

KHOBSURAT LIMITED

INFORMATION MEMORANDUM

PART - I

I. General Information

Name of Company	KHOBSURAT LIMITED
Registered Office Address	1, R. N. Mukherjee Road, Mezzanine Floor, Room No. 12, Kolkata-700 001
Administrative Office Address	1, R. N. Mukherjee Road, Mezzanine Floor, Room No. 12, Kolkata-700 001
Telephone & Fax No.	Tel : +91 33-4066 1067 Fax : +91 33 3028 5807
Email ID	khoobsurat.kolkata@gmail.com
Website	www.khoobsuratltd.com
Date of Incorporation of Company	17 th April 1982
CIN of the Company	L23209WB1982PLC034793
Scrip Code on BSE	Yet to be allotted
ISIN of the Company	INE731G01019
Name of Regional Stock Exchanges where the Shares of Company are Listed	Calcutta Stock Exchange Association Ltd.
Name of Other Stock Exchanges where the Shares of Company are Listed	Uttar Pradesh Stock Exchange Ltd.
Name & Address of Auditors of the Company	M/s Mukesh Choudhary & Associates Chartered Accountants Commerce House, 2A, Ganesh Chandra Avenue 5 th Floor, Suit No. 5, Kolkata-700 013 Tel : +91 33 2213 2911 Email : mukesh_dec77@yahoo.co.in

II. Capital Structure of the Company

Authorized Capital of the Company	Rs. 15.000000 Crore
Paid-up Capital of the Company	Rs. 13.284474 Crore
Issued & Subscribed Capital of the Company	Rs. 13.284474 Crore
Face Value of Equity Shares	Rs. 10/- (Ten)

III. Shareholding Pattern of the Company

Shares held by Promoters & Promoter Group & Percentage of Paid-up Capital	12,33,390 Equity Shares or 9.28% of Paid-up Capital
Shares held by Public & Percentage of Paid-up Capital	1,20,51,084 Equity Shares or 90.72% of Paid-up Capital
No. of Shareholders as on 31 st March 2013	519
No. & Percentage of Shares in Dematerialized Form	94,59,821 Shares or 71.21% of Paid-up Capital

For KHOBSURAT LIMITED

DIRECTOR

IV. Company, Management and Project

<p>History and main objects and present business of the Company</p>	<p>The Company was incorporated on 17th April 1982 in City of Kolkata (West Bengal) in the name and style of "Khoobsurat Limited" & obtained the Certificate for Commencement of Business 1st May 1982 from The Registrar of Companies, Calcutta, West Bengal.</p> <p>The Company was Promoted by Mr. Roop Chand Chhajer, Mr. Sarder Singh Shekhawat & Mr. Dinesh Mehta who have been resigned in between. The Details of the Current Promoters of the Company has been given elsewhere in this Information Memorandum.</p> <p>The Main Objects of the Company are as under –</p> <p>A.</p> <ol style="list-style-type: none">1. To carry on all their respective branches the business of manufacturing of and dealers in organics and in-organic chemicals of any nature and kind whatsoever and as wholesale and retail chemists and druggists, analytical chemists, dry-salter, oil and colour men, importers exporters and manufactures of and dealers in heavy, fine and all varieties of chemicals and chemical products, alkalis, acids, drugs, tannins, essences, pesticides, weedicides, insecticides, caustic soda, soda ash, carbons, hydrocarbons, petro chemicals and petroleum products, alum, oleum, dyes and intermediaries, synthetic, rubber chemicals and rubber goods, agro-chemicals, marine-chemicals, phytic-chemicals, synthetic fibers, gas & gaseous materials of all kinds, salts, marine minerals, their derivatives by-products and compounds of all kinds and description.2. To carry on the business of manufactures, importers, exporters of and dealers in fertilizers, including synthetic and other fertilizers, manures, dips, sprays, medicines and remedies of all kinds for agricultural, horticultural or other purposes and remedies for animals.3. To promote industrial projects, industrial ventures, enterprises, to survey, investigate, assess, examine, ascertain, technical, commercial and financial feasibility of and undertake manufacturing and marketing of any plants, machineries, components, tools, implements, accessories, articles, goods and things covered under foregoing paragraphs.4. To carry on the business of traders, dealers, wholesalers, retailers, combers, sources, spinners, weavers, knitters,
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FOR KHOORSURAT LIMITED



