



# Agarwal Industrial Corporation Limited

## Twenty First Annual Report 2014-2015

We Value Relationships.....





**AGARWAL INDUSTRIAL CORPORATION LTD.**  
(CIN : L99999MH1995PLC084618)

**TWENTY FIRST ANNUAL REPORT 2014-2015**

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## TWENTY FIRST ANNUAL REPORT 2014-2015

### BOARD OF DIRECTORS

Mr. Jaiprakash Agarwal  
Managing Director

Mr. Ramchandra Agarwal  
Whole Time Director

Mr. Mahendra Agarwal  
Director

Mr. Lalit Agarwal  
Whole Time Director

Mr. Jaswant D. Sharma  
Independent Director

Mr. Harikrishna Patni  
Independent Director

Mr. Rajkumar Mehta  
Independent Director

Mr. Alok Bharara  
Independent Director

Ms. Priti Lodha \*  
Independent Woman Director

\*( appointed w.e.f 30.09. 2014)

Mr. R.T. Rajguroo\*\*  
Director

\*\* (resigned w.e.f. 16.04.2014)

### CFO & COMPANY SECRETARY (COMPLIANCE OFFICER)

Mr. Rakesh Bhalla

### REGISTERED OFFICE

Eastern Court, Unit No. 201-202,  
Plot No. 12, V.N. Purav Marg,  
S.T. Road, Chembur,  
Mumbai - 400071.  
Phone Nos : +91-22-25291149/50.  
Fax : +91-22-25291147.  
Website : www.aicltd.in ;  
E-mail : r.bhalla@aicltd.in

### AUDITORS

M/s Ladha Singhal & Associates,  
Chartered Accountants,  
209, Apollo Complex,  
R.K.Singh Marg,  
Off. Parsi Panchayat Road,  
Near Sona Udyog,  
Andheri (East),  
Mumbai - 400069,

### WORKS

#### Belgaum

Plot No. 40, KIADB  
Honga Industrial Area  
Honga, Belgaum  
Karnataka

#### Hyderabad

Survey No. 196/P, Elikatta Village  
Shad Nagar-Pargi Road,  
Farooq Nagar Mandal  
Telangana - 509216

#### Bulk Bitumen Storage Facilities

Karwar, Karnataka

### BANKERS

Kotak Bank (Formerly, ING Vysya Bank)  
Yes Bank  
Union Bank of India  
HDFC Bank  
Indusind Bank  
Axis Bank  
Dombivili Sahakari Bank

### REGISTRARS & SHARE TRANSFER AGENTS

Ankit Consultancy P. Ltd.  
60, Electronic Complex  
Paradeshi Pura  
Indore (M.P.) - 452010  
Tel. No. 022-25541469/25549202  
Contact Person : Mr. Saurabh Maheshwari

### CORPORATE IDENTITY NUMBER (CIN)

L99999MH1995PLC084618

### BSE SCRIP ID AND CODE

ID -AGARIND  
Code - 531921

### NATIONAL STOCK EXCHANGE LTD

Scrip ID and Code  
Symbol - AGARIND  
Series - EQ

### WHOLLY OWNED SUBSIDIARY COMPANY

Bituminex Cochin Pvt. Ltd.  
Kochi.



## AGARWAL INDUSTRIAL CORPORATION LIMITED

Registered Office: Eastern Court, Unit No. 201-202, Plot No. 12, V. N. Purav Marg, S. T. Road, Chembur, Mumbai 400 071,  
Tel .Nos +91-22-25291149-50; Fax No.: +91-22-25291147; Website : www.aicltd.in; E-mail: r.bhalla@aicltd.in  
CIN: L99999MH1995PLC084618

### NOTICE OF ANNUAL GENERAL MEETING

**Notice is hereby given that the Twenty First Annual General Meeting of the Members of Agarwal Industrial Corporation Limited will be held on Wednesday, September 30, 2015 at 11.00 A.M at Hotel Stars Parade, Lower Hall, Swami Jairamdas Building, Near Basant Park, Chembur, Mumbai -400 071. to transact the following business:**

#### ORDINARY BUSINESS

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the Financial Year ended March 31, 2015 along with the Reports of the Board of Directors and Independent Auditors thereon: and
  - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2015 along with the Report of the Independent Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial Year 2014-15.
3. To appoint a Director in place of Shri Mahendra Agarwal (DIN- 01366495) who retires by rotation, and being eligible, offers himself for re- appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, M/s Ladha Singhal & Associates, Chartered Accountants, 209, Apollo Complex, R.K.Singh Marg, Off. Parsi Panchayat Road, Near Sona Udyog, Andheri [East], Mumbai - 400069, be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

#### SPECIAL BUSINESS

##### 5. INCREASE IN AUTHORISED CAPITAL OF THE COMPANY

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 61, 64 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, the consent of the members of the Company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing ₹ 6,00,00,000 (Rupees Six Crores only) divided into 60,00,000 (Sixty Lacs) equity shares of ₹ 10/- each to ₹ 7,00,00,000 (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lacs) equity shares of ₹ 10/- each by creation of additional 10,00,000 (Ten Lacs) equity shares of ₹ 10/- each ranking pari passu in all respect with the existing equity shares of the Company."

6. **AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY:**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 13 and 61 and other applicable provisions of the Companies Act, 2013 and the rules framed there under the consent of the members be and is hereby accorded for substituting Clause V of the Memorandum of Association of the Company with the following clause.

"V"- The authorized share capital of the Company is ₹ 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 (Seventy Lakhs only) equity shares of ₹ 10/- (Rupees Ten only) each with power to increase or reduce and repay the share capital or any portion thereof at any time and from time to time in accordance with the Regulation of the Company and the legislative provisions for the time being in that behalf. The shares in the share capital of the company for the time whether original or increase may be divided, consolidated and subdivided into two classes by any issues of any class, of any value, with such preferential, qualified or special rights privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and the right to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the Articles of Association of the Company."

7. **ALLOTMENT OF WARRANTS, CONVERTIBLE INTO EQUITY SHARES TO PROMOTER OF PROMOTER GROUP OF THE COMPANY ON PREFERENTIAL BASIS:**

To consider and if thought fit, to pass with or without modification(s) the following Resolution as a **Special Resolution:**

**"RESOLVED THAT** subject to the provisions of Section 42 and Section 62 of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, and other applicable provisions, if any, including any amendment thereto or modification(s) or re-enactment(s) thereof and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the National Stock Exchange of India Limited and BSE Limited (together "Stock Exchanges") and in accordance with any other applicable law or regulations, in India or outside India, including without limitation, the provisions of the Foreign Exchange Management Act, 1999, ("FEMA") and rules and regulations framed thereunder as amended from time to time, and subject to the Regulations / Guidelines, if any, prescribed by the Reserve Bank of India, Securities and Exchange Board of India including the provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") and SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as amended from time to time, to the extent applicable and subject to the permissions, consents, sanctions and approval by any authority, as may be necessary, and subject to such conditions and modifications as might be prescribed while granting such approvals, consents, permissions and sanctions and the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred hereunder) to issue and allot upto an aggregate of 6,60,000 fully convertible warrants ("Warrants"), convertible into equity shares of ₹ 10/- each of the Company, at any time within 18 months from the date of allotment of the Warrants, in one or more tranches, for cash, at an exercise price of ₹ 111.50 per Warrant (including premium) aggregating upto ₹ 7,35,90,000/- (Rupees Seven Crore Thirty Five Lacs Ninety Thousand Only) to following persons belonging to the promoter and promoter group of the Company ("Allottees") on preferential basis, in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations, at such time or times and on such terms and conditions and in such manner as may be decided by the Board in this regards:

Sr. No.	Name of Proposed Allottees	Number of Warrants	Category
1	Jaiprakash Agarwal	45000	Promoter Group
2	Ramchandra Agarwal	86000	Promoter Group
3	Mahendra Agarwal	96000	Promoter Group
4	Kishan Agarwal	75000	Promoter Group
5	Jugal Kishore Agarwal	50000	Promoter Group
6	Lalit Agarwal	50000	Promoter Group
7	Usha Agarwal	50000	Promoter Group
8	Nilesh Agarwal	15000	Promoter Group
9	Rekha Agarwal	50000	Promoter Group
10	Sushila Agarwal	10000	Promoter Group
11	Shailesh Agarwal	17000	Promoter Group
12	Uma Agarwal	17000	Promoter Group
13	Virel Agarwal	15000	Promoter Group
14	Mukul Agarwal	12000	Promoter Group
15	Padma Agarwal	50000	Promoter Group
16	Sanchi Agarwal	2000	Promoter Group
17	Sudha Agarwal	2000	Promoter Group
18	Vipin Agarwal	18000	Promoter Group
<b>Total</b>		<b>6,60,000</b>	

**RESOLVED FURTHER THAT** the Exercise Price of the Warrants has been calculated in accordance with the provisions of Chapter VII of the SEBI ICDR Regulations. The "Relevant Date" for the determination of issue price of the Warrants issued on preferential issue, is August 31, 2015. The Relevant Date is 30 days prior to the date of the Annual General Meeting which is proposed to be held on September 30, 2015.

**RESOLVED FURTHER THAT** the Warrants shall be issued and allotted by the Company to Allottees within a period of 15 days from the date of receipt of shareholders approval for the preferential issue of Warrants, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.

**RESOLVED FURTHER THAT** the issue of Warrants shall be subject to the following terms and conditions:

- i. The equity shares to be allotted pursuant to conversion of Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company. The equity shares arising on conversion of Warrants shall rank pari passu with the existing equity shares of the Company in all respects.
- ii. Each Warrant shall be convertible into 1 (one) equity share of nominal value of ₹ 10/- each at the Exercise Price of ₹ 111.50 per Warrant which is not less than the price calculated in accordance with the SEBI ICDR Regulations. The total number of equity shares to be allotted on conversion of the Warrants shall not exceed 6,60,000 equity shares. The Warrants are convertible into the equity shares at any time after allotment at the option of the Allottees, in one or more tranches, subject to a maximum period of 18 months from the date of their allotment.
- iii. The equity shares allotted pursuant to conversion of Warrants allotted to members of promoter and promoter group of the Company will be subject to lock-in for a period of 3 years from the date of trading approval or as required under SEBI ICDR Regulations.
- iv. The Warrants may be exercised at any time before the expiry of 18 months from the date of allotment of the Warrants.
- v. If the entitlement against the Warrants to apply for the equity shares is not exercised within the specified period of 18 months, such entitlement shall lapse and the amount paid on such Warrants shall stand forfeited.
- vi. The Warrant subscription price equivalent to 25% of the issue price of the equity shares will be payable at the time



of subscription to the Warrants, as prescribed by Regulation 77 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the equity shares. The Warrants exercise price equivalent to the 75% of the issue price of the equity shares shall be payable by the Allottees at the time of exercising the Warrant.

- vii. The issue of the Warrants as well as equity shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- viii. The Warrants issued and allotted will be transferable within the Promoter Group subject to the approval of the Board and such other approvals as may be necessary.
- ix. In the event of the Company making a bonus issue by way of capitalization of its reserves, or a rights offer by way of issue of new equity shares, prior to allotment of equity shares resulting from the exercise of the Warrants, the issue price of the equity shares to be allotted against such Warrants shall be subject to appropriate adjustment, subject to the SEBI ICDR Regulations and other applicable law.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to issue and allot such number of equity shares of the Company as may be required to be issued and allotted upon exercise of the option in the Warrants held by the Allottees of the Warrants.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, desirable and expedient for such purpose, including without limitation, issuing clarifications, resolving all questions of doubt, effecting any modifications or changes to the foregoing (including modification to the terms of the issue), entering into contracts, arrangements, agreements, documents (including for appointment of agencies, intermediaries and advisors for the Issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit without being required to seek any fresh approval of the Shareholders of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the Warrants and equity shares and utilisation of proceeds of the equity shares, take all other steps which may be incidental, consequential, relevant or ancillary in this connection and to effect any modification to the foregoing and the decision of the Board shall be final and conclusive.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings with the Stock Exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any governmental authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred to or contemplated in the foregoing resolution be and are hereby approved, ratified and confirmed in all respects."

#### 8. RELATED PARTY TRANSACTIONS:

To consider and, if thought fit to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to Section 188 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), and as per the Listing Agreement with Stock Exchanges, and further pursuant to the consent of the Audit Committee and the Board of Directors vide resolution passed in their respective meetings held on August 14, 2015, the consent of the Company be and is hereby accorded for entering into contract or arrangement with the related parties as defined under the Act and the Rules made thereunder, as per details mentioned under item No. 8 of the Explanatory Statement annexed to this Notice."

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to perform and execute all such

acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

**9. APPOINTMENT OF COST AUDITORS**

To consider and, if thought fit to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies ( Cost Records and Audit ) Rules, 2014 ( including any statutory modification(s) or re-enactments thereof , for the time being in force), Mr. Vinayak Kulkarni, Cost Accountant ( Membership No - 28559 ), the Cost Auditors appointed by the Board of Directors of the Company to conduct the cost records of the Company for relevant segments for the financial year ending March 31, 2016, be paid the remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby severally authorized to perform and execute all such acts, deeds, matters and things including delegate such authority, as may be deemed necessary, proper or expedient to give effect to this resolution and for the matters connected herewith or incidental hereto."

**By Order of the Board of  
Directors**

Rakesh Bhalla  
CFO & Company Secretary

**Place: Mumbai**

**Dated: August 29, 2015**

**Registered Office:**

**Eastern Court, Unit No. 201-202,**

**Plot No. 12, V.N. Purav Marg.**

**S.T. Road, Chembur,**

**Mumbai - 400071.**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (The "Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF CORPORATE MEMBERS, SOCIETIES ETC MUST BE SUPPORTED BY APPROPRIATE RESOLUTIONS / AUTHORISATION, AS APPLICABLE.**
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member. A proxy form for the Annual General Meeting is enclosed. Members / proxies should bring the attendance slips duly filled in and PHOTO ID Proof for attending the meeting.
3. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted at the Meeting is annexed hereto.
4. Member who wants to seek any information or clarification on the Accounts are requested to send in written queries to the Company at least one week before the date of the Annual General Meeting.
5. In terms of Section 152 of the Companies Act, 2013, Shri Mahendra Agarwal ( DIN- 01366495 ), Director retire by rotation at the Meeting and being eligible , offer himself for re-appointment. The Board of Directors of the Company commend his re-appointment. Brief resume of Shri Mahendra Agarwal, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges is provided in the Corporate Governance Report forming part of this Annual Report.
6. **The Share Transfer Books and the Register of Members shall remain closed from 24th September 2015 to 30th September 2015, both days inclusive.**
7. The Board of Directors have recommended a dividend of ₹1.50 per Equity Share of the Face Value of ₹ 10 /- fully paid-up for the Financial Year ended March 31, 2015. If declared at the Annual General Meeting, the same will be paid to the



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shareholders, whose names are on the Register of Members as on September 23, 2015 and the same shall be paid on or after October 01, 2015.

