

## **INFORMATION MEMORANDUM**

### **ADHUNIK INDUSTRIES LIMITED**

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Kolkata- 700 001, West Bengal, India  
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**Corporate Office:** 'Lansdowne Towers', 2/1A, Sarat Bose Road  
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**SECTION I – GENERAL****DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates, the following terms have the meanings given below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

In this information memorandum, unless the context otherwise indicates, all references to “we”, “us”, “our”, “AIL”, “the Company”, “our Company” are to Adhunik Industries Limited, a company incorporated in India under the Companies Act, 1956 (“the Companies Act”) and having Registered Office at 14, Netaji Subhash Road, Kolkata- 700 001, West Bengal, India.

**Company Related Terms**

<b>Term</b>	<b>Description</b>
Articles of Association or Articles	The Articles of Association of our Company, as amended from time to time
Auditors	The statutory auditors of our Company, Sudhir Kumar Jain & Associates, Chartered Accountants
Board or Board of Directors	The board of directors of our Company
Director(s)	The directors of our Company
Memorandum of Association or MoA	The Memorandum of Association of our Company, as amended from time to time
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(zb) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009
Promoters	Collectively, Mr. Jugal Kishore Agarwal, Mr. Mohan Lal Agarwal and Mr. Mahesh Kumar Agarwal
Registered Office	14, Netaji Subhash Road, Kolkata- 700 001, West Bengal, India
Corporate Office	‘Lansdowne Towers’, 2/1A, Sarat Bose Road, Kolkata – 700 020, West Bengal, India

**Industry/Company Related Terms**

<b>Term</b>	<b>Description</b>
Act or Companies Act	The Companies Act, 1956, as amended from time to time
AGM	Annual General Meeting
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
EGM	Extraordinary General Meeting
Depositories Act	The Depositories Act, 1996, as amended from time to time
EPS	Earnings Per Share
Equity Shares	Equity Shares of the Company of face value of Rs. 10 each, unless otherwise specified in the context thereof
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed / notification issued there under
Financial Year/fiscal year/ FY/ fiscal	Period of twelve months ended March 31 of that particular year, unless otherwise stated.
P/E Ratio	Price/Earning Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
RBI	The Reserve Bank of India
Reserve Bank of India Act/ RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
ROC	The Registrar of Companies, West Bengal
RoNW	Return on Net-worth
DRI	Direct Reduced Iron



IPP	Index of Industrial production
Kg	Kilogram
MOU	Memorandum of Understanding
MS Flat	Mild Steel Flat
MS Round	Mild Steel Round
MSP	Mini Steel Plant
MT	Million tonne
MTPA	Metric ton per annum
MW	Megawatt
Nos.	Numbers
Qty.	Quantity
TMT Bars	Thermo Mechanically Treated
ISO	International Organization for Standardization

### Abbreviations

Term	Description
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
CIN	Corporate Identity Number
DIN	Director Identification Number
FI	Financial Institution
GNP	Gross National Product
GDP	Gross Domestic Product
GoI	The Government of India
ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) regulations, 2009, as amended from time to time
IT Act	The Income Tax Act, 1961, as amended from time to time
LC	Letter of Credit
N.A.	Not Applicable
NSDL	National Securities Depository Limited
p.a	Per Annum
p.m	Per Month
R&D	Research and Development
Rs./₹	Indian National Rupee
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India
SEBI ACT	Securities & Exchange Board of India Act, 1992, as amended from time to time
SEBI Takeover Regulations or SEBI (SAST) Regulations, 2011	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in **"Main Provisions of Articles of Association of the Company"**, shall have the meanings given to such terms in that section.



## **CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION**

### **Certain Conventions**

In this Information Memorandum, unless the context otherwise requires or unless stated otherwise, the financial data is derived from our financial statements prepared in accordance with the applicable regulations.

### **Financial Data**

Unless indicated otherwise, the financial data in this Information Memorandum is derived from our audited financial information for fiscal 2013, fiscal 2012, fiscal 2011, fiscal 2010 and fiscal 2009 prepared in accordance with the Generally Accepted Accounting Principles in India ("Indian GAAP") and the Companies Act.

Our fiscal year commences on April 1 of the immediately preceding year and ends on March 31 of that year, so all references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Information Memorandum, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to two decimal points.

### **Currency and Units of Presentation**

All references to "Rupees" or "₹" are to Indian Rupees, the official currency of the Republic of India. Except where specified in this Information Memorandum, all figures have been expressed in "lacs" which means "100 thousand"; and a "crore" means "100 lacs". All references to "US\$", "U.S. Dollar", "USD" or "US Dollars" are to United States Dollars, the official currency of the United States of America. All references to "€" are to Euros, the single currency of the participating member states in the third stage of the European and Economic Monetary Union of the treaty establishing the European Community.

### **Industry and Market Data**

Industry and Market data used throughout this Information Memorandum has been obtained from publicly available documents from various sources believed to be reliable but it has not been independently verified by us or its accuracy and completeness is not guaranteed, and its reliability cannot be assured. Although we believe the industry and market data used in this Information Memorandum is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data is presented in this Information Memorandum is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct.



### Forward –Looking Statements

Statements included in this Information Memorandum which contain words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expression or variations of such expressions, that are "forward-looking statements".

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 globally.
- Our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks that have an impact on our business activities or investments.
- The changes in monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices.
- The performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in our industry.
- Changes in the value of the Rupee and other currencies.
- The occurrence of natural disasters or calamities.
- Change in political and social conditions in India.
- The Loss or shutdown of operations of our Company at any time due to strike or Labour unrest.
- The Loss of our Key Employees and Staff.
- Our ability to respond to technological changes.
- Our ability to meet capital expenditure requirements.
- Industrial growth in India and globally.



### **Absolute Responsibility of Adhunik Industries Limited**

Adhunik Industries Limited having made all reasonable inquiries, accepts responsibility for, and confirms that this Information Memorandum contains all information with regard to the company, 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 respect, 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 misleading in any material respect.

### **Listing**

The existing shares of the company are listed on the Calcutta Stock Exchange Limited. Now, the Company proposes to list the equity shares on the BSE Limited (BSE).

**The information memorandum is for the listing of 46,763,750 equity shares of Rs. 10/- each.**



## RISK FACTORS

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein.*

### A. Internal Risk Factors

#### 1. Outstanding Litigations/disputes/cases against the Company

Our Company is involved in certain legal proceedings, incidental to its business and operations, which if determined against the Company, could have an adverse impact on the results of its operations and financial condition. The summary of the litigations is as follows:

Nature	No. of Legal Proceedings	Total Amount (Rs. in Lacs)
Excise Duty	6	30.10
Income Tax	1	Not ascertainable
Others	1	3.35

For further details, please refer to section Outstanding Litigations on page no. 54 of this information memorandum.

#### 2. If we are not able to obtain, renew or maintain the statutory and regulatory permits and approvals required to operate our business it may have a material adverse effect on our business.

We are required to obtain and maintain certain approvals, licenses, registrations and permits in connection with our business and operations. There can be no assurance that we will be able to obtain and maintain such approvals, licenses, registrations and permits in the future. An inability to obtain or maintain such registrations and licenses in a timely manner, or at all, and comply with the prescribed conditions in connection therewith may adversely affect our ability to carry on our business and operations, and consequently our results of operations and financial condition.

#### 3. Our Company has entered into related party transactions with the promoters and/or Directors and the Group Companies

The company has entered into transactions with the related group companies. Whilst the Company believes that all such transactions have been conducted on an "arm's length basis", there can be no assurance that the Company could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that the Company may enter into related party transactions in the future. There can be no assurance that such transactions individually or in the aggregate, will not have an adverse effect on the Company's business and results of operations.

#### 4. The Steel Industry is cyclical in nature and factors affecting the demand for, and requirement of processing steel products, in particular, global economic conditions, may adversely affect our business, financial condition, results of operations and prospects.

The Steel business is cyclical in nature. Our operating margins and results of operations are influenced by a variety of factors relating to the steel industry, including but not limited to fluctuations in demand and supply of steel and steel products, both domestically and internationally, general economic conditions, changes in the international prices of steel and steel products, downturns in requirements of processed steel by traditional bulk steel end users or their customers, and slowdowns in our core buying industries such as Automobile, Infrastructure, General & Heavy Engineering, Home Appliances and Construction.

Historically, market prices for steel and steel products have been cyclical and sensitive to changes in supply and demand. Demand for steel and steel products is linked to economic activity, including growth in the economy, level of operating activities in core sectors as mentioned above. The supply of steel and steel products is dependent upon capacity additions,





domestically and internationally, which involve long gestation periods. Significant capacity additions in the steel industry, if not matched by a corresponding growth in demand, may result in downward pressure on steel prices. Since the slowdown in global economic conditions in 2008, prices of steel have fallen significantly and also have been very volatile. Due to uncertainty in the supply and demand balances, market conditions and other factors relating to the steel industry, our business, prospects, financial condition and results of operation may be adversely affected.

**5. Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/or surplus of products, which could harm our business.**

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we must make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of products. This unavailability of products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition. The conditions for storing / warehousing the same have to be controlled and constantly monitored, in order to maintain quality of our product. Any deficiency in the same would adversely affect our profitability and results of operations.

**6. Under-utilisation of capacity may adversely affect our business, results of operations and financial condition.**

Use of production capacity is subject to several variables like availability of raw material, power, water, proper working of machinery, orders on hand, etc. It cannot be assured that we shall be able to utilize our existing manufacturing facilities to their full capacity or upto an optimum capacity, and non-utilisation of the same may lead to loss of profits or can result in losses, and may adversely affect our business, results of operations and financial condition.

**7. Our business is dependent on our manufacturing facilities. The loss of or shutdown of operations at our manufacturing facilities may have a material adverse effect on our business, financial condition and results of operations.**

Our manufacturing facilities at Angadpur, Durgapur, West Bengal are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, raw material shortage or unsuitability, obsolescence, labour disputes, strikes, lock-outs, non-availability of services of our external contractors, our ability to respond to technological advances and emerging industry standards and practices in the industries we operate and propose to operate on a cost-effective and timely basis, earthquakes and other natural disasters, industrial accidents and the need to comply with the directives of relevant government authorities, and any other factors which may or may not be within our control. The occurrence of any of these risks could significantly affect our operating results. Although we take precautions to minimize the risk of any significant operational problems at our facilities, our business, financial condition, results of operations and the trading price of our Equity Shares may be adversely affected by any disruption of operations at our facilities, including due to any of the factors mentioned above.

**8. Significant increase in prices or shortage of raw materials and finished goods could harm the results of operations and financial position of our Company.**

In the recent past, there have been fluctuations in the prices of critical raw materials. Such fluctuations in prices of raw material and our Company's inability to negotiate at optimum market rates may affect our profitability. Similarly, the prices of finished products have also shown price variations, which may impact our profitability.

**9. There are no long-term contracts with buyers which may affect our business.**

We do not have any long-term contracts with our customers and any change in the buying pattern of buyers can adversely affect the business of our Company. Although we have cordial business relations with our customers and have received continued business from them in the past, there is no certainty that the same will continue in the years to come and may affect our profitability.

**10. Our Company is dependent on its management and any inability on their part to contribute to the business may affect its performance.**

The success of our Company is dependent on the experience of its management. All the expansion strategies and their implementation have been envisaged by; and will be executed by the management with the assistance of our Key Managerial Personnel. Any failure of the management to successfully implement and contribute to the Company's business would result in our Company not meeting its expansion plans and strategies. Further, if the management is not able to manage the operations of our Company in an efficient and effective manner, it will affect the profitability of our Company.

**11. Conflicts of interest may arise out of common business objects shared by our Company and certain of our Group Entities.**

Our Promoters have interests in other companies and entities that may compete with us, including other Group Entities that conduct businesses with operations that are similar to ours. Our Promoters are Directors on the Board of certain other Group Companies as well. For details on other Directorships, kindly refer to the Chapter titled "Our Management" of this Information Memorandum. There is no requirement or undertaking for our Promoters, Promoter Group or Group Entities or such similar entities to conduct or direct any opportunities in the steel or other commodities business only to or through us. As a result, conflict of interests may arise in allocating or addressing business opportunities and strategies amongst our Company and our Group Entities in circumstances where our interests differ from theirs. In cases of conflict, our Promoters may favor other Companies in which our Promoters have an interest. There can be no assurance that such Group Companies will not provide comparable services, expand their presence or acquire interests in competing ventures in the locations in which we operate. As a result, a conflict of interest may occur between our business and the businesses of our Group Companies which could have an adverse effect on our business, financial condition, results of operations and prospects.

**12. We have significant working capital requirements.**

Our business involves significant working capital. We meet our working capital requirements through internal accruals and debt. Any shortfall in our internal accruals and our inability to raise debt would result in us being unable to meet our working capital requirements, which in turn will negatively affect our financial condition and results of operations.

**13. Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditure, lender's approvals and other factors.**

The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, lender's approvals and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends.

**14. We face substantial competition in the steel industry, which may affect our revenues in case we are not able to obtain customers and orders.**

We will face significant competition from existing players and potential entrants in the Indian steel industry. Further, we will face significant competition mainly from large vertically integrated and diversified companies in Steel industry. Some of our Indian and International competitors are larger than us and have greater financial resources.

**15. Industrial disputes and labour problems may lead to disruptions in operations.**

The operations of the Company could be adversely affected by strikes, work stoppages or other industrial relations problems.

**B. External Risk Factors**

**16. Failure to comply with environmental laws, rules and regulations may adversely affect our business operations.**

A failure on our part to adequately comply with applicable environmental laws, rules and regulations, could hamper or adversely impact the operations of our Company, and consequently, could adversely affect the Company and its cash flows and profitability.