DIRECTOR

	<p>finishers, dyers and manufacturers of yarns and fabrics, synthetics, cotton, silk, rayon, nylon, wool and other natural synthetics and/or fibrous substances including staple fiber, polyester, polyacrylonitrile, polyvinyl acetate, elastomers and resin of all types, grades and copolymer polystyrene, chloride, poly methyl, methacrylate, epoxy resins, alkyd resins, melamine, polycarbonates, polyamides or any other or new substances being improvements upon, modification of or being derived from additions to petro-chemicals or other products or resulting from any process and/or manufacture of materials from the waste realized from the above mentioned products either on its own account or on commission.</p> <p>5. To carry on the business of spinners, weavers, manufacturers, balers, pressers traders, dealers, wholesalers, retailers, combers, scourers, finishers and dyers, bleachers of jute, jute cuttings, jute rejections, hemp and any other, fibrous material and the cultivation thereof and the business of buyers, sellers and dealers of jute, jute cuttings, jute rejections, hemp and any other fibrous material and of goods or merchandise made thereof.</p> <p>6. To carry on the business of an investments company and to invest in acquire, sell, transfer, subscribe, for, hold and otherwise deal in and invest in any shares, bonds, stocks, obligations issued or guaranteed by any company or companies constituted and carrying on business in India or elsewhere and debentures, debenture-stocks, bonds, obligations and securities issued or guaranteed by any Government State, Sovereign Commissioners Central or Provincial public body or authority supreme, municipal, local otherwise whether in India or elsewhere and to promote, from or acquire any company and to take, purchase or acquire shares or interest in any Company and to transfer to any such company and property of this company either out of its own fund or out of funds that it might borrow.</p>
Subsidiary(ies) of the company, if any	We are not having any Subsidiary Company as of now
Group / Sub-Group Companies listed on BSE	There is no Group / Sub-Group Company listed on BSE
Promoters and their background	<p>The Company was originally promoted by Mr. Roop Chand Chhajer, Mr. Sarder Singh Shekhawat, Mr. Dinesh Mehta and Mr. Krishna Kant Roy on 20.03.1982. In May 1982, Mr. S. S. Maloo has been appointed as Additional Director of the Company who became Executive Director in AGM held in Sept 1982. In</p>

FOR KROODSUN LIMITED



DIRECTOR

the same Annual General Meeting, both Mr. Dinesh Mehta and Mr. Krishna Kant Roy been retired (Not Appointed after retirement in AGM).

Mr. Roop Chand Chhajer (56 years old), B.Com, was having an experience of over 22 years in the field of investment and project consultancy.

Mr. Sarder Singh Shekhawat (42 years old), is an M.A.(Eco.), M.Com, CA, LLB is having more than 18 years of experience in the field of Core Banking, Investment Consultancy and Money Market. Moreover he was an expertise to the Legal & statutory matters.

Mr. S. S. Maloo (37 years old), is an FCS, FICWA, LLB, Diploma in Accounting and Auditing (London), having an experience on corporate laws. He has over 13 years experience in Corporate Sector. He was a Corporate Advisor to a number of Industrial Houses of India, presently being advisor to 6 such Industrial Houses. Presently the areas of activities handled by him are Company Law and other legal matters.