8. Members are requested to intimate immediately change of address, if any, to the Company's Registrar and Transfer Agents viz The Company or its Registrars & Transfer Agents, M/s Ankit Consultancy Pvt. Ltd ( Ankit), at their address at 60, Electronic Complex, Paradeshipura, Indore -452010.M.P. (India): Telephone No. + 91-731-2551745/46; Fax: 91-731-4065798; E-mail: ankit432@yahoo.com: Website: ankitonline.com or e-mail or Depository Participant, as the case may be.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents.
10. All documents, transfers, dematerialization requests and other communications in relation thereto should be addressed directly to the Company's Registrar & Transfer Agents.
11. In view of the circular issued by SEBI, the National Electronic clearing Services (NECS) facility should mandatorily be used by the companies for the distribution of dividend to its members. In order to avail the facility of NECS, Members holding shares in physical form are requested to provide bank account details to the Company or its Registrar and Share Transfer Agents. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. Any changes in such bank mandate must be advised only to the Depository Participant of the Members.
12. The Notice of the Annual General Meeting along with the Annual Report 2014-15, is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories unless any member has requested for a physical copy of the same. To support "Green Initiative", Members who have not registered their e-mail addresses are requested to register the same with the Company/Depositories. Members who have not registered their e-mail addresses, physical copy is being sent by permitted mode. The cut-off date for sending the Notice of the Annual General Meeting along with the Annual Report 2014-15 is August 28, 2015.
13. Members holding shares in physical form are requested to advise any change of address and are also requested to submit their specimen signatures duly attested by their Bank immediately to the Company. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participants.
14. As per the provisions of Section 72 of the Act, facility for making nomination is available for the Members in respect of the shares held by them. Members holding shares in single name and who have not yet registered their nomination, are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he / she may submit the same in Form No. SH-14. Members holding shares in physical form are requested to submit the forms to the Company. Members holding shares in electronic form must submit the forms to their respective Depository Participants. 9. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management.
15. The format of the Register of Members prescribed by the Ministry of Corporate Affairs under the Act, requires the Company to record additional details of Members, including their PAN details, email address, bank details for payment of dividend, etc. A form for capturing the additional details is appended at the end of this Annual Report. Members holding shares in physical form are requested to submit the filled in form to the Company and Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
16. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of the names as per the Register of Members of the Company will be entitled to vote.
17. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 a.m to 6.00 p.m) on all working days except Sundays, up to and including the date of the Annual General Meeting of the Company.

**18. Voting through electronic means:**

In compliance with provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Clause 35B of the Listing Agreement, the Company is pleased to provide its Members facility of remote e-voting (to cast their vote electronically from a place other than the venue of the AGM), through e-voting services provided by Central Depository Services Limited (CDSL) on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

**(A) In case of Members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Image Verification as displayed and Click on "Login".
- (iv) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

**For Members holding shares in Demat Form and in Physical Form**

<b>For Members holding shares in Demat Form and in Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participants are requested to use the first two letters of their name and the sequence number in the PAN field.</li> <li>● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name. eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend in the Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or Company records in order to login for the said demat account or folio.</p>
	<ul style="list-style-type: none"> <li>● If both the details are not recorded with the Depository or Company please enter the Member Id / Folio number in the Dividend Bank details field as mentioned in instruction (iii)</li> </ul>

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

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- (viii) Click on the EVSN of Agarwal Industrial Corporation Limited.
  - (ix) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
  - (xi) After selecting the Resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xii) Once you "CONFIRM" your vote on the Resolution, you will not be allowed to modify your vote.
  - (xiii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
  - (xiv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on "Forgot Password" & enter the details as prompted by the system.
  - (xv) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) prior to the e-voting. After receiving the login details a compliance user should be created using the ADMIN login and password. The compliance user would be able to link the account(s) for which they wish to vote on and the list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) prior to the voting and on approval of the accounts they would be able to cast their vote. A scanned copy of the Board Resolution and Power of Attorney which they have issued in favour of the Custodian, if any, in PDF format should be uploaded in the system for the scrutinizer to verify the same.

**(B) In case of Members receiving the physical copy of the Notice of the Meeting (for Members whose email addresses are not registered with the Company/ Depositories):**

Please follow all steps from sl. no. (i) to sl. no. (xv) above to cast vote.

**(C) Other Instructions:**

- (i) The e-voting period begins on **September 26, 2015 at 9.00 a.m. and ends on September 29, 2015 at 5.00 p.m.**
- (ii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under Help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (iii) **The voting rights of the Members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut off date i.e. September 23, 2015.** A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Once the vote on a Resolution is cast by the Member, he/ she shall not be allowed to change it subsequently or cast the vote again.
- (iv) Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may cast their vote by remote e-voting or through Poll at the Meeting. However, if you are already registered with CDSL for remote e-voting then you can use existing user ID and password for casting your vote. If you forget your password you can reset your password by using Forgot Password option available on [www.evotingindia.com](http://www.evotingindia.com).
- (v) Mr. P.M. Vala, Practicing Company Secretary ( FCS- 5193, CP- 4237 ) has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the remote e-voting and the voting process in a fair and transparent manner.

- (vi) The Scrutinizer shall immediately after the conclusion of the voting period, first count the votes at the meeting, thereafter unblock the votes through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than three days of the conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman or any person authorised by the Chairman in writing, who shall countersign the same.
- (vii) The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again at the Meeting.
- (viii) A Member can opt for only one mode of voting i.e. either through remote e-voting or by Poll . If a Member casts votes by both modes, then voting done through remote e-voting shall prevail and Poll shall be treated as invalid. Facility of voting through either electronic voting system or Poll, shall also be available at the Meeting. Members holding shares as on cut off date i.e. September 23, 2015 and attending the Meeting, who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting.
- (ix) The Chairman or the person authorized by him in writing, shall forthwith on receipt of the consolidated Scrutinizer's Report declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.aicld.in](http://www.aicld.in) and on the website of CDSL immediately after the results are declared by the Chairman. The Company shall simultaneously forward the results to BSE Limited and National Stock Exchange of India where the shares of the Company are listed.
19. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. September 30, 2015.

**Explanatory Statement  
(Pursuant to Section 102 of the Companies Act, 2013)**

**As required by Section 102 of the Companies Act, 2013 (Act), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 9 of the accompanying Notice:**

**Item Nos. 5 - 6**

The Authorised Share Capital of the Company as reflected in the Memorandum and Articles of Association as on date is ₹ 6,00,00,000 (Rupees Six Crores Only) divided into 60,00,000 (Sixty Lacs) Equity Shares of ₹10/- (Rupees Ten) each. The Board of Directors of the Company in their meeting held on August 29, 2015, subject to requisite approvals and consents, resolved to offer fully convertible Warrants to the promoter and promoter group of the Company on preferential basis. In view of the proposed Preferential Issue of Warrants converted into Equity Shares within 18 months from the date of issue, the Authorised Share Capital of the Company needs to be increased from existing ₹ 6,00,00,000 (Rupees Six Crores) divided into 60,00,000 (Sixty Lacs) equity shares of ₹ 10/- each to ₹ 7,00,00,000 (Rupees Seven Crores) divided into 70,00,000 (Seventy Lacs) equity shares of ₹ 10/- each by creation of additional 10,00,000 (Ten Lacs) equity shares of ₹ 10/- each ranking pari passu in all respect with the existing equity shares of the Company.

Consequent to the increase of Authroised Share Capital, the Authorised Share Capital Clause contained in Clause V of the Memorandum of Association of the Company need to be altered as indicated in Resolution No. 6.

The Board of Directors of the Company hereby recommend the Resolutions set out at Special Resolution No. 5 & 6 for the consent of the members of the Company. None of the Directors, Key Managerial Personnel and Relatives of the Directors / Key Managerial Personnel of the Company is interested in the proposed Resolutions except as holders of the equity shares in general.

A copy of the Memorandum and Articles of Association together with the proposed alterations is available for inspection by the Members at the Registered Office of the Company during normal business hours (10.00 a.m to 6.00 p.m) on all working days except Sundays, up to and including the date of the Annual General Meeting of the Company.

## Item No 7

### **Allotment of warrants convertible in to equity shares to promoter of promoter group of the Company on preferential basis**

To support growth plan of the Company and in order to enhance its net worth and to have greater financial strength, Company need to augment long term resources. The Company proposes to increase its capital base by way of infusion of further capital. The Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers) has proposed to allot upto an aggregate of 6,60,000, warrants ("Warrants") for cash at an exercise price of ₹ 111.50 per Warrant aggregating upto ₹ 7,35,90,000/- (Rupees Seven Crore Thirty Five Lacs Ninety Thousand Only) members of the promoter and promoter group of the Company ("Allottees") on preferential allotment basis.

The Board has approved the same at its meeting held on August 29, 2015. The allotment will be subject to customary conditions including receipt of shareholders approval. The equity shares arising on conversion of Warrants, allotted to the Allottees shall rank pari-passu with all other equity shares of the Company in respect of all rights, including dividend.

The Equity Shares allotted would be listed on BSE and NSE.

The Board has the necessary authority to issue, offer and allot upto 6,60,000 Warrants to the Allottees. It may be noted that in terms of Chapter VII of the SEBI ICDR Regulations, it is necessary to disclose the details of investor and certain other terms to the shareholders while seeking their approval for issuing the Warrants on preferential basis. Hence, the requisite approval of the shareholders is being sought in terms of the provisions of Companies Act, 2013, and the SEBI ICDR Regulations. The relevant disclosures/details of the proposed issue are given below:

#### **1. Objects of the Issue:**

To meet the needs of our growing business, including long term capital requirements for pursuing our growth plans and to enhance our capital adequacy ratio, to increase our capacity to lend and for general corporate purposes.

#### **2. Type of security offered and the number of security offered**

The Company proposes to offer, issue and allot upto 6,60,000 fully convertible warrants to the Allottees at ₹ 111.50 per Warrant aggregating upto ₹ 7,35,90,000/- (Rupees Seven Crore Thirty Five Lacs Ninety Thousand Only). Each Warrant shall be convertible into 1 (one) equity share of nominal value of ₹ 10/- each at the Exercise Price of ₹ 111.50 per Warrant which is not less than the price calculated in accordance with the SEBI ICDR Regulations. The total number of equity shares to be allotted on conversion of the Warrants shall not exceed 6,60,000 equity shares. The Warrants are convertible into the equity shares at any time after allotment at the option of the Allottees, in one or more tranches, subject to a maximum period of 18 months from the date of their allotment.

The allotment of Warrants to members of promoter and promoter group is subject to the condition that none of the person belonging to promoter(s) or the promoter group has sold his equity shares in the Company during the six months preceding the Relevant Date (defined below).

#### **3. Important terms and conditions - Warrants**

- a. Warrants shall be issued and allotted by the Company to Allottees within a period of 15 days from the date of receipt of shareholders approval for the preferential issue of Warrants, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority or the Central Government, the allotment shall be completed within a period of 15 days from the date of such approval.
- b. The equity shares to be allotted pursuant to conversion of Warrants shall be in dematerialised form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company. The equity shares arising on conversion of Warrants shall rank pari passu with the existing equity shares of the Company in all respects.

- c. Each Warrant shall be convertible into 1 (one) equity share of nominal value of ₹ 10/- each at the Exercise Price of ₹ 111.50 per Warrant which is not less than the price calculated in accordance with the SEBI ICDR Regulations. The total number of equity shares to be allotted on conversion of the Warrants shall not exceed 6,60,000 equity shares. The Warrants are convertible into the equity shares at any time after allotment at the option of the Allottees, in one or more tranches, subject to a maximum period of 18 months from the date of their allotment.
- d. The equity shares allotted pursuant to conversion of Warrants allotted to members of promoter and promoter group of the Company will be subject to lock-in for a period of 3 years from the date of trading approval or as required under SEBI ICDR Regulations.
- e. The Warrants may be exercised at any time before the expiry of 18 months from the date of allotment of the Warrants.
- f. If the entitlement against the Warrants to apply for the equity shares is not exercised within the specified period of 18 months, such entitlement shall lapse and the amount paid on such Warrants shall stand forfeited.
- g. The Warrant subscription price equivalent to 25% of the issue price of the equity shares will be payable at the time of subscription to the Warrants, as prescribed by Regulation 77 of the SEBI ICDR Regulations, which will be kept by the Company to be adjusted and appropriated against the issue price of the equity shares. The Warrants exercise price equivalent to the 75% of the issue price of the equity shares shall be payable by the Allottees at the time of exercising the Warrant.
- h. The issue of the Warrants as well as equity shares arising from the exercise of the Warrants shall be governed by the regulations and guidelines issued by SEBI or any other statutory authority as the case may be or any modifications thereof.
- i. The Warrants issued and allotted will be transferable within the Promoter Group subject to the approval of the Board and such other approvals as may be necessary.
- j. In the event of the Company making a bonus issue by way of capitalization of its reserves, or a rights offer by way of issue of new equity shares, prior to allotment of equity shares resulting from the exercise of the Warrants, the issue price of the equity shares to be allotted against such Warrants shall be subject to appropriate adjustment, subject to the SEBI ICDR Regulations and other applicable law.

**4. Issue Price and Relevant Date:**

The price at which Equity Shares will be allotted under the Preferential Allotment shall be in accordance with Chapter VII of the SEBI ICDR Regulations, however, such price shall not be less than the price at which the Equity Shares are allotted.

As per Chapter VII of the said SEBI ICDR Regulations, issue of Equity Shares, on a preferential basis, can be made at a price not less than the higher of the following:

- (a) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the recognized Stock Exchange during the twenty six weeks preceding the Relevant Date; or
- (b) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on a Stock Exchange during the two weeks preceding the Relevant Date.

For this purpose, "Relevant Date" means the date thirty days prior to the date of the Annual General Meeting which is proposed to be held on September 30, 2015. Accordingly, the Relevant Date for the preferential allotment is Monday, August 31, 2015 in terms of Regulation 71 of the SEBI ICDR Regulations.

**5. Undertakings of the Company:**

The Company undertakes to re-compute the price of the specified securities in terms of the provision of SEBI ICDR Regulations, where it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the equity shares shall continue to be locked-in till the time such amount is paid by the Allottees.

**6. Intention of promoters / directors / key management persons to subscribe:**

Jaiprakash Agarwal, Ramchandra Agarwal, Mahendra Agarwal, Kishan Agarwal, Jugal Kishore Agarwal, Lalit Agarwal, Usha Agarwal, Nilesh Agarwal, Rekha Agarwal, Sushila Agarwal, Shailesh Agarwal, Uma Agarwal, Virel Agarwal, Mukul Agarwal, Padma Agarwal, Sanchi Agarwal, Sudha Agarwal, Vipin Agarwal part of promoter and promoter group of the Company intend to subscribe the Offer. Other than the aforementioned persons no other promoter/ director/ key management personnel intend to subscribe to the offer.

**7. Identity of the proposed Allottees and percentage of post preferential issue that may be held by them and change in control, if any, in the Allottees, consequent to the preferential issue:**

Sr. No.	Name of the proposed Allottee	Category	The maximum number of Warrants proposed to be allotted	% Shareholding post conversion Warrants into equity shares	Natural persons who are the ultimate beneficial owner of the shares proposed to be issued
1.	Jaiprakash Agarwal	Promoter Group	45000	0.73	Not Applicable
2.	Ramchandra Agarwal	Promoter Group	86000	1.39	Not Applicable
3.	Mahendra Agarwal	Promoter Group	96000	1.56	Not Applicable
4.	Kishan Agarwal	Promoter Group	75000	1.21	Not Applicable
5.	Jugal Kishore Agarwal	Promoter Group	50000	0.81	Not Applicable
6.	Lalit Agarwal	Promoter Group	50000	0.81	Not Applicable
7.	Usha Agarwal	Promoter Group	50000	0.81	Not Applicable
8.	Nilesh Agarwal	Promoter Group	15000	0.24	Not Applicable
9.	Rekha Agarwal	Promoter Group	50000	0.81	Not Applicable
10.	Sushila Agarwal	Promoter Group	10000	0.16	Not Applicable
11.	Shailesh Agarwal	Promoter Group	17000	0.28	Not Applicable
12.	Uma Agarwal	Promoter Group	17000	0.28	Not Applicable
13.	Virel Agarwal	Promoter Group	15000	0.24	Not Applicable
14.	Mukul Agarwal	Promoter Group	12000	0.19	Not Applicable
15.	Padma Agarwal	Promoter Group	50000	0.81	Not Applicable
16.	Sanchi Agarwal	Promoter Group	2000	0.03	Not Applicable
17.	Sudha Agarwal	Promoter Group	2000	0.03	Not Applicable
18.	Vipin Agarwal	Promoter Group	18000	0.29	Not Applicable

There will be no change in control of the Company consequent to the preferential issue.