**17. Changes in Government Policies and political situation in India could adversely affect our business operations.**

Since 1991, successive Indian governments have pursued policies of economic liberalization, including significantly relaxing restrictions on the private sector. Nevertheless, the role of the Indian central and state governments in the Indian economy as producers, consumers and regulators has remained significant.

Although the Central government has announced policies and taken initiatives that support the economic liberalization policies that have been pursued by previous governments, the rate of economic liberalization could change, and specific laws and policies affecting foreign investment and other matters affecting investment in our securities could change as well.

**18. 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 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.

**19. 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.

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

Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These 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 and liquidity of our Equity Shares could be adversely affected.



**21. Changes in taxation policies could adversely affect our business operations & results of operations.**

Statutory taxes and other levies may affect our margin in the event of our inability to factor such expense in our trading margin. Any increase in taxes and/ or levies, or the imposition of new taxes and/ or levies in the future, may have a material adverse impact on our business, results of operations and financial condition.

**22. We are subject to risks arising from interest rate fluctuations, which could adversely affect our business, financial condition and results of operations.**

Changes in interest rates could significantly affect our financial condition and results of operations. If the interest rates for our existing or future borrowings increase significantly, our cost of servicing such debt will increase. This may adversely impact our results of operations, planned capital expenditures and cash flows.

**23. Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business and could materially affect our future financial performance and the trading price of our equity shares.**

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**24. Political, economic and social developments in India could adversely affect company's business.**

Any change in regulations, domestic or international, having an impact on the steel market in general, will affect the industry as a whole. Such changes may be in the nature of introduction of quota, tariff barrier, subsidies etc.



## INTRODUCTION

### SUMMARY OF BUSINESS

The following summary should be read with the Risk Factors included from page numbers 8 to 12 and the more detailed information about the Company and the financial statements included in the Information Memorandum.

### OUR BUSINESS

Adhunik Industries Limited (formerly known as Bhagwati Resources Limited) is a part of Adhunik Group. The Group is a renowned name in Iron & Steel, Ferro Alloys, Mining, and Power with over four decades of extensive as well as in-depth knowledge in manufacturing of finest quality products. The Group has manufacturing facilities in the state of West Bengal, Orissa and Jharkhand.

The Company is engaged in the manufacture of TMT Bars, Wire Rods & other long products for constructional and industrial applications, and trading of iron & steel Products. The Company has also a Wind Power facility of 1.5 MW. in Maharashtra. We are committed to maintain Quality Management System and the operations of the Company are ISO 9001:2008 certified. We manufacture products in the most environment friendly conditions. Our manufacturing process is an ISO 14001:2004 & 18001:2007 certified.

The Company has a total installed capacity of 2,22,000 MTPA, which was enhanced from 1,32,000 MTPA in the financial year 2011-12 in the plant located at Durgapur. The commercial production has also been started. The premium customers of the company includes Aditya Birla Group, Adani Group, Tania Group, SAIL, Videocon, Shapoorji Pallonji & Co. Ltd., DLF, Unitech, MPS Group, Ruchi Realty, Merlin Group, Diamond Group, Prayag Group, The State Trading Corporation of Sikkim, Ispat Engineering Pvt. Ltd. etc.

### Competitive Strengths

- Management Expertise
- Strong Brand Recognition
- Our Quality Certification
- Cordial Relationship between management and labour
- Location Advantage

### Weaknesses

- Persistent slowdown in demand for steel and falling steel prices has squeezed profitability.
- The industry by nature is capital intensive and requires high capital, by various modes, increasing cost of borrowing remains one of the major concerns for the group and industry as a whole.

### Opportunities

- With Indian Government focusing on infrastructure developments like Power, Telecommunication, Ports, Roads, etc., the demand for steel is expected to grow in the near future.
- Indian Steel industry is on the growth path with growing domestic demand, unexplored rural market and rapid urbanisation. The strong growth in automotive industry and power sectors would drive steel output and consumption.
- Rising living standards, strong GDP growth, high infrastructure investments and low per capita consumption will drive market for steel consumer and industries.

### Threats

- Due to capacity being added by new steel plants and aggressive expansion plans of many of the large players, there could be a situation of oversupply in the market.
- Stabilization in the economic situation, driven by continued slow growth in steel demand, the economic prospects remained weak and reflected inherent risks in the steel sector.
- The slowdown in economic growth is taking its toll on industrial output and availability of timely and reasonable raw material is another concern for the industry.



### **Business Strategy**

- Continued focus on consistently meeting quality standards so as to ensure product acceptance by customers
- Continue to Focus on Training and Motivating Our Work Force
- Reduce Operational cost thereby increasing our cost competitiveness.
- Increase profitability by proper product mix
- Expand into new geographies

### **REASONS FOR SEEKING LISTING OF OUR SECURITIES ON BSE**

Our equity shares are presently listed on Calcutta Stock Exchange Limited. There has been no trading in the shares of the Company on the exchange for the past many years. Our Company has lined up huge expansion plans for which we would require equity capital infusion by way of a further public offering or a rights issue, Qualified Institutional placement or such other means as may be beneficial for the company. However, such offerings are possible only once the shares are listed on a nationwide exchange. Listing will help generate an independent valuation of the company by the market. Listing will also raises our public profile with customers, suppliers, investors, financial institution and media. Moreover, listing in a nationwide terminal will provide a continuing liquidity to our shareholders and in turn help us to broaden our shareholder base. Hence, considering the interest of our shareholders and our future growth and expansion plans, we seek direct listing of our equity shares.



## FINANCIAL INFORMATION

Statement of Assets and Liabilities as on 31<sup>st</sup> March 2013, 31<sup>st</sup> March 2012 and 31<sup>st</sup> March 2011 (As per Revised Schedule VI)

(Rs. in Lacs)

PARTICULARS	Year ended		
	March 31, 2013	March 31, 2012	March 31, 2011
<b>PARTICULARS</b>			
<b>A. Equity &amp; Liabilities</b>			
Share Capital	4,676.38	4,676.38	4,676.38
Share Application Pending Allotment	-	-	527.00
Reserves and Surplus	3,868.61	3,486.18	2,897.88
B. Non Current Liabilities	5,250.09	6,800.79	6,904.59
C. Current Liabilities	11,841.07	11,338.43	8,550.07
<b>TOTAL</b>	<b>25,636.15</b>	<b>26,301.77</b>	<b>23,555.92</b>
<b>Assets:</b>			
<b>A. Non Current Assets</b>			
<b>Fixed Assets</b>			
a) Tangible Assets	5,799.27	6,170.05	6,371.07
b) Capital Work-in-Progress	577.16	1,014.28	513.49
Non Current Investments	4.00	4.00	4.00
Long Term Loans & Advances	51.23787	64.61	61.64
<b>B. Current Assets</b>			
Inventories	7,175.07	4,893.46	6,003.26
Trade Receivables	7,982.85	8,623.36	6,798.99
Cash and Bank Balances	594.52	600.08	1,133.15
Short term Loans and Advances	3,452.05	4,931.93	2,670.32
<b>TOTAL</b>	<b>25,636.15</b>	<b>26,301.77</b>	<b>23,555.92</b>

Source: Audited financial statements



Statement of Assets and Liabilities as on 31<sup>st</sup> March 2010 and 31<sup>st</sup> March 2009 (As per Old Schedule VI)

(Rs. in Lacs)

PARTICULARS	Year ended	
	March 31, 2010	March 31, 2009
<b>A. Equity &amp; Liabilities</b>		
Share Capital	4,676.38	20.00
Share Capital Suspense	-	4,656.38
Share Application Pending Allotment	434.50	434.50
Reserves and Surplus	2,176.49	1,371.06
<b>B Liabilities and Provisions:</b>		
Secured Loans	4,991.41	5,598.89
Unsecured Loans	1,904.61	391.73
Current Liabilities and Provisions	4,909.94	3,804.39
Deferred Tax Liabilities	674.15	669.27
<b>TOTAL</b>	<b>19,767.47</b>	<b>16,946.21</b>
<b>Assets</b>		
<b>A. Fixed Assets:</b>		
Gross Block	4,337.13	4,283.77
Less: Depreciation	965.72942	756.78403
<b>Net Block</b>	<b>3,371.40</b>	<b>3,526.99</b>
Capital Work In Progress (CWIP)	856.55188	-
	<b>4,227.95</b>	<b>3,526.99</b>
<b>B. Investment</b>	<b>4.00</b>	<b>4.00</b>
<b>C. Current Assets, Loans and Advances:</b>		
Inventories	5,762.06	5,319.64
Sundry Debtors	6,211.34	5,523.02
Cash and Bank Balances	353.72	334.85
Loans and Advances	3,208.39	2,236.73
Miscellaneous Expenditure	-	0.97808
<b>TOTAL</b>	<b>19,767.47</b>	<b>16,946.21</b>

Source: Audited financial statements





**Statement of Profit & Loss for the Financial Years ending 31<sup>st</sup> March 2013, 31<sup>st</sup> March 2012 and 31<sup>st</sup> March 2011 (As per Revised Schedule VI)**

	(Rs. in lacs)		
	Financial Years ending		
<b>PARTICULARS</b>	<b>March 31, 2013</b>	<b>March 31, 2012</b>	<b>March 31, 2011</b>
<b>INCOME:</b>			
Revenue from Operations (Gross)	44,975.48	37,112.62	35,083.32
Less: Excise Duty	3,607.20	1,737.35	1,594.53
<b>Revenue from Operations (Net)</b>	<b>41,368.28</b>	<b>35,375.27</b>	<b>33,488.80</b>
Other Income	92.15	169.88	13.32
<b>Total Revenue (A)</b>	<b>41,460.43</b>	<b>35,545.15</b>	<b>33,502.12</b>
<b>EXPENSES:</b>			
Purchase & Raw material consumed	36,950.14	29,064.05	30,680.73
Increase/Decrease in Inventories	(139.66)	1,776.89	(1,529.53)
Employee Benefit Scheme	147.46	156.23	122.65
Other Expenses	1,642.15	1,526.69	1,402.40
<b>Total Expenses</b>	<b>38,600.08</b>	<b>32,523.86</b>	<b>30,676.26</b>
<b>Earning before Interest, Tax, Depreciation and Amortization (EBITDA)</b>	<b>2,860.35</b>	<b>3,021.29</b>	<b>2,825.86</b>
Finance costs	1,970.10	1,878.27	735.93
Depreciation & Amortization Expenses	372.21	368.15	216.91
<b>Profit / (Loss) before Extraordinary &amp; Exceptional Item and Taxes</b>	<b>518.04</b>	<b>774.88</b>	<b>1,873.02</b>
<b>Exceptional &amp; Extraordinary Item</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit/(Loss) before Tax</b>	<b>518.04</b>	<b>774.88</b>	<b>1,873.02</b>
Tax Expense			
Current Tax	103.65	159.78	475.95
Deferred Tax	28.56	26.80	128.57
Income tax for earlier years	3.39	-	-
<b>Total Tax Expense</b>	<b>135.60</b>	<b>186.58</b>	<b>604.52</b>
<b>Profit/(Loss) for the year from Continuing Operation</b>	<b>382.43</b>	<b>588.30</b>	<b>1,268.51</b>

Source: Audited financial statements



**Statement of Profit & Loss for the Financial Years ending 31<sup>st</sup> March 2010 and 31<sup>st</sup> March 2009 (As per Old Schedule VI)**

(Rs. in lacs)

	Financial Years ending	
<b>PARTICULARS</b>	<b>March 31, 2010</b>	<b>March 31, 2009</b>
<b>INCOME:</b>		
Income from Operations	41,444.71	42,881.95
Less: Excise Duty	2,006.94	3,311.76
<b>Total</b>	<b>39,437.77</b>	<b>39,570.19</b>
Other Income	18.26	97.67
Increase/(Decrease) in Inventories	48.09	824.99
<b>Total</b>	<b>39,504.12</b>	<b>40,492.84</b>
<b>EXPENDITURE:</b>		
Purchase & Raw material consumption	34,930.05	36,644.78
Manufacturing Expenses	1,000.27	849.99
Personnel Cost	121.68	115.98
Administrative & selling expenses	970.09	747.16
Interest & Finance charges	152.27	218.22
Depreciation	208.95	202.18
Preliminary Expenses Written off	0.98	2.36
<b>Total Expenditure</b>	<b>37,384.28</b>	<b>38,780.68</b>
<b>Profit before Tax</b>	<b>2,119.84</b>	<b>1,712.16</b>
Provision for Tax		
Current Tax	719.54	551.52
Deferred Tax	4.88	29.89
Fringe Benefit Tax	-	2.61
Income Tax for earlier years	42.87	1.35
<b>Net profit before Extraordinary item</b>	<b>1,352.54</b>	<b>1,126.79</b>
Extraordinary Items	-	-
<b>Net Profit after Extraordinary item</b>	<b>1,352.54</b>	<b>1,126.79</b>

Source: Audited financial statements



**FINANCIAL INFORMATION**  
**UNAUDITED RESULTS – FOR THE QUARTER AND NINE MONTHS PERIOD ENDED**  
**DECEMBER 31, 2013 (LIMITED REVIEW BY THE AUDITOR OF THE COMPANY)**

