

Alora Trading Co. Limited

PROSPECTUS

**Public Issue of 1,44,000
Equity Shares of Rs. 10/-
each for cash at par.**

**Registered Office :
ROOM NO. 313,
2, LAL BAZAR STREET,
CALCUTTA-700 001.**

PROSPECTUS

This issue of Equity Shares is within the exemption limit of Rs. 50 lacs under the Capital Issues (Exemption) Order 1969.

A copy of the prospectus having attached thereto documents required to be filed under Section 60 of the Companies Act, 1956, has been delivered for registration to the Registrar of Companies, West Bengal.

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

The subscription list will open at the commencement of banking hours on Monday the 8th November, 1982 and will close at the close of the banking hours on Thursday the 18th November, 1982 or earlier at the discretion of Directors, but not before the close of banking hours on Thursday 11th November, 1982.

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

"Any person who—

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

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

PROSPECTUS

ALORA TRADING CO. LIMITED

(Incorporated under the Companies Act, 1956)

SHARE CAPITAL :

AUTHORISED :

2,50,000 Equity Shares of Rs. 10/- each

Rs. 25,00,000

Issued, Subscribed & Paid-up :

700 Equity Shares of Rs. 10/- each at par for cash taken by the Promoters. ...

Rs. 7,000

95,300 Equity Shares of Rs. 10/- each have been allotted to the friends and relatives of Directors & Promoters. ...

Rs. 9,53,000

Rs. 9,60,000

Present Issue :

1,44,000 Equity Shares of Rs. 10/- each at par for cash. ...

Rs. 14,40,000

Application and Terms of Payment :

Application for shares must be made for a minimum of 50 Equity Shares or multiples thereof and the amount payable shall be as follows :—

On Application	...	Rs. 5.00 per Equity Share
On Allotment	...	Rs. 5.00 per Equity Share

Any amount paid on application which is in excess of what has been stipulated herein will be adjusted towards the amount payable on allotment of shares actually allotted. Where no allotment is made, the application money will be refunded in full and where partial allotment is made, the unutilised balance, after adjusting the allotment money due, will be refunded to the applicant in accordance with the provisions of Section 73 of the Act.

Failure to pay the amount due on allotment will render the allottee liable to pay interest thereon @ 12% per annum from the date appointed for the payment thereof to the time of actual payment or at such other rate as the directors may determine and will also render

the shares (including the amount already paid thereon) liable to forfeiture.

Rights of the shareholders conferred by this Prospectus :

The Equity Shares now being offered are subject to the terms of this prospectus, the Application Form and Memorandum and Articles of Association of the Company. The said shares shall rank pari passu with the existing Equity Shares of the Company in all respects and will be entitled to all dividends which may be declared or paid on the Equity shares on any date hereafter and such dividend will be in proportion to the amount paid upon the Equity Shares and prorate for the period during which such capital is paid up.

BOARD OF DIRECTORS

Name, Description	Address & Occupation	Other Directorships
1. SHRI PRAMOD BAID S/o. Shri Ranjeetsingh Baid	16A Nandan Road, Calcutta-25. (Business)	Nil
2. SHRI DALPAT SINGH BAID S/o. Shri Mohanlal Baid,	16A, Nandan Road, Calcutta-25. (Business)	Nil
3. SHRI K. NARAYANAN S/o. Late P. S. Krishnan,	49, Ramkrishnapore Lane, Howrah-1. (Service)	Nil

Registered Office : Room No. 313, 2, Lal Bazar Street,
Calcutta-1.

Banker to the Issue :

Allahabad Bank, 1A, Ronaldshay Road,
Calcutta-700027.

Auditors :

KHETAWAT & ASSOCIATES

Chartered Accountants,

Room No. 310, 2, Lal Bazar Street,
Calcutta-1.

Brokers to the Issue :

Calcutta

M/s. Amitav Dutta
16, India Exchange Place
Calcutta-700 001

Bangalore

M/s. L. K. S. Murthy & Co.
No. 17 Third floor
Kempgowda Road
Bangalore

Bombay

M/s. Jamnadas Virji & Sons
5A, Hamam Street
Bombay-400 0023

Ahmedabad

M/s. Champaklal Bhailal
Chokshi

Manek Chowk
Near Share Bazar
Ahmedabad-380 001

Cochin

Mathew and Company
Ernakulam
Cochine 682011

New Delhi

M/s. Bharat Bhushan & Co.
H-45 Cannaught Place
New Delhi-110001

Hyderabad

M/s. Laxminarayan Rathi
4-5 173 & 174 Has mat Gunj
Sultan Bazar
Hyderabad-500 001

Indore

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

Madras

M/s. V. S. Krishnaswami
& Co.
45, Armanian Street
Madras-600 001

Kanpur

M/s. R. K. Tandon & Co.
37/19C The Mall
Kanpur-208001

Consent in writing of the above named Bankers, Brakers to the issue and Auditors in their respective capacities have been obtained and filed with the Registrar of Companies, West Bengal along with the copy of this prospectus as required by the Companies Act, 1956 and none of them has withdrawn the said consent upto the time of delivery of the copy of this Prospectus to the Registrar of Companies, West Bengal, for registration.