**8. Pre-issue & Post-issue Shareholding Pattern of the Company is given below:**

Shareholder Category	% of shareholding before the proposed preferential allotment (as on August 28, 2015)		% of shareholding after the proposed preferential allotment*	
	No. of equity shares	%	No. of equity shares	%
Promoter and Promoter Group	2,940,545	53.34	3,600,545	58.33
Public	2,572,355	46.66	2,572,355	41.67
Total	5,512,900	100.00	6,172,900	100.00

\*Assuming conversion of 6,60,000 Warrants into equity shares allotted under preferential allotment.

**9. Proposed time of Allotment:**

The Warrants shall be allotted within a period of 15 days from the date of receipt of shareholders approval for the preferential issue of Warrants, provided that where the allotment of the said Warrants is pending on account of pendency of any approval for such allotment by any regulatory authority, the allotment shall be completed within a period of 15 days from the date of such approval.

**10. Lock-in:**

The equity shares allotted pursuant to conversion of Warrants to the members of promoter and promoter group of the Company will be subject to lock-in for a period of 3 years from the date of trading approval or as required under SEBI ICDR Regulations.

The entire pre preferential allotment shareholding of the Allottees, if any, shall be locked-in from the relevant date up to a period of six months from the date of trading approval.

**11. Auditor's Certificate:**

The Statutory Auditor's certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection at the Registered Office of the Company at Eastern Court, Unit No. 201-202, Plot No. 12, V. N. Purav Marg, S. T. Road, Chembur - 400 071, Mumbai after the relevant date during normal business hours (10.00 a.m to 6.00 p.m) on all working days except Sundays up to 15 days after the date of Annual General Meeting of the Company.

It is proposed to obtain consent of the Members, pursuant to the provisions of Section 42 and 62 and other applicable provisions of the Companies Act, 2013, and SEBI (ICDR) Regulations, and in terms of the provisions of the Listing Agreements, to issue and allot Equity Shares on a preferential basis to Promoters as stated in the Special Resolutions set out in the accompanying Notice.

The Promoters are interested in the proposed resolutions to the extent to their shareholding in the Company.

None of the Directors, Key Managerial Personnel and Relatives of the Directors / Key Managerial Personnel of the Company is interested in the proposed Resolutions except as holders of the equity shares in general.

The Board recommends passing of the Resolutions set out in the accompanying Notice, as a Special Resolutions.

**Item No. 8**

As per Section 188 of the Companies Act, 2013 read with the rules made thereunder and in accordance with the Listing Agreements with Stock Exchanges and on the basis of the recommendations of the Audit Committee and the approval of the Board of Directors vide resolution passed in their respective meetings held on August 14, 2015, the following related party transactions already in existence and which are proposed to be entered into by the Company with related parties, for which

the consent of the members is required for entering into such contract or arrangement with the related parties as defined under the Act and the Rules made thereunder,

**1) Names of the Related Parties and Description of relationship**

Subsidiary ( 100 % )	Bituminex Cochin Pvt Ltd.
Key Managerial Personnel	Mr. Jaiprakash Agarwal, Managing Director Mr. Lalit Agarwal, Whole Time Director Mr. Ramchandra Agarwal, Whole Time Director Mr. Rakesh Bhalla, Company Secretary & CFO
Concerns in which Directors / Key Managerial Personnel are interested	<b>Agarwal Petrochem Private Ltd</b> (Directors :Mr. Lalit Agarwal, Mr. Ramchandra Agarwal & Mr. Kishan Kumar Agarwal- Brothers ) <b>Agarwal Translink Private Ltd</b> (Directors : Mr. Jaiprakash Agarwal, Mr.Mahendra Agarwal & Mr. Kishan Agarwal- Brothers) <b>ANZ Transporters</b> (Partners : Mr. Ramchandra Agarwal, Mr. Mahendra Agarwal & Mr. Lalit Agarwal- Brothers) <b>Agarwal Gas Carriers</b> (Partners : Mr. Jaiprakash Agarwal, Mr. Kishan Agarwal & Mr.Jugal Kishore Agarwal - Brothers)

(₹ in Lacs.)

Nature of Transaction	Subsidiary (Amount not exceeding)	KMP (Amount not exceeding) (Consolidated)	Concerns in which KMP & their Relatives are interested (Amount not exceeding) (Consolidated)	Total
<b>Remuneration</b> Mr. Jaiprakash Agarwal, Mr. Lalit Agarwal, Mr. Ramchandra Agarwal Mr. Rakesh Bhalla	-	200.00	-	<b>200.00</b>
<b>Sub-Contract Payment</b> ANZ Transporters, Agarwal Gas Carriers, Agarwal Translink P Ltd, Agarwal Petrochem P Ltd	-	-	650.00	<b>650.00</b>
<b>Sub-Contract Receipt</b> ANZ Transporters, Agarwal Gas Carriers, Agarwal Translink P Ltd, Agarwal Petrochem P Ltd.	-	-	300.00	<b>300.00</b>

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(₹ in Lacs)

Nature of Transaction	Subsidiary (Amount not exceeding)	KMP (Amount not exceeding) (Consolidated)	Concerns in which KMP & their Relatives are interested (Amount not exceeding) (Consolidated)	Total
<b>Labour Charges from</b> (ANZ Transporters, Agarwal Gas Carriers, Agarwal Translink P Ltd,	-	-	50.00	<b>50.00</b>
<b>Sales of Spare Parts &amp; OIL</b> (ANZ Transporters, Agarwal Gas Carriers, Agarwal Translink P Ltd,	-	-	75.00	<b>75.00</b>
<b>HSD &amp; Oil Purchase</b> (ANZ Transporters, Agarwal Gas Carriers, Agarwal Translink P Ltd,	-	-	350.00	<b>350.00</b>
<b>Bitumen Purchase</b> Agarwal Petrochem P Ltd).	-	-	500.00	<b>500.00</b>
<b>Bitumen Sales</b> (Agarwal Petrochem P Ltd)	-	-	700.00	<b>700.00</b>
<b>Rent Payable</b> Mr. Jaiprakash Agarwal Mr. Lalit Agarwal	-	7.50		<b>7.50</b>
<b>Loan to 100 % Subsidiary</b> (Bituminex Cochin Pvt Ltd.)	200.00	-	-	<b>200.00</b>

None of the Directors or Key Managerial Personnel except the above named Directors / Key Managerial Personnel/ relatives are in any way directly or indirectly concerned or interested, in the resolution set out at item no 8 of the Notice .

The Board recommends the resolution as set out in item no. 8 of the Notice for approval of the members.

**Item No 9**

The Board, on the recommendations of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors, Mr. Vinayak Kulkarni, Cost Accountant ( Membership No - 28559 ) at a remuneration ( Cost Audit Fee ) of ₹ 40,000 ( consolidated) plus taxes, as applicable, to conduct the audit of the cost records of the Company for relevant business segments of the Company covered under The Companies (Cost Records and Audit) Amendment Rules, 2014 ( including any statutory modification(s) or re-enactments thereof , for the time being in force) for the Financial Year 2015-16. Section 148 of the Companies Act, 2013 read with the relevant rules mentioned herein above, require ratification of the remuneration payable to the Cost Auditors by the members of the Company.

Accordingly, the consent of the members is sought for passing an Ordinary Resolution as set out at item No.9 of the Notice for ratification of the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2016. None of the



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Directors or Key Managerial Personnel or their relatives, are in any way directly or indirectly concerned or interested, in the resolution.

The Board recommends the resolution as set out in item no. 9 of the Notice for approval of the members.

**Details of Director seeking re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)**

Name of Director	<b>Mahendra Agarwal</b>
Date of Birth	<b>July 5, 1963</b>
Date of Appointment	<b>January 13, 1995</b>
Expertise in specific functional areas	<b>Marketing</b>
List of Companies in which outside Directorships held as on 31.03.2015 (excluding private & foreign companies)	<b>Agarwal Translink Pvt.Ltd.</b>
Chairman / Member of the *Committees of other Companies on which he is a Director as on 31.03.2015	<b>Nil</b>

**\*The Committees include the Audit Committee and the Stakeholders Relationship Committee.**

**By Order of the Board of Directors**

**Place: Mumbai**

**Dated: August 29, 2015**

**Registered Office:**

Eastern Court, Unit No. 201-202,

Plot No. 12, V.N. Purav Marg.

S.T. Road, Chembur,

Mumbai - 400071.

Rakesh Bhalla  
CFO & Company Secretary

## DIRECTORS' REPORT

### TO THE MEMBERS

The Directors have pleasure in presenting the Twenty First Annual Report of the Company together with its Audited Statement of Profit and Loss for the year ended March 31, 2015 and the Balance Sheet as on that date:

### FINANCIALS RESULTS

( ₹ In Lacs )

Particulars Financial Year	2014-2015 Audited	Standalone	2013-2014 Audited
<b>Total Income</b>	<b>22007.70</b>		<b>17704.36</b>
Profit before Depreciation, Finance Costs and Tax	1635.00		1372.41
Less: Depreciation	421.60		414.69
Less: Finance Costs	387.23		325.41
<b>Profit before Tax</b>	<b>826.17</b>		<b>632.31</b>
Less: Provision for Tax			
(a) Current Tax	185.00		127.00
(b) Deferred Tax( Assets)/ Liability	27.36		(20.18)
(c) Short Provision for Tax for earlier years	2.18		-
(d) Mat Credit Utilisation	32.39		28.91
<b>Profit after Tax</b>	<b>579.24</b>		<b>496.58</b>
Add: Balance brought forward from the previous year	1622.82		1215.95
Amount available for Appropriation	2202.05		1712.53
<b>Appropriations</b>			
Proposed Dividend	82.69		77.18
Tax on Dividend	16.01		12.52
<b>Balance carried to Balance Sheet</b>	<b>2103.35</b>		<b>1622.82</b>

### RESULTS OF OPERATIONS AND THE STATE OF AFFAIRS OF THE COMPANY

Your Directors are pleased to report that the total Income for the year ended March 31, 2015 was ₹ 22007.70 Lacs as compared to previous year's total income of ₹ 17704.36 Lacs thus registering an increase of 24.30 % over the previous year. Consequently, Profits before Tax increased by 30.65 %, Profit After Tax by 16.64 % and Cash Profits by 9.82%.

Please refer to the Chapter on Management Discussion and Analysis for detailed analysis of the performance of the Company, regarding business scenario and new expansion project initiated during the financial year ended March 31, 2015

### DIVIDEND

Your Directors have recommended a dividend of ₹1.50 per equity share of the face value of ₹10/ each. for the financial year ended March 31, 2015. The dividend payout is subject to approval of the members at the ensuing Annual General Meeting.

### CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 ("The Act ") and Accounting Standard (AS) - 21 on Consolidated Financial Statements, the audited consolidated financial statement is provided in this Annual Report.

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## **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

Bituminex Cochin Pvt Ltd (BCPL), is the Wholly Owned Subsidiary (W.O.S ) of your Company.

The Consolidated Financial Statements of the Company and its Wholly Owned Subsidiary prepared in accordance with the relevant Accounting Standards of the Institute of Chartered Accountants of India, duly audited by the Statutory Auditors, form a part of the Annual Report and are reflected in the Consolidated Accounts.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statement of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiary are available on the website of the Company.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges is presented in a separate section forming part of this Annual Report.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, with regard to Corporate Social Responsibility shall be applicable with effect from the financial year 2015-16.

## **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls commensurate with the size, scale and nature of its operations. The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company has adopted a Whistle Blower Policy to provide a mechanism for the Directors and employees to report genuine concerns about any unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The provisions of this policy are in line with the provisions of Section 177 (9) of the Act and the revised Clause 49 of the Listing Agreement. The Whistle Blower Policy can be accessed on the Company's website- [www.aicltd.in](http://www.aicltd.in).

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure I.

## **AUDIT COMMITTEE**

Details pertaining to the composition of Audit Committee are included in the Corporate Governance Report, which forms part of the Annual Report.

## **RELATED PARTY TRANSACTIONS**

All Related Party Transactions (RPTs) that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. However, as abundant precaution, the requisite approvals of the Audit Committee, the Board and Members were duly obtained. The Policy on materiality of related party transactions may be accessed on the Company's website- [www.aicltd.in](http://www.aicltd.in).

Yours Directors draw attention of the members to Discussion and Analysis Report for the year under review, attached to this Annual Report for related party disclosures.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013, ("THE ACT")**

Particulars of loans given, investments made and securities provided are mentioned in the financial statement under Note 12, 13, 15 and 18 of the said statement. Your Company has not provided any guarantee or given security in connection with loan to any other body corporate or person.

## **RISK MANAGEMENT**

The Company has constituted a Risk Management Committee, details of which are set out in the Corporate Governance Report.

The Company has adopted a Risk Management Policy, pursuant to the provisions of Section 134 of the Act, which has a Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage. The risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting.

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

In terms of Section 149 of the Act and pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the Members, in the previous Annual General Meeting of the Company held on September 30, 2014, appointed Mr. Jaswant D. Sharma, Mr. Rajkumar Mehta, Mr. Harikrishna Patni and Mr. Alok Bharara, and Ms. Priti Lodha (Woman Director) as Independent Directors of the Company for a period of five years commencing from September 30, 2014. Mr. R. T. Rajguroo, an Independent Director resigned from the Board with effect from 16/4/2014 and the Board placed on record its appreciation for his valuable contribution to the progress of the Company.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the Listing Agreement with the Stock Exchanges.

Further, Members in the previous Annual General Meeting of the Company also, in accordance with the Act and the Articles of Association of the Company, modified the appointment of Mr. Jaiprakash Agarwal, Mr. Lalit Agarwal and Mr. Ramchandra Agarwal as Directors, liable to retire by rotation.

In terms of Section 203 of the Act the following were designated as KMP of your Company by the Board:

Mr. Jaiprakash Agarwal, Managing Director.

Mr. Lalit Agarwal, Whole Time Director

Mr. Ramchandra Agarwal, Whole Time Director

Mr. Rakesh Bhalla, - CFO & Company Secretary

## **BOARD MEETINGS**

During the year under review, 12 (Twelve) Board Meetings were held and the intervening gap between the meetings did not exceed the period prescribed under the Act, the details of which are given in the Corporate Governance Report.

## **BOARD EFFECTIVENESS**

The Company has adopted the Governance guidelines which, inter alia, cover aspects related to composition and role of the Board, Directors, Board diversity, definition of independence, Director's term and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Directors remuneration, Code of Conduct, Board Effectiveness Review and mandates of Board Committees.

### **A. Board Evaluation**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors pursuant to the provisions of the Act and the corporate governance requirement as prescribed by Securities Exchange Board of India (SEBI) under Clause 49 of the Listing Agreement.

The performance of the Board was evaluated by the Board after seeking inputs from the Directors on the basis of the criteria such as the Board Composition and structures, effectiveness of board processes, information and functioning, etc.



