

INDIAN NATIONAL AIRWAYS, LIMITED.

(Incorporated under the Indian Companies Acts, 1913—1920.)

AUTHORISED CAPITAL - Rs. 30,00,000

Divided into

50,000 Preferred Ordinary Shares of Rs. 10 each,

237,500 Ordinary Shares of Rs. 10 each,

and

125,000 Deferred Shares of Re. 1 each.

PROSPECTUS.

Memorandum of Association of Indian National Airways, Limited.

1. The name of the Company is "INDIAN NATIONAL AIRWAYS, LIMITED."
2. The Registered Office of the Company will be situate in the Province of Delhi.
3. The objects for which the Company is established are (and it is expressly declared that the several sub-clauses of this clause and all the powers thereof are to be cumulative and in no case is the generality of any one sub-clause to be narrowed or restricted by any particularity of any other sub-clause, nor is any general expression in any sub-clause to be narrowed or restricted by any particularity of expression in the same sub-clause or by the application of any rule of construction *ejusdem generis* or otherwise):—
 - (1) To establish and carry on in India, Burma, the Straits Settlements and elsewhere the business of an aerial transport Company.
 - (2) To manufacture, repair, buy, sell, and deal in balloons, aeroplanes, hydroplanes, airships and aircraft of all descriptions and all component parts, fittings and accessories thereof; to provide and erect aerodromes, landing stations, buildings and sheds; to make arrangements for and procure to be carried on air transport services in all parts of the world.
 - (3) To carry on in India, Burma, the Straits Settlements or elsewhere the business of making, building or manufacturing, purchasing, hiring or otherwise acquiring all kinds of aircraft, whether lighter or heavier than air, motors, motor vans or wagons, motor cars, motor carriages, motor wheels, motor cycles, motor omnibuses, road vehicles or auto-cars, locomotives and engines propelled by steam, electricity, oil or any other motive power, rolling stock, railway carriages and wagons and other carriages, cycles of all descriptions, including bicycles, tricycles and quadri-cycles, velocipedes, carriage bodies, cars, wagons, carts, trucks, vehicles and other conveyances of all kinds whether for road, railway train, tramway, field or other purposes, also ships or boats, and rails and railway and tramway plant and all machinery, materials and things applicable or used as accessory thereto, and of selling, letting or supplying at annual or other rents all or any of the things hereinbefore specified to any Company, and of repairing and maintaining the same respectively whether belonging to the Company or not, and of exchanging or otherwise dealing in the same respectively.
 - (4) To enter into any arrangement with any Government or authority, supreme, municipal, local, or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such Government or authority all rights, concessions and privileges which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
 - (5) To carry on the business of manufacturers of and dealers in all accessories to and component parts of aircraft, automobiles, or any other vehicle or machine propelled by any motive power whether by petrol, steam, gas or otherwise.
 - (6) To make arrangements for and procure to be carried on aviation meetings and exhibitions and to give prizes and awards for persons taking part therein, and to give lessons and instructions in the art of aviation and with a view thereto to engage and employ aviators, lecturers, teachers and demonstrators.
 - (7) To carry on in India, Burma, the Straits Settlements or elsewhere the business of manufacturers of machinery, tool makers, steel and brass founders, metal founders generally, metal workers, boiler makers, millwrights, machinists, smiths, wood workers, builders, carriage builders, carriage body builders, painters, upholsterers, metallurgists, electric engineers, water supply engineers, suppliers of power, gas makers, printers, carriers and merchants, and to buy, sell, manufacture, repair, convert, alter, let on hire, ply for hire, and deal in machinery, motors, motor wagons, motor cars, motor carriages, motor wheels, motor cycles, motor road vehicles or autocars, ships, boats, horses, carts, air-craft and implements and rolling stock of all kinds.
 - (8) To carry on the following businesses, namely, ironmasters, steel makers, iron and steel converters, smelters, engineers, iron-founders, importers, exporters and manufacturers of, and dealers in, ores, metals, chemicals and other preparations, processes and articles, merchants, warehousemen, shipowners, ship or boat builders, wharfingers, store-keepers, charterers of ships and other vessels, lightermen, barge owners, carriers, agents, brokers, forwarding agents, bonded carmen and common cartmen and contractors.
 - (9) To carry on the business of general manufacturers and to manufacture, buy, sell and deal in apparatus, machinery, materials and articles of all kinds.
 - (10) To sink wells and shafts, lay down pipes, construct, maintain and improve any tramways, telegraph lines, canals, reservoirs, water-courses, warehouses, sheds, and other buildings and works calculated, directly or indirectly, to advance the interests of the Company, and to pay or contribute to the expense of constructing, maintaining, and improving any such works.
 - (11) To construct, carry out, maintain, improve, manage, work, control and superintend any hâts, markets, reservoirs, waterworks, tanks, bridges and works in connection therewith, hydraulic works, electrical works and factories, coolie lines and houses, and bustees, villages and other works and conveniences, which may seem, directly or indirectly, conducive to any of the objects of the Company, and to contribute to, subsidise or otherwise aid or take part in any such operations.
 - (12) To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with any of the above or calculated, directly or indirectly, to enhance the value of or render profitable any of the Company's property or rights.
 - (13) To acquire by purchase, lease, exchange or otherwise, lands, buildings and hereditaments of any tenure or description, and any estate or interest therein, and any rights over or connected with land, and either to retain the same for the purpose of the Company's business or to turn the same to account as may seem expedient.
 - (14) To acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on any business which this Company is authorised to carry on or possessed of property suitable for the purposes of the Company.
 - (15) To apply for, purchase or otherwise acquire any patents, *brevets d'invention*, licenses, concessions and the like conferring any exclusive or non-exclusive or limited right to use, or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company or the acquisition of which may seem calculated, directly or indirectly, to benefit the Company, and to use, exercise, develop or grant licenses in respect of or otherwise turn to account the property, rights or information so acquired.
 - (16) To enter into partnership or into any arrangement for sharing profits into any union of interests, joint-adventure, reciprocal concession or co-operation with any person or persons or company or companies carrying on, or engaged in, or about to carry on or engage in, or being authorised to carry on or engage in, any business or transaction which this Company is authorised to carry on or engage in or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.
 - (17) To carry on the business of banking in all its branches and departments, including the borrowing, raising or taking up money, the lending or advancing money on securities and property, the discounting, buying, selling and dealing in bills of exchange, promissory notes, coupons, drafts, bills of lading, warrants, debentures, certificates, scrip and other instruments and securities, whether transferable or negotiable or not, the granting and issuing of letters of credit and circular notes,