M/s. Khetawat & Associates, the Auditors of the Company have also given their written consent to the issue of this prospectus with their report being included herein the form and content in which it is included elsewhere in the prospectus and such consent has not been withdrawn upto the time of delivery of the copy

of their prospectus to the Registrar of Companies, West Bengal, for registration.

History and Business of the Company :

The Company was incorporated as a Public Limited Company on 30. 7. 82 in West Bengal and obtained the commencement of Business certificate on 12. 8. 1982.

The Company's business consists of the main objects stated in Company's Memorandum and Articles of Association which is produced later in this prospectus.

Management :

The Company is managed by its Board of Directors.

Prospects :

In the opinion of the Directors, in a developing economy, there are fairly good prospects for the marketing of agricultural and industrial products and the Company expects to earn reasonable profits and will be in a position to pay a reasonable rate of dividend on its issued Equity Shares.

Tax Benefits :

The Board of Directors are advised that according to the Current Laws, the following tax benefits would be available to the Company and its Shareholders :

(a) To the Company :

1. The Company will be entitled to total exemption from sur-tax on dividends received by it from an Indian Company or a Company which has made prescribed arrangements for the declaration and payment of dividends within India and will also be entitled to deduction in respect of inter-corporate dividends from its gross total income u/s 80M.
2. The Company will be entitled to deduction in respect of dividends from new industrial undertaking or ships or hotel business u/s 80K of the Income Tax Act, 1961.
3. The Company will be entitled to deduction of one tenth of the specific expenditure, including the expenses incurred on the issue of shares for a period of ten successive years u/s 35D of the Income Tax Act, 1961.

(b) To the Shareholders :

1. Members of the Company who are themselves companies will be entitled to total exemption from Sur-Tax on dividends received by them from the Company as also the benefit of a deduction of 60% of the dividends received by them from the Company u/s 80M of the Income Tax Act, 1961.

2. The Members of the Company who are individuals are entitled to claim deduction from total income to the extent of Rs. 4,000/- per year in respect of specified income including dividends received from Indian Companies u/s 80L of the Income Tax Act, 1961.
3. The Members of the Company who are individuals or Hindu Undivided Families will not have to pay wealth tax on the value of their shares if such value together with the value of their assets referred to in Section 5(1A) of the Wealth Tax Act, 1957 does not exceed Rs. 1,65,000/-.

Main Objects of the Company :

The main objects of the Company are set out in the Company's Memorandum of Association, a copy of which is available for inspection at the Registered office of the Company, during the office hours, which inter alia are as follows :—

1. To carry the business of buyers, sellers, suppliers, traders, merchants, importers, exporters, indentors, brokers, agents, assemblers, packers, stockists, distributors, financiers, hire purchase and dealers of and in all kinds of pipes, pipe fittings, agricultural produces, wood articles, industrial products, industrial components, electronic parts & devices, forest products, raw materials, minerals, metals, industrial and other wastes and by-products, industrial and other gases alcohol, edible and non-edible oils and fats, consumer goods, household goods, hardware & stores, plant & Machinery stores, spare parts and accessories, commercial and man-made fibres, textiles of all kinds, readymade garments, wool, silk, hemp, flex and other fibres substances, blankets, and any products of cotton and yarn and woollen textile, raw jute and jute products, cement, chemicals, paper, imported cars, plastics, building materials, vehicles, bullion, shares and securities.
2. To act as investors, guarantors, underwriters, financiers to industrial enterprises and to lend or deal with the money either with or without interest or security, provided Company shall not do any banking business as defined under the Banking Regulation Act, 1949.

Objects of the Issue :

The proceeds of the present issue will be utilised for carrying on the business as provided in the main objects of the Company.