The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee (NRC) reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the board as a whole was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The same was discussed in the Board meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

#### **B. Appointment of Directors and Criteria for determining qualifications, positive attributes, independence of a Director**

The NRC is responsible for developing competency requirements for the Board based on the industry and strategy of the Company. The NRC reviews and meets potential candidates, prior to recommending their nomination to the Board. At the time of appointment, specific requirements for the position, including expert knowledge expected, is communicated to the appointee

The NRC has formulated the criteria for determining qualifications, positive attributes and independence of Directors in terms of provisions of Section 178 (3) of the Act and Clause 49 of the Listing Agreement as stated under:

**Independence:** A Director will be considered as an 'Independent Director' if he/ she meets with the criteria for 'Independence' as laid down in the Act, Clause 49 of the Listing Agreement.

**Competency:** A transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has a mix of members with different educational qualifications, knowledge and with adequate experience in banking and finance, accounting and taxation, economics, legal and regulatory matters.

#### **Additional Positive Attributes:**

- The Directors should not have any other pecuniary relationship with the Company, its subsidiaries, associates or joint ventures and the Company's promoters, except as provided under law.
- The Directors should maintain an arm's length relationship between themselves and the employees of the Company, as also with the Directors and employees of its subsidiaries, associates, joint ventures, promoters and stakeholders for whom the relationship with these entities is material.
- The Directors should not be the subject of proved allegations of illegal or unethical behaviour, in their private or professional lives.
- The Directors should have the ability to devote sufficient time to the affairs of the Company.

#### **C. Remuneration Policy**

The Company had adopted a Remuneration Policy, subject to review from time to time for the Directors, KMP and other employees, pursuant to the provisions of the Act and Clause 49 of the Listing Agreement. The key principles governing the Company's Remuneration Policy are as follows:

##### **Remuneration for Independent Directors and Non-Independent Non-Executive Directors**

- Independent Directors (ID) and Non-Independent Non-Executive Directors (NINED) may be paid sitting fees for attending the meetings of the Board and of Committees of which they may be members.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives.
- Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/Company's

operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.

- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

**Remuneration for Managing Director (MD)/ Executive Directors (ED)/ Key Managerial Personnel (KMP)/ rest of the Employees ,**

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience.

It is affirmed that the remuneration paid to Directors, KMP and all other employees is as per the Remuneration Policy of the Company.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, no significant material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations.

**STATUTORY AUDITORS**

At the Annual General Meeting, the Members will be requested to ratify the re-appointment of M/s Ladha Singhal & Associates, Chartered Accountants, 209, Apollo Complex, R.K.Singh Marg, Off. Parsi Panchayat Road, Near Sona Udyog, Andheri [East], Mumbai - 400069, as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and they are not disqualified for re-appointment.

The notes on financial statement referred to in the Auditors' Report are self explanatory and donot call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**SECRETARIAL AUDIT**

The Board of Directors of your Company has appointed Mr. P.M. Vala, Practicing Company Secretary (Membership No.4237-FCS- 5193, CP- 4237 ) to undertake the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report is annexed herewith as Annexure II. The report does not contain any qualifications, reservation or adverse remarks.

**COST AUDITORS**

Pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies ( Cost Records and Audit ) Rules, 2014 (including any statutory modification(s) or re-enactments thereof, for the time being in force), the Board of Directors of the Company appointed Mr. Vinayak Kulkarni, Cost Accountant (Membership No - 28559 ) as the Cost Auditors to conduct the cost records of the Company for relevant segments for the financial year ending March 31, 2016.,

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

As required under Section 134(3)(M) of the Act, read with Rule 8 of the Companies (Accounts) Rules, 2014, the information



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relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, during the financial year ended March 31, 2015 is given as below :

**(A) Conservation of Energy**

- a) The following measures are taken for conservation of electrical energy:
  - (i) Energy consumption remains under strict vigil of the factory management.
  - (ii) Evenly distribution of loads throughout the day reduces the maximum demand which improve plant and equipment efficiency.
  - (iii) improvisation of power factor by using right type of power improvement capacitors.
- b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy. A few proposals in this regard are under consideration of the Company.
- c) Impact of measures (a) and (b) results in reduction in number of units consumed and consequently lowering of overall cost of production.

**(B) Technology Absorption:**

Company uses indigenous technology for our operations and the management keeps on reviewing and analyzing the means and methods by which the existing technology can be modified, upgraded or improved upon for better operations. It has yet to establish a separate research and development division for this purpose.

**(C) Foreign Exchange Earnings and Outgo:**

	(₹ in Lacs)
Particulars	F.Y 2014-15
Earnings	NIL
Outgo	2591.78

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES.**

The disclosure required to be furnished pursuant to Section 197 (12) read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure III to this report.

However, since there were no employees drawing remuneration in excess of the limits set out in the aforesaid rules, the particulars of employees required to be furnished pursuant to Section 197 (12) read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 does not forms part of this Annual Report.

**FIXED DEPOSITS**

The Company did not accept any Fixed Deposits from the public and no fixed deposits were outstanding or unclaimed as on March 31, 2015.

**LISTING OF SHARES**

The equity shares of your Company have been listed on the BSE and the National Stock Exchange .The listing fees for the year 2015-16 have been duly paid.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Your Directors state and confirm that:

- (i) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and that there are no material departures from the same;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profits of the Company for the year ended on that date.
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the accounts for the financial year ended March 31, 2015 on a 'going concern' basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such financial controls are adequate and are operating effectively;
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

**CORPORATE GOVERNANCE**

Your Company ensures maintaining highest standards of corporate governance as per corporate governance requirements formulated by SEBI. The report on Corporate Governance as per Listing Agreement forms an integral part of the Annual Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to report on corporate governance.

**ACKNOWLEDGEMENT**

The Directors express their deep sense of appreciation for the contribution made by the employees to the significant improvement in the operations of the Company.

The Directors also thank all their Bankers, Members, Customers, Lenders, Vendors, Business Partners, and all concerned Regulatory Authorities for their continued co-operation and support.

On behalf of the Board of Directors

Sd/-

**Jaiprakash Agarwal**  
*Chairman*

Place : Mumbai  
Date : August 29, 2015

**Registered Office:**

Eastern Court, Unit No. 201-202, Plot No. 12,  
V.N. Purav Marg. S.T. Road,  
Chembur, Mumbai - 400071.

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**Annexure - I**  
**Form No. MGT- 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on March 31, 2015**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- |  |   |
|--|---|
| i) CIN   | : L99999MH1995PLC084618   |
| ii) Registration Date  | : January 13, 1995  |
| iii) Name of the Company   | : Agarwal Industrial Corporation Limited  |
| iv) Category   | : Company Limited by Shares   |
| v) Sub-Category of the Company   | : Indian Non- Government Company  |
| vi) Address of the registered office   | : Eastern Court, Unit No. 201-202, Plot No. 12,<br>V.N.Purav Marg, S.T.Road, Chembur,<br>Mumbai 400 071 |
| vii) Whether listed company  | : Yes   |
| viii) Name, Address and Contact<br>details of Registrar and Transfer Agent,<br>if any Registrar & Share Transfer Agent | : Ankit Consultancy Pvt. Ltd.   |

(SEBI REG. No. INR 000000767)  
CIN NO - U74140MP1985PTC003074  
60, Electronic Complex,  
Pardeshipura, Indore (M.P.) 452010  
Tel.:0731-2551745, 2551746  
Fax:0731-4065798

**Twenty First Annual Report  
2014-2015**

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

(₹ in Lacs )

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Petroleum Bitumen	23209	82.30
2	Transportation	60231	17.15

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

Sl. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares	Applicable Section
1	Bituminex Cochin Pvt.Ltd.	U10300KL1980PTC003141	Subsidiary	100 %	2(87)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**I) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. as on 01.04.2014)				No. of Shares held at the end of the year (i.e. as on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2940545	-	2940545	53.34	294054	-	2940545	53.34	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1):-</b>	<b>2940545</b>	<b>-</b>	<b>2940545</b>	<b>53.34</b>	<b>2940545</b>	<b>-</b>	<b>2940545</b>	<b>53.34</b>	<b>-</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other -Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2):-</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Total Shareholding of Promoter / Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>2940545</b>	<b>-</b>	<b>2940545</b>	<b>53.34</b>	<b>2940545</b>	<b>-</b>	<b>2940545</b>	<b>53.34</b>	<b>-</b>

Category of Shareholders	No. of Shares held at the beginning of the year (i.e. as on 01.04.2014)				No. of Shares held at the end of the year (i.e. as on 31.03.2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Financial Institutions/Banks	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	428495	-	428495	7.77	530538	-	530538	9.62	+1.85%
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹.1lakh	904204	75100	979304	17.76	1015763	70005	1085768	19.70	+1.94%
ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	1087914	72600	1160514	21.05	912700	25000	937700	17.01	- 4.04%
c) Others (specify)									
i) Trusts									
ii) Directors and relatives									
iii) Foreign Nationals and Non-residents									
iv) Clearing members	7	-	7	0.00	1706	-	1706	0.03	+ 0.03%
v) HUF's	4035	-	4035	0.07	16643	-	16643	0.30	+ 0.23%
<b>Sub-total (B)(2):-</b>	2424655	147700	2572355	46.66	2477350	95005	2572355	46.66	0.00%
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2424655</b>	<b>147700</b>	<b>2572355</b>	<b>46.66</b>	<b>2477350</b>	<b>95005</b>	<b>2572355</b>	<b>46.66</b>	<b>0.00 %</b>
<b>Total (A) + (B)</b>	<b>5365200</b>	<b>147700</b>	<b>5512900</b>	<b>100</b>	<b>5417895</b>	<b>95005</b>	<b>5512900</b>	<b>100</b>	<b>0.00 %</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs Public</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	<b>5365200</b>	<b>147700</b>	<b>5512900</b>	<b>100</b>	<b>5417895</b>	<b>95005</b>	<b>5512900</b>	<b>100</b>	<b>0.00 %</b>



(ii) **Shareholding of Promoters**

Sl. No.	Shareholders Name	No. of Shares held at the beginning of the year (i.e. as on 01.04.2014)			No. of Shares held at the end of the year (i.e. as on 31.03.2015)			% Change in Share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Jaiprakash Agarwal	407600	7.39	0.00	407600	7.39	0.00	0.00
2	Ramchandra Agarwal	370700	6.72	0.00	370700	6.72	0.00	0.00
3	Mahendra Agarwal	362600	6.58	0.00	362600	6.58	0.00	0.00
4	Kishan Agarwal	348200	6.32	0.00	348200	6.32	0.00	0.00
5	Jugal Kishore Agarwal	331500	6.01	0.00	331500	6.01	0.00	0.00
6	Lalit Agarwal	302000	5.48	0.00	302000	5.48	0.00	0.00
7	Usha Agarwal	138583	2.51	0.00	138583	2.51	0.00	0.00
8	Nilesh Agarwal	111900	2.03	0.00	111900	2.03	0.00	0.00
9	Rekha Agarwal	101827	1.85	0.00	101827	1.85	0.00	0.00
10	Sushila Agarwal	86600	1.57	0.00	86600	1.57	0.00	0.00
11	Shailesh Agarwal	76800	1.39	0.00	76800	1.39	0.00	0.00
12	Uma Agarwal	68100	1.24	0.00	68100	1.24	0.00	0.00
13	Virel Agarwal	51300	0.93	0.00	51300	0.93	0.00	0.00
14	Mukul Agarwal	49400	0.90	0.00	49400	0.90	0.00	0.00
15	Yash Agarwal	48400	0.88	0.00	48400	0.88	0.00	0.00
16	Lakshya Agarwal	47900	0.87	0.00	47900	0.87	0.00	0.00
17	Padma Agarwal	28245	0.51	0.00	28245	0.51	0.00	0.00
18	Sanchi Agarwal	2500	0.05	0.00	2500	0.05	0.00	0.00
19	Aayushi Agarwal	2500	0.05	0.00	2500	0.05	0.00	0.00
20	Sudha Agarwal	2290	0.04	0.00	2290	0.04	0.00	0.00
21	Vipin Agarwal	1600	0.03	0.00	1600	0.03	0.00	0.00

(iii) **Change in Promoters Shareholding (Please specify, if there is change)**

Sl. No.	Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the year
1.	Name of the Promoter At the beginning of the year Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweatequity etc): At the End of the year		No Changes in number of and % of total shares of the Company

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	No. of Shares at the beginning (01-04-14) /end of the year (31-03-15)		Date	Increase/ Decrease in share	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares	% of total Shares of the Company				No. of shares	% of total shares of the Company
1	Bonanza Portfolio Ltd.	13,075	0.24	1/Apr/14			13,075	
				16/May/14	32,935	Purchase	46,010	0.83
				23/May/14	13,720	Purchase	59,730	1.08
				30/May/14	5,755	Purchase	65,485	1.19
				6/Jun/14	(440)	Sales	65,045	1.18
				13/Jun/14	4,745	Purchase	69,790	1.27
				20/Jun/14	100	Purchase	69,890	1.27
				4/Jul/14	9,355	Purchase	79,245	1.44
				11/Jul/14	(4,173)	Sales	75,072	1.36
				18/Jul/14	(1,565)	Sales	73,507	1.33
				25/Jul/14	4,226	Purchase	77,733	1.41
				1/Aug/14	(5,484)	Sales	72,249	1.31
				15/Aug/14	950	Purchase	73,199	1.33
				29/Aug/14	(690)	Sales	72,509	1.32
				12/Sep/14	(7,064)	Sales	65,445	1.19
				19/Sep/14	(2,881)	Sales	62,564	1.13
				3/Oct/14	(14,949)	Sales	47,615	0.86
				10/Oct/14	14,874	Purchase	62,489	1.13
				17/Oct/14	363	Purchase	62,852	1.14
				31/Oct/14	(163)	Sales	62,689	1.14
				14/Nov/14	(66)	Sales	62,623	1.14
				21/Nov/14	(3,265)	Sales	59,358	1.08
				28/Nov/14	(387)	Sales	58,971	1.07
				5/Dec/14	(500)	Sales	58,471	1.06
				19/Dec/14	(970)	Sales	57,501	1.04
				31/Dec/14	(391)	Sales	57,110	1.04
				2/Jan/15	(859)	Sales	56,251	1.02
				9/Jan/15	(9,500)	Sales	46,751	0.85
				16/Jan/15	(11,546)	Sales	35,205	0.64
				23/Jan/15	1,967	Purchase	37,172	0.67
				30/Jan/15	5,200	Purchase	42,372	0.77
6/Feb/15	9,565	Purchase	51,937	0.94				
13/Feb/15	4,394	Purchase	56,331	1.02				
20/Feb/15	587	Purchase	56,918	1.03				
27/Feb/15	(200)	Sales	56,718	1.03				
13/Mar/15	689	Purchase	57,407	1.04				
20/Mar/15	28,323	Purchase	85,730	1.56				
31/Mar/15	7,003	Purchase	92,733	1.68				
2	Kamal Kishore Somani	76,374	1.39	1/Apr/14			76,374	
				18/Apr/14	(284)	Sales	76,090	1.38
				9/May/14	(7)	Sales	76,083	1.38
				16/May/14	(15)	Sales	76,068	1.38
				23/May/14	(2,010)	Sales	74,058	1.34
				30/May/14	(100)	Sales	73,958	1.34
				6/Jun/14	(5)	Sales	73,953	1.34
				4/Jul/14	(141)	Sales	73,812	1.34
				11/Jul/14	(415)	Sales	73,397	1.33
				25/Jul/14	89	Purchase	73,486	1.33
				15/Aug/14	(4)	Sales	73,482	1.33
				29/Aug/14	(4)	Sales	73,478	1.33
				12/Sep/14	(13)	Sales	73,465	1.33
				12/Dec/14	45	Purchase	73,510	1.33
				9/Jan/15	(3,500)	Sales	70,010	1.27
20/Mar/15	2,962	Purchase	72,972	1.32				
31/Mar/15	400	Purchase	73,372	1.33				
3	Rohit Saboo	14,296	0.26	1/Apr/14			14,296	
				23/May/14	28,456	Purchase	42,752	0.78
				30/May/14	3,153	Purchase	45,905	0.83
				6/Jun/14	978	Purchase	46,883	0.85