Statement of unaudited financial results for the quarter and nine months ended December 31, 2013							
		(Rs. in lacs except for EPS & shares)					
	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Income from Operations</b>						
	(a) Net Sales/ Income from Operations (Net of Excise Duty)	10,319.41	10,189.02	7,115.84	32,205.07	23,803.53	41,368.28
	(b) Other Operating Income	-	-	-	-	-	-
	<b>Total income from operations (net)</b>	10,319.41	10,189.02	7,115.84	32,205.07	23,803.53	41,368.28
<b>2</b>	<b>Expenses</b>						
	(a) Cost of materials consumed	8,678.93	9,228.74	7,199.95	27,797.14	20,535.82	36,950.13
	(b) Purchase of stock-in-trade	-	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	528.73	(657.52)	(1,102.51)	283.66	(68.57)	(139.66)
	(d) Employee benefits expense	23.80	41.11	34.45	100.06	99.93	147.46
	(e) Depreciation and amortisation expense	91.71	96.89	93.65	282.02	281.05	372.21
	(f) Other expenses (Any item exceeding 10% of the total expense relating to continuing operations to be shown separately)	293.34	816.44	338.59	1,719.17	1,159.11	1,642.16
	<b>Total Expenses</b>	9,616.51	9525.66	6,564.13	30,182.05	22,007.34	38,972.30
<b>3</b>	<b>Profit/ (Loss) from Operations before other income finance costs &amp; Exceptional Items (1-2)</b>	702.90	663.36	551.71	2,023.02	1,796.19	2,395.98
<b>4</b>	<b>Other Income</b>	3.84	27.18	36.13	33.02	48.06	92.15
<b>5</b>	<b>Profit/ (Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	706.74	690.54	587.84	2,056.04	1,844.25	2,488.13
<b>6</b>	<b>Finance Costs</b>	623.64	503.76	444.90	1,583.61	1,388.50	1,970.10
<b>7</b>	<b>Profit/ (Loss) from ordinary activities after finance costs but before exceptional items (5+6)</b>	83.10	186.78	142.94	472.43	455.75	518.03
<b>8</b>	<b>Exceptional Items</b>	-	-	-	-	-	-
<b>9</b>	<b>Profit / Loss from ordinary activities before tax (7+8)</b>	83.10	186.78	142.94	472.43	455.75	518.03
<b>10</b>	<b>Tax expense</b>	20.06	42.68	36.84	105.19	117.21	135.60



Statement of unaudited financial results for the quarter and nine months ended December 31, 2013							
(Rs. in lacs except for EPS & shares)							
	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31/12/2013	30/09/2013	31/12/2013	31/12/2013	31/12/2013	31/03/2013
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
11	Net Profit /Loss from ordinary activities after tax (9+10)	63.04	144.10	106.10	367.24	338.54	382.43
12	Extraordinary Items (net of tax expense Rs. in Lakhs)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11+12)	63.04	144.10	106.10	367.24	338.54	382.43
14	Paid-up equity share capital (Face Value of Rs. 10/- per Share)	4,676.38	4,676.38	4,676.38	4,676.38	4,676.38	4,676.38
15	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	3,868.61
16.i	Earnings Per Share (before extraordinary items) (of Rs. 10/- each) (not annualised)						
	(a) Basic	0.12	0.31	0.22	0.77	0.72	0.82
	(b) Diluted	0.12	0.31	0.22	0.77	0.72	0.82
16.ii	Earnings Per Share (after extraordinary items) (of Rs. 10/- each) (not annualised)	-	-	-			-
	(a) Basic	0.12	0.31	0.22	0.77	0.72	0.82
	(b) Diluted	0.12	0.31	0.22	0.77	0.72	0.82
A	<b>Particulars of Shareholding</b>						
1	Public shareholding						
	- Number of shares	117,08,950	117,08,950	117,08,950	117,08,950	117,08,950	117,08,950
	- Percentage of shareholding	25.04	25.04	25.04	25.04	25.04	25.04
2	Promoters and promoter group Shareholding **						
	a) Pledged/Encumbered						
	- Number of shares	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	-	-	-	-	-	-
	- Percentage of shares (as a% of the total share capital of the company)	-	-	-	-	-	-
	b) Non-encumbered						
	- Number of Shares	350,54,800	350,54,800	350,54,800	350,54,800	350,54,800	350,54,800
	- Percentage of shares (as a% of the	100.00	100.00	100.00	100.00	100.00	100.00



Statement of unaudited financial results for the quarter and nine months ended December 31, 2013							
Particulars	(Rs. in lacs except for EPS & shares)						
	Quarter Ended			Nine Months Ended		Year Ended	
	31/12/2013	30/09/2013	31/12/2012	31/12/2013	31/12/2012	31/03/2013	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
total shareholding of the							
Promoter and Promoter group)							
- Percentage of shares (as a % of the total share capital of the company)	74.96	74.96	74.96	74.96	74.96	74.96	74.96



**STATEMENT OF DIVIDEND****DETAILS OF DIVIDEND FOR LAST 10 YEARS**

The dividends declared by the Company during the last ten fiscal years have been presented below:

**Equity Shares:**

Particulars	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008
Face value per Equity Share (₹)	10	10	10	10	10
Dividend Paid (₹)*	—	—	—	—	2,00,000
Rate of Dividend (%)	—	—	—	—	10

\*Excluding dividend tax.

**Equity Shares:**

Particulars	Fiscal 2009	Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013
Face value per Equity Share (₹)	10	10	10	10	10
Dividend Paid (₹)*	2,00,000	4,67,63,750	4,67,63,750	—	—
Rate of Dividend (%)	10	10	10	—	—

\*Excluding dividend tax.



**GENERAL INFORMATION**

Our Company was incorporated under the Companies Act, 1956 on 23<sup>rd</sup> August 1979 as Orchid Trading & Investment Company Limited. The name of the Company was changed to Royal Refinery Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on 27<sup>th</sup> July 1995. The name of the Company was again changed to Dhunseri Plantation & Marketing Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on 16<sup>th</sup> June 1998. Thereafter, the name of the Company was changed to Bhagwati Resources Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on 18<sup>th</sup> June 2002.

The existing promoters of the Company have acquired the Company in the year 2003.

Pursuant to a Scheme of Arrangement in 2009, M/s. Adhunik Ispat Limited, an Adhunik Group company incorporated under Companies Act, 1956 merged with Bhagwati Resources Limited w.e.f. 01.04.2008, vide order dated September 07, 2009 of Hon'ble High Court of Calcutta. Subsequently, name of the Company was changed to Adhunik Industries Limited and a fresh Certificate of Incorporation consequent upon change of name was issued to the Company on January 05, 2010.

The Company is engaged in the business of manufacturing various specifications of TMT Bars, Wire Rods and other long products.

<b>Corporate Identification No.</b>	L65921WB1979PLC032200
<b>Registered Office</b>	14, Netaji Subhash Road, Kolkata- 700 001
<b>Corporate Office</b>	'Lansdowne Towers', 2/1A, Sarat Bose Road, Kolkata - 700 020
<b>Registration No.</b>	032200
<b>Address of ROC</b>	Nizam Palace, II MSO Bldg., 2nd floor, 234/4, AJC Bose Road, Kolkata - 70020

**Board of Directors**

The following table sets out the details regarding our Board as on the date of the filing of this Information Memorandum:

<b>Name of the Director</b>	<b>Designation</b>	<b>DIN</b>	<b>Status</b>	<b>Address</b>
Mr. Mahesh Kumar Agarwal	Chairman	00507690	Non-Executive and Non-Independent	BA-209, Saltlake City, Kolkata, 700064, West Bengal
Mr. Jugal Kishore Agarwal	Managing Director	00227460	Managing Director	BA-209, Salt Lake City, Kolkata, Kolkata, 700064, West Bengal
Mr. Mohan Lai Agarwal	Director	01047906	Non-Executive and Non-Independent	BA-209, Saltlake City, Kolkata, 700064, West Bengal
Mr. Ashok Bector	Director	00582126	Independent Director	26, P.K. Tagore Street, Ram Sadan, 2nd Floor, Kolkata, 700006, West Bengal
Mr. Shyam Bahadur Singh	Director	01982407	Independent Director	135, Chira Chas, Chas P.O., Bokaro, 827013, Jharkhand, India
Mr. Asit Baran Dasgupta	Director	02476594	Independent Director	CL-92, 1st Floor, Sector-II, Salt Lake,, Kolkata, 700091, West Bengal, India



**Registrar & Share Transfer Agent**

M/s. Maheshwari Datamatics Pvt. Ltd.  
6, Mangoe Lane (Surendra Mohan Ghosh Sarani)  
2nd Floor, Kolkata-700 001.  
E-mail- mdpl@cal.vsnl.net.in  
Website-www.mdpl.in  
Tel: 91 33 2243 5809  
Fax: 91 33 2248 4787

**Company Secretary & Compliance Officer**

Mr. Bharat Agarwal, Company Secretary  
'Lansdowne Towers', 2/1A, Sarat Bose Road  
Kolkata – 700 020  
Tel: +91 33 3051 7100  
Fax: +91 33 2289 0285

**Auditors**

Sudhir Kumar Jain & Associates.  
Chartered Accountants  
Moon House, 5<sup>th</sup> Floor, Suit No.- 31  
21, Ganesh Chandra Avenue  
Kolkata – 700013  
Tel: +91 33 2211 3863





**CAPITAL STRUCTURE**

1. Our share capital as on the date of this Information Memorandum is set forth below:

Particulars	Rs. in Lacs
<b>(A) Authorised Share Capital</b>	<b>Aggregate Nominal Value</b>
50,000,000 Equity Shares of Rs. 10/- each	5000.00
<b>(B) Issued, Subscribed and Paid-up Equity Capital</b>	
46,763,750 Equity Shares of Rs. 10/- each	4676.38

**Notes to Capital Structure:**

Changes in the Authorized Share Capital Structure since inception are given below:

Date of change	Details of change in authorized capital
September 07, 2009	Increase in authorised share capital of the Company from Rs. 1000.0 Lacs to Rs. 3000.0 Lacs pursuant to the amalgamation of M/s. Adhunik Ispat Limited with the Company as per the Order dated September 07, 2009 of High Court of Calcutta
October 30, 2009	Increase in authorised share capital of the company from Rs. 3000.0 Lacs to Rs. 5000.0 Lacs

The following is the history of the Equity Share Capital of the Company:

Date of Allotment	No. of Equity Shares Allotted	Face Value (In Rs.)	Issue Price (In Rs.)	Cumulative paid up capital (In Rs.)	Consideration	Remarks
On Incorporation	43	10	10	430	Cash	Subscribers to the Memorandum
Upto March 2003 *	1,99,957	10	--	20,00,000	--	
05.11.2009	46,563,750	10	N.A.	467,637,500	Cash	On amalgamation of M/s. Adhunik Ispat Limited with the Company as per Order of the Calcutta High Court

\* The information has been compiled from the Balance Sheet as at 31-03-2004 in absence of relevant records of ROC filings.

**2. Outstanding convertible instruments including warrants pending conversion**

Our company does not have any outstanding convertible instrument including warrants pending for conversion.



## 3. Shareholding Pattern of the Company as on 31.03.2014 is as follows:

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX) = (VIII)/(IV)* 100
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group<sup>1</sup></b>							
<b>1</b>	<b>Indian</b>							
(a)	Individuals/ Hindu Undivided Family	11	32,31,050	32,31,050	6.91	6.91	-	-
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-
(c)	Bodies Corporate	3	3,18,23,750	3,18,23,750	68.05	68.05	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-
(e)	Any Others (Specify)	-	-	-	-	-	-	-
	<b>Sub Total(A)(1)</b>	<b>14</b>	<b>3,50,54,800</b>	<b>3,50,54,800</b>	<b>74.96</b>	<b>74.96</b>	<b>-</b>	<b>-</b>
<b>3</b>	<b>Foreign</b>							
A	Individuals (Non-Residents Individuals/ Foreign Individuals)	-	-	-	-	-	-	-
B	Bodies Corporate	-	-	-	-	-	-	-
C	Institutions	-	-	-	-	-	-	-
D	Qualified Foreign Investor	-	-	-	-	-	-	-
E	Any Others (Specify)	-	-	-	-	-	-	-
	<b>Sub Total(A)(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>14</b>	<b>3,50,54,800</b>	<b>3,50,54,800</b>	<b>74.96</b>	<b>74.96</b>	<b>-</b>	<b>-</b>
<b>(B)</b>	<b>Public shareholding</b>							
<b>1</b>	<b>Institutions</b>							
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-
(b)	Financial Institutions / Banks	-	-	-	-	-	-	-
(c)	Central Government/ 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 (specify)	-	-	-	-	-	-	-
	<b>Sub-Total (B)(1)</b>	-	-	-	-	-	-	-
<b>B 2</b>	<b>Non-Institutions</b>							
(a)	Bodies Corporate	10	1,16,41,270	1,16,41,270	24.89	24.89	-	-
(b)	Individuals						-	-
I	Individuals -I, Individual shareholders holding nominal share capital up to Rs. 1 lakh	498	24,680	24,680	0.05	0.05	-	-
II	II, Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1	43,000	43,000	0.09	0.09	-	-
(c)	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-
	<b>Sub-Total (B)(2)</b>	<b>509</b>	<b>1,17,08,950</b>	<b>1,17,08,950</b>	<b>25.04</b>	<b>25.04</b>		
<b>(B)</b>	<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>509</b>	<b>1,17,08,950</b>	<b>1,17,08,950</b>	<b>25.04</b>	<b>25.04</b>	<b>-</b>	<b>-</b>
	<b>TOTAL (A)+(B)</b>	<b>523</b>	<b>4,67,63,750</b>	<b>4,67,63,750</b>	<b>100.00</b>	<b>100.00</b>	<b>-</b>	<b>-</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>							
1	Promoter and Promoter Group	-	-	-	-	-	-	-
2	Public	-	-	-	-	-	-	-
	<b>Sub-Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>523</b>	<b>4,67,63,750</b>	<b>4,67,63,750</b>	<b>100.00</b>	<b>100.00</b>	<b>-</b>	<b>-</b>

Statement showing holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group"