the buying, selling and dealing with stocks, funds, shares, debentures, debenture-stocks, bonds, obligations and other securities.

- (18) To lend money, either with or without security, and generally to such persons and upon such terms and conditions as the Company may think fit.
- (19) To take or otherwise acquire and hold shares in any other company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this Company.
- (20) To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company or for any other purpose which may seem, directly or indirectly, calculated to benefit this Company.
- (21) To invest and deal with the moneys of the Company not immediately required upon such securities and in such manner as may from time to time be determined.
- (22) To guarantee the payment of money unsecured or secured by or payable under or in respect of promissory notes, bonds, debentures, debenture-stock, contracts, mortgages, charges, obligations, instruments, and securities of any company or of any authority, supreme, municipal, local or otherwise or of any persons whomsoever, whether incorporated or not incorporated, and generally to guarantee or become sureties for the performance of any contracts or obligations.
- (23) To establish and support, or aid in the establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or its predecessors in business or the dependents or connections of such persons and to grant pensions and allowances and to make payments towards insurance and to subscribe or guarantee money for charitable or benevolent objects or for any exhibition for any public, general or useful objects.
- (24) 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 or debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future), including its uncalled capital and to purchase, redeem and pay off any such securities.
- (25) To remunerate any persons or company for services rendered, or to be rendered, in placing or assisting to place, or guaranteeing the placing of, any shares in the Company's capital or any debentures, debenture-stock or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of its business.
- (26) To draw, make, accept, discount, execute and issue bills of exchange, Government of India and other promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.
- (27) To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise.
- (28) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company.
- (29) To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising in the press, by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards and donations.
- (30) To aid pecuniarily or otherwise, any association, body or movement having for an object the solution, settlement, or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
- (31) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with all or any part of the property and rights of the Company.
- (32) To distribute all or any of the property of the Company amongst the members in specie or kind.
- (33) To do all or any of the above things, either as principals, agents, trustees, contractors, or otherwise, and either alone or in conjunction with others, and either by or through agents, sub-contractors, trustees or otherwise, and either alone or in conjunction with others and to do all such things as are incidental or conducive to the attainment of the above objects.