Capital Outlay :

The Capital Outlay of the Company's business as stated herein is estimated as follows :—

Expenses of the Issue & Preliminary Expenses	Rs. 40,000
Working Capital	Rs. 23,60,000
	<u>Rs. 24 00,000</u>

Source of Finance :

Issued, Subscribed and Paid-up Capital	Rs. 9,60,000
Present Issue of Shares	Rs. 14,40,000
	<u>Rs. 24,00,000</u>

AUDITOR'S REPORT

To
The Directors,
ALORA TRADING CO. LTD.
Room No. 313
2, Lal Bazar Street,
Calcutta-1
Gentlemen,

We have examined the books of accounts of M/S. ALORA TRADING CO. LIMITED for the period from 30th July, 1982 the date of incorporation of the company to 13th October, 1982, the last date to which the accounts of the company have been made up for the purpose of this report and found correct and we report as under :—

(i) No Profit & Loss Account has been prepared by the company since it has not started any business operation.

(ii) The Assets and Liabilities of the company as at 13th October 1982 are set out below :

ASSETS

As at 13-10-82

Current Assets, Loan and Advances :

(A) Current Assets

Cash in hand	585.15
Bank Balance (in a scheduled Bank in current account)	3,94,524.60
	<u>3,95,109.75</u>

(B) Loans and Advances :

(Unsecured, considered good)	
Loan to Sundry Parties	5,50,000.00
Rent Deposit	500.00
	<u>5,50,500.00</u>
	9,45,609.75

Represented By :**Share Capital**

96,000 Equity Shares of Rs. 10/- each
fully paid up in cash 9,60,000.00

Less : Miscellaneous Expenditure

(To the extent not written
off or adjusted)

Preliminary Expenses 10,185.40

Pre Operative Expenses 4,204.85

14,390.25 9,45,609.75

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

Yours faithfully,

For KHETAWAT & ASSOCIATES

Chartered Accountants

S. KHETAWAT

Proprietor

Calcutta,

Dated : 14th October, 1982.

Minimum Subscription :

The minimum subscription in respect of the present issue will be subscription of the entire Equity Shares offered under this Prospectus. The Directors will proceed to allot shares covered by this Prospectus on receipts of the said application money for these shares i. e. 1,44,000 Equity Shares of Rs. 10/- each as indicated in the sources of finances, the purpose of the minimum subscription of Rs. 7,20,000/- is to meet its working capital requirements of the Company after meeting the cost of issue and preliminary expenses.

Preliminary Expenses :

The preliminary expenses other than pre-incorporation expenses amount to Rs. 8,200/- and have been incurred by the promoters of the Company which has to be re-imbursed to them.

Expenses of The Issue :

The expenses of the issue payable by the Company inclusive of brokerage, legal charges, auditors' fees, registration, printing and listing fee etc. are estimated at Rs. 40,000/- and are to be met out of the proceeds of this issue.

Brokerage and Underwriting Commission :

Brokerage will be paid at the rate of 1.5% to the members of any recognised Stock Exchange in India on the nominal value of the equity shares on the basis of allotment made against application bearing their stamp brokerage at the same rate will be payable to the brokers and the bankers to the issue in respect of allo-

tmments made against applications procured by them provided the relative forms of application bear their stamp in the Broker's column. No commission is payable to underwriters as no part of the issue has been underwritten.

Previous Issues :

Except as stated in this prospectus, the company has not issued any shares since the date of its incorporation.

Issue at Premium and Discount :

No amount has been paid or is payable by way of premium on any shares issued or agreed to be issued since the date of incorporation of the Company. The Company has also not issued any shares at a discount.

Issue Otherwise than for Cash :

No issue of shares has been made by the Company otherwise than for cash since the incorporation of the Company.

Revaluation of Assets and Capitalisation of Reserves :

No revaluation of assets nor capitalisation of reserves and profits has been made since the incorporation of the Company.

Option to Subscribe :

The Company has not entered into any contract or arrangement and does not at present propose to enter into any contract or arrangement whereby any option or preferential right of any kind has been or proposed to be given to any person to subscribe for any share in the Company.

Directors :

Until otherwise determined by the Company in a General Meeting, the number of Directors shall not be less than three and more than nine. Directors are not required to hold any shares in the Company as qualification share.

Restriction on Power of Directors :

The control of the Company, subject to the provisions of the Art, 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 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 the

behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles or in any regulations not inconsistent therewith and duly made thereunder including regulation made by the Company in General Meeting and no such regulation shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

Remuneration of Directors :

Remuneration of the Directors shall be a fee not exceeding Rs. 250/- for each Director for each meeting of the Board of Directors and of any committees of the Board of Directors attended by him.

All other remuneration, if any, payable by the Company to each Director whether in respect of his services as a Managing Director or Deputy Managing Director in whole or part-time employment of the Company shall be determined in accordance with and subject to the provisions of the Articles and the Act.