## a. Individual/Hindu Undivided Family

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)			Details of warrants		Details of convertible securities		Total shares as a % of diluted share capital
		Number of shares held	As a % of grand total (A)+(B)+(C)	No.	As a percentage	As a % of grand total (A)+(B)+(C) of sub-clause (I)(a)	Number of warrants held	As a % of total number of warrants of the same class	Number of convertible securities held	As a % of total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI) = (V)/(I II)*100	(VII)	(VII I)	(IX)	(X)	(XI)	(XII)
1	Mahesh Kumar Agarwal	5,24,000	1.12	-	-	-	-	-	-	-	1.12
2	Manoj Kumar Agarwal	5,16,550	1.10	-	-	-	-	-	-	-	1.10
3	Ghanshyam Des Agarwal	5,10,500	1.09	-	-	-	-	-	-	-	1.09
4	Jugal Kishore Agarwal	4,94,500	1.06	-	-	-	-	-	-	-	1.06
5	Nirmal Kumar Agarwal	4,89,000	1.05	-	-	-	-	-	-	-	1.05
6	Mohan Lal Agarwal	4,41,500	0.94	-	-	-	-	-	-	-	0.94
7	Rita Agarwal	75,000	0.16	-	-	-	-	-	-	-	0.16
8	Chandrakanta Agarwal	52,500	0.11	-	-	-	-	-	-	-	0.11
9	Meena Agarwal	50,000	0.11	-	-	-	-	-	-	-	0.11
10	Jugal Kishore Agarwal (HUF)	50,000	0.11	-	-	-	-	-	-	-	0.11
11	Nirmal Kumar Agarwal (HUF)	27,500	0.06	-	-	-	-	-	-	-	0.06
<b>TOTAL</b>		<b>32,31,050</b>	<b>6.91</b>	-	-	-	-	-	-	-	<b>6.91</b>



## b. bodies corporate

Sr. No.	Name of the shareholder	Details of Shares held		Encumbered shares (*)			Details of warrants		Details of convertible securities		Total shares as a % of diluted share capital
		Number of shares held	As a % of grand total (A) + (B) + (C)	No.	As a percentage	As a % of grand total (A) + (B) + (C) of sub-clause (I)(a)	Number of warrants held	As a % total number of warrants of the same class	Number of convertible securities held	As a % total number of convertible securities of the same class	
(I)	(II)	(III)	(IV)	(V)	(VI) = (V)/(I II)*100	(VII)	(VII I)	(IX)	(X)	(XI)	(XII)
1	Mahananda Suppliers Ltd.	1,66,00,000	35.50	-	-	-	-	-	-	-	35.50
2	Sungrowth Shares & Stocks Ltd.	1,48,83,750	31.83	-	-	-	-	-	-	-	31.83
3	Adhunik Steels Ltd.	3,40,000	0.73	-	-	-	-	-	-	-	0.73
<b>TOTAL</b>		<b>3,18,23,750</b>	<b>68.05</b>	-	-	-	-	-	-	-	<b>68.05</b>

Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 5% of the total number of shares of the company

Sr. No.	Name(s) of the shareholder(s) and the Persons Acting in Concert (PAC) with them	Number of shares	Shares as a percentage of total number of shares {i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above}	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Padmalaya Advisory Services LLP	68,50,000	14.65	-	-	-	-	14.65
<b>TOTAL</b>		<b>68,50,000</b>	<b>14.65</b>	-	-	-	-	<b>14.65</b>



Statement showing holding of securities (including shares, warrants, convertible securities) of persons (together with PAC) belonging to the category "Public" and holding more than 1% of the total number of shares of the company

Sr. No.	Name(s) of the shareholder (s) and the Persons Acting in Concert (PAC) with them	Number of shares	Shares as a percentage of total number of shares (i.e., Grand Total (A)+(B)+(C) indicated in Statement at para (I)(a) above)	Details of warrants		Details of convertible securities		Total shares (including underlying shares assuming full conversion of warrants and convertible securities) as a % of diluted share capital
				Number of warrants	As a % total number of warrants of the same class	Number of convertible securities held	% w.r.t total number of convertible securities of the same class	
1	Padmalaya Advisory Services LLP	68,50,000	14.65	-	-	-	-	14.65
2	Gyaneshwar Consultants LLP	15,50,000	3.31					3.31
3	Brij Gopal Consultants LLP	15,40,000	3.29					3.29
4	Om Survavidya Consultants LLP	15,00,000	3.21					3.21
<b>TOTAL</b>		<b>1,14,40,000</b>	<b>24.46</b>	-	-	-	-	<b>24.46</b>

#### Top 10 shareholders of our Company

The list of top 10 shareholders of our Company as on March 31, 2014 is as under:

Sl. No.	Name of Shareholder	No. of Shares held	%
1.	Mahananda Suppliers Ltd.	166,00,000	35.50
2.	Sungrowth Shares & Stocks Ltd.	148,83,750	31.83
3.	Padmalaya Advisory Services LLP	68,50,000	14.65
4.	Gyaneshwar Consultants LLP	15,50,000	3.31
5.	Brij Gopal Consultants LLP	15,40,000	3.29
6.	Om Survavidya Consultants LLP	15,00,000	3.21
7.	Mahesh Kumar Agarwal	5,24,000	1.12
8.	Manoj Kumar Agarwal	5,16,550	1.10
9.	Ghanshyam Das Agarwal	5,10,500	1.09
10.	Jugal Kishore Agarwal	4,94,500	1.06

4. No payment, direct or indirect, in the nature of brokerage, discount, commission, and allowance or other special terms including an option for the issue of any kind of securities has been granted to any person.



## BUSINESS OVERVIEW

Adhunik Industries Limited (formerly known as Bhagwati Resources Limited) is a part of Adhunik Group. The Group is a renowned name in Iron & Steel, Ferro Alloys, Mining, and Power with over four decades of extensive as well as in-depth knowledge in manufacturing of finest quality products. The Group has manufacturing facilities in the state of West Bengal, Orissa and Jharkhand.

The Company is engaged in the manufacture of TMT Bars, Wire Rods & other long products for constructional and industrial applications, and trading of iron & steel Products. The Company has also a Wind Power facility of 1.5 MW. in Maharashtra. We are committed to maintain Quality Management System and the operations of the Company are ISO 9001:2008 certified. We manufacture products in the most environment friendly conditions. Our manufacturing process is an ISO 14001:2004 & 18001:2007 certified.

The Company has a total installed capacity of 2,22,000 MTPA, which was enhanced from 1,32,000 MTPA in the financial year 2011-12 in the plant located at Durgapur. The commercial production has also been started. The premium customers of the company include Aditya Birla Group, Adani Group, Tania Group, SAIL, Videocon, Shapoorji Pallonji & Co. Ltd., DLF, Unitech, MPS Group, Ruchi Realty, Merlin Group, Diamond Group, Prayag Group, The State Trading Corporation of Sikkim, Ispat Engineering Pvt. Ltd. etc.

The details of the Company's registered office, corporate office and factory are as under:

Sl. No.	Location	Utilization	Nature of Possession
1.	14, Netaji Subhash Road, Kolkata- 700 001	Registered Office	Rented
2.	2/1A Sarat Bose Road, Kolkata-700 020	Corporate Office	Rented
3.	Raturia, Angadpur, Durgapur-713 215, West Bengal	Factory	Leased

### Competitive Strengths

#### Management Expertise

The promoters of the Company have vast experience in the iron and steel, power, cement and mining industry of over more than four decades. Over the years, promoters have gained experience in implementing various projects in the group and there functioning. The established position of the group companies in the local markets has resulted in an established customer base.

The Promoters have put in place a professional management team and each key member of the team has many years of experience in the industry. Strong technical skills along with vast industry experience enable the senior management of the group to handle projects of complex and diversified nature. At the middle management level, the group has a strong execution team capable of individually handling and executing the assignments. The promoters through their existing group companies have a well-established marketing and distribution network which makes us confident of facing any adverse conditions.

#### Strong Brand Recognition

The Company is an integral part of Adhunik Group. Adhunik Group is engaged in the manufacturing of Iron and Steel products in the states of West Bengal, Orissa & Jharkhand. The Group, with the most strategically poised growth path and integrated business models, deals in mining, steel, power, transmission structures and value added products, catering to a vast and quality focussed customer base. With a dependable back-up of committed employees as well as a strong and ever-growing customer support, the Group has emerged over a period of time as a steady performer, undeterred even during the cyclic fluctuation and unsteadiness of the market. It has at all time's depicted continuous growth backed with strong financial performance. Our commitment towards quality of products, processes and inputs fetch repetitive orders from our customers, and enabling us to maintain our brand image in the market.



**Our Quality Certification**

Our Company has implemented and maintains a Quality Management System and have ISO 9001:2008 accreditation from the Bureau of Indian Standards through commitment to quality and technological excellence. We manufacture in an environmental friendly condition and has been certified as ISO 14001:2004 & 18001:2007. Since our Company is dedicated towards quality of products, processes and inputs, we get repetitive orders from our customers, as we are capable of meeting our quality standards thereby enabling us to maintain our brand image in the market.

**Cordial Relationship between management and labour**

We enjoy cordial relations with our employees and there has been no union of employees. Further, there have been no strikes, lock-out or any labour protest in our organization since the incorporation of our Company.

**Location Advantage**

Company has plant situated at Raturia, Angadpur, Durgapur, West Bengal, wherein all the required infrastructural facilities are available. The site at this place was selected keeping in view the availability of raw material, quality labour, distribution channel and market. The site is also well connected with all type of transportation.

**Weaknesses**

- Persistent slowdown in demand for steel and falling steel prices has squeezed profitability.
- The industry by nature is capital intensive and requires high capital, by various modes, increasing cost of borrowing remains one of the major concerns for the group and industry as a whole.

**Opportunities**

- With Indian Government focusing on infrastructure developments like Power, Telecommunication, Ports, Roads, etc., the demand for steel is expected to grow in the near future.
- Indian Steel industry is on the growth path with growing domestic demand, unexplored rural market and rapid urbanisation. The strong growth in automotive industry and power sectors would drive steel output and consumption.
- Rising living standards, strong GDP growth, high infrastructure investments and low per capita consumption will drive market for steel consumer and industries.

**Threats**

- Due to capacity being added by new steel plants and aggressive expansion plans of many of the large players, there could be a situation of oversupply in the market.
- Stabilization in the economic situation, driven by continued slow growth in steel demand, the economic prospects remained weak and reflected inherent risks in the steel sector.
- The slowdown in economic growth is taking its toll on industrial output and availability of timely and reasonable raw material is another concern for the industry.

**Business Strategy**

The key components of our strategy to drive profitable growth and to maximize value are to continuously enhance customer satisfaction, attract, develop, and retain talent, and maintain stringent standards of environmental safety and corporate responsibility. To this end, the Company operates the business in the most efficient & effective way to ensure supply of quality products that satisfy its focused-customer's needs and add value to its stakeholders. The focus of the Company is to increase the contribution on the products by reducing the cost of production, control over logistics, ensure uninterrupted raw material supply, command high prices through gradual shifting to value added products and to ensure long term sustainability of the Company.





**Continued focus on consistently meeting quality standards so as to ensure product acceptance by customers**

We have created a reputation with our suppliers who can consistently supply quantity without compromising on the quality and delivery schedules. We intend to continue to focus on this. Since we are ISO certified company we intend to continue the same methodology for over the period.

**Continue to Focus on Training and Motivating Our Work Force**

Our Company will strongly continue its policy of training its work force with adequate product knowledge, market knowledge and above all the application of knowledge to the industry. Our Company shall always focus on narrowing the hierarchy for free and transparent two-way communication between management and employees for better exchange of ideas, views and opinions for maintaining good competitive work atmosphere at all levels.

**Reduce Operational cost thereby increasing our cost competitiveness.**

One way to increase the profitability of the company is by reducing the operational cost. We have been making various efforts to reduce the operational cost of our company thus increasing the profitability of our company.

**Increase profitability by proper product mix**

We plan to increase our profitability by concentrating on our product mix i.e manufacture of structural steel and long products as per requirement of the customer.

**Expand into new geographies**

We are reasonably positioned in the key segment in the eastern part of India. We intended to expand our market presence through communications and promotional, interaction with industry research organizations, participation in industry events, public relations and investor relations efforts.

**Our overall business strategy shall be to**

- Maximize revenue through capacity expansion and increase in efficiency
- Reduction in cost of borrowing
- Enhancing production efficiency and minimize process losses
- Reduce operational costs and be cost competitive
- Have a consumer centric approach
- Deliver value for money to our clients
- Adopt best practices in all functions and processes
- Perform in an environment friendly condition

**Products manufactured by the Company**

Adhunik Industries is producing TMT Bars and Wire Rods, MS Round, M S Flat and other long products. Adhunik Group as a whole manufactures Iron and Steel products having a chain of value added products including carbon and alloy steel billets, auto grade steel rolled products, rounds and flats, TMT bars & wire rods, sponge iron, pig iron, ferro alloys products i.e. ferro manganese, silico manganese, ferro silicon and stainless steel products.

