercise and enforce all rights and powers conferred or by incident to the ownership thereof.
- ◆ To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures, debenture-stocks, bonds, obligations, notes, and securities of all kinds and to frame, constitute and secure the same as may seem expedient with full powers to make the same transferable by delivery or by instrument of transfer or other-wise, and either perpetual or terminable, and either redeemable or otherwise, .and to charge or secure the same by trust deeds, or otherwise on the undertaking of the Company or upon any specific property and rights present and future of the Company (including and if thought fit, uncalled capital or otherwise howsoever. To advance and lend money and assets 'of all kinds upon such terms as may be thought fit.

The Corporate identification Number CIN – L51101RJ1943PLC000161, allotted by the Registrar of Companies, West Bengal.

Presently, the Company is engaged in Investment cum dealing in shares and Mutual funds.

The Registered office of the Company is situated at KHAITAN BHAWAN, AJMER ROAD, MIRJA ISMAIL ROAD, JAIPUR , RAJASTHAN – 302001

**SHAREHOLDING PATTERN**

Shareholding Pattern of **KISHORE** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoters	38,246	85.00
2	Public	6,754	15.00
	<b>TOTAL</b>	<b>45,000</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **KISHORE** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Brijmohan Sharma
3. Mr. Yagya Dutt Sharma

**FINANCIAL PERFORMANCE**

Brief audited financials of **KISHORE** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	35	92	85
Profit/(Loss) After Tax	20	63	70
Equity Share Capital (of Rs.100/- each)	45	45	45
Reserves & Surplus (excluding revaluation reserves, if any )	439	502	572
Earnings per Share ( Rs )	44	135	155
Net Asset Value per share ( Rs )	1075	1215	1371

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. and Jaipur Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchanges.

**PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance.

**MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

**KISHORE** has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/transmission of shares, sub division and consolidation of share certificates and other related matters.

There was no pending investor complaint as on 15<sup>th</sup> October, 2013.

**.THE GENERAL INVESTMENT CO. LTD. ( GENERAL )**

**GENERAL** was incorporated on 14<sup>th</sup> January, 1935 under the name and style of THE GENERAL INVESTMENT CO. LTD. under Marwar Companies Ordinance, 1923. As per its Memorandum of Association, the main objects of the company is

- ◆ To acquire, hold, exchange, sell, and deal in shares, stocks, debentures. debenture-stocks, bonds, obligations and securities issued or guaranteed by any Company constituted or carrying on business in British India, United Kingdom or in-any colony or dependency, or possession thereof, or in any foreign country, and debentures, debenture-stocks, bonds, obligations, and securities issued or guaranteed by any Government, Sovereign, Ruler, Commissioner, Public body or authority Supreme, Municipal, Local or otherwise, whether in India, the United Kingdom or elsewhere.
- ◆ To acquire any such shares, debentures, debenture stocks, bonds, obligations, or securities, by original subscription, tender., purchase exchange or otherwise and to subscribe for the same either conditionally or otherwise, and to guarantee and underwrite the subscription thereof, and to exercise and enforce all right and power conferred by or incident to the ownership thereof,
- ◆ To borrow or raise or secure the payment of money in such manner as the company shall think fit and in particular by the issue of debentures, debenture-stocks, bonds, obligations, notes and securities Of all kinks and to frame, constitute and secure the same as may seem expedient with full powers to make the same transferable by delivery or by instrument of transfer or otherwise, and cilllcr perpetual or terminable,



and either redeemable or otherwise and to charge or secure the same by trust deeds, or otherwise, on the undertaking or the Company or upon any specific property and rights, present and future of the Company (including and if though fit, uncalled capital or otherwise howsoever. To advance and lend money and assets of all kinds upon such terms as may be thought fit.

The Corporate identification Number CIN – L65993RJ1935PLC000045, allotted by the Registrar Of Companies, Rajasthan.

Presently, the Company is engaged in business of Investment cum dealing in shares and securities etc.

The Registered Office of the Company is situated at SITARAM BAG, DIDWANA – 341303, RAJASTHAN.

GENERAL is registered with RBI as a NBFC vide certificate of registration number 10-0043 dated 11<sup>th</sup> March, 1998 under Section 45IA of Reserve Bank of India Act, 1934.

#### **SHAREHOLDING PATTERN**

Shareholding Pattern of **GENERAL** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoters	30901	88.29
2	Public	4,099	11.71
	<b>TOTAL</b>	<b>35,000</b>	<b>100.00</b>

#### **BOARD OF DIRECTORS**

Board of Directors of **GENERAL** as on 31<sup>st</sup> October, 2013 comprised of following

1. MR. LAKSHMI NIWAS BANGUR
2. MR. MANGI LAL BANGUR
3. MR. SURAJ MALL SINGHI
4. MR. SURYA PRAKASH PASARI

#### **FINANCIAL PERFORMANCE**

Brief audited financials of **GENERAL** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs.lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	21	43	73
Profit/(Loss) After Tax	7	25	9
Equity Share Capital (of Rs.100/- each)	35	35	35
Reserves & Surplus (excluding revaluation reserves, if any )	265	291	300
Earnings per Share ( Rs)	20	72	25
Net Asset Value per share ( Rs)	857	931	957

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. and Jaipur Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchange.

**PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance.

**MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

**GENERAL** has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/transmission of shares, sub division and consolidation of share certificates and other related matters.

There was no pending investor complaint as on 15<sup>th</sup> October, 2013.

**4. M.B. COMMERCIAL COMPANY LIMITED ( MB COMMERCIAL )**

**M.B. COMMERCIAL** was incorporated on 21<sup>st</sup> October, 1960 under the name and style of M.B. COMMERCIAL COMPANY LIMITED under the Indian Companies Act, 1956. As per its Memorandum of Association, the main objects of the company is to carry on

- ◆ To carry on business as general merchant in all kinds of commodities. brokers, underwriters, dealers, financiers, guarantors including business hitherto carried on by Mugneeram Bangur & Co., except the business appertaining or incidental to membership of Calcutta Stock exchange Association Ltd., and to hold and possess and manage the assets thereof and to discharge the liabilities of the same.
- ◆ To invest the money of the Company not immediately required on . the security or in the acquisition of any stocks, shares, bonds, debentures, debenture stock, obligations, mortgages or securities and hold and from time to time sell, vary or dispose of the same.
- ◆ To purchase, to take on lease, exchange, hire, apply, acquire moveable or immovable properties and in particular lands, Mills, Factories, Presses, Motors, Trucks Vehicles, suitable on land, water, . air and to construct any Mills, Factories or other Buildings or Works.

The Corporate identification Number CIN-L51909WB1960PLC024849 allotted by the Registrar of Companies, West Bengal.

The Registered office of the company is situated at 7 MUNSHI PREMCHAND SARANI , HASTINGS , KOLKATA – 700022 .

Presently, the Company is engaged in Investment in shares and securities , to acquire and grant landed property on rent etc.

### SHAREHOLDING PATTERN

Shareholding Pattern of **M.B. COMMERCIAL** as on 15<sup>th</sup> October ,2013 was as follows:

Sl. No.	Category	No. of Shares	%of Shares
1	Promoters	2,06,722	92.08
2	Public	17,778	7.92
	<b>TOTAL</b>	<b>2,24,500</b>	<b>100.00</b>

### BOARD OF DIRECTORS

Board of Directors of **M.B. COMMERCIAL** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Alok Kabra
3. Mr. Pradip Kumar Khan

**FINANCIAL PERFORMANCE**

Brief audited financials of **M.B. COMMERCIAL** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	131	1421	515
Profit/(Loss) After Tax	56	846	119
Equity Share Capital (of Rs.10/- each)	22.45	22.45	22.45
Reserves & Surplus (excluding revaluation reserves, if any )	567	1414	1533
Earnings per Share (Rs)	25	377	53
Net Asset Value per share (Rs)	263	640	693

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchange.

**PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance.

**MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

**M.B. COMMERCIAL** has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/ transmission of shares, sub division and consolidation of share certificates and other related matters.

The Company has appointed MAHESHWARI DATAMATICS PRIVATE LIMITED 6, Manoge Lane, 2<sup>nd</sup> Floor, Kolkata – 700001 as the Registrar and Share Transfer Agent.

There was no pending investor complaint as on 15<sup>th</sup> October ,2013 .

**5. AMALGAMATED DEVELOPMENT LIMITED ( AMALGAMATED )**

**AMALGAMATED** was incorporated on 8<sup>th</sup> April, 1948 under the name and style of AMALGAMATED DEVELOPMENT LIMITED under the Indian Companies Act, 1913. As per its Memorandum of Association, the main objects of the company

- ◆ To purchase, take on lease, exchange or otherwise acquire any lands and buildings in any part of India or elsewhere, and to traffic in land and house and other property or any tenure and any interest therein and to create , sell and deal in freehold and leasehold ground rents and make advances upon the security of land or house or other property or any interest therein, and generally to deal in, traffic by way of sale, lease, exchange or otherwise with land and house property and any other property whether immovable or real or movable or personal.
  
- ◆ To develop and-turn to account any land house or other property acquired by or in which the Company is interested and in particular building sites, and by constructing, reconstructing, altering, improving, decorating, furnishing, and maintaining offices, flats, houses, factories, warehouses, shops, wharves buildings, works and conveniences of all kinds, and by consolidating, or connecting, or sub-dividing

Presently, the Company is engaged in business of Investment in shares and Mutual funds , to trade in land .