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				13/Jun/14	1,697	Purchase	48,580	0.88
				20/Jun/14	1,067	Purchase	49,647	0.90
				4/Jul/14	3,266	Purchase	52,913	0.96
				11/Jul/14	2,623	Purchase	55,536	1.01
				18/Jul/14	2,590	Purchase	58,126	1.05
				25/Jul/14	2,718	Purchase	60,844	1.10
				1/Aug/14	1,997	Purchase	62,841	1.14
				15/Aug/14	449	Purchase	63,290	1.15
				10/Oct/14	2	Purchase	63,292	1.15
				31/Oct/14	6	Purchase	63,298	1.15
				21/Nov/14	(10,941)	Sales	52,357	0.95
				28/Nov/14	213	Purchase	52,570	0.95
				12/Dec/14	2,132	Purchase	54,702	0.99
				19/Dec/14	1,773	Purchase	56,475	1.02
				31/Dec/14	(5,411)	Sales	51,064	0.93
				9/Jan/15	(8,121)	Sales	42,943	0.78
				16/Jan/15	(1,918)	Sales	41,025	0.74
				23/Jan/15	5,668	Purchase	46,693	0.85
				31/Jan/15	524	Purchase	47,217	0.86
				6/Feb/15	7,223	Purchase	54,440	0.99
				13/Feb/15	2,780	Purchase	57,220	1.04
				20/Feb/15	(2,406)	Sales	54,814	0.99
				27/Feb/15	(1,707)	Sales	53,107	0.96
				6/Mar/15	5,366	Purchase	58,473	1.06
				13/Mar/15	(60)	Sales	58,413	1.06
				20/Mar/15	1,038	Purchase	59,451	1.08
		71,068	1.29	31/Mar/15	11,617	Purchase	71,068	1.29
4	Rajkamal Synthetics Ltd	64,000	1.16	1/Apr/14	Nil	Movement during the year		64,000
		64,000	1.16	31/Mar/15			64,000	1.16
5	Ramandeep Singh Takkar	50,542	0.92	1/Apr/14	Nil	Movement during the year		50,542
		50,542	0.92	31/Mar/15			50,542	0.92
6	Neelam Jain	50,000	0.91	1/Apr/14		Sales	50,000	
				25/Apr/2014	(2,500)	Sales	47,500	0.86
				6/Jun/2014	500	Purchase	48,000	0.87
				11/Jul/2014	409	Purchase	48,409	0.88
				18/Jul/2014	(9)	Sales	48,400	0.88
				25/Jul/2014	3,600	Purchase	52,000	0.94
				1/Aug/2014	(2,000)	Sales	50,000	0.91
				13/Mar/2015	(17)	Sales	49,983	0.91
				20/Mar/2015	(3,000)	Sales	46,983	0.85
		45,803	0.83	31/Mar/2015	(1,180)	Sales	45,803	0.83
7	Indus Portfolio Pvt.Ltd.	65,984	1.20	1/Apr/14		Sales	65,984	
				4/Apr/2014	(1,693)	Sales	64,291	1.17
				11/Apr/2014	(115)	Sales	64,176	1.16
				25/Apr/2014	241	Purchase	64,417	1.17
				2/May/2014	(480)	Sales	63,937	1.16
				16/May/2014	390	Purchase	64,327	1.17
				30/May/2014	(635)	Sales	63,692	1.16
				13/Jun/2014	576	Purchase	64,268	1.17
				20/Jun/2014	1,859	Purchase	66,127	1.20
				12/Sep/2014	(54,883)	Sales	11,244	0.20
		44,858	0.81	31/Mar/2015	33,614	Purchase	44,858	0.81
8	Sandeep Maloo	100,000	1.81	1/Apr/14		Sales	100,000	1.81
				2/May/2014	(3,000)	Sales	97,000	1.76
				30/May/2014	(5,000)	Sales	92,000	1.67
				21/Nov/2014	(10,000)	Sales	82,000	1.49
				16/Jan/2015	(10,328)	Sales	71,672	1.30
				13/Mar/2015	(2,283)	Sales	69,389	1.26
		41,723	0.76	31/Mar/2015	(27,666)	Sales	41,723	0.76
9	Suresh Kumar Maheshwari HUF	44,500	0.81	1/Apr/14		Sales	44,500	
		34,500	0.63	13/Jun/2014	(10,000)	Sales	34,500	0.63
				31/Mar/2015	-	Sales	34,500	0.63
10	Naresh Ajmera	3,700	0.07	1/Apr/14		Purchase	3,700	
		31,700	0.58	4/Apr/2014	36,000	Purchase	39,700	0.72
				31/Mar/2015	(8,000)	Sales	31,700	0.58

Note : The above mentioned details regarding Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) are based upon the top ten shareholders during financial year 2014-15 derived from the Benpos received from the Depositories & furnished to us by the Registrar & Share Transfer Agent of the Company.

(V) Shareholding of Directors and Key Managerial Personnel:

Name	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Jaiprakash Agarwal</b>				
At the beginning of the year	407600	7.39	407600	7.39
Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
At the End of the year	407600	7.39	407600	7.39
<b>Ramchandra Agarwal</b>				
At the beginning of the year	370700	6.72	370700	6.72
Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
At the End of the year	370700	6.72	370700	6.72
<b>Mahendra Agarwal</b>				
At the beginning of the year	362600	6.58	362600	6.58
Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
At the End of the year	362600	6.58	362600	6.58
<b>Lalit Agarwal</b>				
At the beginning of the year	302000	5.48	302000	5.48
Date wise Increase /Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer /bonus/ sweat equity etc):	Nil	Nil	Nil	Nil
At the End of the year	302000	5.48	302000	5.48

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**VI. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment: ( ₹ in Lacs )

Particulars	Secured Loans Excluding deposits	Unsecured Loans	Deposits	Total Indebted- ness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3418.26	Nil	Nil	3418.26
ii) Interest due but not paid	-	Nil	Nil	-
iii) Interest accrued but not due	-	Nil	Nil	-
<b>Total (i+ii+iii)</b>	<b>3418.26</b>	<b>Nil</b>	<b>Nil</b>	<b>3418.26</b>
Change in Indebtedness during the financial year				
Addition	1063.94	Nil	Nil	1063.94
Reduction	430.76	Nil	Nil	430.76
<b>Net Change</b>	<b>633.18</b>	<b>Nil</b>	<b>Nil</b>	<b>633.18</b>
Indebtedness at the end of the financial year				
i) Principal Amount	4051.44	Nil	Nil	4051.44
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>4051.44</b>	<b>Nil</b>	<b>Nil</b>	<b>4051.44</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(₹ in Lacs )

Sl. No.	Particulars of Remuneration	Jaiprakash Agarwal	Ramchandra Agarwal	Lalit Agarwal
1)	Gross salary:-			
(a)	Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	24.00	18.00	18.00
(b)	Value of perquisites u/s 17(2) Income-Tax Act, 1961	Nil	Nil	Nil
(c)	Profits in lieu of salary under section 17(3) Income- Tax Act, 1961	Nil	Nil	Nil
2)	Stock Options	Nil	Nil	Nil
3)	Sweat Equity	Nil	Nil	Nil
4)	Commission paid - as % of Profit	Nil	Nil	Nil
5)	Others	Nil	Nil	Nil
	<b>Total (A)</b>	<b>24.00</b>	<b>18.00</b>	<b>18.00</b>

#### Remuneration to other Directors:

Independent Directors : NIL

Sl. no.	Particulars of Remuneration	Total Amount
		NIL
	Non- Executive Directors	: NIL

Sl. no.	Particulars of Remuneration	Total Amount
1		NIL

**B. REMUNERATION PAID TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(₹ in Lacs )

Sl. no.	Particulars of Remuneration	Total Amount
<b>1</b>	<b>Gross salary</b>	
	(a) Salary as per provisions contained in Section 17(1) of the Income-Tax Act, 1961	9.38
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	-
<b>2</b>	<b>Stock Option</b>	
	Sweat Equity	NIL
	Commission	
	- as % of Profit	
	- Others, specify...	
	Others	
	Total	

**VII. PENALTIES / PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY (Penalty / Punishment / Compounding)	}	Nil			
B. DIRECTORS (Penalty / Punishment / Compounding)					
C. OTHER OFFICERS IN DEFAULT (Penalty / Punishment / Compounding)					





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## ANNEXURE - II

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Agarwal Industrial Corporation Limited  
Eastern Court, Unit No.201-202  
Plot No.12, V.N.Purav Marg, S.T.Road,  
Chembur, Mumbai-400 071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Agarwal Industrial Corporation Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Agarwal Industrial Corporation Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March'2015 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Agarwal Industrial Corporation Limited for the financial year ended on 31st March'2015 according to the provisions of:

The Companies Act, 2013 (the Act) and the Rules made thereunder,

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder,
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder,
- (iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings,
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company :-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not applicable to the Company during the Audit Period)**,
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992,
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**,
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guideline, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28th October'2014 **(Not applicable to the Company during the Audit Period)**,
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, **(Not applicable to the Company during the Audit Period)**,
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client,
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the**

**Company during the Audit Period), and**

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period),**

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not notified before the Audit Period, hence not applicable to the Company).**
- (ii) The Listing Agreements entered into by the Company with the BSE Limited & NSE.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meeting are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as may be.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Finally I report that out of 3 Key Managerial Positions (KMP) two i.e. Chief Financial Officer (CFO) and Company Secretary (CS) have been held by a single person.

Place : Thane

**P.M.Vala**

Date : August 29,'2015.

**(FCS No.5193,C P No.4237)**

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



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### Annexure A to Secretarial Audit Report

To,  
The Members,  
Agarwal Industrial Corporation Limited

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Agarwal Industrial Corporation Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For P.M.Vala & Associates**  
**Practising Company Secretary**  
**Pradyumansinh Manubhai Vala**  
FCS No.: 5193  
COP No.: 4237

Place: Mumbai  
Date: August 29, 2015

**ANNEXURE - III**

**Information under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- a. The ratio of the Remuneration of each Director to the median Remuneration of the employees of the Company for the financial year.
- b. The percentage increase in Remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.
- c. Comparison of the Remuneration of each Key Managerial Personnel against the performance of the Company.

Whole-time Directors and KMP	Remuneration in 2014/2015 (₹ in Lacs)	Remuneration in 2013/ 2014 (₹ in Lacs)	% Increase of Remuneration in 2015 as compared to 2014	Ratio to median Remuneration	Ratio of 2014/15 Remuneration to	
					Revenue	Net Profit
Jaiprakash Agarwal	24	24	Nil	24.48	0.109	4.143
Ramchandra Agarwal	18	18	Nil	18.36	0.082	3.108
Lalit Agarwal	18	13.95	29	18.36	0.082	3.108
Rakesh Bhalla	9.38	7.50*	4.22	9.56	0.043	1.619

\* for part of the year with effect from June 1, 2013

Non-Executive and Independent Directors	Remuneration in 2014/15 (₹ Lakhs)	Remuneration in 2013/14 (₹ Lakhs)	% Increase of Remuneration in 2015 as compared to 2014	Ratio to median Remuneration
Nil	Nil	Nil	Nil	Nil

- d. The percentage increase in the median remuneration of employees in the financial year ended March 31, 2015 was 51.38%, consequent to increase in number of employees other than KMPs during year under review.
- e. The number of permanent employees on the rolls of company were 60 in number.
- f. The explanation towards the relationship between average increase in remuneration and Company performance:  
In view of the business performance, the Company undertook normal salary revision in favour of the employees. The overall percentage increase of 26.86% has been primarily provided to offset inflation cost and increase in cost of living expenses.
- g. Comparison of the Remuneration of the Key Managerial Personnel (KMP) with regard to the performance of the Company

Particulars	(₹ in Lacs )
Aggregate Remuneration of KMP in 2014/15	<b>69.38</b>
Full year Revenue	22007.7
% to Revenue	0.31 %
Profit before Tax and Exceptional Items	<b>826.17</b>
% to above	<b>9.72</b>

- h. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer.

The market capitalization of the Company as at March 31, 2015 at BSE is ₹ 5071.87 Lacs, as against ₹ 7607.80 Lacs as at March 31, 2014, decrease of 33.33 % during the year under review. The Company has positive Earnings Per Share in the above years due to better performance of the Company. The market quotation (BSE closing) of the Equity Shares of the Company as on March 31, 2015 was ₹ 92/- per share of face value ₹ 10 each representing an increase of approximately 820% over the period.



The market capitalization of the Company as at March 31, 2015 at NSE is ₹ 5058.09 Lacs, as against ₹ 9923.22 Lacs as at March 31, 2014, decrease of 49.03 % during the year under review. The Company has positive Earnings Per Share in the above years due to better performance of the Company. The market quotation (NSE closing) of the Equity Shares of the Company as on March 31, 2015 was ₹ 91.75- per share of face value ₹ 10 each representing an increase of approximately 817.50% over the period.

- i. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last financial year is 6.86% and increase in remuneration manager person is 7.24 per cent.

#### Non-Executive Directors:

No sitting fee, remuneration or commission of whatsoever kind and nature was paid to the Non- Executive Directors during the financial year ended March 31, 2015.

#### Executive Directors :

Except the remuneration paid to Managing Director and Whole-Time Directors as stated in para "c" above, no commission of whatsoever kind and nature was paid to the Executive Directors during the financial year ended March 31, 2015.

#### Exceptional Items

Particulars	Year Ended	
	March 31, 2015	March 31, 2014
<b>Exceptional Items - Exchange Loss</b>		
Exchange Gain/(Loss) on long term borrowings/assets	NIL	NIL
<b>Exceptional Items - Investment</b>		
Provision for diminution in value of long term investments	NIL	NIL
Provision for diminution in Long term advances by a Jointly Controlled Entity	NIL	NIL
Settlement/provision arising out of financial exposure in an Associate	NIL	NIL
Impairment of goodwill by a jointly controlled entity	NIL	NIL
Profit on sale of an international subsidiary	NIL	NIL
Profit on sale of certain domestic subsidiaries	NIL	NIL
<b>Exceptional Items - Others</b>		
Provision for Contingency for Property Tax	NIL	NIL
Project written off for commercial reason		
Voluntary Retirement Scheme expenses of a subsidiary		
<b>Total</b>		

#### Profit after Tax, Minority Interest and Share of Associates

Profit after Tax of the Company for the financial year ended March 31, 2015 was ₹ 579.23 Lacs. The Company has Wholly Owned Subsidiary Company and hence there is no minority interest. There are no associates and hence share of associates is nil.

#### Cash Flow Data

The following table sets forth selected items from the consolidated cash flow statements:

Particulars	(₹ in Lacs )	
	Year Ended	
	March 31, 2015	March 31, 2014
Net Cash from operating activities	228.49	278.34
Net Cash used in investing activities	-669.81	-761.10
Net Cash from/(used in) financing activities	154.65	707.36
Net Increase in cash and cash equivalents	-286.67	224.59

## **MANAGEMENT DISCUSSION AND ANALYSIS**

Some statements in this discussion describing the projections, estimates, expectations or outlook may be forward looking. Actual results may, however, differ materially from those stated, on account of various factors such as changes in government regulations, tax regimes, economic developments within India and the countries within which your Company conducts its business, exchange rates and interest rates fluctuations, impact of competition, demand and supply constraints, etc.