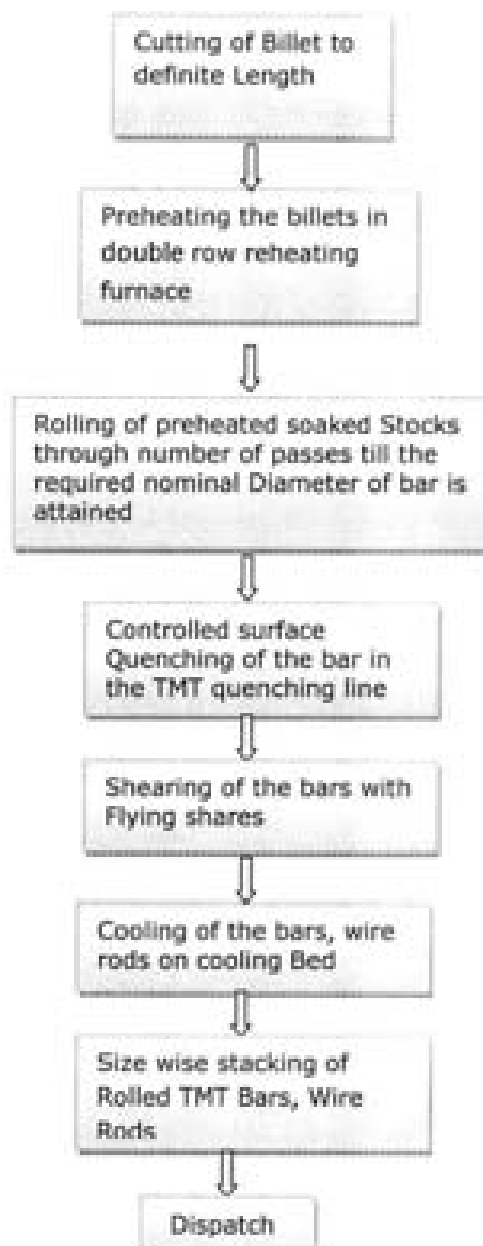
**Manufacturing process of TMT Bars and Wire Rods**

TMT bars are hot rolled round bars/rods with indentations/ribs normally supplied in straight length or in folded bundles. Construction and Infrastructure – two high growth sectors in the country are the primary consumers of bars. Thermo Mechanically Treated (TMT) bars are protected by past rolling thermo process. There are two known technologies, which were independently developed in Europe and later recognized globally. These are the Thermo and Temporal Processes. Thermo processing of steel bars results in higher strength with better ductility than that offered by the Cold Twisted Deformed Process.

The process involves converting the shape stock viz. Ingots/billets to desired finished section in hot condition by way of passing the material between a pair of grooved rolls and providing suitable draft at various stages. The whole operation is conducted at a particular temperature range and within a limited time span. The stages of rolling operation are comprised of heating of feed stock to rollable temperature, rolling the feed stock in different mill stands, cropping the hot bar during process of rolling between stands as applicable and subsequently finishing in the form of hot rolled bars as angles, channels, beams, bars and wire rods. The hot bar coming out of last pass is then conveyed through TMT line and collecting in a cool bed after shearing. The bars at almost ambient temperature are sheared to commercial length stored and kept ready for dispatch.

In TMT/ Wire rod process, hot bars are subjected to quenching by means of an intense cooling installation (cooling installation specially designed water spray system). Due to quenching, the surface layer will harden to martensite while the core structured remains austenite. When the bar is free of water chamber heat flows from core to surface and surface gets tempered to structure called Martensite. In the cooling bed due to atmosphere cooling, the hardened zone is tempered by temperature homogenization in the cross section and the austenite core is transferred to Ductile-Ferrite- Pearlite core. A dual combination of micro structural features in the cross-section of the bar gives it excellent yield strength along with superior ductility and weld-ability. Since the desired level of strength in TMT is achieved by heat treatment and not by increasing carbon content, it offers excellent weld-ability, ductility and earthquake resistance. Due to the stability of the microstructure of the bars at high temperatures, these bars exhibit good fire resistance.





#### Process of procuring Raw Material

The Company is having a designated purchase department which is involved in the purchase of raw materials mainly. The main raw materials of the company comprises of Billet, Ingot, coal and Furnace Oil. There are regular suppliers of raw materials and they ensure us the smooth supply of proper quality of raw materials to the Company. The Company procured its raw material mainly from Eastern India region and the same is brought to the factory by the mode of Road transport.

#### Competition

Much of the market in which the company operate is unorganized and fragmented with many small and medium-sized companies. The Company face substantial competition for products from other manufacturers in domestic market. The Company compete with other manufacturers on the basis of product range, product quality, and product price including factors, based on reputation, regional needs, and customer convenience.

The competition varies for our products and regions. The Company have to compete with different players in different regions.

#### **Sales and Marketing**

The sales and marketing strategy is based on building upon strengths and results already achieved. The Company strategy is to consolidate position in West Bengal and penetrate in other northern, western and eastern parts of the country. In parallel, the Company also strive to build credible partnerships as an entry strategy and build on the same for a full-scale penetration in future.



## HISTORY AND CORPORATE STRUCTURE

Our Company was incorporated under the Companies Act, 1956 on 23<sup>rd</sup> August 1979 as Orchid Trading & Investment Company Limited. The name of the Company was changed to Royal Refinery Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on 27<sup>th</sup> July 1995. The name of the Company was again changed to Dhunseri Plantation & Marketing Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on 16<sup>th</sup> June 1998. Thereafter, the name of the Company was changed to Bhagwati Resources Limited and a fresh Certificate of Incorporation consequent upon change of name was issued on 18<sup>th</sup> June 2002.

The existing promoters of the Company have acquired the Company in the year 2003. Pursuant to a Scheme of Arrangement in 2009, M/s. Adhunik Ispat Limited, an Adhunik Group company incorporated under Companies Act, 1956 merged with Bhagwati Resources Limited w.e.f. 01.04.2008, vide order dated September 07, 2009 of Hon'ble High Court of Calcutta. Subsequently name of the Company was changed to Adhunik Industries Limited and a fresh Certificate of Incorporation consequent upon change of name was issued to the Company on January 05, 2010. The equity shares of the Company are listed on the Calcutta Stock Exchange Limited.

The registered office of the Company is situated at 14, N.S. Road, Kolkata-700 001, West Bengal.

**Important events in the history of the Company are as follows:**

Year	Milestone
1979	The Company was incorporated as Orchid Trading & Investment Company Limited
1997*	The Company got listed on Calcutta Stock Exchange Limited
2009	M/s Adhunik Ispat Limited merged with the company
2011	The Installed capacity of the company increased to 2,22,000 MTPA

\* As per the records of Calcutta Stock Exchange Limited

## MAIN OBJECTS OF THE COMPANY AS SET OUT IN THE MEMORANDUM OF ASSOCIATION

The objects for which the Company is established are:

1. To invest, buy, sell, transfer, hypothecate, deal in and dispose of any shares, stocks, debentures whether perpetual or redeemable debentures, stocks, securities, properties, bonds, any Government/Local authority bonds & certificates.
2. To receive money, deposits on Interest or otherwise and to lend money and negotiate with or without security to such companies, firms or persons and on such conditions as may seem expedient and to guarantee the performance of contracts by any person, companies or firms provided that the company shall not carry on the business of banking.
3. To carry on the business of financing Industrial Enterprises whether by way of making loans or advances to or subscribing to the capital of private Industrial Enterprises in India.
4. To carry on the business as manufacturers, formulators, processors, millers, fabricators, twister, welders, extruder, exchangers, galvanisers, producers, growers, fermentators, distillers, refiners, makers, importers, exporters, buyers, sellers, suppliers, stockists, agents, brokers, contractors, dealers, consultants, retailers, traders, converters, mediators, decoilers, cutters, wire drawers, consignment agents, distributors, factors of Iron & steel, coil, sheets, plates, metal and metal alloys, all varieties of iron & steel, Ferro alloys, pig iron, tinplate. Special steel, mild steel, forging steel, stainless steel, high speed steel, bright steel, carbon steel, tools, bars, alloy steel and any other kind of iron & steel, including steel billets, steel rods, cast iron, steel ingots steel sheets, steel wires, copper wires, cables and conductors of all types, all types of ferrous and non ferrous metal and products thereof, food processing, and allied food products, steel scrap & ferrous & non ferrous scraps, hardingres and metal founders, processors, turners, smelters, engineers, forgers, drawers, rollers and re-rollers of steel shaftings, bars, rods, flats, squares, hexagonal and octagonal in different shapes and sizes from scraps, billets, ingots including wire nails, screws metal, hinges plates, sheets, strips, hoops, rounds, circles, channels, rails, sections, angles and to alloy steel, stainless steel and other



products from steel, metal of all sizes, specifications and descriptions, including ingots casting in electric and induction furnaces and to act as dealers in all such merchandise.

5. To carry on all or any of the business as manufacturers and sellers of and dealers and workers in cements of all kinds, lime, plasters, whiting, clay, gravel, sand, minerals, clinkers, earth, coke, fuel, gypsum, coal, jute, hessian, cloth, gunny bags, paper bags, artificial stones and all builders requisites made out of cement and cement products and convenience of all kinds.
6. To purchase take on lease or otherwise acquire any mining rights, mines and lands in India or elsewhere believed to contain metallic or mineral, saline or chemical substances, kieselghur, French chalk, China Clay, bentonite and other clays, boryles, calcite and such other filler materials, earths or other ingredients including coal, lignits, rock phosphate, brimstone, brine, bauxite, rare earths which may seem suitable or useful or for any of the Company's objects and any interest therein and to explore, work, exercise, develop and turn to account the same.
7. To carry on the business of generating, producing, processing, converting, trading, supplying, exporting, importing, distributing all types of power produced or generated by coal, water, oil, air or by any means like hydro power, wind power, thermal power, solar power etc. and the business of manufacturers, exporters, importers, dealers, distributors, traders, stockists and commission agents of power generating systems, plant and machineries, tools, accessories, generators to carry the work of laying and installing cables, wires, poles, grids and other works by whatever name it called.
8. To carry on the business of any kind of Commission Agent, Lottery Ticket Agent and any sort of agency business.
9. To engage in business or investor in real estate for the benefit of its members, customer and general public and in particular of purchase, sale in trading of land and/or buildings and owing, buying, selling developing, hiring, letting, sub letting, maintaining, allotting, transferring allotment, administering, exchanging, mortgaging, accepting mortgage, renting, leasing, sub leasing, surveying, acceting surrender, accepting lease tenancy or sub tenancy, constructing, reconstructing, repairing, maintaining, extending, altering or demolishing land, buildings, tenements, blocks, flats, apartments, offices, godowns, garages and building wites tgrough its own agency or through contractors and purchasing holding in stock or selling materials or trading in construction materials and building accessories electrical, sanitary plumbing and other fixtures fittings equipment, plant machinery tools and appliance including furniture fixtures household goods decoration materials.

#### **Material Contracts:**

The Company has not entered into any material contract, not being a contract entered into in the ordinary course of the business carried on or intended to be carried on by the company or any material contract more than two years before the date of the Information Memorandum.

#### **Our Subsidiaries:**

Our Company at present has no subsidiary as on the date of this Information Memorandum.



**OUR MANAGEMENT**

In accordance with our Articles, our Company is required to have not less than three directors and not more than twelve directors. Our Company has six Directors on its Board. The details of the board of directors of the Company are given below:

Sl. No.	Name, Designation Address, DIN	Date of Appointment	Age in Years	Directorship in other Companies
1	<b>Mr. Mahesh Kumar Agarwal</b> <i>Chairman - Non-Executive and Non Independent</i> BA-209 Salt Lake City, Kolkata-700064. <b>DIN No.</b> 00507690	27/08/2003	47	1. Adhunik Metaliks Ltd. 2. Adhunik Corporation Ltd. 3. Adhunik Alloys & Power Ltd. 4. Sungrowth Share & Stocks Ltd. 5. Mahananda Suppliers Ltd. 6. Adhunik Power & Natural Resources Ltd. 7. Orissa Manganese & Minerals Ltd. 8. Adhunik Meghalaya Steels Pvt. Ltd. 9. Moira Madhujore Coal Ltd. 10. Arena Textiles & Industries Ltd. 11. Gadchiroli Mining Company Pvt. Ltd. 12. Kolkata Glass & Ceramic Pvt. Ltd.
2	<b>Mr. Jugal Kishore Agarwal</b> <i>Managing Director</i> BA-209 Salt Lake City, Kolkata- 700064 <b>DIN No.</b> 00227460	30/11/2009	62	1. Adhunik Metaliks Ltd. 2. Aadhunik Steels Ltd. 3. Adhunik Corporation Ltd. 4. Adhunik Alloys & Power Ltd. 5. Adhunik Infotech Ltd. 6. Sungrowth Share & Stocks Ltd. 7. Mahananda Suppliers Ltd. 8. Adhunik Power & Natural Resources Ltd. 9. Orissa Manganese & Minerals Ltd. 10. Swarnarekha Steel Industries Ltd. 11. Moira Madhujore Coal Ltd. 12. Hanuman Advisory Ltd. 13. Gajeshwar Advisory Ltd. 14. Aravali Merchants Pvt Ltd. 15. Gadchiroli Mining Company Pvt. Ltd. 16. Neepaz B C Dagara Steels Pvt. Ltd. 17. Ribhoi Mining & Minerals Pvt. Ltd. 18. Kolkata Glass & Ceramic Pvt. Ltd.
3	<b>Mr. Mohan Lal Agarwal</b> <i>Non-Executive and Non Independent</i> BA-209 Salt Lake City, Kolkata-700 064 <b>DIN No.</b> 01047906	27/08/2003	48	1. Adhunik Metaliks Ltd. 2. Aadhunik Steels Ltd. 3. Adhunik Corporation Ltd. 4. Adhunik Alloys & Power Ltd. 5. Sungrowth Share & Stocks Ltd. 6. Mahananda Suppliers Ltd. 7. Adhunik Power & Natural Resources Ltd. 8. Orissa Manganese & Minerals Ltd. 9. Futuristic Steel Ltd.