The Registered Office of the Company is situated at 7, MUNSHI PREMCHAND SARANI, KOLKATA – 700022.

**SHAREHOLDING PATTERN**

Shareholding Pattern of **AMALGAMATED** as on 15<sup>th</sup> October, 2013 was as follows:

Sl. No.	Category	No. of Shares	% of Shares
1	Promoters	15,671	89.54
2	Public	1,829	10.46
	<b>TOTAL</b>	<b>17,500</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **AMALGAMATED** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Mr. Ram Gopal Rathi
3. Mr. Bhaskar Banerjee
4. Mr. Bhagwan Das Karwa

**FINANCIAL PERFORMANCE**

Brief audited financials of **AMALGAMATED** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	27	130	88
Profit/(Loss) After Tax	15	60	80
Equity Share Capital (of Rs.100/- each)	17.5	17.5	17.5
Reserves & Surplus (excluding revaluation reserves, if any )	133	194	274
Earnings per Share (Rs)	87	347	454
Net Asset Value per share (Rs)	860	1208	1665

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd for delisting of equity shares. However in principle approval is pending from the stock exchange.

**PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance.

**MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

**AMALGAMATED** has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/ transmission of shares, sub division and consolidation of share certificates and

other related matters. The Company has appointed MAHESHWARI DATAMATICS PRIVATE LIMITED 6, Manoge Lane, 2<sup>nd</sup> Floor, Kolkata – 700001 as the Registrar and Share Transfer Agent.

There was no pending investor complaint as on 15<sup>th</sup> October, 2013.

## 6. THE SWADESHI COMMERCIAL CO. LTD. ( SWADESHI )

**SWADESHI** was incorporated on 13<sup>th</sup> August, 1928 under the name and style of THE SWADESHI COMMERCIAL CO. LTD. under the Indian Companies Act, 1913. As per its Memorandum of Association, the main objects of the company

- ◆ To acquire, hold, exchange, sell, and deal in shares, stocks, debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Company constituted or carrying on business in British India, United Kingdom or in any colony or dependency, or possession thereof, or in any foreign country, and debentures, debenture-stocks, bonds, obligations, and securities issued or guaranteed by any Government, Sovereign, Ruler, Commissioner, Public body or authority Supreme, Municipal, Local or otherwise, whether in India, the United Kingdom or elsewhere
- ◆ To acquire any such shares, debentures, debenture stocks, bonds, obligations, or securities, by original subscription, tender, purchase exchange or otherwise, and to subscribe for the same either conditionally or otherwise, and to guarantee. and under-write the subscription thereof, and to exercise and enforce all right and power conferred by or incident to the ownership thereof.

Presently, the Company is engaged in business of Investment in shares and Mutual funds.

The Registered Office of the Company is situated at SITARAM BAG, STATION ROAD, DIDWANA, DIST - NAGUR , RAJASTHAN - 341303.

The Corporate identification Number CIN- L67120RJ1928PLC000029 allotted by the Registrar Of Companies, Jaipur, Rajasthan.

### SHAREHOLDING PATTERN

Shareholding Pattern of SWADESHI as on 15<sup>th</sup> October, 2013 was as follows:

SL.NO	CATEGORY	NO OF SHARES	SHAREHOLDING PATTERN
1	Promoters	37775	89.94
2	Public	4225	10.06
	<b>TOTAL</b>	<b>42,000</b>	<b>100.00</b>

**BOARD OF DIRECTORS**

Board of Directors of **SWADESHI** as on 31<sup>st</sup> October, 2013 comprised of following

1. Mr. Lakshmi Niwas Bangur
2. Ms Sheetal Bangur
3. Mr. Om Prakash Bangur
4. Mr. Surajmal Singhi
5. Mr. Ramakant Sharma
6. Mr. Puranmal Kabra

**FINANCIAL PERFORMANCE**

Brief audited financials of **SWADESHI** for the years ended March 31, 2011, 2012 and 2013 are as follows:

**(All figures in Rs. Lacs, except per share data)**

Particulars	31/03/2011	31/03/2012	31/03/2013
Total Income	815	258	13
Profit/(Loss) After Tax	305	79	(11)
Equity Share Capital (of Rs.100/- each)	42	42	42
Reserves & Surplus (excluding revaluation reserves, if any )	442	521	510
Earnings per Share (Rs)	727	188	(27)
Net Asset Value per share (Rs)	1152	1340	1314

**SHARE QUOTATION**

The equity shares of the Company are quoted on The Calcutta Stock Exchange Ltd. and Jaipur Stock Exchange Limited. The shares of the Company are infrequently traded so there was no trading in the scrip of the Company for more than last six months.

The Company has passed special resolution by Postal Ballot and has made application before The Calcutta Stock Exchange Ltd and Jaipur Stock Exchange Limited for delisting of equity shares. However in principle approval is pending from the stock exchanges.

**PROMISE V/S. PERFORMANCE**

The Company has not made any issues in the past three years. Hence there are no information as regards promises vs performance.



**MECHANISM FOR REDRESSAL OF INVESTORS' GRIEVANCES**

SWADESHI has an Investors' Grievance Committee which oversees the performance of the Registrar and Share Transfer Agent of the Company and recommends measures to improve the level of investor related services. The Committee deals with applications for transfer/transmission of shares, sub division and consolidation of share certificates and other related matters.

There was no pending investor complaint as on 15<sup>th</sup> October, 2013.

## SECTION VI

### LEGAL & OTHER INFORMATION

#### **OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS**

Except as described below, in relation to the persons named as Promoters, to the best of knowledge of the Company, there are no outstanding material litigation against or any disputes, tax liabilities, non-payment of statutory dues, overdues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits and arrears on cumulative preference shares issued by the Company, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (i) of part 1 of Schedule XIII to the Companies Act, 1956), no disciplinary action has been taken by SEBI/Stock Exchanges against the Company, its Directors, its promoters, and the companies/firms promoted by the Promoters.

#### **PENDING LITIGATION IN THIS COMPANY**

There are no pending litigations in the Company.

#### **PENDING LITIGATION IN GROUP COMPANIES**

##### **MAHARAJA SHREE UMAID MILLS LIMITED (MSUML)**

The disputed Statutory dues aggregating to Rs. 499.99 Lacs that have not been deposited on account of disputed matters pending before appropriate authorities are given hereunder:

<b>BRIEF PARTICULARS</b>	<b>CLAIM AMOUNT (RS. IN LAKHS)</b>	<b>COURT/ FORUM/ CASE NUMBER</b>	<b>CURRENT STATUS</b>
Income Tax Act ,1961 - Income Tax	161.32	High court	Under hearing
Central Excise Act, 1944- Excise Duty	89.89	High court	Under hearing
Central Excise Act, 1944 – Excise Duty	11.50	Supreme court	Under hearing
Finance Act ,1994 - Service tax	68.08	High court	Under hearing
The Rajasthan Tax on Entry of goods and Local Area Act, 1999	16.26	Deputy Commissioner	Under hearing
The Rajasthan Tax on Entry of goods and Local Area Act, 1999	118.85	High Court	Under hearing
RVAT, 2003- VAT	23.71	RAJ Tax Board	Under

			hearing
Payment Of Wages Act, 1936 – Wages	0.07	Relevant Authority	Under hearing
Payment Of Gratuity Act ,1972 – Gratuity	0.07	Relevant Authority	Under hearing
Industrial Dispute Act ,1947 – Wages	7.78	High Court	Under hearing
ESI Act 1948- ESI	0.83	High Court	Under hearing

**THE PERIA KARAMALAI TEA AND PRODUCE COMPANY LTD (PERIA)**

There are no pending litigations in the Company.

**THE KISHORE TRADING COMPANY LIMITED ( KISHORE )**

There are no pending litigations in the Company.

**THE GENERAL INVESTMENT COMPANY LIMITED ( GENERAL )**

There are no pending litigations in the Company.

**M.B. COMMERCIAL COMPANY LIMITED ( M. B. COMMERCIAL )**

There are no pending litigations in the Company.

**AMALGAMATED DEVELOPMENT LIMITED ( AMALGAMATED )**

There are no pending litigations in the Company.

**THE SWADESHI COMMERCIAL COMPANY LIMITED ( SWADESHI )**

There are no pending litigations in the Company.

**OUTSTANDING LITIGATIONS AGAINST THE DIRECTORS OF THE COMPANY**

There are no pending litigations against the Directors of the Company during the last 3 years save and except in respect of the following as briefed below:

**GOVERNMENT APPROVALS/LICENSES**

The Company has all the necessary permissions and approvals from the Government and various Government agencies for the existing activities.

As per the Scheme of Arrangement the entire Investment Division of the Demerged Company with all its approvals, permissions, benefits, rights, registrations, consents etc. has been transferred to the Resulting Company which is being carried on by the Resulting Company on a going concern basis.

No further approvals from any Government authority etc. are required by the Company to undertake the existing activities, save and except those approvals, which may be required to be taken in the normal course of business from time to time.

The Central Government etc. accepts no responsibility for the financial soundness or correctness of the statements made in this Information Memorandum.

**MATERIAL DEVELOPMENTS**

Save and except the developments in the normal course of business activity of the Company and which are reported in the published documents of the company such as Annual Report etc. as requirements of law and as corporate governance compliances, there are no further material developments as of the date of this Information memorandum.

**MANPOWER REQUIREMENTS**

There was no employee in the Company as on 31st March, 2013. There are no constraints on hiring skilled and unskilled manpower as per the needs of the Company from time to time.