And it is hereby declared that the word "Company," save when used in reference to this Company, in this clause, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, whether domiciled in British India or elsewhere.

4. The liability of the members is limited.

5. The Capital of the Company is Rs. 30,00,000 divided into 300,000 Shares of Rs. 10 each, with such rights, privileges and conditions attaching thereto as are provided by the regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the Capital for the time being into several classes and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

By Special Resolution passed and confirmed on the 18th day of August and the 4th day of September, 1934, respectively, 12,500 Shares of Rs. 10 each were each divided into ten Shares of Re. 1 each.

We, the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of the Memorandum of Association, and respectively agree to take the number of shares in the Capital of the Company set opposite our respective names.

Names, Addresses and Descriptions of Subscribers.	Number of Shares taken by each Subscriber.
R. E. GRANT GOVAN, 10, Alipore Road, Delhi, Merchant.	One.
C. M. GRANT GOVAN, 10, Alipore Road, Delhi, Merchant.	One.
H. R. MESSUM, 10, Alipore Road, Delhi, Merchant.	One.
G. PERSHAD, 7, Rajpore Road, Delhi, Insurance Manager.	One.
A. F. CAMBRIDGE, 10, Alipore Road, Delhi, Merchant.	One.
BRIJ KISHORE SAXENA, Gali Kundewalan, Ajmere Gate, Delhi, Accountant.	One.
I. N. V. IYER, Daryagunj, Delhi, Clerk.	One.

Witness—K. SAKSENA, Clerk, C/o Govan Bros., Ltd., Delhi.
Dated the 8th day of May, 1933.

*This Prospectus has been filed for Registration as required under
Section 92 (2) of Act VII of 1913.*

No part of this Issue has been or will be underwritten.

Indian National Airways, Limited.

(Incorporated under the Indian Companies Acts, 1913 to 1920.)

AUTHORISED CAPITAL - - - Rs. 30,00,000

Divided into 50,000 Preferred Ordinary Shares of Rs. 10 each, 2,37,500 Ordinary Shares of Rs. 10 each and 1,25,000 Deferred Shares of Re. 1 each.

Of the above Shares the 50,000 Preferred Ordinary Shares have already been subscribed for and allotted, and 25,000 of the Deferred Shares are being offered at par to the holders of the Preferred Ordinary Shares, in proportion as nearly as may be to the number of Preferred Ordinary Shares held by them respectively; these Shares are being offered upon the footing that, in the event of the full proportion of Deferred Shares, to which each holder of Preferred Ordinary Shares is entitled, being taken up, such member will become entitled, upon the undermentioned terms, to take up one extra Deferred Share for every three Preferred Ordinary Shares held by him. In the event of only a proportion of the Shares to which a member is entitled being taken up, the number of Deferred Shares over which he will be able to exercise the option will be proportionately reduced.

Of the remaining Shares in the capital of the Company the following are offered for public subscription, namely :—

100,000 Ordinary Shares of Rs. 10 each, And 50,000 Deferred Shares
payable as follows :—
On Application, Rs. 5 per share. payable in full on application.
On Allotment, Rs. 5 per share.