				10. Zion Steel Ltd. 11. Performance Marketing Ltd. 12. Adhunik Shristi and Power Trading Company Ltd. 13. Sonapahar Natural Resources Pvt. Ltd.
4	<b>Mr. Ashok Bector</b> <i>Independent Director</i> 26, P. K. Tagore Street, 2 <sup>nd</sup> Floor, Ram Sadan, Kolkata-700 006 <b>DIN No. 00582126</b>	03/04/2012	61	1. Neepaz Infrastructure & Developers Ltd. 2. Gajeswar Ispat Pvt. Ltd. 3. Rang Credit Pvt. Ltd.
5	<b>Mr. Shyam Bahadur Singh</b> <i>Independent Director</i> 135, Chira Chas, Chas P.O., Bokaro, 827013, Jharkhand, India <b>DIN No. 01982407</b>	19/04/2013	72	1. Jai Balaji Industries Ltd. 2. Skipper Ltd.
6	<b>Mr. Asit Baran Dasgupta</b> <i>Independent Director</i> CL-92, 1st Floor, Sector-II, Salt Lake,, Kolkata, 700091, West Bengal, India <b>DIN No. 02476594</b>	26/06/2013	73	NIL

#### Brief Profile of the Directors -

**Mr. Mahesh Kumar Agarwal**, aged 47 years, is a commerce graduate from Calcutta University. He has over 19 years of expert experience in the core sector i.e. steel, power, cement and mining. He is having expert knowledge and skill in the areas of manufacturing and trading units in the segment.

**Mr. Jugal Kishore Agarwal**, aged 62 years, is a Bachelor in Commerce and a Law Graduate from Calcutta University. He has more than 3 decades of experience in the steel sector in the areas of trading and providing services to manufacturing units in this segment. Mr. Agarwal has been the guiding force behind the company and has played a key role in envisioning the various business initiatives of the company. He possesses expertise in financial matters and has been leading in all the financial matters of the company.

**Mr. Mohan Lal Agarwal**, aged 48 years, is a commerce graduate from Calcutta University. He has about 20 years of experience in the steel sector in the areas of trading and providing services to manufacturing units in this segment and is spearheading the day-to-day management of the Auto components divisions of the forgings units of the group.

**Mr. Ashok Bector**, aged 61 years, is an expert in financial & commercial matters. He has more than two and half decades of experience in Core steel sector. He possesses good knowledge of financial matters and provides strategic inputs towards the growth and development of the Company.

**Mr. Shyam Bahadur Singh**, aged 72 years, has a B.Sc. (Metallurgical Engineering) degree from Banaras Hindu University. Under his able leadership as Managing Director, SAIL's Durgapur Steel Plant completed its modernization in record time. As Assistant General Manager of Bokaro Steel Plant, he was responsible for implementation of their project in Rourkela which reached 100% capacity in short span of 10 months. Over the years, he has received numerous national level awards for professional and business excellence.

**Mr. Asit Baran Dasgupta**, aged 73 years, has a B. Com. degree from Calcutta University. He joined State Bank of India as P.O. in the mid sixties & retired as General Manager (Commercial





Banking) after 34 years of service. As a General Manager (Commercial Banking), he controlled the entire range of strategic exposure of the Bank having a large number of critical industries in the sectors of Steel, Power, Fertilizer, Automobile and Automobile ancillaries, Textiles etc. The active responsibility areas include financial planning & qualitative control of growth implementations with its implied rationalistic decision making strategies.

Out of 34 years of service, assignments covering 27 years were in senior and top management positions only, covering the entire gamut of operations and planning. Over the years, he has received numerous awards which include Bank of Baroda N. M. Choksi Memorial Prize and Nandlal Puri Prize both from India Institute of Bankers.

#### **Borrowing powers of Board of Directors**

Pursuant to a resolution dated March 11, 2011 passed by our shareholders in accordance with the provisions of the Companies Act, 1956 our Board has been authorised to borrow money for the purposes of the Company upon such terms and conditions and with/without security as the Board of Directors may think fit, provided that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not exceed, at any time, a sum of Rs. 25,000 Lacs.

#### **Terms and conditions of employment of our executive Director**

##### **Mr. Jugal Kishore Agarwal**

Mr. Jugal Kishore Agarwal was appointed as the Managing Director of our Company on November 30, 2009 for a period of five years. The terms of employment and remuneration of Shri Jugal Kishore Agarwal pursuant to an agreement dated November 30, 2009, include the following:

<b>Gross Salary</b>	Basic Salary of ₹ 1,25,000 per month and two months basic salary will be paid as bonus for each completed years of service
<b>Perquisites</b>	<p>(a) Credit card, tour expenses etc: Reimbursement like credit card expenses, tour expenses including foreign tour, professional encouragement, hostel expenses etc, subject to a ceiling of ₹ 12,50,000 per annum</p> <p>(b) Medical reimbursement: Expenses incurred for himself and family;</p> <p>(c) Club fees: Fees on clubs subject to a maximum of two clubs;</p> <p>(d) Provident fund: The contribution shall be subject to ceiling of 10% of the salary; and</p> <p>(e) Car and telephone: Company maintained car and telephone and other communication facilities at Company cost.</p>
<b>Total Salary</b>	The total salary inclusive of all other allowances and perquisites shall not exceed ₹ 30,00,000 per annum.

However, Sri Jugal Kishore Agarwal had agreed to forego the remuneration of Rs. 30,00,000/- (Rupees Thirty Lacs only) including perquisites during the year 2012-13.

#### **Sitting Fees**

Sitting Fess paid to the non-executive directors only for attending various Board Meetings and Committee Meetings as under-

<b>Particulars</b>	<b>Sitting Fees (Amount in Rs.)</b>
Board Meeting	20,000
Audit Committee Meeting	10,000

No sitting fees for attending the other Committee meetings were paid to our non- executive directors.



## Corporate Governance

The basic philosophy of Corporate Governance of the Company is to achieve business excellence and to dedicate itself for increasing long-term shareholders' value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places high emphasis on business ethics. We believe that Corporate Governance is a voluntary and self-discipline code which means not only ensuring compliance with regulatory requirements but also by being responsive to our stakeholders needs. The Board of Directors is at the core of our Corporate Governance practice and oversees how the management serves and protects the long-term interest of all our stakeholders.

### Board of Directors

The Board of Directors is the apex body for overseeing the overall functioning of the Company. The Board provides the strategic direction and management policies and evaluates their effectiveness to ensure that the long-term interests of the shareholders are being served. The Managing Director is assisted by senior managerial personnel in overseeing the functional matters of the Company.

At present, we have six directors on our Board, out of which three are independent Directors. The Chairman of the Board is a Non- Executive and Non- Independent Director. We are in compliance with the requirements of corporate governance set forth in Clause 49 of the Listing Agreement.

### Audit Committee

Our Audit Committee was constituted on December 3, 2009. Currently, our Audit Committee comprises of the following members:

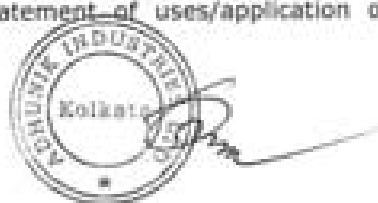
Member of the Audit Committee	Designation
Mr. Asit Baran Dasgupta	Chairman (Independent Director)
Mr. Ashok Bector	Member (Independent Director)
Mr. Mahesh Kumar Agarwal	Member (Non-Executive Director)

### Terms of reference

The terms of reference, role and scope of Audit Committee are in line with those prescribed by Clause 49 of the Listing Agreement with the stock exchange(s).

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal control and financial reporting process and, inter alia, performs the following functions:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956, as amended;
  - b) Changes, if any, in accounting policies and practices along with reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised



through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
9. Discussing with the internal auditors any significant findings and follow up there on;
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
11. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
13. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate; and
15. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the Listing Agreement as and when amended from time to time.

#### Remuneration/Compensation Committee

Our Remuneration / Compensation Committee was constituted on December 3, 2009. Currently, the Compensation Committee comprises of the following members:

Member of the Compensation Committee	Designation
Mr. Ashok Bector	Chairman (Independent Director)
Mr. Mohan Lal Agarwal	Member (Non-Executive Director)
Mr. Mahesh Kumar Agarwal	Member (Non-Executive Director)

#### Terms of reference

The terms of reference, role and scope of Compensation Committee are in line with those prescribed by Clause 49 of the Listing Agreement with the stock exchange(s). The Compensation Committee was set up to review the overall compensation structure and related policies of the Company with a view to attract, motivate and retain employees. The Committee determines the Company's policies on remuneration packages payable to Managing Director and also reviews the compensation levels vis-à-vis other companies and the industry in general.

#### Shareholders'/Investors' Grievances Committee

Our Shareholders'/Investors' Grievances Committee was constituted on December 3, 2009. Currently, the Shareholders'/Investors' Grievances Committee comprises of the following members:

Member of the Compensation Committee	Designation
Mr. Mahesh Kumar Agarwal	Chairman (Non-Executive Director)
Mr. Mohan Lal Agarwal	Member (Non-Executive Director)
Mr. Ashok Bector	Member (Independent Director)

#### Terms of reference

The terms of reference, role and scope of the Shareholders'/Investors' Grievances Committee are in line with those prescribed by Clause 49 of the Listing Agreement with the stock exchange(s). The Committee was constituted to address investor grievances and complaints such as transfer of



equity shares, non-receipt of annual reports and non-receipt of declared dividends, among others, and ensure an expeditious resolution of the matter. The Committee also evaluates performance and service standards of Registrar and Transfer Agent and provides continuous guidance to improve the service levels for investors.

#### Shareholding of the Directors

The following table details the direct shareholding of our Directors in our Company, as on the date of filing of this Information Memorandum:

S. No.	Name	No. of Equity Shares
1.	Ashok Bector	Nil
2.	Jugal Kishore Agarwal	4,94,500
3.	Mohan Lal Agarwal	4,41,500
4.	Mahesh Kumar Agarwal	5,24,000
5.	Shyam Bahadur Singh	Nil
6.	Asit Baran Dasgupta	Nil

#### Interest of Directors

All our Directors, including independent directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association. The executive Directors are interested to the extent of remuneration paid to them for services rendered as an officer or employee of our Company and the terms of such remuneration are set forth in contracts executed between our executive Directors and our Company.

All our Directors, including independent directors, may also be deemed to be interested to the extent of Equity Shares, if any, already held by them and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

#### Changes in Directors during the last three years

The changes in our Board of Directors in the three years preceding the date of this Information Memorandum are as follows:


Sl. No.	Name of Directors	Date Appointment	of	Date Cessation	of	Reason
1	Manoj Kumar Agarwal	30/11/2009		01/11/2011		Resignation
2	Nirmal Kumar Agarwal	27/08/2003		01/11/2011		Resignation
3	Manoj Sharma	30/11/2009		03/04/2012		Resignation
4	Manish Kumar Rungta	03/12/2009		03/04/2012		Resignation
5	Ashok Bector	03/04/2012		-		Appointment
6	Nand Kishore Singhal	03/04/2012		26/06/2013		Resignation
7	Shyam Bahadur Singh	19/04/2013		-		Appointment
8	Asit Baran Dasgupta	26/06/2013		-		Appointment



**PROMOTERS & GROUP COMPANIES**


The Promoters of the company are as follows:

**Mr. Jugal Kishore Agarwal**

	<b>Permanent Account Number</b>	ADCPA9670K
	<b>Passport Number</b>	A6492597
	<b>DIN</b>	00227460
	<b>Address</b>	BA-209, Salt Lake City, Kolkata - 700 064


Mr. Jugal Kishore Agarwal, aged 62 years, is a Bachelor in Commerce and a Law Graduate from Calcutta University. He has more than 3 decades of experience in the steel sector in the areas of trading and providing services to manufacturing units in this segment. Mr. Agarwal has been the guiding force behind the company and has played a key role in envisioning the various business initiatives of the company. He possesses expertise in financial matters and has been leading in all the financial matters of the company.

**Mr. Mohan Lal Agarwal**

	<b>Permanent Account Number</b>	ACVPA7179F
	<b>Passport Number</b>	E6365363
	<b>DIN</b>	01047906
	<b>Address</b>	BA-209, Salt Lake City, Kolkata - 700 064

Mr. Mohan Lal Agarwal, aged 48 years, is a commerce graduate from Calcutta University. He has about 20 years of experience in the steel sector in the areas of trading and providing services to manufacturing units in this segment and is spearheading the day-to-day management of the Auto components divisions of the forgings units of the group.

**Mr. Mahesh Kumar Agarwal**

	<b>Permanent Account Number</b>	ABCPA9259J
	<b>Passport Number</b>	Z2611895
	<b>DIN</b>	00507690
	<b>Address</b>	BA-209, Salt Lake City, Kolkata - 700 064

Mr. Mahesh Kumar Agarwal, aged 47 years, is a commerce graduate from Calcutta University. He has over 19 years of expert experience in the core sector i.e. steel, power, cement and mining. He is having expert knowledge and skill in the areas of manufacturing and trading units in the segment.

**GROUP COMPANIES**

The top five companies which are the part of our promoter Group are as follows:

- a) Adhunik Metaliks Limited
- b) Adhunik Corporation Limited
- c) Adhunik Alloys & Power Limited
- d) Orissa Manganese & Minerals Limited
- e) Adhunik Power & Natural Resources Limited

**a) Adhunik Metaliks Limited**

Adhunik Metaliks Limited (AML) was incorporated on November 20, 2001 in the name of Neepaz Metaliks Private Limited. Subsequently, the company was converted into a public limited company and fresh Certificate of Incorporation pursuant to conversion was issued on March 25, 2004. Thereafter, the name of the company was changed to Adhunik Metaliks Limited and a fresh Certificate of Incorporation pursuant to change of name was issued on August 09, 2005. The company is primarily engaged in the manufacture and sale of steel, both alloy & non alloy.

The equity shares of the Company are listed on National Stock Exchange and BSE. The details of listing of AML are as under:

Year of Issue	2006
Type of Issue (Public/rights/composite)	Public Issue
Amount of Issue	₹880,952,388/- (23,809,524 Equity Shares of Rs 10 each for Cash at a Premium of Rs 27 per share)
Date of closure of Issue	17/03/2006
Rate of Dividend paid	No dividend declared/recommended during 2011-12 & 2012-13.

Presently, the registered office of the company is situated at Chadri Hariharapur, P.O.- Kuarmunda Sundargarh, Orissa - 770039.