## **SECTION VII**

### **OTHER REGULATORY AND STATUTORY DISCLOSURES**

#### **DETAILS OF CAPITAL ISSUES MADE IN LAST THREE YEARS BY LISTED COMPANIES UNDER SAME GROUP**

No issue have been made by the Listed Companies in the group during the last three years.

### **REGULATORY AND OTHER STATUTORY DISCLOSURES**

#### **AUTHORITY FOR THE SCHEME**

The Hon'ble High Court of Calcutta vide its Order dated 21<sup>st</sup> August, 2013 has approved the Scheme of Arrangement between Kiran Vyapar Limited and Maharaja Shree Umaid Mills Limited and their respective shareholders (the "Scheme").

#### **PROHIBITION BY SEBI**

The Company, its directors, its promoters, other companies promoted by the promoters and companies with which the Company's directors are associated as directors have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

#### **CAUTION**

The Company accepts no responsibility for statement made otherwise than in the Information Memorandum or in the advertisements to be published in terms of Clause of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any other material issued by or at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his or her own risk. All information shall be made available by the Company to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner.

#### **DISCLAIMER CLAUSE OF THE BSE**

As required, a copy of this Information Memorandum has been submitted to BSE & CSE. BSE & CSE has vide their letter Ref. No. DCS/AMAL/IV/24(f)/396/2012-13 dated 23<sup>rd</sup> November, 2012 and CSE /LD/6063/2012 dated 29<sup>th</sup> November, 2012 has approved the Scheme of Arrangement under Clause 24 (f) of the Listing Agreement and by virtue of that approval BSE's and CSE's name is mentioned in this Information Memorandum as Stock Exchanges on which this Company's securities are proposed to be listed.

The BSE & CSE does not in any manner:

- Warrant, certify and endorse the correctness or completeness of any of the contents of this Information Memorandum; or
- Warrant that this Company's securities will be listed or will continue to be listed on the BSE; or
- Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company; and it should not for any reason be deemed or construed to mean that this Information Memorandum has been cleared or approved by the BSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **FILING**

Copies of this Information Memorandum have been filed with BSE & CSE.

#### **LISTING**

Application will be made to BSE for permission to deal in and for an official quotation of the Equity Shares of the Company. The Company has nominated BSE as the Designated Stock Exchange for the aforesaid listing of the shares.

The Company shall ensure that all steps for the completion of necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above.

#### **DEMAT CREDIT**

The Company has executed Agreements with NSDL and CDSL for admitting its securities in demat form. On 15<sup>th</sup> October, 2013 the Company has made allotment of the equity shares and such shares were allotted in demat form to those shareholders who have provided necessary details to the Company and/or who were holding their shares in MSUML in demat form, as on the Record Date.

**DISPATCH OF SHARE CERTIFICATES**

Upon allotment of equity shares to eligible shareholders pursuant to the Scheme, the Company has dispatched share certificates on 6<sup>th</sup> day of November, 2013 to those shareholders who were holding shares in MSUML in physical form, as on the Record Date.

**EXPERT OPINIONS**

Save as stated elsewhere in this Information Memorandum, we have not obtained any expert opinions.

**PREVIOUS RIGHTS AND PUBLIC ISSUES**

The Company has not made any public or rights issue since incorporation.

**COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since the Company has not issued shares to the public in the past, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares since its inception.

**PROMISE VIS-À-VIS PERFORMANCE**

This is for the first time the Company is getting listed on the Stock Exchange.

**OUTSTANDING DEBENTURE OR BONDS AND REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY THE ISSUER COMPANY**

There is no outstanding debentures or bonds and redeemable preference shares and other instruments issued by the Company.

**STOCK MARKET DATA FOR EQUITY SHARES OF THE COMPANY**

Equity shares of the Company are not listed on any stock exchanges. The Company is seeking approval for listing of shares through this Information Memorandum.

**DISPOSAL OF INVESTOR GRIEVANCES**

Maheshwari Datamatics Pvt Ltd (MDPL) are the Registrars and Transfer Agent of the Company to accept the documents / requests / complaints from the investors / shareholders of the Company.

All documents are received at the inward department, where the same are classified based on the nature of the queries/actions to be taken and coded accordingly. The documents are then electronically captured before forwarding in the respective processing units.

The documents are processed by professionally trained personnel. Subsequent to the completion of the process the documents are scrutinized thoroughly by independent firm(s) of Chartered Accountants / Company Secretaries appointed by the Company.

The Company has set up service standards for each of the various processors involved such as effecting the transfer / dematerialization of securities / change of address ranging from 12-15 days. MDPL maintains an age-wise analysis of the process to ensure that the standards are duly adhered to.

KVL has appointed Mr. Aakash Jain, Company Secretary as the Compliance Officer and he may be contacted in case of any queries. He can be contacted at the following address:

**Mr. Aakash Jain**  
**Company Secretary**  
**Kiran Vyapar Limited,**  
**REGD. OFF: KRISHNA 7<sup>TH</sup> FLOOR ROOM NO -706,**  
**224, A. J. C. BOSE ROAD, KOLKATA - 700017**  
**PH: 033-2223 0016 / 18**  
**EMAIL: [KVL@LNBGROUP.COM](mailto:KVL@LNBGROUP.COM)**



**PARTICULARS REGARDING PREVIOUS PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE YEARS**

The Company has not made any previous public or rights issue since its inception. There is no issue of shares otherwise than allotted to the subscribers to the Memorandum for cash and allotted pursuant to the Scheme of Arrangement. There are no outstanding debentures and redeemable preference shares. There has been no revaluation of assets of the Company since inception of the Company except that as per the Scheme of Arrangement of the Company.

**COMPANIES UNDER THE SAME MANAGEMENT**

The following are the Companies under the same management:

1. MAHARAJA SHREE UMAID MILLS LIMITED
2. PLACID LTD
3. THE PERIA KARAMALAI TEA & PRODUCE CO LTD
4. SHIVPHAL VINIMAY PVT LTD
5. NAVJYOTI COMMODITY MANAGEMENT SERVICES LTD
6. SIDHIDATA TRADECOMM LTD
7. WINSOME PARK PVT LTD
8. MAGMA REALTY PVT LTD
9. GOLDEN GREENERIES PVT LTD
10. SIDHIDATA SOLAR URJA LTD
11. EMINENCE AGRIFIELD PVT LTD
12. EMINENCE CROPFIELD PVT LTD
13. EMINENCE HARVEST PVT LTD
14. LNB RENEWABLE ENERGY PVT LTD
15. LNB SOLAR ENERGY PVT LTD
16. LNB WIND ENERGY PVT LTD
17. JUBLIEE HILLS RESIDENCY LTD
18. PALIMARWAR SOLAR HOUSE PVT LTD
19. ANANTAY GREENVIEW PVT LTD
20. SARVADEVA GREEN PARK PVT LTD
21. SUBHPRADA GREENERIES PVT LTD
22. SATYAWATCHE GREENERIES PVT LTD
23. PARMARTH WIND ENERGY PVT LTD
24. JANARDAN WIND ENERGY PVT LTD
25. PALIMARWAR SOLAR PROJECT PVT LTD
26. LNB REAL ESTATES PVT LTD
27. MANIFOLD AGRICROPS PVT LTD
28. UTTARAY GREENPARK PVT LTD

29. SARVAY GREENHUB PVT LTD
30. MAHATE GREENVIEW PVT LTD
31. AMRITPAY GREENFIELD PVT LTD
32. AGRAJAY GREENERIES PVT LTD
33. BASBEY GREENVIEW PVT LTD
34. PRATAPNAY GREENFEILD PVT LTD
35. MANTRAY GREENPARK PVT LTD
36. RAWAYE GREENPARK PVT LTD
37. SUKHDAY GREENVIEW PVT LTD
38. SANTE GREENHUB PVT LTD
39. SISHIRAY GREENVIEW PVT LTD
40. SUBIRAY GREENERIES PVT LTD
41. AKRURAY GREENHUB PVT LTD
42. DAKSHINAY GREENPARK PVT LTD
43. DAKSHAY GREENERIES PVT LTD
44. SANTAY GREENFIELDS PVT LTD
45. SURUCHAYE GREENERIES PVT LTD
46. SWASTINE GREENPARK PVT LTD
47. VIROCHANAYE GREENFIELD PVT LTD
48. CHAKRINE GREENFIELD PVT LTD
49. DISHAY GREENERIES PVT LTD
50. KAPILAY GREENERIES PVT LTD
51. JIWANAY GREENVIEW PVT LTD
52. YASHESHVI GREENHUB PVT LTD
53. THE SWADESHI COMMERCIAL COMPANY LTD
54. AMALGAMATED DEVELOPMENT LTD
55. M.B. COMMERCIAL CO LTD
56. SHREE KRISHNA AGENCY LTD
57. THE KISHORE TRADING COMPANY LTD
58. THE GENERAL INVESTMENT COMPANY LTD
59. APURVA EXPORT PVT LTD
60. IOTA MTECH LTD
61. MSUM TEXFAB LTD
62. PKT PLANTATIONS LTD
63. SAMAY INDUSTRIES LTD
64. MRB CHARITABLE & RELIGIOUS CO.
65. JAGATGURU GREENPARK PVT LTD
66. DIVYAY GREENERIES PVT LTD
67. PURNAY GREENFIELD PVT LTD
68. SIDHYAYI GREENVIEW PVT LTD.