### **Global Growth: Recent Developments and Prospects**

Global growth in 2014 was a modest 3.4 percent, reflecting a pickup in growth in advanced economies relative to the previous year and a slowdown in emerging market and developing economies. Complex forces that affected global activity in 2014 are still shaping the outlook: medium- and long-term trends, global shocks, and many country - or region-specific factors. Growth is projected to be stronger in 2015 relative to 2014 in advanced economies, but weaker in emerging markets, reflecting more subdued prospects for some large emerging market economies and oil exporters. Global growth is forecast at 3.5 percent in 2015 and 3.8 percent in 2016, with uneven prospects. The decline in oil prices could boost activity more than expected. Geopolitical tensions continue to pose threats, and risks of disruptive shifts in asset prices remain relevant. In some advanced economies, protracted low inflation or deflation also pose risks to activity.

### **Indian Economy**

However, the Indian economy demonstrated its resilience during the year 2014-15 and overcame the adverse effect of a sub-optimal monsoon on the agriculture sector by improved performance in the industrial and service sector. The economy grew at 7.3% during the year supported well by the manufacturing and service sectors which grew up by 6% and 10% respectively in 2014-15 as compared to 4.5% and 9% in 2013-14. The Indian Rupee fared well during 2014-15 as it saw the lowest depreciation in the past four years. the market

### **Infrastructure Sector Development & Bitumen Demand :**

India's Planning Commission has projected an investment of US\$ 1 trillion for the infrastructure sector during the 12th Five-Year Plan (2012-17), with 40 per cent of the funds coming from the country's private sector. India's focus on infrastructure since the turn of the millennium has helped make it the second fastest growing economy in the world. The country's constant growth gives investors, domestic and foreign, a tremendous opportunity for investment in its infrastructure sector. While the role of foreign investment in the sector cannot be overstated, domestic companies too are making a mark abroad. A strong infrastructure sector is vital to the development of a country's economy. Here, the Indian government has played an important role. Just recently, it allowed 100 per cent foreign direct investment (FDI) under the automatic route for port development projects.

The government has also, this year, decided to convert roads into national highways, and has sought collaboration with Sudan in the field of renewable energy.

The market of Bitumen is basically a function of growth of road infrastructure growth in the country. The ambitious road expansion and up-gradation plans by the government in next 5-year plan augur well for the growth of Bitumen Industry. Market Sales of Bitumen is approximately 5000 TMT/ year with a growth of 10-12% per annum. A sharp pickup in road construction led to a 93% surge in bitumen imports in 2014-15. Bitumen is the first layer even in concrete roads and a step-up in construction activity is bound to reflect in the consumption of the commodity.

### **Our Operations**

#### **Manufacturing and Trading of Bitumen & Bituminous Products**

The Company is a leading manufacturers and traders of Bitumen & Bituminous products in the country today. Our rich background of being in the logistics business (transportation of Bitumen & LPG) has been instrumental in driving our decision to foray into this segment. We enjoy cordial relations with all major road contractors in India thanks to our long standing presence in the industry and professional conduct. Selling our products to clients, for whom we used to provide logistics facilities earlier, was thereby relatively easy. We have expertise in Bituminous products and have established state of the art factory at Belgaum and Hyderabad. All our units are well equipped with modern laboratories. We manufacture and market quality products like Paving grade Bitumen, Industrial Grade Bitumen, Bitumen Emulsions, Modified Bitumen, Bitu Coat, Bitumen Paints, Bitumen Insulation material etc which are known for their quality and standard.



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### **Bulk Bitumen Storage Facilities at Karwar**

We are also amongst the leading organized importers of Bitumen into India. Our bulk storage facility is conveniently at Karwar (South India) near the port. Imports so made cater to the large requirements of the south.

### **Project under Implimentation (Construction of Liquid Cargo Storage Tanks)**

To further enhance our efficiencies and cater to the demand supply gap of Bitumen and Bituminous products, the Company has decided to install our own bulk Liquid Cargo Storage Tanks at Karwar Port, the land for which has already been allotted by the Director of Ports and and Inland Water Transport Karwar. The project is under implementation. With its commissioning, we expect to have locational benefits resulting in cost cutting which consequently may enhance our profitability.

### **Bulk Bitumen Transportation**

We are the pioneers of logistics in Bitumen, which is predominantly used in road construction business. It can be procured either in bulk or in packed form. In either case the product has to be dispatched to the construction site or to the storage facilities of our industrial consumers. The bulk bitumen is transported via specially designed tankers that are insulated and have pumping facility for loading and unloading the bitumen. Most of our Bitumen tankers are under contract with major oil companies in India like HPCL, BPCL and IOCL and by other major consumers of the product.

### **Bulk LPG Transportation**

We are amongst the leading transporters of LPG in India, which is the most widely used fuel for domestic as well as industrial purposes. While we already own a large fleet of tankers, we also hire tankers on long term contracts to cater to the demand from customers. LPG is mainly sourced from domestic refineries and via bulk imports. Bulk LPG is mainly transported from the source to the industrial user or to their bottling plants through specially designed tankers. LPG, being highly inflammable, require tankers that take care of all safety aspects while loading, transporting and unloading. Most of the LPG tankers are under contract with major oil companies like HPCL, BPCL and IOCL.

### **Authorized Service Centre of Ashok Leyland.**

Owning such a large fleet of tankers necessarily calls for periodic maintenance. As also, our entire fleet of tankers come from the Ashok Leyland stable. Both these factors influenced our decision to set up an authorized service center, for Ashok Leyland vehicles, within the company. Not only does this ensure a timely turnaround of the fleet serviced but is an economically beneficial proposition for the company. We have our own workshop and maintenance facilities at strategic locations like Mumbai, Baroda and Jodhpur.

### **Wind Mills**

Considering the likely shortage of energy resources in the future, we have also diversified into Non-Conventional energy generation by installing wind mills at Rajasthan and Maharashtra.

### **Financial Performance and Operations:**

The key indicators of your Company's financial performance for the year ended March 31, 2015 are presented in the accompanying financial statements, which have been prepared in accordance with the requirements of the Companies Act, 2013 and the rules made thereunder, Generally Accepted Accounting Principles (GAAP) and the Accounting Standards prevailing in India.

Your Directors feel pleasure to report that during the financial year 2014-2015, your Company achieved a Turnover of ₹ 22,007.70 Lacs and made a Net Profit before Tax and Depreciation of ₹ 1247.77 Lacs as compared to a Turnover of ₹ 17,704.36 Lacs and Profit before Tax and Depreciation of ₹ 1046.99 Lacs in the previous financial year. Your Company's Net Profit after Tax for the Financial Year 2014-15 was ₹ 579.23 Lacs as compared to ₹ 496.58 Lacs in the Financial Year 2013 - 2014 . The Net Worth of the Company for the Financial Year 2014-15 was ₹ 4313.07 Lacs as compared to ₹ 3832.54 Lacs during the Financial Year 2013-14, thus indicating an impressive growth on all these fronts. Your Company is hopeful to sustain its growth track record and expects to perform better in the current financial year 2015-16.

### **Dividend**

Your Directors have recommended a dividend of ₹ 1.50 on per equity share of the face value of ₹ 10 each for the Financial Year ended March 31, 2015, subject to declaration/ confirmation of the members at the ensuing Annual General Meeting of your Company.

### **Segment Wise /Product Wise Performance**

Presently , your Company's operations are related to Trading and Manufacturing of Petrochemicals [Bituminous and allied products, Transportation for Bitumen and LPG and power generation through Wind mill operations.

For Segment wise/ Product wise performance of the Company, please refer to Financial Statements of the Company.

### **Risk And Concerns**

#### **Industry Risk**

Like any other industry, our industry is prone to impacts due to fluctuations in the economy caused by changes in global and domestic economies, changes in local market conditions, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other social factors. However, our Company is least prone to industry risks as has under its fold various business segments like manufacturing and trading of Bitumen and Bituminous products , Logistics and transportation and wind mills operations for energy generation and all these segments cater to infrastructural sector , the growth and development of which is pre condition for economy and industrial growth of the country. Further, your Company regularly monitors the economic and industrial trends and reviews its short and long term business policies and strategies accordingly.

#### **Geographic Concentration Risk**

Your Company does not run any geographic concentration risk as it has manufacturing facilities in different states and regions and it shall continue to pursue this policy of non- concentration of facilities in one particular state or region.

#### **Cost Risk**

The Company does not envisage any cost risks as the increased costs are generally passed on to the end users. However, as on going process, various cost reduction measures are initiated by the Company from time to time .

Your Company has initiated various cost reduction measures to mitigate cost risk.

#### **Competition Risk**

There are no major competition risks to our Company as in our business segments, there is large potential for growth and expansion in all spheres of manufacturing, trading and service activities.

### **Our Strengths, Opportunities And Threats**

#### **Our Strengths**

- Promoters with over 4 decades of Industry experience
- A profitable, dividend paying Company
- Well established, integrated and diversified Company
- Fine combination of backward and forward integration
- Healthy Financials with low debt- equity ratio
- Lower PE Ratio on future profitability leading scope for enhanced capital valuation
- Capex requirements primarily from own resources
- Strong relationships with oil companies , transport contractors and other clients, Banks, Institutions
- Eminent Board of Directors
- Benefits of a Listed Company



### Opportunities

- Infrastructure projects under Govt's priority agenda.
- Endless opportunities for expansion of Bitumen & Bitumenous Products as Road Construction within the ambit of infrastructural growth.
- Huge deficit in power demand and power supply leaving tremendous scope for expansion of Wind Power Mills
- Import of Bitumen under favorable EXIM Policy of Govt of India provides ready road construction projects
- Backward integration in Bitumen production and energy generation would minimize dependency on oil companies

### Threats

There are no major threats before us as ours is a well diversified and fundamentally strong Company with clear vision for future growth and prosperity.

### Internal Control Systems And Their Adequacy

Your Company has in place an adequate system of internal controls, with documented procedures covering all corporate functions. Systems of internal controls are designed to provide reasonable assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards for assets, the reliability of financial controls, and compliance with applicable laws and regulations.

The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitoring implementations of internal audit recommendations through the compliance reports submitted to them.

### Human Resources

Your Company is committed to attract, develop and retain high quality talent. We promote culture of higher commitment and entrepreneurial approach across all over management positions to foster organization's growth. During the year under report, your company maintained harmonious and cordial industrial relations with its staff and employees.

### Safety, Health And Development

In order to sustain human capital and social development, the Company actively pursue Safety, Health and Environmental issue in a continuous manner.

### Management Information Systems

Our management information systems continues to play a vital role in sustaining the competitive position in the market and supporting in the growth of our Company.

### Our Certifications

Our Credit ratings with **NSIC - CRISIL** for small scale industries has been awarded as **SE 1B**. This rating indicates our high performance capability and financial strength.



**Our Credentials**

We have been awarded with the SKOCH ORDER - OF- MERIT AWARD for qualifying amongst INDIA' BEST SMEs- 2015 from the SKOTCH GROUP.

**Results of Operations for the year ended March 31, 2015**

**Consolidated Financial Results**

The following table sets forth financial information of the Company for the year ended March 31, 2015

Particulars	2014-15 ₹ in Lacs	2013-14 ₹ in Lacs
Total Revenue	22504.46	18251.18
Profit before Depreciation, Finance Costs and Tax	1658.96	1401.09
Less: Depreciation	429.82	421.25
Less: Finance Costs	394.77	334.51
Profit before Tax & Exceptional Item	834.37	645.33
Less: Exceptional Items	Nil	Nil
Profit/(Loss) before Tax	834.37	645.33
Less: Provision for Tax	246.87	135.65
Add: Excess Provision of Tax of earlier years (Net)	Nil	Nil
Profit after Tax	587.50	509.68
Profit/ (Loss) attributable to Minority Interest	Nil	Nil
Share of Profit/ (Loss) of Associates	Nil	Nil
Loss after Tax, Minority Interest & Share of Associates	Nil	Nil
Add: Balance brought forward from the previous year	1620.42	1200.44
Amount available for Appropriation	2207.92	1710.12
<b>APPROPRIATIONS</b>		
Proposed Dividend	82.69	77.18
Tax on Dividend	16.01	12.52
Depreciation adjustment	0.25	-
Balance carried to Balance Sheet	2108.97	1620.42

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## REPORT ON CORPORATE GOVERNANCE

### Company's Philosophy on Corporate Governance.

Corporate Governance philosophy of your Company e is founded upon a rich legacy of fair ethical governance practices which has been in practice since its inception. The Company believes that Corporate Governance is a set of processes, customs, policies, rules, regulation and laws for ensuring transparency, professionalism and accountability in its dealings with its customers, principal, employees, shareholders and with all the stakeholders of the Company. The Company has complied with the provisions of Clause 49 of the Listing Agreement of the Stock Exchange, which deals with the compliance of Corporate Governance requirements as detailed below for the year ending March 31, 2015:

### The Board of Directors:

1. The Board of Directors comprises Executive, Non-Executive as well as Independent Directors in accordance with provisions of the Companies Act 2013 and the rules made thereunder and is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges. The Board of Directors comprises of total 9 (Nine) Directors out of which 3 (Three) are Executive, Non- Independent Directors and 1 (one ) is Non- Executive, Non- Independent Director, and 5 (Five) are Independent Directors of which one is a Woman Director. The Directors possess experience in fields as varied as banking, finance, marketing, consumer industry and to social service. The skill and knowledge of the Directors have proved to be of immense value to the Company. The details of Director seeking re-appointment have been attached along with the Notice of the Annual General Meeting.
2. "Independent Directors" do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its Subsidiary which may affect the independence of the Director. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Clause 49 of the Listing Agreement and Section 149 of the Companies Act 2013.
4. During the year under review, the Board of Directors of the Company met twelve times and the period between any two meetings did not exceed 120 days. The Board Meeting dates were: April 18, 2014, May 30, 2014, June 24, 2014, August 14, 2014, September 3, 2014 , October 1, 2014, October 10, 2014, November 14, 2014 , December 29, 2014 , February 14, 2015 March 09, 2015 and March 25, 2015. A detailed explanation, in the form of a table illustrating the above matters is given on page no. 69 for ready reference.
5. None of the Directors are related to each other, except Mr. Jaiprakash Agarwal, Mr. Ramchandra Agarwal, Mr. Mahendra Agarwal and Mr. Lalit Agarwal who are related to each other, being brothers.
6. During the year, a separate meeting of Independent Directors was held inter-alia to review the performance of Non-Independent Directors and the Board as a whole. The process for evaluation of Board performance, Non-Independent and Non-Executive Directors is detailed in the Board's Report.
10. The Company has put in place a programme to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The details of the familiarization programme are disclosed on the Company's website: [www.aicldin.com](http://www.aicldin.com).
11. The Non-Executive Director and Independent Directors have voluntarily decided not to take any sitting fee or remuneration of whatsoever kind and nature.
12. The Company has adopted a Code of Conduct for all its Directors, Key Managerial Personnel and Senior Management Personnel . All Non-Executive Directors and Independent Directors have affirmed compliance with the said Code for the financial year ended March 31, 2015. All Senior Management of the Company have affirmed compliance with the Company" Code of Conduct. The Code of Conduct is also displayed on the Company's web site. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.