Each subscriber shall be entitled to apply for at par and be allotted 1 Deferred Share for every 2 Ordinary Shares allotted, and it is upon this basis that allotments will be made. Applications for Deferred Shares only will not be entertained.

The rights attaching to each class of shares are as follows :—

The Preferred Ordinary Shares will be entitled to receive out of the profits available for dividend in each year a fixed Preferential Dividend for such year of six per cent. on the capital paid up thereon and after provision has been made for such dividend the Ordinary Shares will rank for a Dividend of five per cent. on the capital paid up thereon.

Of the remaining profits available for dividend in any year the Preferred Ordinary Shares will participate rateably with the Ordinary Shares (in proportion to the amounts paid up on such shares, whether Preferred Ordinary or Ordinary) in three-fifths and the Deferred Shares will be entitled to two-fifths.

In a winding up the Preferred Ordinary Shares will be entitled to payment off of capital in priority to the Ordinary Shares and the Ordinary Shares will rank in priority to the Deferred Shares. Of any surplus assets remaining after paying off the whole of the paid up capital of the Company the Preferred Ordinary Shares will participate rateably with the Ordinary Shares (in proportion to the amounts paid up on such shares, whether Preferred Ordinary or Ordinary), in three-fifths and the Deferred Shares will be entitled to two-fifths.

Options.—Every subscriber shall, in respect of every three Ordinary Shares allotted to him, have the option of taking up one further Deferred Share, such option being exercisable upon the same terms as the option capable of being acquired as above mentioned by the holders of the Preferred Ordinary Shares—these terms being as follows, namely :—

If the option is exercised on or before the 31st December, 1937, each Deferred Share may be taken up at par on payment in cash, but if after that date and before the 31st December, 1939, each Share may only be taken up at a premium of Rs. 2 per Share. If the option is not exercised before the 31st December, 1939, it will lapse.

The right of voting at General Meetings is one vote for every Preferred Ordinary or Ordinary Share. The Deferred Shares confer the right to attend at all Meetings and to vote thereat upon any questions relating to the distribution of the Company's profits but not upon any other question, such Shares conferring one vote only in respect of every 3 Shares held, fractions being disregarded.

Directors:

R. E. GRANT GOVAN, Esq., C.B.E., Managing Director, Govan Bros., Ltd., Delhi.
The Hon'ble Sir PHIROZE SETHNA, Kt., O.B.E., Chairman, Central Bank of India, Ltd., Bombay.
The Hon'ble Sir HOMI MEHTA, Kt., J.P., Messrs. H. M. Mehta & Co., Bombay.
Sir DOSSABHOY BHIWANDIWALLA, Messrs. D. H. Bhiwandiwalla & Co., Bombay.
R. C. KEMP, Esq., F.R.G.S., Managing Director, Indian Air Survey & Transport Ltd., Dum Dum, Bengal.
The Hon'ble Mr. B. K. BASU, C.I.E., Solicitor, Calcutta.
S. G. EDGAR, Esq., Public Works Minister, Government of Jodhpur, Jodhpur.
LALA SHRI RAM, Mill Owner, Delhi.
F. A. I. MUNTZ, Esq., Managing Director, Airwork Ltd., Heston Airport, Hounslow, Middlesex, England.

Local Boards:

Northern India :

R. E. GRANT GOVAN, Esq., C.B.E., Managing Director, Govan Bros., Ltd., Delhi.
Rai Sahib LALA GOPALDAS, M.L.C., Lahore.
Khan Bahadur SYED AHMAD HUSSAIN RIZVI, Special Magistrate, Lucknow.
LALA PADAMPAT SINGHANIA, Mill Owner, Cawnpore.
LALA SHRI RAM, Mill Owner, Delhi.
S. G. EDGAR, Esq., Public Works Minister, Government of Jodhpur, Jodhpur.