**DISCLOSURE ON NEGATIVE NETWORTH/ WINDINGUP /SICK /BIFR/  
DISASSOCIATION / STRIKE OFF FROM ROC**

There is no group Company having a negative net worth or under winding up or a sick Company or under BIFR. Further, the Company has not disassociated from any Company. Further, none of the Group Companies, have applied for striking off their name from the ROC.

**COMPLIANCE STATUS OF THE COMPANY UNDER CLAUSE 49 OF THE LISTING  
AGREEMENT:**

The Equity Shares of the Company are being listed for the first time. Hence there is no question of Compliance with Clause 49 (1) of the Listing Agreement

**MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION OF KIRAN VYAPAR LIMITED****1. SHARE CAPITAL – ARTICLE – 4 ( a ) & ( b )**

- a) The Share Capital of the Company shall be such amount as may be authorized from time to time as per CLAUSE V of the Memorandum of Association of the Company.
- b) The minimum paid-up capital of the Company shall not be less than Rs.5,00,000/- (Rupees FIVE LACS) only.

**2. FURTHER ISSUE OF SHARES - ARTICLE – 5**

The Company may increase its subscribed capital by allotment of further shares whether out of the un issued capital or out of the increased share capital by complying with the provisions of Section 81 of the Act.

**3. SHARES AT THE DISPOSAL OF THE BOARD - ARTICLE – 6**

Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provisions of Section 79 of the Act) at a discount and at such time as it may from time to time think fit.

**4. REDEEMABLE PREFERENCE SHARES – ARTICLE – 7**

Subject to and in accordance with the provisions of Section 80 of the Act the Company shall have the power to issue redeemable preference shares on such terms and conditions as the Board may from time to time think fit.

**5. RESTRICTION ON ALLOTMENT – ARTICLE 8 (1)(2) & ( 3 )**

If the Company shall offer any of its shares to the public for subscription :-

- 1) no allotment thereof shall be made unless the amount stated in the prospectus as the minimum subscription has been subscribed, and the sum payable on application thereof has been paid to and received by the Company; but this provision shall no longer apply after the first allotment of shares offered to the public for subscription;
- 2) the amount payable on application on each share shall not be less than 5 per cent of the nominal amount of the share; and
- 3) the Company shall comply with the provisions of sub-section (4) of Section 69 of the Act.

**6. COMMISSION AND BROKERAGE – ARTICLE – 9**

The Company may pursuant to Section 76 of the Act pay commission and brokerage as provided in the said Section.

**7. AMOUNT PAYABLE IN ACCORDANCE WITH TERMS OF ISSUE OR ALLOTMENT – ARTICLE - 10**

If, by the terms of issue or allotment of any share, any amount whether in respect of the share or any premium thereon is made payable on allotment or at any fixed time or by instalments, such amount shall, when due, be paid to the Company by the person who, for the time being, shall be the registered holder of the share or by his executor or administrator or other legal representative.

**8. LIABILITY OF JOINT-HOLDERS OF SHARES - ARTICLE – 11**

Members who are registered jointly in respect of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.

**9. TRUSTS NOT RECOGNISED – ARTICLE – 12**

Save as herein otherwise provided, the Company shall be entitled to treat the member registered in respect of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction, or as by statute required, be bound to recognize any equitable or other claim to or interest in such share on the part of any other person.

**10.WHO MAY BE REGISTERED – ARTICLE – 13**

Shares may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered jointly as members in respect of any share.

**11.ARTICLE – 14 (1)(2) (3) & ( 4 )****1) LIMITATION OF TIME FOR ISSUE OF CERTIFICATES**

Every member shall be entitled, without payment, to one or more certificates in marketable lots for all the shares of each class or denomination registered in his name, or if the Board so approves (upon paying such fee as the Board may from time to time determine) to several certificates each for one or more of such shares and the Company shall deliver such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the Seal of the Company and shall specify the numbers and distinctive numbers of shares in respect of which it is issued and amount paid up thereon and shall be in such form as the

Board may prescribe or approve. Delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holders.

**2) ISSUE OF NEW CERTIFICATES IN LIEU OF THOSE DEFACED, LOST OR DESTROYED**

If any Certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on such terms as to indemnity as the Company deem adequate, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate.

**3) RESTRICTION ON SUBDIVISION AND CONSOLIDATION**

Notwithstanding anything contained in Clause (1) of this Article the Board may refuse any application for sub-division or consolidation of number of shares or certificates for shares into denomination of less than 100 shares except where such sub-division or consolidation is required to be made for compliance with any law or statutory regulation or order or an order of a competent court provided nevertheless that the Board may at its discretion and in exceptional circumstances and for avoiding any hardship or for any other sufficient cause (as to which the Board's decision shall be final and conclusive) accept any application for sub-division or consolidation of number of shares or of certificates for shares into denomination of less than 100 shares of the Company.

**4)** The provisions of this Article 14 shall mutatis mutandis apply to debentures of the Company.

**12.CALLS- ARTICLE – 15**

The Board may, from time to time, subject to the terms on which any shares may have been issued, and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and not by the conditions of issue or allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the person and at the times and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board authorizing such call was passed.

**13.NOTICE OF CALL- ARTICLE -16**

Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

**14. WHEN INTEREST ON CALL OR INSTALMENT PAYABLE – ARTICLE- 17 (1) & (2 )**

- 1) If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof, the holder for the time being in respect of the share for which the call shall have been made or the installment shall be due shall pay interest for the same at such rate as may be determined by the Board from the day appointed for the payment thereof to the time of the actual payment.
  
- 2) The Board shall be at liberty to waive payment of any such interest either wholly or in part.

**15. AMOUNT PAYABLE ON ALLOTMENT AT FIXED TIMES OR PAYABLE BY INSTALLMENTS AS CALLS .- ARTICLE – 18**

If by the terms of issue or allotment of any share or otherwise any amount is made payable upon allotment or at any fixed time or by installments, whether on account of the amount of the share or by way of premium every such amount shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount accordingly.

**16. REVOCATION OF CALL – ARTICLE – 19**

A call may be revoked or postponed at the discretion of the Board.

**17. IF CALL OR INSTALMENT NOT PAID NOTICE MAY BE GIVEN: ARTICLE – 20**

If any member fails to pay any call or installment of a call on or before the day appointed for the payment of the same the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

**18. FORM OF NOTICE – ARTICLE - 21**

The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment at or before the time, and at the place appointed, the shares in respect of which such call was made or installment is payable will be liable to be forfeited.

**19. IF NOTICE NOT COMPLIED WITH SHARES MAY BE FORFEITED- ARTICLE - 22**

If the requisition of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

**20. NOTICE AFTER FORFEITURE – ARTICLE - 23**

When any share shall have been so forfeited notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

**21. FORFEITED SHARES TO BECOME PROPERTY OF THE COMPANY – ARTICLE – 24 (1 )**

Any share so forfeited shall be deemed to be the property of the Company and the Board may sell or otherwise dispose of the same on such terms and in such manner as it thinks fit.

**22. BOARD MAY ISSUE NEW CERTIFICATES – ARTICLE 24 (2)**

Where any share is so sold or disposed of by the Board and the certificate in respect thereof is not delivered to the Company by the former holder of such share the Board may issue a new certificate for such share distinguishing in such manner as it may think fit from the certificate not so delivered.

**23. POWER TO CANCEL FORFEITURE – ARTICLE – 25**

The Board may, at any time before any share so forfeited shall have been sold or otherwise disposed of, cancel the forfeiture thereof upon such conditions as it thinks fit.

**24. LIABILITY ON FORFEITURE - ARTICLE – 26**

A person whose share has been forfeited shall cease to be a member in respect of the share, but shall notwithstanding such forfeiture remain liable to pay, and shall forthwith pay to the Company, all calls or installments, interest and expenses, owing upon or in respect of such share, at the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as may be determined by the Board and the Board may enforce the payment thereof, or any part thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so.



**25. EVIDENCE OF FORFEITURE – ARTICLE – 27**

A duly verified declaration in writing that the declarant is a Director, Managing Director, Manager or Secretary of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and the receipt of the Company for such consideration shall constitute a good discharge to the person making the payment. A person appointed by the Board may execute an instrument of transfer in respect of the shares in favour of the person to whom the share is sold or disposed of and he shall thereupon be registered as the holder of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposal of the share.

**26. COMPANY'S LIEN ON SHARES AND DEBENTURES – ARTICLE – 28**

The Company shall have a first and paramount lien upon all the shares /debentures (other than fully paid-up shares /debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares /debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares /debentures. Unless otherwise agreed the registration of a transfer of shares/ debentures shall operate as a waiver of the Company's lien, if any, on such shares /debentures. The Board may at any time declare any shares /debentures wholly or in part to be exempt from the provisions of this Article.

**27. AS TO ENFORCING LIEN BY SALE- ARTICLE – 29**

For the purpose of enforcing such lien the Board may sell the share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such share for seven days after the date of such notice.

**28. APPLICATION OF PROCEEDS OF SALE – ARTICLE – 30**

The proceeds of the sale under Article 29 hereof shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the share before the sale) be paid to the person entitled to the share at the date of the sale.

**29. VALIDITY OF SALES IN EXERCISE OF LIEN – ARTICLE - 31**

Upon any sale for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money, and after his name has been entered in the Register in respect of such share the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**30. BOARD MAY ISSUE NEW CERTIFICATES – ARTICLE -32**

Where any share under the powers in that behalf contained is sold by the Board and the certificate in respect thereof has not been delivered to the Company by the former holder of such share, the Board may issue a new certificate for such share distinguishing it in such manner as it may think fit from the certificate not so delivered.