There were changes among Board Directors of the Company during the period and in August 2002, Mr. Roop Chand Chhajer, Mr. Sarder Singh Shekhawat, Mr. Dinesh Mehta and Mr. Krishna Kant Roy have resigned from the directorship and in their places Mr. Hira Lal Khemka, Mr. Arvind Khemka and Mr. Amit Khemka were appointed as the Directors. In October 2004, Mr. Hiralal Khemka has expired and to fill his place/vacancy, Mr. Prabhat Goyal has been appointed as Director of the Company. In February 2008, Mr. Arvind Khemka and Mr. Amit Khemka have resigned from the Board in their places, Mr. Alok Kr. Das and Mr. Nand Kishore Fogla have been appointed as Director of the Company. In February 2010, Mr. Prabhat Goyal has resigned from the Board and in his place Mr. Amlsh Sadhu has been appointed as Additional, Non-Executive Director of the Company.

Mr. Goutam Bose has been appointed as Director of the Company w.e.f. 25th March 2010 and continued to serve the Company. Further, Mr. Amlsh Sadhu has resigned from the Board in November 2010 and in Dec 2010, Mr. Purushottam Khandelwal has been appointed as Non-Executive, Independent Director of the Company.

The Back ground of current management personnel and Board of Directors have been elaborated elsewhere in the Information

For KHOBSURAT LIMITED

DIRECTOR

	Memorandum.
Names, addresses and occupation of manager, managing director and other directors including nominee-directors, whole-time directors (giving their directorships in other companies)	<p>Mr. Goutam Bose –Non-Independent & Executive Director Address : 147/8 Ashoknagar, Dist 24 Paraganas (North), Pin – 743 222</p> <p>Directors in other Public Limited Companies –</p> <ul style="list-style-type: none"> • NCL Research & Financial Services Ltd. <p>Mr. Nand Kishore Fogla Non-Independent & Executive Director Address : 7a, Arabinda Sarani, 2nd Floor, Kolkata-700005</p> <p>Directors in other Public Limited Companies –</p> <ul style="list-style-type: none"> • Not Any <p>Mr. Purushottam Khandelwal –Non-Independent & Non-Executive Director Address : 165/1 Bangur Avenue, Dumdum (S), 24 Parganas (N), Kolkata-700 074</p> <p>Directors in other Companies –</p> <ul style="list-style-type: none"> • Not Any <p>Mr. Mangelal Joshi – 3B Lal Bazar Street, 5th Floor, Kolkata – 700 001</p> <p>Directors in other Companies –</p> <ul style="list-style-type: none"> • Not Any <p>Mr. Alok Kr. Das –Non-Independent & Non-Executive Director Address : 20 Chanchal Sarani, P.O. Santoshpur, Kolkata – 700 075.</p> <p>Directors in other Companies –</p> <ul style="list-style-type: none"> • Global Capital Market & Infrastructures Ltd. • GCM Securities Ltd (Listed on SME of BSE) <p>Mrs. Pooja Bharatia – Company Secretary & Compliance Officer B. Com, CS 99, Sitaram Ghosh Street, Kolkata – 700 009</p>
Location of Business / Project	At Kolkata (West Bengal)
Plant and Machinery, Technology, Process, etc.	Not Any
Collaboration, any performance guarantee or assistance in marketing by the collaborators.	Not Any
Infrastructure facilities for raw materials and utilities like water, electricity, etc.	Not Applicable
Nature of the products - consumer/industrial and end-users	<ul style="list-style-type: none"> • Trading of Grey & Synthetic Fabric • Development of Mobile Applications / Computer Software • Investment in Shares & Securities • Loans Syndication (Inter Corporate Deposits)

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DIRECTOR

Approach to marketing and proposed marketing set up.	The Company is having its' vide presence in Textile business and is has tied-up with several retail merchants as well as Brokers in the market who brings orders / sale products of the Company. In case of Sale of Mobile Applications, the Company has appointed its Sales person who approaches to the merchants who use to sell mobile applications. In term of Loan Syndication, the Company has several contacts with Chartered Accountants and other Corporate Entities, HNIs who generally deals with the Company as per their requirements.
Export possibilities and export obligations	However, the Company's business is having vide scope for export possibilities or export obligations but looking to risk involved in the Export Business, the Company has not yet started exporting its products.
Future prospects	The Company is hopeful of doing better and better as time progresses.
Stock Market Data	As the Shares of the Company trades in the narrow range thus we are not providing stock market data for the Company. However last closing price on CSE was Rs. 159/10-.