Bengal :

R. C. KEMP, Esq., F.R.G.S., Managing Director, Indian Air Survey & Transport Ltd., Dum Dum, Bengal.
The Hon'ble Mr. B. K. BASU, C.I.E., Solicitor, Calcutta.
A. N. WARDLEY, Esq., Messrs. Kilburn & Co., Calcutta.
The Hon'ble Rai Bahadur RADHAKRISHNA JALAN, Patna City.

Bankers:

IMPERIAL BANK OF INDIA.

Brokers:

Messrs. PLACE, SIDDONS & GOUGH, 6, Lyons Range, Calcutta.

Solicitors:

Messrs. ORR, DIGNAM & CO., 32, Dalhousie Square, South, Calcutta.

Auditors:

Messrs. A. F. FERGUSON & CO., Delhi.

Managing Agents:

Messrs. GOVAN BROS., LIMITED, Delhi.

Registered Office:

10, ALIPORE ROAD, DELHI.

PROSPECTUS.

Objects of the Company.—The Company has been formed generally with the objects specified in the Memorandum of Association and particularly for the purpose of developing all branches of commercial aviation.

The Company was incorporated in May 1933 for the immediate purpose of participating with Imperial Airways Ltd., and the Government of India in the Karachi-Singapore section of the England-Australia Empire air route. This object was achieved by the formation in June 1933 of Indian Trans-Continental Airways Ltd. with a capital of Rs. 10,00,000 (70 per cent. paid up) which is held as to 51 per cent. by Imperial Airways, 25 per cent. by this Company and 24 per cent. by the Government of India. Indian Trans-Continental Airways Ltd. operates a weekly service between Karachi and Singapore alternately with Imperial Airways Ltd., the results being pooled.

Indian National Airways Ltd. besides having this share-holding in Indian Trans-Continental Airways Ltd. also holds the appointment of principal Booking Agents to Imperial Airways Ltd. and Indian Trans-Continental Airways Ltd. and is in charge of the commercial ground organization of the services over India east of Karachi. By these arrangements, the Company enjoys a close association with the main Empire route.

The Company has an undertaking from the Government of India whereby no other concern will be offered an Air Mail contract or a Government subsidy for the operation of air services to the North or East of the main Empire route within India (excluding Burma) without the contract or subsidy first being offered to this Company.

EXISTING ACTIVITIES AND PROJECTED DEVELOPMENTS.

Bengal and Burma.—Since 1st December, 1933, the Company has been operating the following feeder services :—

- A daily return service between Calcutta and Dacca. This journey is done in 90 minutes as against the 16 hours journey by rail and river route. Passengers, Air Mail, Newspapers and freight are carried, and according to traffic offering, the services are operated by a twin engine six-seater or a single engine three-seater aircraft.
- A weekly service between Calcutta and Rangoon which is supplemental to the weekly Empire Service and thus provides a bi-weekly service in both directions between Calcutta and Rangoon. The route of this service is *via* Chittagong, Akyab and Bassein and is operated with twin engine aircraft fitted with modern Wireless and Direction Finding equipment and carrying a Pilot and a Wireless Operator.

The traffic offering on both these services has been up to expectations and shows encouraging indications of expansion.

Eastern Bengal and Assam.—It is intended to extend the Calcutta-Dacca daily service into Eastern Bengal and Assam. The following are instances of the saving of time which will be effected by introduction of this extension :—

Calcutta-Sylhet	By present land and water route, 25 hours.
			By air 2½ hours.
Calcutta-Dibrugarh	By present land and water route, 42 hours.
			By air 5 hours.

Northern India.—Negotiations are at present being conducted with the Government of India for the operation of an Air Mail Service between Karachi and Lahore connecting with Imperial Airways. This service which it is hoped to inaugurate shortly will have limited facilities for the carriage of passengers.

Charter Work.—The Company is equipped to undertake Aerial Charter work of all descriptions.