**Corporate Identity Number:** L28110OR2001PLC017271

**Shareholding Pattern**

The current shareholding pattern of Adhunik Metaliks Limited as on March 31, 2014 is as follows:

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
<b>(A) Shareholding of Promoter and Promoter Group</b>							
<b>(1) Indian</b>							
Individuals / Hindu Undivided Family	16	11103634	11103634	8.99	8.99	0	0.00
Bodies Corporate	12	68809537	68809537	55.72	55.72	21850000	31.75
<b>Sub Total</b>	<b>28</b>	<b>79913171</b>	<b>79913171</b>	<b>64.71</b>	<b>64.71</b>	<b>21850000</b>	<b>27.34</b>
<b>(2) Foreign</b>							
<b>Total shareholding of Promoter and Promoter</b>	<b>28</b>	<b>79913171</b>	<b>79913171</b>	<b>64.71</b>	<b>64.71</b>	<b>21850000</b>	<b>27.34</b>



<b>Group (A)</b>							
<b>(B) Public Shareholding</b>							
<b>(1) Institutions</b>							
Mutual Funds / UTI	1	2000000	2000000	1.62	1.62	0	0.00
Financial Institutions / Banks	5	4942366	4942366	4.00	4.00	0	0.00
Foreign Institutional Investors	7	6516720	6516720	5.28	5.28	0	0.00
<b>Sub Total</b>	<b>13</b>	<b>13459086</b>	<b>13459086</b>	<b>10.90</b>	<b>10.90</b>	<b>0</b>	<b>0.00</b>
<b>(2) Non-Institutions</b>							
Bodies Corporate	534	12232806	12232806	9.91	9.91	0	0.00
<b>Individuals</b>							
Individual shareholders holding nominal share capital up to Rs. 1 lakh	23400	7417169	7393120	6.01	6.01	0	0.00
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	92	4420964	4385964	3.58	3.58	0	0.00
<b>Any Others (Specify)</b>							
Non Resident Indians	388	303822	303822	0.25	0.25	0	0.00
Clearing Members	93	288338	288338	0.23	0.23	0	0.00
Overseas Corporate Bodies	1	1000	1000	0.00	0.00	0	0.00
Foreign Corporate Bodies	1	5463180	5463180	4.42	4.42	0	0.00
<b>Sub Total</b>	<b>24509</b>	<b>30127279</b>	<b>30068230</b>	<b>24.39</b>	<b>24.39</b>	<b>0</b>	<b>0.00</b>
<b>Total Public shareholding (B)</b>	<b>24522</b>	<b>43586365</b>	<b>43527316</b>	<b>35.29</b>	<b>35.29</b>	<b>0</b>	<b>0.00</b>
<b>Total (A)+(B)</b>	<b>24550</b>	<b>123499536</b>	<b>123440487</b>	<b>100.00</b>	<b>100.00</b>	<b>21850000</b>	<b>17.69</b>
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2) Public	0	0	0	0.00	0.00	0	0.00
<b>Sub Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
<b>Total (A)+(B)+(C)</b>	<b>24550</b>	<b>123499536</b>	<b>123440487</b>	<b>0.00</b>	<b>100.00</b>	<b>21850000</b>	<b>17.69</b>



## Board of Directors

The Board of Directors of Adhunik Metaliks Limited comprises of:

Sl. No.	Name	Designation	Category
1.	Ghanshyam Das Agarwal	Chairman	Non-executive Director
2.	Jugal Kishore Agarwal	Director	Non-executive Director
3.	Manoj Kumar Agarwal	Managing Director	Managing Director
4.	Mahesh Kumar Agarwal	Director	Non-executive Director
5.	Nirmal Kumar Agarwal	Director	Non-executive Director
6.	Mohan Lal Agarwal	Director	Non-executive Director
7.	Nihar Ranjan Hota	Director	Independent Director
8.	Ramgopal Agarwala	Director	Independent Director
9.	Surendra Mohan Lakhotia	Director	Independent Director
10.	Raghav Sharan Pandey	Director	Independent Director
11.	Nandanandan Mishra	Director	Independent Director
12.	Gopal Dikshit	Additional Director	Independent Director

## Change in the Management

There has been no change in the management of Adhunik Metaliks Limited in the last three years.

## Stock Market Data for the latest calendar month

### (BSE)

Month	Open	High	Low	Close	No. of Shares
April, 2014	45.15	48.75	42.65	43.15	7,29,361

### (NSE)

Month	Open	High	Low	Close	No. of Shares
April, 2014	43.20	48.55	41.70	44.35	18,96,268

## b) Adhunik Corporation Limited (ACL)

Adhunik Corporation Limited was incorporated on February 02, 1996 in the name of Bhagirathi Ispat Private Limited. Thereafter, the name of the company was changed to Adhunik Corporation Private Limited and a fresh Certificate of Incorporation was issued on May 25, 1999. Subsequently, the company was converted into a public limited company and fresh Certificate of Incorporation pursuant to conversion was issued on March 28, 2003.

The Company has manufacturing unit of iron & steel at Angadpur and a 4 MW wind farm project at Dhule, Maharashtra. ACL has commissioned an Integrated Steel Plant at Angadpur for manufacturing 60,000 MTPA of sponge iron and 97500 MTPA of billets. The Company, at present, produces economical and efficient products through its Steel Plants.

Presently, the registered office of the company is situated at 14 N. S. Road, Kolkata-700 001, West Bengal.

**Corporate Identity Number:** U27106WB1996PLC076992





**Shareholding Pattern**

The current shareholding pattern of Adhunik Corporation Limited is as follows:

Particulars	No. of Shares	%
Promoter & Promoter Group	31,475,865	100.00
Others	Nil	Nil
<b>Total</b>	<b>31,475,865</b>	<b>100.00</b>

**Board of Directors**

The Board of Directors of Adhunik Corporation Limited comprises of:

Sl. No.	Name	Designation
1.	Maresh Kumar Agarwal	Managing Director
2.	Jugal Kishore Agarwal	Director
3.	Ghanshyam Das Agarwal	Director
4.	Mohan Lal Agarwal	Director

**Change in the Management**

There has been no change in the management of Adhunik Corporation Limited in the last three years.

**c) Adhunik Alloys & Power Limited (AAPL)**

Adhunik Alloys & Power Limited was incorporated on July 22, 2003. The company has an integrated steel plant based on Sponge Iron Technology.

Presently, the registered office of the company is situated at 14 N. S. Road, Kolkata-700 001, West Bengal.

**Corporate Identity Number:** U27104WB2003PLC096616

**Shareholding Pattern**

The current shareholding pattern of Adhunik Alloys & Power Limited is as follows:

Particulars	No. of Shares	%
Promoter & Promoter Group	30,901,000	67.39
Others	14,954,500	32.61
<b>Total</b>	<b>45,855,500</b>	<b>100.00</b>

**Board of Directors**

The Board of Directors of Adhunik Alloys & Power Limited comprises of:

Sl. No.	Name	Designation
1	Nirmal Kumar Agarwal	Managing Director
2	Jugal Kishore Agarwal	Director
3	Manoj Kumar Agarwal	Director
4	Maresh Kumar Agarwal	Director
5	Ghanshyam Das Agarwal	Director
6	Mohan Lal Agarwal	Director



### Change in the Management

There has been no change in the management of Adhunik Alloys & Power Limited in the last three years.

#### d) Orissa Manganese & Minerals Limited

Orissa Manganese & Minerals Limited was incorporated on February 22, 1957. Subsequently, the company was converted into a public limited company and fresh Certificate of Incorporation pursuant to conversion was issued on May 19, 2008. The company is primarily a mining company having valid Mining Leases for extraction of minerals like Iron Ore, Manganese Ore and Graphite in the States of Jharkhand and Orissa.

Presently, the registered office of the company is situated at IPICOL House, 3rd Floor, Annexe Building, Janpath, Bhubaneswar, Orissa - 751022.

**Corporate Identity Number:** U13201OR1953PLC017027

#### Shareholding Pattern

The current shareholding pattern of Orissa Manganese & Minerals Limited is as follows:

Particulars	No. of Shares	%
Promoter & Promoter Group	20,000,000	100.00
Others	Nil	-
<b>Total</b>	<b>20,000,000</b>	<b>100.00</b>

#### Board of Directors

The Board of Directors of Orissa Manganese & Minerals Limited comprises of:

Sl. No.	Name	Designation
1.	Jugal Kishore Agarwal	Director
2.	Ghanshyam Das Agarwal	Director
3.	Manoj Kumar Agarwal	Director
4.	Mahesh Kumar Agarwal	Director
5.	Nirmal Kumar Agarwal	Director
6.	Mohan Lal Agarwal	Director
7.	Sanjay Pratap	Director
8.	Ramgopal Agarwala	Director

### Change in the Management

There has been no change in the management of Orissa Manganese & Minerals Limited in the last three years.

#### e) Adhunik Power & Natural Resources Limited

Adhunik Power & Natural Resources was incorporated on May 3, 2005 in the name of Adhunik Thermal Energy Limited. The name of the company was changed to Neepaz Thermal Energy Limited and a fresh Certificate of Incorporation was issued on October 23, 2007. Thereafter, the name of the company was changed to Adhunik Power & Natural Resources Limited and a fresh Certificate of Incorporation was issued on February 18, 2008.

Presently, the registered office of the company is situated at 14 N. S. Road, Kolkata-700 001, West Bengal.

**Corporate Identity Number:** U40101WB2005PLC102935



### Shareholding Pattern

The current shareholding pattern of Adhunik Power and Natural Resources Limited is as follows:

Particulars	No. of Shares	%
Promoter & Promoter Group	260,662,746	98.90
Others	2,904,029	1.10
<b>Total</b>	<b>263,566,775</b>	<b>100.00</b>

### Board of Directors

The Board of Directors of Adhunik Power and Natural Resources Limited comprises of:

Sl. No.	Name	Designation
1.	Manoj Kumar Agarwal	Managing Director
2.	Jugal Kishore Agarwal	Director
3.	Ghanshyam Das Agarwal	Director
4.	Nirmal Kumar Agarwal	Director
5.	Mohan Lal Agarwal	Director
6.	Mahesh Kumar Agarwal	Director
7.	Gopal Dikshit	Director
8.	Surendra Mohan Lakhotia	Director
9.	Milind Mukund Joshi	Nominee Director
10.	Sachin Satish Johri	Nominee Director
11.	Rohini BhaskarUpasani	Nominee Director

### Change in the Management

There has been no change in the management of Adhunik Power & Natural Resources Limited in the last three years.



## FINANCIAL INDEBTEDNESS

(Rs. in Crores)

Name of the Bank	Term Loan				Cash Credit		LC & BG	Security
	Sanctioned Amount (Rs. in Crs.)	Outstanding as on 31st December, 2013 (Rs. in Crs.)	Rate of Interest	Repayment Schedule	Sanctioned	Rate of Interest	Sanctioned	
State Bank of India	8.00	6.30	4.25% above Base Rate presently 14.25% p.a.	23 quarterly instalments	42.70	2.20% above Base Rate presently 12.20% p.a.	10.00	<b>For Term Loan</b> <b>Primary- 1<sup>st</sup></b> Charge on Fixed Assets both movable and immovable both present and future (except assets purchased on lease/hire purchase basis) on pari passu basis. <b>Collateral- 2<sup>nd</sup></b> charge on stocks of Raw Material, Stock in Progress, Finished Goods, receivables and other current assets on pari - passu basis. <b>For Cash Credit</b> <b>Primary-</b> Hypothecation of stocks of Raw Material, Stock in Progress, Finished Goods, receivables and other current assets on pari - passu basis. <b>Collateral-</b> Extension of 1 <sup>st</sup> Charge on Fixed Assets both movable and immovable both present and future (except assets purchased on lease/hire purchase basis) on pari passu basis.
Canara Bank	NA	NA	NA	NA	5.55	Base Rate+3% presently 12.95% p.a.	8.00	
Bank of India #	1.00	0.79	Base Rate+3% presently 13.25% p.a.	23 quarterly instalments	7.75	Base Rate+3% presently 13.25% p.a.	8.65	
Oriental Bank of Commerce	4.00	3.16	Base Rate+3% presently 13.25% p.a.	23 quarterly instalments	3.00	Base Rate+3% presently 13.25% p.a.	7.25	
Bank of Baroda #	7.00	5.76	Base Rate+3% presently 13.25% p.a.	23 quarterly instalments	8.00	Base Rate+2.75 % presently 13.00% p.a.	7.00	
Punjab National Bank	10.00	7.87	Base Rate+2.50 +0.50 tp= 13.25% p.a.	23 quarterly instalments	10.00	Base Rate+3.00 = 13.25% p.a.	4.10	
State Bank of Mysore	2.00	1.58	Base Rate+3.50 % presently 13.75% p.a.	23 quarterly instalments	2.00	Base Rate+3.50 % presently 13.75% p.a.	3.00	

#There is 100% interchange ability between LC &amp; BG.



### **STOCK MARKET DATA OF OUR EQUITY SHARES**

The equity shares of the company are listed only on the Calcutta Stock Exchange Association Limited. However, there has been no trading in the shares of the Company during last ten years.



**OUTSTANDING LITIGATIONS**

Except as described below, there are no outstanding litigations, suits or criminal or civil prosecutions, proceedings or tax liabilities against the Company that would have a material adverse effect on the business of the Company and there are no defaults, non payment or overdue of statutory dues, institutional / bank dues and dues payable to holders of debentures, bonds and fixed deposits that would have a material adverse effect on the Company's business other than unclaimed liabilities against the Company.