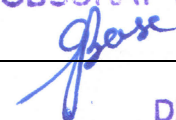
V. Particulars in regard to the Company and other listed companies under the same management within the meaning of section 370(1B) which made any capital issue during the last three years :

Name of the company	Not Any
Year of issue	1983
Type of issue (Public/rights/composite)	Public Issue
Amount of issue	Rs. 1.50 Crore
Date of Listing	3 rd August 1983
Rate of dividend paid	No Dividend has been paid during last 7 Years

VI. Outstanding litigation pertaining to –

Matters likely to affect operation and finances of the company including disputed tax liabilities of any nature	No Such Case/s pending against Company
Criminal prosecution launched against the company and the directors for alleged offences under the enactments specified in paragraph 1 of Part I of Schedule XIII to the Companies Act, 1956.	No Such Case/s
Particulars of default, if any, in meeting statutory dues, institutional dues, and towards instrument holders like debentures, fixed deposits, and arrears on cumulative preference shares, etc. (also give the same particulars about the companies promoted by the same private promoters and listed on stock exchanges).	No Such Case/s

For KHOBSURAT LIMITED



DIRECTOR

Any material development after the date of the latest balance sheet and its impact on performance and prospects of the company.	No Material Development after the date of the latest Balance Sheet
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VII. Management perception of risk factors (i.e., sensitivity to foreign exchange rate fluctuations, difficulty in availability of raw materials or in marketing of products, cost/time overrun, etc.)

The current recession does not appear as a purely economic one, and nor will the fallouts be restricted to economics alone. While factors that lead me to conclude this are many, one can quickly look at the maddening fluctuation in oil prices and try convincing them that this is truly economic demand and supply at work. I stand unconvinced.

This recession is a test of political leadership across the world and of the belief in a global economic order.

Unfortunately, performance on both these counts by India's politicians has been far from impressive. One can see it in the state of infrastructure, the delay in taking crucial action and the immediate raising of protective barriers when a global meltdown commenced.

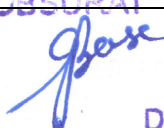
However this can be handled by way of undertaking large private participation projects, Investment and regulate education with a twofold objective - Improve the quality of India's huge population presently in working age group and second undertake effective and radical reforms to ensure all children visit at least part time school, by way of Tax reforms that bring some order in central vs. state taxation. Cracking down on corruption, which is India's single most important threat. Empowering the Vigilance Commission and set up an executive body not answerable from the political framework (like the army / judiciary) with special windows with judiciary for time bound trials. Focus on ground level corruption initially to ensure public's respect for the law is reinforced first. It would also be more agreeable to the politicians, so there may be a chance that it happens.

Again, change in Government Policy, both local and Export; on its products, levy/increase of Taxes etc can affect the profitability of our Business.

PART II

I. General information

Consent of Directors, Auditors, Solicitors / Advocates, Managers to the issue, registrar of issue, bankers to the company, bankers to the issue and experts.	Not Applicable to the Company as ours are one of the listed Company and are not proposing to raise fund from both Primary & Secondary Market.
Change, if any, in directors and auditors during the last three years, and reasons thereof.	Change in Composition of Board During the period of last three years, Mr. Amlesh Sadhu has resigned from the Board. Further, Mr. Mangelal Joshi and Mr. Purushottam Khandelwal have joined the Board as Non-Executive, Independent Directors of the