Aeronautical School at Rangoon.—A School for Aeronautical training at Rangoon was opened early this year and is working to its utmost capacity in dealing with the demand for instructional flying.

Calcutta Airport.—The Company has concluded arrangements with the Commissioners for the Port of Calcutta whereby (subject to the consent of the Government of Bengal being obtained) it has secured a lease for 50 years of approximately 345 bighas of land situate in the Majerhat Village area and adjoining the Budge-Budge Road. This area is south of Calcutta and is within ten minutes drive from the heart of the City and is served by broad open approaches. It is well drained and is expected to be in good condition throughout the monsoon weather.

The terms of the arrangement provide that during the first ten years there will be a nominal rental of Rs. 50 per annum but that no further sums will be payable except for rent in respect of areas upon which buildings (other than hangars or such parts thereof as are used exclusively for the housing of aircraft) may be erected, such rentals during that period to be at the rate of Rs. 3 per cottah per mensem. After the first ten years the Commissioners will be entitled to a proportion of the gross landing and housing fees receivable for the ensuing forty years, and the rentals for the occupied areas will be increased to Rs. 4-8 per cottah per mensem for the next ten years after which and at the end of each ten-year period the rates will again be increased. These terms the Directors consider satisfactory. The Directors believe that this Airport being so favourably situated will be used by all the principal Air Services and aircraft passing through Calcutta, and the Company should be able to develop this Airport on satisfactory and remunerative lines.

FINANCIAL POSITION.

The Company's issued capital at present is Rs. 5,00,000 consisting of 50,000 fully paid Preferred Ordinary Shares of Rs. 10 each, out of which 45,708 Shares were subscribed up to the 31st day of May last, since which date the remainder of the said 50,000 Preferred Ordinary Shares have been subscribed for and allotted. Below is a statement of the Company's financial position as at the 31st day of May last certified by the Company's Auditors.

LIABILITIES.				ASSETS.			
	Rs.	As.	P.		Rs.	As.	P.
CAPITAL—				Disbursements for Aircraft Fleet and Stores	2,07,331	9	3
45,708 6 per cent. Preferred				Less—Bills payable	62,261	14	0
Ordinary Shares at Rs. 10	4,57,080	0	0	Disbursements Account	1,45,069	11	3
Less—Calls in arrear	2,500	0	0	Furniture and Mechanical Transport	11,724	2	0
	4,54,580	0	0	INVESTMENT ACCOUNT—			
Sundry Creditors	57,825	2	1	25,000 Shares Indian Trans-Continental Airways at Rs. 10 each, Rs. 7 paid up	1,75,000	0	0
Miscellaneous	1,902	5	0	Sundry Debtors (considered good)	43,237	12	2
				Prepaid expenses	12,634	4	0
				Miscellaneous	1,010	3	6
				Preliminary Expenses and Brokerage	12,731	2	9
Examined and found correct.				Development Account up to 30th November, 1933	20,595	14	8
(Sd.) A. F. FERGUSON & CO.,				Cash on hand and with Banks	47,343	15	3
Chartered Accountants,				Cost of operating services for 6 months to 31st May, 1934			
Registered Accountants,				Gross Expenditure	1,25,292	5	4
Delhi, 30th July, 1934.				Less—Revenue	80,831	15	10
					44,460	5	6
TOTAL Rs.	5,14,307	7	1	TOTAL Rs.	5,14,307	7	1

The present issue is for the purpose of providing the Company with additional capital for extension and development of Air Services, the Aeronautical School in Rangoon and the Calcutta Airport.