### Committees of the Board

The mandatory Committees constituted by the Board of Directors of the Company are as under:

#### 1. Audit Committee:

The Company's Audit Committee comprises of three Independent Directors, viz. Mr. Jaswant D, Sharma, (Chairman), Mr. Rajkumar Mehta, Mr. Alok Bharara and one Non- Independent Director , Mr. Mahendra Agarwal . Each Member of the Committee

has the relevant experience in the field of finance, banking and accounting, The Committee has, inter alia, the following terms of reference:

- i. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. The recommendation for appointment, remuneration and terms of appointment of statutory auditors of the Company.
- iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- iv. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
  - Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vi. 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- viii. Approval or any subsequent modification of transactions of the Company with related parties.
- ix. Scrutiny of inter-corporate loans and investments.
- x. Valuation of undertakings or assets of the Company, wherever it is necessary.
- xi. Evaluation of internal financial controls and risk management systems.
- xii. Examination of the financial statement and the auditors' report thereon.
- xiii. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xiv. 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.
- xv. Discussion with internal auditors of any significant findings and follow up there on.
- xvi. 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.
- xvii. Discussion with 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.
- xviii. To look 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.
- xix. To review the functioning of the Whistle Blower mechanism.

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- xx 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 and background, etc. of the candidate.

The Committee met seven times during the period under review, the details of attendance thereat are on page no. 49. Audit Committee meetings are attended by invitation by the CFO, Internal Audit and the Statutory Auditors. The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting.

## **2. Nomination and Remuneration Committee:**

The Company has a Nomination and Remuneration Committee (NRC) which is now a mandatory requirement as per the revised Clause 49 of the Listing Agreement, as also under the Companies Act, 2013. The Committee consists of 3 Independent Directors. In addition to the Chairman, Mr. Jaswant D. Sharma, who is an Independent Director, the Committee comprises Mr. Harikrishna Patni, Mr. Rajkumar Mehta and Mr. Alok Bharara . The broad terms of reference of the Committee inter alia, include the following:

- i. Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, positive attributes and independence of a Director. The Committee will consider periodically reviewing the composition of the Board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- ii. Recommend to the Board the appointment or re-appointment of Directors.
- iii. Devise a policy on Board diversity.
- iv. Recommend to the Board appointment of Key Managerial Personnel (KMP as defined by the Act) and executive team members of the Company (as defined by this Committee).
- v. Carry out evaluation of every Director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors. This shall include formulation of criteria for evaluation of Independent Directors and the Board.
- vi. Recommend to the Board the remuneration policy for Directors, Executive team or Key Managerial Personnel as well as the rest of the employees.
- vii. On an annual basis, recommend to the Board the remuneration payable to the Directors and oversee the remuneration to Executive team or Key Managerial Personnel of the Company.
- viii. Oversee familiarization programmes for Directors.
- ix. Oversee the human resource philosophy, human resource and people strategy and human resource practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, Key Managerial Personnel and executive team).
- x. Provide guidelines for remuneration of Directors on material subsidiaries.
- xi. Recommend to the Board on voting pattern for appointment and remuneration of Directors on the Boards of its material subsidiary companies.
- xii. Performing such other duties and responsibilities as may be consistent with the provisions of the Committee charter.

During the year, the Committee met two times, the details of attendance whereat are on page no. 49.

### **Remuneration Policy:**

As recommended by the Nomination and Remuneration Committee (NRC), the Board has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other Employees. The Policy envisages payment of remuneration according to qualification, experience and performance and is based on the commitment of fostering a culture of leadership with Trust. The remuneration of the Whole-time Director(s), is recommended by the Nomination and Remuneration Committee based on factors such as industry benchmarks, the Company's performance vis-à-vis the industry, performance/ track record of the Wholetime Director(s) which is decided by the Board of Directors. Remuneration comprises a fixed component viz. salary, benefits, perquisites and allowances in accordance with the relevant laws, rules and regulations in force from time to time. The NRC also recommends the annual increments within the salary scale approved by the Members

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### Details of Directors, Remuneration, Directorship and Meetings of Board & Committees during the F.Y. 2014-15

Names	Category	Remuneration paid			No. of outside Directorships as at March 31, 2015		No. of outside Committee Positions Held		No. of Board Meetings	No. of Audit Committee	No. of NRC Committee	Attendance at the AGM
		Salary & Perks 2014-15	₹ in Lacs Sitting Fees 2014-15	Commission 2013-14	Indian	Foreign	As Member	As Chairman				
Jaiprakash Agarwal	Managing Director	24.00	Nil	Nil	1	Nil	-	-	11	-	-	Yes
Ramchandra Agarwal*	Director	18.00	Nil	Nil	1	Nil	-	-	11	-	-	Yes
Lalit Agarwal*	Director	18.00	Nil	Nil	1	Nil	-	-	11	-	-	Yes
Mahendra Agarwal	Director	Nil	Nil	Nil	1	Nil	-	-	11	7	-	Yes
Jaswant D.Sharma	Director	Nil	Nil	Nil	Nil	Nil	-	-	12	7	2	Yes
Harikrishna Patni	Director	Nil	Nil	Nil	Nil	Nil	-	-	12	-	2	Yes
Rajkumar Mehta	Director	Nil	Nil	Nil	Nil	Nil	-	-	12	7	2	Yes
Alok Bharara	Director	Nil	Nil	Nil	1	Nil	-	-	12	7	2	Yes
Mrs. Priti Lodha @	Woman Director	Nil	Nil	Nil	Nil	Nil	-	-	5	-	-	NA
R.T.Rajguroo \$	Director	Nil	Nil	Nil	Nil	Nil	-	-	-	-	-	NA

\* Whole Time Director

@ Appointed as Non- Executive Woman Independent Directors effective September 30, 2014.

\$ Resigned effective from April 16, 2014.

#### NOTE:

During the financial year under review, all Independent Directors (ID) and Non-Independent Non-Executive Director (NINED) have voluntarily decided not to receive any sitting fee for the Board/Committee meeting attended during the financial year 2014-2015.

### 3. Stakeholders' Relationship Committee:

The Company's Stakeholders' Relationship Committee comprises of Mr. Harikrishna Patni, (Chairman), Mr. Jaswant D, Sharma, Mr. Rajkumar Mehta and, Mr. Alok Bharara, all Independent Directors. The scope of the Stakeholders' Relationship Committee includes reporting of the status of shareholders. The brief terms of reference of the Committee include resolving grievances of all the security holders of the Company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

The Committee met twelve times during the year under review.

### 4. Other Committees:

#### i. Corporate Social Responsibility (CSR) Committee

Although the provisions of Section 135 of the Companies Act, 2013, shall be applicable to the Company for the financial year 2015-16, in accordance with the provisions of said section, the Company has constituted a CSR Committee comprising of Mr. Jaiprakash Agarwal, Managing Director, Mr. Lalit Agarwal, Whole Time Director and Mr. Jaswant D. Sharma, Independent Director. The broad terms of reference of the CSR Committee are as under:

- Formulating and recommending to the Board, the CSR Policy whichaid section, shall indicate the activities to be undertaken by the Company.
- Recommending the amount of expenditure to be incurred on the aforesaid activities and; o Reviewing and Monitoring the CSR Policy of the company from time to time.

During the year, the Committee met once and was attended by all the Members.

#### ii. Risk Management Committee

The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the Company. The Committee comprises entirely of Independent Directors, viz Mr. Jaswant D, Sharma, Mr. Rajkumar Mehta and, Mr. Alok Bharara. The Committee has formulated a Risk Management Policy, which lays down a vigorous and active process for identification and mitigation of risks. The Committee reviews and monitors

the risk management and mitigation plan from time to time. The terms of reference of the Risk Management Committee inter alia, include the following:

- To review the Risk Management Plan / Policy and its deployment within the Company.
- To monitor the effectiveness of the Risk Management Plan /Policy.
- To decide the maximum risk taking ability of the Company to guide the Board in making new investments.
- To review the major risks of the Company and advise on its mitigation to the Board.
- Such other functions as may be delegated by the Board from time to time.

During the year, the Committee met once and was attended by all the Members.

#### Details on General Meetings:

Location, date, time and Special Resolutions passed at the Annual General Meetings held in the last 3 years are as under

Location	Date	Time	Special Resolutions passed
Unit No.12, A Wing, 1st Floor, Sita Estate Aziz Baug, Mahul Road, Chembur, Mumbai -400 074,	September 30, 2014	11.00 A.M	-Appointment of Independent Directors -Related party transaction -Modification in terms of Appointment of Whole Time Directors
	September 30, 2013	11.00 A.M	-Appontment of Additional Director -Re appointment of Managing Director -Appointment of Whole Time Directors
	September 29, 2012	11.00 A.M	Nil

All Special Resolutions passed in the previous two Annual General Meetings of the Company were passed with requisite majority.

Two Extra-ordinary General Meetings were held during the last three years.

Three Special Resolutions were passed by Postal Ballot during the last year.

#### Disclosures

Related parties Disclosures:

- i. All transactions entered into with Related Parties as defined under Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length pricing basis. However, as an abundant precaution, the Company had already obtained Boards approval on August 14, 2014 and members approval by way of passing special resolution in the previous annual general meeting of the Company held on September 30, 2014, pursuant to Section 188 of the Companies Act, 2013, details of which are given in prescribed form (AOC-2) as given below. The Board has approved a policy for Related Party Transactions which has been uploaded on the Company's website at [www.aicld.in](http://www.aicld.in).

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(₹ in Lacs)				
NAME	NATURE OF RELATION	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	F.Y. 2014-15
Shri Jaiprakash Agarwal	Managing Director	Three Years w.e.f. 01.04.2013	Remuneration	24.00
Shri Ramchandra Agarwal	Whole Time Director	Three Years w.e.f. 01.04.2013	Remuneration	18.00
Shri Lalit Agarwal	Whole Time Director	Three Years w.e.f. 01.04.2013	Remuneration	18.00
Shri Lalit Agarwal	Whole Time Director	Three Years w.e.f. 01.10.2013	Rent	3.90
Shri Jaiprakash Agarwal	Managing Director	Three Years w.e.f. 01.10.2013	Rent	2.40
Shri Rakesh Bhalla	CFO & CS	Year to Year Basis	Remuneration	9.38
ANZ Transporters	Firm in which Directors are Partners	Year to Year Basis	Transportation paid	239.37
ANZ Transporters	Firm in which Directors are Partners	Year to Year Basis	Transportation Recd	23.53
ANZ Transporters	Firm in which Directors are Partners	Year to Year Basis	Labour charges Recd	4.45
ANZ Transporters	Firm in which Directors are Partners	Year to Year Basis	Spare Parts	5.36
Agarwal Gas Carriers	Firm in which Directors are Partners	Year to Year Basis	Transportation paid	126.27
Agarwal Gas Carriers	Firm in which Directors are Partners	Year to Year Basis	Transportation Recd	0.30
Agarwal Gas Carriers	Firm in which Directors are Partners	Year to Year Basis	Labour charges Recd	3.06
Agarwal Gas Carriers	Firm in which Directors are Partners	Year to Year Basis	Spare Parts	12.16
Agarwal Tranlink P. Ltd	Company in which Directors are Directors	Year to Year Basis	Transportation paid	111.99
Agarwal Tranlink P. Ltd	Company in which Directors are Directors	Year to Year Basis	Transportation Recd	45.94
Agarwal Tranlink P. Ltd	Company in which Directors are Directors	Year to Year Basis	Labour charges Recd	2.29
Agarwal Tranlink P. Ltd	Company in which Directors are Directors	Year to Year Basis	Spare Parts	3.46
Agarwal Tranlink P. Ltd	Company in which Directors are Directors	Year to Year Basis	HSD/OIL	237.17
Agarwal Petrochem P. Ltd	Company in which Directors are Directors	Year to Year Basis	Transportation paid	3.52
Agarwal Petrochem P. Ltd	Company in which Directors are Directors	Year to Year Basis	Transportation recd	4.68
Agarwal Petrochem P. Ltd	Company in which Directors are Directors	Year to Year Basis	Spare Parts	0.10
Agarwal Petrochem P. Ltd	Company in which Directors are Directors	Year to Year Basis	Sales of Bitumen	239.45
Agarwal Petrochem P. Ltd	Company in which Directors are Directors	Year to Year Basis	Purchase of Bitumen	246.21
Bituminex Cochin Pvt Ltd	100% Subsidiary	No fixed duration	Loan Given & Outstanding	121.00

Note : The remuneration paid/ payable to the Managing & Whole-Time Directors is as per term & condition of the appointment approved by member of the Company.

- ii. The Company has followed the Accounting Standards laid down by The Companies (Accounting Standards) Rules, 2006 in the preparation of its financial statements.
- iii. There were no materially significant transactions with Related Parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.
- iv. The Board of Directors receive, from time to time, disclosures relating to financial and commercial transactions from Key Managerial Personnel of the Company, where they and / or their relatives have personal interest.
- v. The Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India / Statutory Authorities on all matters relating to capital markets, during the last 3 years.
- vi. In accordance with requirement of the Companies Act as well as the Listing Agreement, the Company has adopted the Whistle Blower Policy pursuant to which employees can raise their concerns relating to fraud, malpractice or any other



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activity or event which is against the Company's interest by approaching the Chairman of the Audit Committee. The policy has been disclosed on the website of the Company under <http://www.aicld.in>

- vii. The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and Designated Employees of the Company.
- viii. Pursuant to the provisions of sub-clause IX of Clause 49 of the Listing Agreement with the Stock Exchanges, the Managing Director and CFO have issued a certificate to the Board, for the year ended March 31, 2015.

### **Subsidiary Companies**

The Company has only one Wholly Owned Subsidiary (W.O.S) - Bituminex Cochin Pvt Ltd (BCPL) at Kochi.

The Consolidated Financial Statements of the Company and its Wholly Owned Subsidiary prepared in accordance with the relevant Accounting Standards of the Institute of Chartered Accountants of India, duly audited by the Statutory Auditors, form a part of the Annual Report and are reflected in the Consolidated Accounts.

Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries in Form AOC-1 is attached to the financial statements of the Company.

Pursuant to the provisions of Section 136 of the Act, the financial statement of the Company, consolidated financial statements along with relevant documents and separate audited accounts in respect of subsidiary are available on the website of the Company.

During the year, the Company has not disposed of any shares in its material subsidiaries or disposed or leased the assets amounting to more than twenty percent of the assets of the material subsidiary.

### **Means of Communication:**

Quarterly, half-yearly and annual results of the Company were published in leading English and vernacular newspapers viz. Economic Times and Navshakti. Additionally, the results and other important information are also periodically updated on the Company's website viz. [www.aicld.in](http://www.aicld.in), which also contains a separate dedicated section "Investor Relations".

### **BSE Listing Centre**

BSE Limited has launched an Online Portal - BSE Corporate Compliance & Listing Centre (the "Listing Centre") for submission of various filings by listed companies. All disclosures and periodic filings submitted to the BSE are also upload on the Listing Centre.

### **NSE Electronic Application Processing System (NEAPS)**

The Company also files information through NEAPS - a web based application provided by NSE which facilitates online filing of Corporate Governance Report, the Shareholding Pattern by companies, Results and other disclosures.

### **Extensive Business Reporting Language (XBRL)**

XBRL is a language for electronic communication of business and financial data. It offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) vide its circular No. 37/2011 dated June 7, 2011, had mandated certain companies to file their Annual Accounts vide this mode. The Company has filed its Annual Accounts on MCA through XBRL.

### **Ministry of Corporate Affairs (MCA)**

The Company has periodically filed all the necessary documents with the MCA.

### **SEBI Complaints Redress System (SCORES)**

A centralized web based complaints redress system which serves as a centralised database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status.