**31. EXECUTION OF TRANSFER, ETC : ARTICLE – 33( 1 )**

Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee has been delivered to the Company together with the certificate relating to the share or, if no such certificate is in existence, the Letter of Allotment of the share. The transferor shall be deemed to remain the member in respect of such share until the name of the transferee is entered in the Register in respect thereof.

**32. RIGHT TO DIVIDEND ETC. PENDING REGISTRATION OF TRANSFER OF SHARES. – ARTICLE 33 (2)**

Where an instrument of transfer of shares of the Company has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall act in accordance with the provisions of Section 206A of the Act in respect of the dividend, rights shares and bonus shares in relation to such shares.

**33. APPLICATION BY TRANSFEROR – ARTICLE – 34**

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 shall, in the case of a partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of transfer was made by the transferee.

**34. INSTRUMENT OF TRANSFER- ARTICLE – 35**

The instrument of transfer shall be in writing and all provisions of Section 108 of the Act and statutory modifications thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

**35. BOARD MAY REFUSE TO REGISTER TRANSFER – ARTICLE – 36**

Subject to the provisions of Section 111A of the Act the Board may at its own absolute and uncontrolled discretion and by giving reasons decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal shall not be affected by the circumstances that the proposed transferee is already a member of the Company provided that registration of a transfer shall 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 when the Company has a lien on the shares.

**36. NO TRANSFER TO MINOR, ETC – ARTICLE – 37**

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

**37. TRANSFER TO BE LEFT AT OFFICE WHEN TO BE RETAINED – ARTICLE – 38**

Every instrument of transfer shall be left at the Office for registration accompanied by the certificate of the share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the shares and such other evidence as the Board may require to prove the title to the transferor or his right to transfer the share. Every instrument of transfer which shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.

**38. NOTICE OF REFUSAL TO REGISTER TRANSFER- ARTICLE – 39**

If the Board refuses whether in pursuance of Article 36 or otherwise to register the transfer of, or the transmission by operation of law of the right to, any share, the Company shall within two months from the date on which the instrument of transfer or the intimation of such transmission as the case may be, was lodged with the Company, send to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal.

**39. NO FEE ON REGISTRATION OF TRANSFER, PROBATE, ETC - ARTICLE – 40**

No fee shall be charged for the registration of any transfer, transmission, grant of probate, grant of letters of administration, succession certificate, certificate of death or marriage, power of attorney or other instrument.

**40. TRANSMISSION OF SHARES AS TO SURVIVORSHIP – ARTICLE – 41**

The executor or administrator of a deceased member or the holder of other legal representation (not being one of several joint-holders) shall be the only person recognized by the Company as having any title to the share registered in the name of such member, and, in case of the death of any one or more of the registered joint-holders of any share, the survivor shall be the only person recognized by the Company as having any title to such shares, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on the share held by him jointly with any other person.

Before recognizing any executor or administrator or other person as aforesaid the Board may require him to obtain a Grant of Probate or Letters of Administration or other legal representation, as the case may be, from a competent Court in India and having effect in the place where the Office is situated. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense with the production of Probate or Letters of Administration or other legal representation upon such terms as to indemnity or otherwise as the Board, in its absolute discretion, may consider adequate.

**41. AS TO TRANSFER OF SHARES OF INSANE, MINOR, DECEASED OR BANKRUPT MEMBERS - ARTICLE – 42**

Any committee or guardian, curator bonis or other legal curator of a lunatic, idiot or non-compos mentis member or any person becoming entitled to or to transfer a share in consequence of the death or insolvency of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give) be registered as a member in respect of such share, or may, subject to the regulations as to transfer hereinbefore contained, transfer such share.

**42. ELECTION UNDER THE LAST PRECEDING ARTICLE – ARTICLE – 43 ( 1)(2)&(3)**

- 1) If the person so becoming entitled under the last preceding Article shall elect to be registered as a member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- 2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing an instrument of transfer of the share.
- 3) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of a share shall be applicable to any such notice of transfer as aforesaid as if the death, lunacy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

**43. RIGHTS OF PERSONS UNDER ARTICLE 42 – ARTICLE – 44**

A person so becoming entitled under Article 42 hereof to a share by reason of the death or insolvency of a member shall subject to the provisions of Article 73 and of Section 206 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the member registered in respect of the share except that no such person shall before being registered as a member in respect of the share, be entitled to exercise in respect thereof any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

**44. POWER TO INCREASE CAPITAL – ARTICLE – 45**

The Company in general meeting may from time to time by ordinary resolution alter the conditions of its Memorandum of Association to increase the capital by the creation of new shares of such amount as may be deemed expedient.

**45. HOW FAR NEW SHARES TO RANK WITH EXISTING SHARES – ARTICLE - 46**

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered part of the then existing capital of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and instalments, transfer and transmission, forfeiture, lien, surrender and otherwise.

**46.INEQUALITY IN NUMBER OF NEW SHARES.- ARTICLE - 47**

If, owing to any inequality in the number of new shares to be issued, and the number of shares held by members entitled to have the offer of such new shares, any difficulty shall arise in the apportionment of such new shares or any of them amongst the members, such difficulty shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting, be determined by the Board.

**47.REDUCTION OF CAPITAL – ARTICLE – 48**

The Company may, from time to time, by special resolution, reduce its capital and any Capital Redemption Reserve Account or Share Premium Account in any manner and with and subject to any incident authorised and consent required by law.

**48.POWER TO SUB-DIVIDE AND CONSOLIDATE SHARES.- ARTICLE – 49  
(1)(2)&(3)**

The Company in general meeting may from time to time by Ordinary Resolution alter the conditions of its Memorandum of Association so as to :

- 1) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- 2) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the Memorandum so however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- 3) Cancel any share, which at the date of the passing of the resolution have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**49.SUB-DIVISION INTO PREFERENCE AND EQUITY- ARTICLE – 50**

The resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital, voting or otherwise over or as compared with the others or other, subject nevertheless to the provisions of Sections 85, 87 and 106 of the Act.

**50.SURRENDER OF SHARES – ARTICLE – 51**

Subject to the provisions of Sections 100 to 105 (Both inclusive) of the Act, the Board may accept from any member the surrender on such terms and conditions as shall be agreed of all or any of his shares.

**51. POWER TO MODIFY RIGHTS- ARTICLE – 52**

If at any time the share capital is divided into different classes of shares the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourths of the issued shares of that class, or with the sanction of a Special Resolution passed at a Separate Meeting of the holders of the shares of that class. To every such Separate Meeting the provisions of these Articles relating to general meetings shall apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-fifth of the issued shares of that class and that if at any adjourned meeting of such holders a quorum as above defined is not present those members who are present shall be a quorum and that any holder of shares of that class present in person or by proxy may demand a poll and, on a poll, shall have one vote for each share of that class of which he is the holder.

**52. POWER TO BORROW – ARTICLE – 53**

The Board may, from time to time, at its discretion subject to the provisions of Sections 58A, 292 and 293 of the Act, raise or borrow, either from the Directors or from elsewhere any sum or sums for the purpose of the Company and secure the repayment of any sum or sums borrowed in such manner and at such time or times and upon such terms and conditions as it may think fit.

**53. TERMS OF ISSUE OF DEBENTURES- ARTICLE – 54**

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

**54. INSTRUMENT OF TRANSFER.- ARTICLE – 55**

Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.

**55. CERTIFICATES OF DEBENTURES – ARTICLE – 56**

Delivery by the Company of certificates upon allotment or registration of transfer of any debenture issued by the Company shall be governed and regulated by Section 113 of the Act.

**56. NOTICE OF REFUSAL TO REGISTER TRANSFER- ARTICLE – 57**

If the Board refuses to register the transfer of any debentures, the Company shall, within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

**57. WHEN ANNUAL GENERAL MEETING TO BE HELD – ARTICLE – 58**

In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an "Annual General Meeting" and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extraordinary General Meeting.

**58. WHEN EXTRAORDINARY GENERAL MEETINGS TO BE CALLED – ARTICLE – 59**

The Board may, whenever it thinks fit, and it shall, on the requisition of members pursuant to Section 169 of the Act proceed to call an Extraordinary General Meeting in accordance with the provisions of the said Section 169.

**59. CIRCULATION OF MEMBERS RESOLUTIONS – ARTICLE – 60**

The Company shall comply with the provisions of Section 188 of the Act as to giving notice of resolutions and circulating statements on the requisition of members.

**60. NOTICE OF MEETING – ARTICLE – 61(1)&(2)**

- 1) Save as provided in sub-section (2) of Section 171 of the Act, not less than twenty one days' notice shall be given of every general meeting of the Company. Every notice of a meeting shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat and there shall appear with reasonable prominence in every such notice a statement that a member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him and that a proxy need not be a member of the Company. Where any such business consists of "special business" as hereinafter defined there shall be annexed to the notice a statement complying with Section 173 (2) and (3) of the Act.
- 2) Notice of every meeting of the Company shall be given to every member of the Company, to the Auditor of the Company and to any persons entitled to a share in consequence of the death or insolvency of a member in any manner hereinafter authorised for the giving of notice to such persons. The accidental omission to give any such notice to or its non-receipt by any member or other person to whom it should be given shall not invalidate the proceedings of the meeting.



**61. BUSINESS OF MEETINGS – ARTICLE – 62**

The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and the Auditors, to appoint Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other general meeting shall be deemed special business.