Company's Prospects.—It is not possible to forecast with any degree of accuracy the financial prospects of a pioneering Company operating in a country where there has hitherto been little commercial aviation development. There appears to be great scope for the development of air transportation in India particularly if the prospect of acceleration in speed and the provision of night flying facilities is taken into consideration. In some countries regular air services are at present being operated at speeds of between 170 and 200 miles per hour. Such speeds would bring Delhi within a four to five hour radius of Karachi, Bombay or Calcutta and Rangoon and Madras within five hours of Calcutta. While the present speeds are adequate for the type of feeder services operated and in contemplation by this Company, it is reasonable to envisage a large increase in the use of air travel over the main routes in India when speedier air services and night flying, such as other countries at present enjoy, can be made available in India.

The expansion of commercial aviation in a country of the size of India and the establishment of new air services involves much survey and development work. A considerable amount of this work has already been undertaken and conjointly with this, the arrangement with the Government of India and the close co-operation and association which exists with the Empire Service place this Company in a favourable position to take advantage of the era of development in commercial aviation which appears to be imminent.

The Company's fleet at present consists of three Twin Engine De-Havilland Dragons each with cabin capacity for six passengers and fitted with luggage and toilet compartments and with Wireless and Direction Finding equipment. These Machines embody passenger comfort with a satisfactory commercial payload capacity and are popular with the travelling public. The Company also has two Fox Moth Landplanes for special charter work.

Agreements.—The following contracts have been entered into by the Company :—

(1) An agreement dated the 5th day of August, 1933, between the Company of the one part and Govan Bros., Ltd., of the other part for the reimbursement of all sums paid and the indemnity against liabilities, incurred including preliminary expenses referred to hereunder.

(2) Agreements dated the 5th day of August, and the 20th day of November, 1933, respectively, between the Company of the one part and Govan Bros., Ltd., of the other part for the appointment of Govan Bros., Ltd., as Managing Agents the terms of which are referred to in this Prospectus under the heading appointment of Managing Agents.

(3) Agreements dated the 5th day of August, and the 20th day of November, 1933, respectively, between the Company and Indian Air Survey & Transport Limited for the appointment of Indian Air Survey & Transport Limited as Local Agents of the Company in the Province of Bengal and such other districts and areas as may from time to time be under the general supervision and control of a Local Board whose Headquarters shall be in Calcutta. The terms of these agreements are referred to in this Prospectus under the heading Local Agents in the Province of Bengal.

Interest of Directors.—The following Directors are interested to the extent indicated :—

Mr. R. E. Grant Govan and the Hon'ble Sir Homi Mehta are Directors of Govan Bros., Ltd., the Promoters and Managing Agents of the Company.

Mr. R. C. Kemp is a Director of Indian Air Survey & Transport Limited, the Local Agents in Bengal of the Company.

Directors' Qualification and Remuneration.—Under the Articles of Association the qualification of every Director other than an *ex-officio* Director shall be the holding, in his own name or jointly with any other person whether beneficially or as Trustee, of 500 shares in the Company and until otherwise determined by the Company in General Meeting the remuneration of each Director for his services as such shall be Rs. 50 for every meeting which he attends.

The Articles of Association provide that the Managing Agents have the right to appoint two *ex-officio* Directors. One of the Directors so appointed by the Managing Agents is to be Chairman of the Company.

Promoters and Preliminary Expenses.—Messrs. Govan Bros., Ltd., were the Promoters of the Company and negotiated all matters relating to the flotation and registration of the Company. They met all preliminary expenses of and incidental to the formation and registration of the Company and have been reimbursed all this expenditure, and have been indemnified against all liabilities incurred. They are also the Managing Agents of the Company upon the terms set out under the next clause of this Prospectus. Beyond this they have received nothing for their services as Promoters. The preliminary expenses (exclusive of brokerage) have amounted to Rs. 9,325-9-9.