The Directors shall be entitled to be paid reasonable travelling, hotel and other expenses incurred in connection with their attending Board and Committee Meetings or otherwise incurred in the execution of their duties as Directors. If any Director being willing shall be called upon to perform extra services or make any special exertions for any of the purposes of the Company, then subject to Sections 198, 309 and 310, of the Act, the Board may remunerate the Director 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.

Managing Director :

Subject to the provisions of the Act, the Board may from time to time appoint one or more Directors to be Managing or wholetime Director or Directors of the Company for a term not exceeding five years on such remuneration as may from time to time be sanctioned by the Company subject to the provisions of Sections 309, 310 and 311 of the Act. The Managing or Wholetime Director shall not be liable to retire by rotation.

Borrowing Powers :

Subject to the provisions of the Companies Act (as amended) the Board may, from time to time at its discretion, raise or borrow either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company. The Articles empower the Board to raise or secure the repayment of such sum or sums in such manner and

upon such terms and conditions as it thinks fit. The Company has not issued any debentures.

Classes of Shares :

The authorised share capital of the company is Rs. 25,00,000/- (Rupees Twenty five lakhs) divided into 250000 Equity Shares of Rs. 10/- each. The Company has the power to increase or reduce the capital and to divide and sub-divide the shares into several classes with such preferential, qualified or special rights, privileges or conditions, and to vary, modify or abrogate any of them as may be permitted by Companies Act, 1953 or as provided by the Articles of Association of the Company.

Subject to the provisions of the Articles of Association of the Company, the Company has the power to issue preference share carrying a right to redemption out of profits which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or liable to be redeemed at the option of the Company. The Board may, subject to the provisions of Section 80 of the Act, exercise such power in such manner as it thinks fit.

The Company does not at present intend to issue any preference shares.

Voting Right :

The Articles provided, subject to the provisions of Section 87 of the Act and to any special conditions or restrictions as to voting upon which any shares may be issued or may, for the time being, be held, on a show of hands, every member present in person shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share held by him in respect of which he is entitled to vote. And no company or body corporate being a member of the Company shall vote by a proxy so long as a resolution of its Board under the provisions of Section 187 of the Act is in force and the representative named in such resolution is present at that General Meeting.

No member shall be entitled to exercise 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.

Lien :

The Company shall have a first and paramount lien upon every share not being fully paid up registered in the name of each members (whether solely or jointly with others) and upon the proceeds of the sale thereof for moneys called or payable at a fixed time in respect of such share whether the time for payment thereof shall have actually arrived or not. Such lien shall extend to all dividends from time to time declared in respect of such share. Unless otherwise agreed the registration of transfer of a share shall operate as a waiver of the Company's lien, if any, on such share.

Rights of Shareholders :**(1). In respect of dividends :**

Subject to the Provisions of the Companies Act, 1953, (as amended) and to the rights of shareholders entitled to shares, if any, with preferential or special rights attached thereto, the profits of the Company which are determined to be distributed as dividend in respect of any year shall be applied for 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 thereof to such proportion of the distribution upon a fully paid up share as the amount paid thereon bears to the nominal amount of such share. Where capital is paid up in advance of calls upon basis that the same shall carry interest, such capital shall not rank for dividends or confer a right to participate in profits.

(2). On winding up :

The Article of the Company provide that if the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Act divide amongst the member, in specie or kind the whole or any part of the assets of the Company-whether they shall consist of property of the same kind or not.

Modification of Rights :

The Company's Articles provide that 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 the issue of shares of that class) may whether or not the Company is being wound up, be varied with the consents in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate General Meeting of the holders of the share of that class.

Indemnity :

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 any liability that may be incurred by him as such Director, Secretary, Officer, Employee or Auditors in defending any proceeding whether civil or criminal in which judgement is given in his favour or in which he is acquitted or in connection with application under Section 633 of the Act in which relief is granted to him by the Court.

Restriction on Transfer :

The Board may without assigning any reason for such refusal may within two months from the date on which the instrument of transfer was delivered to the Company refuse to register any transfer of a share upon which the Company has a lien and in case of shares not fully paid up the Board may refuse to register a transfer to a transferee of whom it does not approve. No transfer shall be made to a minor or person of unsound mind. This is a subject to the provisions of Section 111 of the Act.

Material Contracts :

No contracts (not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than two years before the date of this prospectus) which are or may be material have been or proposed to be entered into by the Company.

Inspection of Documents :

The following documents (or copies thereof) may be inspected at the Registered office of the Company between 10-30 a.m. and 12-30 p.m. on any working day (except Saturday) for a period of fourteen days from the date of publication of the Prospectus or closing of the subscription list, whichever is earlier.