**62. QUORUM TO BE PRESENT WHEN BUSINESS COMMENCED – ARTICLE - 63**

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided five members present in person shall be a quorum.

**63. WHEN, IF QUORUM NOT PRESENT MEETING TO BE DISSOLVED AND WHEN TO BE ADJOURNED – ARTICLE – 64**

If within half an hour from the time appointed for the meeting a quorum be not present, the meeting, if convened upon such requisition as aforesaid, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum be not present within half an hour from the time appointed for holding the meeting those members who are present and not being less than two shall be quorum and may transact the business for which the meeting was called.

**64. RESOLUTION TO BE PASSED BY COMPANY IN GENERAL MEETING – ARTICLE – 65**

Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in general meeting shall be sufficiently so done or passed if effected by an Ordinary Resolution as defined in Section 189(1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 189(2) of the Act.

**65. CHAIRMAN OF GENERAL MEETING- ARTICLE – 66**

The Chairman of the Board shall be entitled to take the Chair at every general meeting. If there be no such Chairman or if at any meeting the Chairman is not present within fifteen minutes of the time appointed for holding such meeting, or is unwilling to act, then the members present shall choose any Director as Chairman of that meeting and if no Director be present, or if all the Directors present decline to take the Chair then the members present shall on a show of hands or on a poll if properly demanded, elect one of their number being a member entitled to vote, to be Chairman of that meeting.

**66.HOW QUESTIONS TO BE DECIDED AT MEETINGS – ARTICLE – 67**

Every question submitted to a meeting shall be decided, in the first instance by a show of hands, and in the case of an equality of votes, both on a show of hands and on a poll, the Chairman of the meeting shall have a casting vote in addition to the vote to which he may be entitled as a member.

**67.EVIDENCE OF PASSING OF RESOLUTION WHERE POLL NOT ORDERED-ARTICLE – 68**

At any general meeting, unless a poll is duly ordered by the Chairman thereof a declaration by the Chairman that the resolution has or has not been carried, or has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against the resolution.

**68.POLL- ARTICLE 69 (1) (2) (3) (4) ( 5) & (6)**

(1) Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member

or members present in person or by proxy and holding shares in the Company (i) which confer a power to vote on the resolution in question not being less than one-tenth of the total voting power in respect of the resolution or (ii) on which an aggregate sum of not less than Rs.50,000 has been paid up.

(2) A poll on a question of adjournment or election of a Chairman shall be taken forthwith. A poll on any other question shall be taken in such manner and at such time and place as the Chairman of the meeting directs and subject as aforesaid either at once or after an interval or adjournment provided that a poll demanded as aforesaid shall be taken at such time not being later than forty-eight hours from the time when the demand was made. The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken.

(3) The demand of a poll may be withdrawn at any time.

(4) Where a poll is to be taken the Chairman of the meeting shall appoint two scrutinizers, one at least of whom shall be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed, to scrutinize the votes given on the poll and to report to him thereon.

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

(6) The order for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been ordered.

**69. POWER TO ADJOURN GENERAL MEETING ARTICLE – 70 (1) & (2)**

- (1) The Chairman of a general meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (2) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given in the same manner as in the case of an original meeting, but otherwise it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**70.VOTES OF MEMBERS- ARTICLE 71(1)(2) & ( 3 )**

- (1) Save as hereinafter provided, on a show of hands every member present in person and being a holder of Equity Shares shall have one vote and every person present either as a proxy on behalf of a holder of Equity Shares, or as a duly authorized representative of a body corporate, being a holder of Equity Shares if he is not entitled to vote in his own right, shall have one vote.
- (2) Save as hereinafter provided, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 87 of the Act.
- (3) No company or body corporate shall vote by proxy so long as a resolution of its board of directors under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at the general meeting at which the vote by proxy is tendered.

**71.PROCEDURE WHERE A COMPANY OR BODY CORPORATE IS A MEMBER OF THE COMPANY – ARTICLE - 72**

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

**72.VOTES IN RESPECT OF INSANE MEMBER – ARTICLE – 73**

If any member be a lunatic or idiot or non compos mentis he may vote whether on a show of hands or at a poll by his committee, curator bonus or other legal curator and such last mentioned person may give his vote by proxy provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which any such person proposes to vote he shall satisfy the Board of his right under Article 42 hereof to the share in respect of which he proposes to exercise his right under this Article, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

**73.JOINT HOLDERS – ARTICLE – 74**

Where there are members registered jointly in respect of any share any one of such persons may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto; and if more than one of such members registered jointly be present at any meeting either personally or by proxy, that one of the said persons so present whose name stands first on the Register in respect of such share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share is registered shall for the purposes of this Article be deemed joint-holders thereof.

**74. PROXIES PERMITTED – ARTICLE – 75**

Votes may be given either personally or by proxy, and on a poll a person entitled to more than one vote need not use all his votes or cast all the votes he uses in the same way.

**75.INSTRUMENT APPOINTING PROXY TO BE IN WRITING. – ARTICLE -76.(1)**

The instrument appointing a proxy shall be in writing under the hand of the appointer or of his Attorney duly authorized in writing or if such appointer is a body corporate be under its common seal or the hand of its officer or Attorney duly authorized. A proxy who is appointed for a specified meeting only shall be called a Special Proxy. Any other proxy shall be called a General Proxy.

**76.PROXY NEED NOT BE A MEMBER – ARTICLE – 76 (2)**

A person may be appointed a proxy though he is not a member of the Company and every notice convening a meeting of the Company shall state this and that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him.

**77. INSTRUMENT APPOINTING A PROXY TO BE DEPOSITED AT THE OFFICE  
ARTICLE – 77**

The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notarilly certified copy of that power or authority, shall be deposited at the Office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument purports to vote in respect thereof or in the case of a poll not less than twenty-four hours before the time appointed for taking the poll, and in default the instrument of proxy shall not be treated as valid.

**78. WHEN VOTE BY PROXY VALID THOUGH AUTHORITY REVOKED – ARTICLE – 78**

A vote given in accordance with the terms of an instrument appointing a proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of share shall have been received by the Company at the Office before the vote is given. Provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

**79. FORM OF INSTRUMENT APPOINTING A SPECIAL PROXY – ARTICLE – 79**

Every instrument appointing a special proxy shall be retained by the Company and shall as nearly as circumstances will admit, be in such form as may be prescribed by the Act.

**80. RESTRICTIONS ON VOTING – ARTICLE -80**

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

**81. ADMISSION OR REJECTION OF VOTES – ARTICLE – 81 (1) & ( 2 )**

- 1) Any objection as to the admission or rejection of a vote, either on a show of hands or on a poll made in due time, shall be referred to the Chairman who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.
- 2) No objection shall be raised to the qualification of any vote 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.

**82.NUMBER OF DIRECTORS – ARTICLE – 82**

Until otherwise determined by Special Resolution the number of the Directors of the Company shall not be less than three nor more than twelve.

**83.DIRECTORS – ARTICLE – 83**

At the date of adoption of these Articles the following are the Directors of the Company :

- (i) **SHRI SHREEYASH BANGUR**
- (ii) **SHRI YOGESH BANGUR**
- (iii) **SHRI GOVIND SHARDA**

**84.SHARE QUALIFICATION OF DIRECTORS ARTICLE – 84**

The shareholding qualification of a Director may be fixed by the Company in general meeting and unless and until so fixed no qualification shall be required.

**85.DIRECTORS FEES , REMUNERATION AND EXPENSES – ARTICLE 85(1)**

Unless otherwise determined by the Company in general meeting, each Director shall be entitled to receive out of the funds of the Company for each meeting of the Board or a Committee thereof attended by him such fee as may from time to time be determined by the Board but not exceeding such sum as may from time to time be prescribed by or under the Act and applicable to the Company.

**86.DIRECTORS COMMISSION – ARTICLE 85 ( 2 )**

Subject to the provisions of Sections 198, 309 and 310 of the Act (wherever applicable) and without prejudice to Articles 85(1), 85(3) and 113 hereof the Directors (other than a Managing Director and a Whole time Director) may be paid further remuneration by way of commission if the Company by a Special Resolution authorizes such payment provided that such commission shall not in the aggregate exceed 3% of the net profits of the Company (to be reduced to 1% of the net profits of the Company if the Company has a Managing Director or a Whole time Director) computed in the manner laid down in Section 309(5) of the Act and further that such remuneration shall be paid to all the Directors for the time being in office (other than a Managing Director and a Whole time Director) or to any one or more of them in such proportion as the Board may by Resolution decide when authorizing such payment and in default of such decision equally to all the Directors.

**87.DIRECTORS REMUNERATION FOR EXTRA SERVICES – ARTICLE – 85( 3)**

If any Director being willing, is 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 as a member of a Committee of the Board then, subject to Sections 198, 309 and 310 of the Act, the Board may remunerate the Director so doing either by a fixed sum 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.

**88.DIRECTORS EXPENSES – ARTICLE – 85( 4 )**

The Directors shall be entitled to be paid all fee for filing documents which they may be required to file under the Act and shall also be entitled to be paid their reasonable traveling and hotel expenses incurred and other amounts payable in attending and returning from Board meetings, Committee meetings or general meetings of the Company or otherwise incurred in the execution of their duties as Directors.

**89.BOARD MAY ACT NOTWITH-STANDING VACANCY- ARTICLE – 86**

The continuing Directors may act notwithstanding any vacancy in their body; but so that if the number falls below the minimum above fixed the Board shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

**90.VACATION OF OFFICE OF DIRECTOR. ARTICLE – 87**

The office of a Director shall ipso facto become vacant upon the happening of any of the events enumerated in sub-section (1) of Section 283 of the Act subject to the provisions of sub-section (2) of the said Section 283.