Appointment of Managing Agents and their Remuneration.—The Articles of Association provide that the first Managing Agents of the Company shall be Messrs. Govan Bros., Ltd., and their successors for a period of 20 years certain from the date of the incorporation of the Company and thereafter until removed by an Extraordinary Resolution of the Company passed at an Extraordinary General Meeting especially convened for that purpose on not less than six calendar months' notice and at which not less than three-fourths of the issued capital of the Company is represented. The remuneration of the Managing Agents is to be as follows :—

(a) An office allowance of rupees seven hundred and fifty per mensem and

(b) A commission at the rate of ten per cent. on the yearly profits of the Company after deducting interest on Debentures or other loans and after making provision for depreciation of aircraft at the rate of 12½ per cent. per annum and of the other assets of the Company on the statutory scale but before placing anything to reserve or other special accounts and before making any provision for income-tax, super-tax or other like impositions.

The Managing Agents have to maintain a proper office and office establishment at Delhi as may be required for the purposes of the Company but the Company will have to bear the expense of all additional staff employed on account of the Company's business and the cost of all postages, telegrams and all other out-of-pocket expenses.

Appointment of Local Agents in Bengal.—Messrs. Indian Air Survey and Transport Limited are the Local Agents of the Company in the Province of Bengal and in such other districts and areas as may from time to time be under the general supervision and control of a Local Board whose Headquarters shall be in Calcutta. The appointment is for ten years with a proviso that the agreement is determinable at the instance of the Company or of the Local Agents in the event of both Mr. F. P. Raynham and Mr. R. C. Kemp (two of the present Directors of the Local Agents' Company) ceasing to take any active interest in the management of the Local Agents' Company's affairs.

The remuneration of the Local Agents is to be as follows :—

(a) An allowance of rupees seven hundred and fifty per mensem, and

(b) A commission at the rate of ten per cent. on the yearly profits of the Company in the Province of Bengal, etc., after deducting the proportionate amount of any interest payable by the Company on Debentures or other loans and after making any proportionate provision for depreciation of aircraft at a rate not exceeding 12½ per cent. per annum and of the other assets of the Company on the statutory scale but before placing any proportionate amount to reserve or other special account and before making any proportionate provision for income-tax, super-tax or other like impositions.

The Local Agents have to maintain such proper office and office establishment as may be required for the purposes of the Company and the Company will have to bear the expenses of all additional staff employed by the Local Agents on account of the Company's business and the cost of all postages, telegrams and all other out-of-pocket expenses.

The Local Agents have agreed that so long as they are the Local Agents of the Company they will not themselves carry on the business of an Air Transport business in India or Burma while in return the Company has agreed not to carry on the business of an Air Survey or Photography Company in the same area.

Minimum Subscription.—The minimum subscription upon which the Directors will proceed to allotment is 10 per cent. of the shares now proposed to be issued.

Documents.—Copies of the Memorandum and Articles of Association of the Company and of the Agreements referred to above can be inspected at any time during the usual business hours at the Registered Office of the Company at Delhi or at the office of the Solicitors, Messrs. Orr, Dignam & Company, Calcutta.

A copy of the Company's Memorandum of Association is printed in the fold of this Prospectus and forms part of it.

Application for Shares.—Application for Shares should be made on the form accompanying this Prospectus and sent to the Company's Bankers together with a remittance of the amount payable on application. Where no allotment is made the deposit will be returned in full and where the number of Shares allotted is less than the number of Shares applied for the balance of the deposit will be applied towards the remaining payments. Failure to pay the amount due on allotment will render previous payments liable to forfeiture.

Brokerage.—A brokerage of As. 4 per share will be paid by the Company on acceptance made in respect of applications received through recognised brokers or through persons and firms accepted by the Board as brokers.

Copies of the Prospectus and forms of application for Shares may be obtained from the Registered Office of the Company at Delhi or from Messrs. Place, Siddons & Gough.

Dated the 20th day of September, 1934.

F. A. I. MUNTZ,

by his Attorney,

R. E. GRANT GOVAN.

R. E. GRANT GOVAN.

R. C. KEMP.

SHRI RAM.

S. G. EDGAR.

D. H. BHIWANDIWALLA.

B. K. BASU.

PHIROZE SETHNA.

H. M. MEHTA,

by his Attorney,
PHIROZE SETHNA.