FOR KPOBSEAT LIMITED

DIRECTOR

	<p>Company to fill-up vacancies caused due to resignation of above referred Director. Recently Mr. Alok Kr. Das has joined the Board as Non-Executive, Independent Director of the Company, who is a Chartered Accountants by Profession and is expertise in Accounting, & Taxation matters.</p> <p>Change in Auditors of the Company</p> <p>There is no Change in Auditors of the Company since March 2010 and M/s. Mukesh Choudhary & Associates, Chartered Accountants, Kolkata continued to be the Auditors of the Company.</p>
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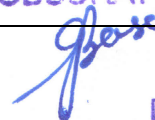
Names and addresses of the company secretary, legal adviser, lead managers, co-managers, auditors, bankers to the company, bankers to the issue, and brokers to the issue.	<p>Auditors :-</p> <p>M/s Mukesh Choudhary & Associates Chartered Accountants Commerce House, 2A, Ganesh Chandra Avenue 5th Floor, Suit No. 5, Kolkata-700 013 Tel : +91 33 2213 2911 Email : mukesh_dec77@yahoo.co.in ICAI Registration No. 325258E</p> <p>Company Secretary :- Ms. Pooja Bhartia Mobile : +91 93393 76436 Email : pbhartia@gmail.com</p>
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II. Financial Information

Particulars	₹ in Lac		
	Mar 2013	Mar 2012	Mar 2011
Other Operating Income	100.96	88.17	75.35
Total Income	8.21	285.92	177.35
Expenditure	38.03	219.40	131.51
Profit before Tax	71.14	66.52	45.84
Exceptional Items	0	0	0
Provision for Tax	21.98	20.83	14.49
Profit aft Tax	49.16	45.69	31.35
Share Capital	1328.45	442.82	442.82
Accumulated Profit / (Loss)	1139.65	1976.13	1930.44
Networth as on 31 st March 2013 (as per formula prescribed under the ICDR Regulations 2009)			₹ 2468.10 Lac

III. Statutory and Other Information

Name of Registrar & Share Transfer Agent	M/s. ABS Consultants Private Ltd.
Complete Address	99, Stephen House, For KHOCBSURAT LIMITED


DIRECTOR

	6th Floor, 4, B.B.D. Bag (East), Kolkata – 700 001
Telephone & Fax Nos.	Tel : 033-22430153 / 033-22201043 Fax : 033-22430153
Email Address	absconsultant@vsnl.net
RTA Website	www.absconsultant.com
Any of Issue of Shares since last 5 Years	Issue of 88,56,316 Equity Shares
Premium / Discount on such Issue	Not Any
Issue of Shares other than Cash	Not Any
Debentures and redeemable preference shares and other instruments issued by the company outstanding as on the date of prospectus and terms of issue	Not Any
Any amount or benefit paid or given within the two preceding years or intended to be paid or given to any promoter or officer and consideration for payment of giving of the benefit.	Not Any
Rights of members regarding voting, dividend, lien on shares and the process for modification of such rights and forfeiture of shares.	<ul style="list-style-type: none"> • Every one paid-up Equity Share of Company is having one voting rights. • Every one Equity Share is eligible for Dividend on Pari-passu basis. • Change in Articles of Association by way of Calling AGM, EOGM or by way of Consent of its Investors via Postal Ballot can modify such rights. • Non-Payment of Allotment Money even after issue of three Notices calling Allotment Money payment is liable to be forfeiture of Shares held by Investors.
Restrictions, if any, on transfer and transmission of shares / debentures and on their consolidation / splitting.	There is no restriction on transfer and transmission of shares / debentures and on their consolidation / splitting.
Revaluation of assets, if any (during last five years).	No Revaluation of Assets is being made during last 5 years.

DECLARATION

I, Mr. Goutam Bose, Managing Director of M/s. Khoobsurat Limited, hereby declare that all the relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government or the guidelines issued by the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Information

For KHOOBSURAT LIMITED

Goutam Bose

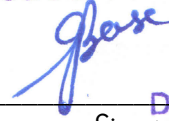
DIRECTOR

Memorandum is contrary to the provisions of the Companies Act, 1956 or the Securities and Exchange Board of India Act, 1992 or rules made there under or guidelines issued, as the case may be.

Place : Kolkata

Date : 2nd July 2013

For KHOBSURAT LIMITED



DIRECTOR

Signature of directors