**91.HOLDING OF OFFICE OR PLACE OF PROFIT UNDER THE COMPANY OR UNDER ITS SUBSIDIARY – ARTICLE – 88**

Any Director or other person referred to in Section 314 of the Act may be appointed to or hold any office or place of profit under the Company or under any subsidiary of the Company in accordance with the provisions of Section 314 of the Act.

**92.RETENTION BY A DIRECTOR OF BENEFITS FROM ASSOCIATED COMPANY-ARTICLE – 89**

Subject to Section 314 of the Act a Director of the Company may be or become a director of any other company promoted by the Company or in which it may be interested as a vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company.

**93.CONDITIONS UNDER WHICH DIRECTORS MAY CONTRACT WITH COMPANY - ARTICLE – 90**

Subject to the provisions of Section 297 of the Act neither shall a Director be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company nor shall any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director, or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or director, be

avoided nor shall any Director so contracting or being such member or so interested be liable to account to the Company for any profit realized by such contract or arrangement by reason of such Director holding office or of the fiduciary relation thereby established.

**94. DISCLOSURE OF A DIRECTOR'S INTEREST – ARTICLE - 91**

Every Director who is any way, whether directly or indirectly, concerned or interested in a contract or arrangement, entered into or to be entered into by or on behalf of the Company not being a contract or arrangement entered into or to be entered into between the Company and any other company where any of the Directors of the Company or two or more of them together holds or hold not more than two per cent of the paid up share capital in the other company shall disclose the nature of his concern or interest at a meeting of the Board as required by Section 299 of the Act. A general notice, renewable in the last month of each financial year of the Company, that a Director is a director or a member of any specified body corporate or is a partner of any specified firm and is to be regarded as concerned or interested in any subsequent contract or arrangement with that body corporate or firm shall be sufficient disclosure of concern or interest in relation to any contract or arrangement so made and, after such general notice, it shall not be necessary to give special notice relating to any particular contract or arrangement with such body corporate or firm, provided such general notice is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given. Every Director shall be bound to give and from time to time renew a general notice as aforesaid in respect of all bodies corporate of which he is a director or member and of firms of which he is a proprietor /partner.

**95. DISCUSSION AND VOTING BY DIRECTOR INTERESTED – ARTICLE – 92**

A Director shall not take any part in the discussion of, or vote on any contract or arrangement in which he is in any way, whether directly or indirectly concerned or interested and if he shall do so his vote shall not be counted nor shall he be counted in the quorum present at the meeting but neither of these prohibitions shall apply to any contract or arrangement exempted by Section 300 of the Act.

**96. PROPORTION OF DIRECTORS TO RETIRE BY ROTATION – ARTICLE – 93(1)**

Not less than two-thirds of the total number of Directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation.

**97. ROTATION AND RETIREMENT OF DIRECTORS – ARTICLE – 93 (2)**

At each Annual General Meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office.



**98. WHICH DIRECTORS TO RETIRE – ARTICLE – 93(3)**

The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

**99. WHEN THE COMPANY AND CANDIDATE FOR OFFICE OF DIRECTOR MUST GIVE NOTICE - ARTICLE – 94**

The eligibility and appointment of a person other than a retiring Director to the office of Director shall be governed by the provisions of Section 257 of the Act.

**100. POWER OF BOARD TO ADD TO ITS NUMBER. – ARTICLE – 95**

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 up to the date of the next Annual General Meeting of the Company and shall then be eligible for re-appointment.

**101. BOARD MAY FILL UP CASUAL VACANCIES. – ARTICLE – 96**

Any casual vacancy occurring among the Directors may be filled up by the Board at a meeting but any person so appointed shall retain his office so long only as the vacating Director would have retained the same if no vacancy had occurred. Provided that the Board may not fill such vacancy by appointing thereto any person who has been removed from the office of Director under Article 98.

**102. POWER TO APPOINT ALTERNATE DIRECTOR – ARTICLE – 97**

The Board may in accordance with and subject to the provisions of Section 313 of the Act appoint any person to act as Alternate Director for a Director during the latter's absence for a period of not less than three months from the state in which meetings of the Board are ordinarily held.

**103. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION ON SPECIAL NOTICE. – ARTICLE – 98**

The Company may remove any Director before the expiration of his period of office in accordance with the provisions of Section 284 of the Act and may subject to the provisions of Section 263 of the Act appoint another person in his stead if the Director so removed was appointed by the Company in general meeting or by the Board under Section 262 of the Act.

**104. MEETINGS OF DIRECTORS – ARTICLE – 99**

The Board shall meet together at least once in every three months for the dispatch of business and may adjourn and otherwise regulate its meetings and proceedings as it thinks fit provided that at least four such meetings shall be held in every year. Notice in writing of every meeting of the Board shall be given to every Director for the time being in India and at his usual address in India to every other Director.

**105. DIRECTOR MAY SUMMON MEETING. – ARTICLE – 100**

A Director may, at any time, and the Secretary shall, upon the request of a Director made at any time, convene a meeting of the Board.

**106. CHAIRMAN. – ARTICLE – 101**

The Board may appoint some one of their number to be the Chairman of the Board and the Director so appointed shall continue as Chairman until otherwise determined by the Board. If no such Chairman is appointed or if at any meeting of the Board the Chairman shall not be present within fifteen minutes after the time appointed for holding the same, the Directors present shall choose some one of their number to be the Chairman of such meeting.

**107. QUORUM - ARTICLE – 102**

The quorum for a meeting of the Board shall be two Directors or one-third of the total strength of the Board whichever is higher in accordance with the provisions of Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman of the Board shall appoint.

**108. POWERS OF QUORUM - ARTICLE – 103**

A meeting of the Board at which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles or the Act for the time being vested in or exercisable by the Board.

**109. HOW QUESTIONS TO BE DECIDED – ARTICLE – 104**

Subject to the provisions of Sections 316, 372A(2) and 386 of the Act, questions arising at any meeting shall be decided by a majority of votes, and, in case of an equality of votes, the Chairman shall have a second or casting vote.

**110. POWER TO APPOINT COMMITTEES AND TO DELEGATE.- ARTICLE – 105**

The Board may, subject to the provisions of the Act from time to time and at any time, delegate any of its powers to a Committee consisting of such Director or Directors as it thinks fit, and may, from time to time, revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.

**111. PROCEEDINGS OF COMMITTEE – ARTICLE - 106**

The meetings and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto and are not superseded by any regulations made by the Board under these Articles.

**112. WHEN ACTS OF A DIRECTOR VALID NOTWITHSTANDING DEFECTIVE APPOINTMENT – ARTICLE – 107**

Acts done by a person as a Director shall be valid notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had terminated by virtue of any provision contained in the Act or in these Articles. Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

**113. RESOLUTION WITHOUT BOARD MEETING – ARTICLE - 108**

Save in the cases where a resolution is required by Sections 262, 292, 297, 316, 372A and 386 of the Act to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors or to all the members of the Committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members of the Committee at their usual address in India, and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution.

**114. MINUTES TO BE MADE- ARTICLE – 109 ( 1 ) & ( 2 )**

- 1) The Board shall, in accordance with the provisions of Section 193 of the Act, cause minutes to be kept of every general meeting and of every meeting of the Board or of every Committee of the Board.
- 2) Any such minutes of any meeting of the Board or any Committee of the Board or of the Company in general meeting, if kept in accordance with the provisions of Section 193 of the Act, shall be evidence of the matters stated in such Minutes. The Minute Books of general Meetings of the Company shall be kept at the Office and shall be open to inspection by members during the hours of 10 a.m. and 12 noon on such business days as the Act requires them to be open for inspection.

**115. GENERAL POWERS OF THE COMPANY VESTED IN THE BOARD – ARTICLE – 110**

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 these 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 there under including regulations 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.

**116. POWER TO APPOINT MANAGING/ WHOLETIME DIRECTOR – ARTICLE – 111**

Subject to the provisions of Sections 268 and 269 of the Act, the Board may, from time to time, appoint one or more Directors to be Managing/ whole time Director or Directors of the Company, for a period not exceeding the period prescribed by the Act for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their places.

**117. TO WHAT PROVISIONS A MANAGING/ WHOLETIME DIRECTOR SHALL BE SUBJECT.- ARTICLE – 112**

Subject to the provisions of Section 255 of the Act a Managing/whole time Director shall not, while he continues to hold office be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire. Subject to the provisions of any contract between him and the Company a Managing /whole time Director shall be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be a Managing /whole time Director if he ceases to hold the office of Director from any cause save that if he shall retire by rotation under the provisions of Section 256 of the Act or otherwise vacate office as a Director at an Annual General Meeting and be reappointed a Director at the same meeting he shall not, by reason only of such retirement or vacation cease to be a Managing/ whole time Director.

**118. REMUNERATION OF MANAGING/ WHOLETIME DIRECTOR – ARTICLE – 113**

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

**119. POWERS OF MANAGING/ WHOLETIME DIRECTORS – ARTICLE – 114**

Subject to the provisions of the Act and in particular to the prohibitions and restrictions contained in Section 292 thereof, the Board may, from time to time, entrust to and confer upon a Managing/ whole time Director for the time being such of the powers exercisable under these Articles by the Board as it may think fit, and may confer such powers for such time, and to be exercised for such objects and purposes, and upon such terms and conditions, and with such restrictions as it thinks fit, and the Board may confer such powers, either collaterally with, or to the exclusion of and in substitution for all or any of the powers of the Board in that behalf, and may, from time to time, revoke, withdraw, alter or vary all or any of such powers.