1. Memorandum and Articles of Association of the Company.
2. Certificate of Incorporation.
3. Certificate of Commencement of Business.
4. Consents of Bankers, Auditors and Brokers to the Issue.
5. Auditors' Report with statement of adjustment, if any.

Application and Allotment :

Application forms properly completed together with cash, cheques or drafts for the amount payable on

application must be delivered before the closing of the subscription list to the bankers to the issue named in the Prospectus at any of their branches at the places mentioned against its name in the application form. (Cheques or drafts should be drawn on any Schedule Bank including a State Co-operative Bank included in Second Schedule to the Reserve Bank of India Act, 1934 and on any bank which is a Member or a Sub-Member of Clearing Houses located at centres where there are recognised Stock Exchanges). No receipt will be granted but the Bankers to the Issue will send to the applicant an acknowledgement slip attached to the application form. Applicants will be notified in due course by despatch of allotment letters or share certificates or letters of regret. The Directors reserve the full and uncontrolled right to accept or reject any application in whole or in part without assigning any reason. Where an application is rejected or not accepted in full, the whole or any balance of application money will be refunded without interest. Allotment letters or share certificates or letter of regret together with refund pay orders, if any, will be despatched to the applicants at the applicant's risk within two months from the date of closing of the Subscription List or such extended time as may be granted by Calcutta Stock Exchange. Refund Pay order issued to applicants will be payable at par at all places where bankers of the Company exist. Application must be in the name of individuals, limited companies or other bodies corporate and not in the name of partnership firms, minors, trusts, non-residents or other nominees.

Application forms from non-resident Indians/Persons of Indian origin resident abroad properly completed together with remittance from abroad towards the amount payable on the application through approved banking channels or out of the funds held in non-resident (External) accounts along with the documentary evidence in this behalf must be delivered before the closing date of subscription list with the Bankers to the issue named in this Prospectus or in the column mentioned against their names in the application form. The Company is required by the Reserve Bank of India for its permission in the manner prescribed by the Reserve Bank of India to accept such application from non-resident Indians/Persons of Indian Origin resident abroad. The allotment of shares to non-resident Indians/Persons of Indian origin resident abroad shall be subject to the Company, obtaining such approval from the Reserve Bank of India. Non-resident Indians/Persons of Indian Origin resident abroad need not apply direct to the Reserve Bank of India.

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

Applications may be in the names of Indian Nationals resident in India as well as non-resident Indian/Persons of Indian origin resident abroad.

For further instructions please read the Application Form carefully.

Names, addresses, description of the Signatories to the Memorandum and Articles of Association and the number of Shares subscribed by them are as follows :—

Names, addresses, descriptions and occupations of subscribers.	No. of Equity Shares taken by each subscriber.	Names, addresses, occupations and descriptions of witness.
1. PRAMOD BAID S/o. Shri Ranjeet Singh Baid, 16-A, Nandan Road, Calcutta-25. Business.	100 Equity (One hundred)	<p>Witness for all— PRAKASH BAID S/o Sri Ranjeet Singh Baid 16A, Nandan Road Calcutta-700 025 Chartered Accountants.</p>
2. DALPAT SINGH BAID S/o. Shri Mohanlal Baid, 16-A, Nandan Road, Calcutta-25. Business.	100 Equity (One hundred)	
3. RANJEET SINGH BAID S/o. Shri Mohanlal Baid, 18, Netaji Subhas Road, Calcutta-1. Service.	100 Equity (One hundred)	
4. PRADEEP KUMAR LOHIA S/o. Shri Shrinarain Lohia, 31/1, Baikuntha Chatterjee Lane, Howrah-1. Service.	100 Equity (One hundred)	
5. HANUMANMAL BHUTORIA S/o. Late Chunnilal Bhutoria, 16, Rose Marry Lane, Howrah-1. Service.	100 Equity (One hundred)	
6. KRISHNAN NARAYANAN S/o. Late P. S. Krishnan, 49, Ram Krishtopore Lane, Howrah-1. Service.	100 Equity (One hundred)	
7. JOSEPH THEKKARA S/o. Late T. R. Varkey 8A, New Kasia Bagan Lane, Calcutta-17. Service.	100 Equity (One hundred)	
Total Shares taken	700 Equity (Seven hundred)	

Dated, 18th October, 1982
Calcutta.

Sd/- PRAMOD BAID
Sd/- DALPAT SINGH BAID
Sd/- KRISHNAN NARAYAN } Directors.