**1) Excise Matter**

a)

<b>Department/Nature</b>	A.C Central Excise DGP-IV Division Durgapur
<b>Year</b>	2006
<b>Background</b>	Not Paid duty on Mill Scale treating Exempt vide c.e notif No.69/87 dt.01.04.87 on scrutiny of ER-1 for the period Nov.04 to Jan.05
<b>Present Status</b>	Adjudication Pending
<b>Amount Involved</b>	Rs. 36,089/-

b)

<b>Department/Nature</b>	C.II (8)10/AE/CE BOL/11, Additional Commissioner (A/E) Bolpur
<b>Year</b>	2011
<b>Background</b>	Physical stock verification by anti evasion Bolpur against shortage of stock
<b>Present Status</b>	Deposited Rs. 7,00,000/- . Order confirm by Additional Commissioner
<b>Amount Involved</b>	Rs. 6,99,665/-

c)

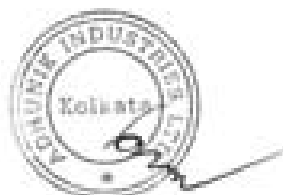
<b>Department/Nature</b>	57/ADC/Bol/11 dt.10.05.11 Additional Commissioner Bolpur
<b>Year</b>	2011
<b>Background</b>	Availed excise exemption under Not. No.108/95 dt.28.08.95 against goods send to Infrastructure Project of M/s. Tania Construction
<b>Present Status</b>	Adjudication Pending
<b>Amount Involved</b>	Rs. 19,28,770/-

d)

<b>Department/Nature</b>	A.C, CE, DGP-IV
<b>Year</b>	2012
<b>Background</b>	Materials despatched to M/s Priyanka Enterprises with excise invoice on EX-Factory basis
<b>Present Status</b>	Adjudication Pending
<b>Amount Involved</b>	Rs. 51,243/-

e)

<b>Department/Nature</b>	Dy. Commissioner, DGP-IV Division
<b>Year</b>	2011
<b>Background</b>	Physical Stock verification by anti evasion Bolpur against shortage of stock.
<b>Present Status</b>	Adjudication Pending
<b>Amount Involved</b>	Rs. 2,18,078/-



f)

<b>Department/Nature</b>	Sup. Central Excise, Range-3, DGP-IV
<b>Year</b>	2013
<b>Background</b>	Service tax paid in the name of M/s. Adhunik Ispat Limited instead of M/s. Adhunik Industries Limited
<b>Present Status</b>	Adjudication Pending
<b>Amount Involved</b>	Rs. 76,455/-

## 2) Income Tax Matter

a)

<b>Department/Nature</b>	Range 4, Additional Commissioner of Income Tax
<b>Year</b>	Assessment Year 2006-07 to 2011-12
<b>Background</b>	Block Assessment pending w.r.t. search proceedings dated-19/09/2012.
<b>Present Status</b>	Under Process
<b>Amount Involved</b>	-

## 3) Other Matter

<b>Department/Nature</b>	Commercial Suit no.- 24/2010,/City Civil Court, 12 <sup>th</sup> Bench, Calcutta/Money Suit
<b>Year</b>	2010
<b>Background</b>	Agarwal Carrying filed the case for recovery of transportation charges as per claim
<b>Present Status</b>	Pending
<b>Amount Involved</b>	Rs. 3,35,000/-



## MAIN PROVISIONS OF ARTICLE OF ASSOCIATION

The main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures, their consolidation or splitting are as provided below. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

### SHARES

5. The Authorised Share Capital of the Company shall be the capital as specified in Clause V of the Memorandum of Association.
6. Subject to the provisions of Section 80 of the Companies Act, the Company may issue Preference Shares which are, or at the option of the Company are liable to be redeemed such terms and in such manner, as the Board may determine.
7. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such persons, on such terms and conditions, at such time, either at par or at a premium and for such consideration as the Board thinks fit. Provided that, where at any time it is proposed to increase the Subscribed Capital of the Company by the allotment of further shares, then, subject to the provisions of Section 81 (1A) of the Act, the Board shall issue such shares in the manner set out in Section 81 (1) of the Act, save the Board may determine whether or not any offer shares made in such manner shall include a right exercisable by any person concerned to renounce all or any of the shares offered to him in favour of any other persons.
8. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted, may be issued as fully or partly paid up shares.
12. The Company may exercise the powers of paying commission conferred by Section 76 of the Act provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the said section and the commission shall not exceed 5 per cent of the price at which any shares in respect whereof the same is paid, are issued or 2½ per cent of the price at which any debentures are issued (as the case may be). Such commission may be satisfied by the payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debentures pay such brokerage as may be lawful.

### Increase and Reduction of Capital

18. The Company in general meeting, may, from time to time, by ordinary resolution increase the share capital by the creation of new shares by such sum, be divided into shares of such amount, as may be deemed expedient.
22. The Company, may, from time to time, by special resolution, reduce in any manner and with, and subject to, any incident, Capital authorized and consent required by law.
  - a) its share capital
  - b) Any capital redemption reserve account or
  - c) Any share premium account.

### ALTERATION OF SHARE CAPITAL

23. The Company by ordinary resolution may from time to time:
  - (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.





- (b) Sub-divide its 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.
  - (c) Cancel any shares 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.
24. Where any share capital is sub-divided, the Company in general meeting subject to the provisions of Section, 85, 87, 88 and 106 of the Act, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preferential or special rights as regards dividend, payment of Capital, voting or otherwise.
25. Subject to the provisions of Sections 100 to 105 (inclusive) of the Act, the Board may expect from any member to surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

#### **VARIATION OF SHARE-HOLDER'S RIGHTS**

26. If any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107 of the Act, whether or not the Company is being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent 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 meeting of the holders of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis apply but so that necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued share of the class in question. This Article is not by implication to curtail the power of modification which the Company would have if this Article was omitted. The Company shall comply with the provisions of Section 192 of the Act as to forwarding a copy of such agreement or resolution to the Registrar.

#### **SHARE CERTIFICATES**

27. The certificate of title to shares, shall be issued within three months after allotment (or within such other period as the conditions of the issue shall be provide).
28. (1) Every person whose name is entered as member in the Register shall be entitled to receive within three months after allotment, one certificate for all the shares registered in his name or if the Directors so approve to several certificates each for one or more of such shares.
- (2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid up thereon.
- (3) In respect of any share held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate to the first person named in the Register shall be sufficient delivery to all such holders.
29. The certificate of shares registered in the names of two or more persons shall be delivered to the person first named in the Register.
30. If any certificate be old, decrepit, worn out, torn or defaced or where the cages on its reverse side for recording transfers have been fully utilised, then upon surrender thereof to the Company, the Board shall order the same to be cancelled and issue a new certificate in lieu thereof without any payment. If any certificate be lost or destroyed then upon proof of such loss or destruction of the satisfaction to the Board and on such indemnity and the payment of out-of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit, a new certificate in lieu thereof shall be given to the person entitled to such lost or



destroyed certificate on a fee of two rupees for each certificate or such smaller fee as the Board may determine.

### **CALLS**

31. 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, made such calls as the Board thinks fit upon the members in respect of all moneys un-paid on the shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. Provided that option or right to make call on shares shall not be given to any person except with the sanction of the Company in general meeting. A call may be made payable by instalment and shall be deemed to have been made at the time when the resolution of the Board authorising such call was passed at the meeting of the Board.
32. No call shall exceed one-fourth of the nominal amount of a share be made payable at less than one month from the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call shall be paid. Provided that, before the time of payment of such call, the Directors may, by notice in writing to the members, revoke the same or extend the time for payment thereof.
33. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times whether on account of the nominal amount of the share or by way of premium every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice has been given, and all the provisions herein contained in respect of calls, forfeiture or otherwise shall relate to such amount or instalment accordingly.
34. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made, or the instalment shall be due, shall pay interest for the same at the rate of 12 per cent per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine. The Directors may in their absolute discretion waive the payment of interest, wholly, or in part, in case of any person liable to pay such call or instalment.
35. Subject to the provisions of the law of Evidence and procedure, on the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due, the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose on the Register of the Company as a holder or one of the holders, of the number of shares in respect of which such claim is made, and the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made, was duly convened or constituted, nor any other matter whatsoever, but the proof the matters aforesaid shall be conclusive evidence of the debt.
36. The Board may, if it thinks fit, received from any member willing to Advance the same, and either the money or money's worth, all or any part of money due upon the shares held by him beyond the sums actually called for and upon the money so paid or satisfied in advance, or so much thereof as from time exceeds the amount of the calls then made upon the shares in respect



of which such advance has been made, the Company may pay interest at such rate as determined by the Board from time to time, unless the Company in General Meeting shall otherwise direct. The Directors may, at any time, repay the amount so advanced upon giving to such member one month's notice in writing. The member shall not, however, be entitled to any voting rights or to participate in the profits of the company or dividend in respect of the moneys so paid by him until the same would, put for such payment become presently payable.

37. 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 share 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.
38. A Call may be revoked or postponed at the discretion of the Board.
39. The Directors may, from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account; of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour).
40. Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereof.

#### **TRANSFER AND TRANSMISSION**

57. Save as provided in Section 108 of the Act, no transfer of a share shall be registered unless a proper instrument duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares, or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. Each signature to such transfer shall be duly attested by the signature of one credible witness, who shall add his address and occupation.

Provided that, where on an application in writing made to the Company by the transferee, and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the company may register the transfer on such terms as to indemnity as the Board may think fit.

#### **SHARE WARRANTS TO BEARER**

73. The Company may issue share warrants subject to, and in accordance with, the provisions of Sections 114 and 115 of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up on application in writing signed by the person registered as holder of the share and authenticated by such evidence (if any) as the Board may, from time to time require as to the identification of the person signing the application, and on receiving the certificates (if any) of the share and the amount or stamp duty on the warrant and such fee as the Board may from



time to time require, issue a share warrant.

74. 1) The bearer of a share warrant may at any time deposit the warrant at the office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of the two clear days from the time of deposit, as if his name were inserted in the Register as the holder of the shares included in the deposited warrant.
- 2) Not more than one person shall be recognized as depositor of the share warrant.
- 3) The Company shall, on seven days' written notice, return the deposited share warrant to the depositor.
75. 1) Subject as herein otherwise provided, no person shall as bearer of a share warrant, sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privilege of a member at meeting of the Company or be entitled to receive any notices from the Company.
- 2) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if they were named in the Register of members as the holder of the shares included in the warrant and he shall be a member of the Company.
76. The Board may, from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

#### THE SEAL

165. (a) The Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the Directors shall provide for the safe custody of the seal for the time being.
- (b) The seal shall not be affixed to any instrument except in the presence of Director or an officer duly authorized who shall sign every instrument which seal shall be affixed. Provided, nevertheless, that any instrument other than a share certificate 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. Provided further that in respect of issue of share certificates the provisions of the Companies (issue of share Certificates) Rules, 1960 shall apply.
- (c) The Directors may provide for use in any territory outside India an official seal subject to the provisions of Section 50 of the Act.

#### CAPITALISATION OF PROFITS

169.

1. The Company in General Meeting may, upon the recommendation of the Board, resolve.
  - a. to capitalize whole or any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution ; and
  - b. that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been



- entitled thereto if distributed by way of dividend and in the same proportions.
2. The sum aforesaid shall not be paid in cash, but shall be applied, subject to the provisions contained in clause (3), either in or towards :-
    - i. Paying up any amounts for the time being unpaid on any shares held by such members respectively.
    - ii. Paying up in full, un-issued shares of the Company to be allotted and distributed, credited as fully paid up, to be and amongst such members in the proportion aforesaid ; or
    - iii. Partly in the way specified in sub-clause (1) and partly in that specified in sub-clause (ii).
  3. A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares.
  4. The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

170.

- (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall :-
  - (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) generally do all acts and things required to give effect hereto.
- (2) The Board shall have full power :-
  - (a) to make such provision by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions ; and also.
  - (b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or debentures to which they may be entitled upon such capitalization of (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalized of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.

## WINDING UP

207. On winding Preference Shares will rank as regards Capital in priority to Equity Shares, to the extent of the paid-up value of the said shares but to no other rights participating in its assets.
208. (1) Subject to the provisions of the Act, 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 contributories 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.
  - (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
  - (3) The liquidator may, with the like sanction of a special resolution, vest the whole or any part of such assets in trustees upon such trusts for the



benefit of the contributories or any of them as the liquidator shall think fit.

209. (1) In the event of the Company being wound up, the holder of preference shares, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repaying to them the amount paid-up to the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid-up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid-up which ought to have been paid-up on the shares held by them at the commencement of the winding-up and the arrears of dividend as aforesaid.

(2) The assets, if any, available for distribution after payment to the preference share-holders as aforesaid shall be distributed amongst the holders of Equity Shares in proportion to the capital at the commencement of the winding-up, paid-up or which ought to have been paid-up on the shares in respect of which they were respectively registered.

(3) This article is to be without prejudice to the right and privileges amongst holders of preference shares of different series.

#### **SECRECY**

210. Subject to provisions of section 635B of the Act, every Director, Manager, Auditor, Trustee, Member of a committee, Officer, Servant, Agent Accountant or other person employed in business of the Company shall if so required by the Board before entering upon his duties, 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 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 presents contained.

211. No member, or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or subject to Article 191 to require discovery of or any information respecting any detail of the Company's trading 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 within the opinion of the Directors it will be inexpedient in the interest of the members of the Company to communicate.



### DECLARATION

All relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the regulations issued by Securities and Exchange Board of India, applicable, as the case may be, have been complied with and no statement made in this Information Memorandum is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or the rules made thereunder or regulations issued, as the case may be. We further certify that all the statements in this Information Memorandum are true and correct.

**On behalf of the Board of Directors**

Adhunik Industries Limited



*Managing Director*

**Jugal Kishore Agarwal**  
**Managing Director**

Date: 21/05/2014

Place: Kolkata