**120. SECRETARY – ARTICLE – 115**

Subject to the provisions of Section 383A of the Act the Board may at any time and from time to time appoint any individual possessing the prescribed qualification to be the Secretary of the Company and may determine his powers and duties and fix his remuneration and the period for which and other terms and conditions on which he is to hold such office.

**121. CUSTODY OF SEAL.- ARTICLE – 116**

The Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority previously given of the Board or a Committee of the Board authorised by the Board in that behalf and, save as required under the Companies (Issue of Share Certificates) Rules, 1960, at least one Director and the Secretary or one Director and such other person as the Board may appoint shall sign every instrument to which the Seal is affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.

**122. RESERVES – ARTICLE – 117**

Subject to the provisions of Section 205 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 liabilities of the Company, for equalization of dividends, for repairing, improving or maintaining any of the 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 372A of the Act invest the several sums so set aside upon such investment (other than shares of the Company) as the Board may think fit, and from time to time deal with and vary such investment and dispose of all or any part thereof for the benefit of the Company, and may divide the Reserves into such special funds as it thinks fit, with full power to employ the Reserves or any parts thereof in the business of the Company, without being bound to keep the same separate from the other assets.

**123. INVESTMENT OF MONEY – ARTICLE – 118**

All moneys carried to the Reserves shall nevertheless remain and be profits of the Company applicable subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may, subject to the provisions of Section 372A of the Act be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may, from time to time, think proper.

**124. CAPITALISATION OF RESERVES – ARTICLE – 119(1)**

Any general meeting may upon the recommendation of the Board resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend or representing premium received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full any unissued shares, debentures or debenture stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Account may, for the purpose of this Article, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

**125. SURPLUS MONEYS- ARTICLE -119(2)**

A general meeting may resolve that any surplus moneys arising from the realization of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge from Income-tax, be distributed among the members on the footing that they receive the same as capital.

**126. FRACTIONAL CERTIFICATES.- ARTICLE – 120**

For the purpose of giving effect to any resolution under either of the clauses of the last preceding Article the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates and may determine that cash payment shall be made to any members in order to adjust the rights of all parties and may vest such cash in trustees upon such trusts for the persons entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

**127. HOW PROFITS SHALL BE DIVISIBLE.- ARTICLE -121**

Subject to the rights of members entitled to shares, if any, with preferential or special rights attached to them or unless otherwise provided in any respect by the terms of issue, the profits of the Company which it shall from time to time be determined to distribute in respect of any year or other period shall be applied in the payment of a dividend on the Equity Shares of the Company but so that a partly paid up share shall only entitle the holder with respect thereto to such a proportion of the distribution upon a fully paid-up share as the amount paid thereon bears to the nominal amount of such shares.

**128. DECLARATION OF DIVIDENDS.- ARTICLE - 122**

The Company in general meeting may declare a dividend to be paid to the members according to their rights and interest in the profits and may, subject to the provisions of Section 207 of the Act fix the time for payment.

**129. RESTRICTION ON AMOUNT OF DIVIDENDS.- ARTICLE – 123**

No larger dividend shall be declared than is recommended by the Board, but the Company in general meeting may declare a smaller dividend.

**130. DIVIDEND – ARTICLE -124**

Subject to the provisions of Section 205 of the Act, no dividend shall be payable except out of the profits of the Company and no dividend shall carry interest against the Company.

**131. WHAT TO BE DEEMED NET PROFITS – ARTICLE – 125**

The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

**132. INTERIM DIVIDENDS- ARTICLE – 126**

The Board may, from time to time pay to the members such interim dividends as appear to the Board to be justified by the profits of the Company.

**133. DEBTS MAY BE DEDUCTED – ARTICLE – 127**

The Board may deduct from any dividend payable to any member all sums of moneys, if any, presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.

**134. DIVIDEND AND CALL TOGETHER - ARTICLE – 128**

Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend and the dividend may be set off against the call.

**135. DIVIDEND IN CASH- ARTICLE – 129**

No dividend shall be payable except in cash, provided that nothing in the foregoing shall be deemed to prohibit the capitalisation of profits or reserves of the Company for the purpose of issuing fully paid-up bonus shares or paying up any amount for the time being unpaid on the shares held by the members of the Company.

**136. EFFECT OF TRANSFER – ARTICLE -130**

A transfer of shares shall not pass the rights to any dividend declared thereon before the registration of the transfer by the Company and where appropriate the Company shall comply with the requirements of Section 206A of the Act.

**137. PAYMENT OF INTEREST ON CAPITAL – ARTICLE – 131**

The Company may pay interest on capital raised for the construction of works or buildings when and so far as it shall be authorised to do by Section 208 of the Act.

**138. TO WHOM DIVIDENDS PAYABLE – ARTICLE – 132**

No dividend shall be paid in respect of any share except to the registered holder of such share or to his order or to his bankers but nothing contained in this Article shall be deemed to require the bankers of a registered shareholder to make a separate application to the Company for the payment of the dividend. Nothing in this Article shall be deemed to affect in any manner the operation of Article 130.



**139. DIVIDEND TO JOINTHOLDERS – ARTICLE -133**

Any one of several persons who are registered jointly in respect of any share may give effectual receipts for all dividends and the payments in respect of such share.

**140. PAYMENT BY POST- ARTICLE – 134**

Unless otherwise directed in accordance with Section 206 of the Act, any dividend, interest or other moneys payable in cash in respect of a share may be paid by cheque or warrant sent through the post to the registered address of the member or, in the case of members registered jointly to the registered address to that one of the members registered jointly who is the first named on the Register in respect of such share or to such person and such address as the member or members registered jointly as the case may be, may direct, and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

**141. UNPAID OR UNCLAIMED DIVIDEND.- ARTICLE 135**

Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of the declaration, to any shareholder entitled to the payment of the dividend, the Company shall, within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend Account" and transfer to the said account, the total amount of dividend which remains unpaid or unclaimed within the said period of 30 days.

Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund established by the Central Government under Section 205C of the Act and no claims shall lie against the above Fund or the Company in respect thereof.

No unclaimed or unpaid dividend shall be forfeited by the Board.

**142. SECRECY- ARTICLE – 157**

Every Director, Secretary, Trustee for the Company, its members or debenture-holders, member of a Committee, officer, servant, agent, accountant, or other person employed in or about the business of the Company shall, if so required by the Board, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any general meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.

**143. NO MEMBER TO ENTER THE PREMISES OF THE COMPANY WITHOUT PERMISSION- ARTICLE – 158**

No member or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board or, subject to Article 137 to require discovery of or any information respecting any detail of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.

**144. INDEMNITY- ARTICLE – 160**

Every Director, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as Auditor shall be indemnified out of the funds of the Company against all liability incurred by him as such Director, Secretary, Officer, Employee or Auditor in defending any proceedings, whether civil or criminal, in which judgment 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.

## **SECTION VIII**

### **OTHER INFORMATION**

#### **MATERIAL CONTRACTS/DOCUMENTS FOR INSPECTION**

1. Memorandum and Articles of Association of the Company.
2. Certificate of Incorporation issued by the Registrar of Companies, West Bengal consequent upon conversion of the Company.
3. Scheme of Arrangement for Demerger between Kiran Vyapar Limited and Maharaja Shree Umaid Mills Limited.
4. Order of the Hon'ble High Court of Calcutta sanctioning the Scheme of Arrangement under Section 394 of the Companies Act, 1956.
5. Fresh Certificate of Incorporation consequent on change of name issued by the Registrar of Companies, West Bengal changing the name of the Company to Kiran Vyapar Limited.
6. Copy of Certificate of Registration Issued by the Reserve Bank of India to carry on Non Banking Financial Institution business.
7. Copy of Resolution relating to the appointment of Mr. Shreeyash Bangur as Managing Director of the Company.
8. Letter from M/s AGARWAL MAHESWARI & CO., Chartered Accountants as mentioned in the Information Memorandum and their consent letter dated 04.11.2013 for inclusion of their report.
9. The Report of the auditors M/s AGARWAL MAHESWARI & CO, Chartered Accountants as set out herein dated 04.11.2013, in relation to the financial statement of the company for the last five years.
10. The Statement of Tax benefits prepared by the auditors M/s. AGARWAL MAHESWARI & CO., Chartered Accountants on tax benefits available Dated 04.11.2013
11. Annual Report of the Company for the last five years
12. Copy of application made to BSE for in principle listing approval
13. Copy of application made to CSE for in principle listing approval
14. Tripartite agreement dated 09.10.2013 with NSDL, tripartite agreement dated 17.10.2013 with CDSL admitting the equity shares of the company in dematerialized form under ISIN INE555P01013.

**DECLARATION**

No statement made in this Information Memorandum contravenes any of the provisions of the Companies Act, 1956 and the rules made there under. All the legal requirements connected with the said issue as also the guidelines; instructions etc. issued by SEBI, Government and any other competent authority in this behalf have been duly complied with. We further certify that all statements in this Information Memorandum are true and fair.

Yours faithfully

**BY ORDER OF THE BOARD OF DIRECTORS  
FOR KIRAN VYAPAR LIMITED**

**LAKSHMI NIWAS BANGUR  
(Chairman)**

**Place: KOLKATA  
Date: 04.11.2013**