### Annual Report

The Annual Report containing inter alia the Audited Financial Statements, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to the investors. Management Discussion and Analysis forms part of the Annual Report. Pursuant to the Green Initiative launched by the MCA, the Company also sends e-copies of the Annual Report to Members who have registered for the same. The Annual Reports are also available in the Investor Relations section on the Company's web site [www.aicld.in](http://www.aicld.in).

### General Shareholder Information

#### Annual General Meeting

Date and Time	: <b>September 30, 2015 AT 11.00 A.M.</b>
Venue	: <b>Hotel Stars Parade Lower Hall, Swami Jairamdas Building, Near Basant Park, Chembur, Mumbai -400 071.</b>
Registered Office	: Eastern Court, Unit- 201-202, Plot No. 12, V.N.Purav Marg, S.T. Road, Chembur, Mumbai- 400071
Telephone No.	: 022-25251149 / 50
Fax	: 022- 25291147
Website	: <a href="http://www.aicld.in">www.aicld.in</a>
Dedicated E-mail	: <a href="mailto:r.bhalla@aicld.in">r.bhalla@aicld.in</a>
Book Closure	: <b>September 24, 2015 to September 30, 2015 (Both days inclusive)</b>
Financial Calendar	
Financial reporting for	:
● Quarter ending June 30, 2015	: August 2015
● Quarter ending September 30, 2015	: November 2015
● Quarter ending December 31, 2015	: February 2016
● Quarter ending March 31, 2016	: May 2016
Listing	
Ordinary Shares	: BSE Limited National Stock Exchange of India Limited
Compulsorily Convertible Debentures	: N.A.
Global Depository Shares	: N.A.
Share Transfer Agent	: Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010. A dedicated e-mail Id. <a href="mailto:Ankit_4321@yahoo.com">Ankit_4321@yahoo.com</a> has been set up for investor complaints The Company has been granted Certificate of Permanent Registration as Category II Share Transfer Agent by SEBI.
SEBI Registration No.	: INR 000000767
Share Transfer System	: All shares have been transferred and returned within 15 days from the date of lodgment, provided the necessary documents were in order



The Company has paid annual listing fees to the Stock Exchanges in respect of the financial year 2015-2016.

#### Stock Codes

STOCK EXCHANGE	STOCK CODE
BSE Limited	Bombay Stock Exchange Limited: 531921 ISIN : INE204E01012
National Stock Exchange of India Limited	AGARIND Series : EQ

Market Price Data: High, Low during each month in last financial year

Months	BSE High	BSE Low	No. of Shares traded	NSE High	NSE Low	No. of Shares traded
April' 14	183.00	134.05	345809	-	-	-
May' 14	193.85	159.00	621710	200.00	162.00	31223
June' 14	171.00	130.00	90944	179.90	135.00	43605
July' 14	158.25	85.00	151824	149.95	85.00	213788
August' 14	98.00	80.80	24550	98.90	80.90	29673
September' 14	114.90	79.50	217798	113.00	76.30	327075
October' 14	104.40	83.00	62594	105.00	82.20	70080
November' 14	119.70	89.00	335304	121.85	88.00	280273
December' 14	121.95	100.50	440515	121.00	100.00	419429
January' 15	151.00	108.25	693845	155.00	108.50	989431
February' 15	145.00	121.00	329769	146.00	117.50	415272
March' 15	139.00	88.00	367082	128.80	86.50	465761

Source : www.bseindia.com and www.nseindia.com

#### Agarwal Industrial Corporation Limited - Distribution of Shareholding as on March 31, 2015

Category of Shareholders	No. of Shares held	% to Paid up capital
Promoters	2940545	53.34
Resident Individuals & HUF	2023468	36.71
Financial Institutions / Banks		
Foreign Institutional Investors		
Corporate Bodies	530538	9.62
Insurance Companies		
Mutual Funds / UTI		
Others	16643	0.30
Non-Resident Indians	1706	0.03

#### Distribution of Equity Shareholding of Agarwal Industrial Corporation Limited as on March 31, 2015

No. of Shares held	Total Members	Total Shares	Total % to Paid Up Share Capital
Upto 1000	926	44746	0.81
1001 to 2000	224	39529	0.72
2001 to 3000	97	26107	0.47
3001 to 4000	79	29200	0.53
4001 to 5000	94	45587	0.83
5001 to 10000	156	120818	2.19
10001 to 20000	110	161568	2.93
20001 to 30000	64	155341	2.82
30001 to 40000	29	106763	1.94
40001 to 50000	21	95672	1.74
50001 to 100000	53	411171	7.46
100001 & above	67	4276398	77.57
<b>Total</b>	<b>1738</b>	<b>5512900</b>	<b>100</b>

#### Reconciliation of Share Capital Audit

In keeping with the requirements of the SEBI and the Stock Exchanges, a Reconciliation of Share Capital Audit by a Practicing Company Secretary is carried out at the end of every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The said audit confirms that the total issued / paid - up capital tallies with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

### Report on Corporate Governance

The Company regularly submits to the Stock Exchanges, within the prescribed period, quarterly reports on Corporate Governance in hard copy and additionally electronically through CFDS portal to the BSE & NSE as well as through the NEAPS application of NSE and BSE Listing Centre. A certificate from a practising Company Secretary on Corporate Governance is attached as an annexure to this Report.

### Dematerialisation of Shares & Liquidity

As at the end of March 31, 2015, shares comprising approximately 98.27% of the Company's Equity Share Capital have been dematerialised.

### Status on Dematerialised shares (Equity ISIN No. INE053A01029)

Shares held through	Percentage of Holding
NSDL	17.91
CDSL	80.36
Physical	1.73
<b>Total</b>	<b>100</b>

Outstanding GDRs/Warrants, conversion date and likely impact on equity : NIL

### Investor Correspondence

For any queries, investors are requested to get in touch with the Company's share department at Ankit Consultancy Pvt. Ltd. 60, Electronic Complex, Pardeshipura, Indore (M.P.) 452010. A dedicated e-mail Id. Ankit\_4321@yahoo.com has been set up for investor complaints

### **DECLARATION BY THE MANAGING DIRECTOR/UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with sub-clause II (E) of Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2015.

### For Agarwal Industrial Corporation Limited

Sd/

**Jaiprakash Agarwal**  
**Managing Director**

Place: Mumbai

Date : 29/08/2015

### **MANAGING DIRECTOR/CFO CERTIFICATE UNDER CLAUSE 49 (IX)**

TO,

The Board of Directors  
Agarwal Industrial Corporation Limited

1. We have reviewed financial statements and the cash flow statement of Agarwal Industrial Corporation Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any



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reportable deficiencies in the design or operation of such internal controls.

4. We have indicated to the Auditors and the Audit Committee:
- (i) that there are no significant changes in internal control over financial reporting during the year;
  - (ii) that there are no significant changes in accounting policies during the year; and
  - (iii) that there are no instances of significant fraud of which we have become aware.

**(Rakesh Bhalla)**  
Chief Financial Officer

**(Jaiprakash Agarwal)**  
Managing Director

Place: Mumbai  
Date : 29/08/2015

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#### **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members  
Agarwal Industrial Corporation Ltd

We have examined the compliance of the conditions of Corporate Governance by Agarwal Industrial Corporation Ltd. for the year ended on March 31, 2015, as stipulated in clause 49 of the Listing agreement of the said Company with the Bombay Stock Exchange and National Stock Exchange

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination is limited to the procedures and implementation thereof, adopted by the Company for ensuring such compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied in all material respect with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances pending against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

We further State that such compliance is neither an assurance as to further viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

**For LADHA SINGHAL & ASSOCIATES**  
*Chartered Accountants*  
*Proprietor*  
(M.No. 104451)

Place: Mumbai  
Date : 29/08/2015

**STANDALONE FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Agarwal Industrial Corporation Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Agarwal Industrial Corporation Limited** ("the company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operative effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would materially impact its financial position;
    - ii) The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For Ladha Singhal & Associates**  
*Chartered Accountants*  
Firm Registration No. 120241W

**Ajay Singhal**  
*(Partner)*  
M. No. 104451

Place : Mumbai  
Dated : 30th May 2015



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## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Referred to as Annexure in our Independent Auditors' Report of even date to the members of **Agarwal Industrial Corporation Limited** on the standalone financial statement for the year ended 31st March 2015, we report that:

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year under a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The Company has granted interest free unsecured loan to one body corporate being wholly owned subsidiary covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (b) In the case of the loans granted to the body corporate, the terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand.
- (c) There are no overdue amounts of more than rupees one lakh in respect of the loans granted to the body corporate listed in the register maintained under section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and Services. Further on the basis of our examination of books and records of the company, and according to information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal controls.
- (v) In our opinion and according to the information given to us, the company has not accepted deposits and hence, compliance with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of Company's products/ services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing with appropriate authorities applicable undisputed statutory dues including employee state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess.

According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax or cess were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, details of income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax or cess which have not been deposited as on 31st March, 2015 on account of any dispute are as given below:

Name of Statute	Nature of the dues	Unpaid disputed Amount (in Lacs)	Period for which the amount relates	Forum where dispute is pending
The Karnataka Tax on Entry of Goods Act, 1979	Tax on Entry of Goods	39.75	April 2011 to March 2012	JCCT Appeal
The Karnataka Value Added Tax, 2003	Sales Tax Demand	0.97	April 2011 to March 2012	JCCT Appeal
Central Sales Tax, 1956	Sales Tax Demand	0.93	April 2010 to March 2011	JCCT Appeal
The Karnataka Tax on Entry of Goods Act, 1979	Tax on Entry of Goods Demand	38.35	April 2010 to March 2011	JCCT Appeal
Custom Act	Penalty under the Custom Act	6.48	April 2013 to March 2014	CESAT Appellate Tribunal
Income Tax Act	Income Tax Demand	20.25	A.Y. 2003-04	Rectification
Income Tax Act	Income Tax Demand	17.50	A.Y. 2004-05	Rectification

- (c) According to the information and explanation given to us, there were no any amount which were required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) In our opinion, the company does not have accumulated losses at the end of the financial year and have not incurred cash losses during the financial year and during the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to any financial institution or bank. The Company did not have any outstanding debentures during the year.
- (x) As informed to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xi) The term loans were applied for the purpose for which the loans were obtained by the company.
- (xii) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit

**For Ladha Singhal & Associates**  
*Chartered Accountants*  
(Firm Registration No. 120241W)

**Ajay Singhal**  
*(Partner)*  
M. No. 104451

Place : Mumbai  
Dated : 30th May 2015



## BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in Lacs)

	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	551.29	551.29
(b) Reserves and Surplus	3	3,761.78	3,281.26
		<b>4,313.07</b>	<b>3,832.55</b>
<b>2. Non - Current Liabilities</b>			
(a) Long Term Borrowing	4	492.74	408.55
(b) Long Term Provision	5	7.32	-
(c) Deferred Tax Liability	6	135.21	107.85
		<b>635.26</b>	<b>516.39</b>
<b>3. Current Liabilities</b>			
(a) Short Term Borrowing	7	3,184.19	2,624.79
(b) Trade Payables	8	618.76	321.27
(c) Other Current Liabilities	9	648.34	763.44
(d) Short Term Provisions	10	116.76	90.14
		<b>4,568.05</b>	<b>3,799.64</b>
<b>TOTAL</b>		<b>9,516.38</b>	<b>8,148.58</b>
<b>ASSETS</b>			
<b>1. Non - Current Assets</b>			
(a) Fixed Assets (Net Block)			
(i) Tangible Assets	11	2,879.51	2,787.09
(b) Non Current Investment	12	232.55	232.55
(c) Long Term Loans & Advances	13	186.99	173.85
		<b>3,299.05</b>	<b>3,193.50</b>
<b>2. Current Assets</b>			
(a) Inventories	14	913.56	480.43
(b) Current Investments	15	162.34	10.00
(c) Trade Receivable	16	4,056.27	2,723.95
(d) Cash & Cash Equivalents	17	460.76	747.43
(e) Short Term Loans & Advances	18	612.81	984.45
(f) Other Current Assets	19	11.59	8.83
		<b>6,217.33</b>	<b>4,955.08</b>
<b>TOTAL</b>		<b>9,516.38</b>	<b>8,148.58</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes forming part of the financial statements</b>	29 to 38		

As per our report of even date  
For **LADHA SINGHAL & ASSOCIATES**  
Chartered Accountants  
(Firm Regd. No. 120241W)

FOR & ON BEHALF OF BOARD

(AJAY SINGHAL)  
PARTNER  
M.No. 104451  
Place : Mumbai  
Date : 30th May 2015

(JAIPRAKASH AGARWAL)  
MANAGING DIRECTOR  
(DIN : 01379868)

(MAHENDRA AGARWAL)  
DIRECTOR  
(DIN : 01366495)

(LALIT AGARWAL)  
WHOLE TIME DIRECTOR  
(DIN : 01335107)

(RAKESH BHALLA)  
CFO & Company Secretary

**Twenty First Annual Report**  
**2014-2015**

**STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2015**

(₹ in Lacs)

	NOTE NO.	For the year ended 31st March 2015	For the year ended 31st March 2014
<b>A CONTINUING OPERATIONS</b>			
I	20	21,954.02	17,641.09
II	21	53.68	63.28
<b>III Total Revenue (I + II)</b>		<b>22,007.71</b>	<b>17,704.37</b>
<b>IV Expenses</b>			
	22	3,012.12	2,189.44
	23	4,021.85	3,904.87
		12,734.00	9,418.76
	24	(445.09)	13.33
	25	247.28	192.33
	26	416.92	396.58
	27	387.23	325.41
	11	421.60	414.69
	28	385.62	216.63
<b>TOTAL EXPENSES</b>		<b>21,181.53</b>	<b>17,072.06</b>
V		<b>826.17</b>	<b>632.31</b>
VI		-	-
VII		<b>826.17</b>	<b>632.31</b>
VIII			
		185.00	127.00
		27.36	(20.19)
		2.19	-
		32.39	28.92
		<b>246.94</b>	<b>135.73</b>
IX		<b>579.23</b>	<b>496.58</b>
<b>B DISCONTINUING OPERATIONS</b>			
X		-	-
<b>C TOTAL OPERATIONS</b>			
XI		<b>579.23</b>	<b>496.58</b>
<b>XII. Earnings Per Equity Share of ₹10/- each :</b>			
		5,512,900	5,512,900
		10.51	9.01
		10.51	9.01
<b>Significant Accounting Policies</b>	1		
<b>Notes forming part of the financial statements</b>	29 to 38		

As per our report of even date  
**For LADHA SINGHAL & ASSOCIATES**  
Chartered Accountants  
(Firm Regd. No. 120241W)

**FOR & ON BEHALF OF BOARD**

**(AJAY SINGHAL)**  
**PARTNER**  
M.No. 104451  
Place : Mumbai  
Date : 30th May 2015

**(JAIPRAKASH AGARWAL)**  
**MANAGING DIRECTOR**  
(DIN : 01379868)

**(MAHENDRA AGARWAL)**  
**DIRECTOR**  
(DIN : 01366495)

**(LALIT AGARWAL)**  
**WHOLE TIME DIRECTOR**  
(DIN : 01335107)

**(RAKESH BHALLA)**  
**CFO & Company Secretary**



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax and Extraordinary Items	826.17	632.31
<b>Adjustments for</b>		
Depreciation	421.60	414.69
Interest & Finance Charges	403.88	363.80
Gratuity	8.13	-
Rent Equilisation Reserve	1.84	-
Dividend Received	(1.06)	(1.71)
Interest Received	(15.06)	(15.78)
Loss on sale of Mutual Funds	1.16	-
Loss on sale of fixed assets	3.35	0.27
<b>Operating Loss Before Working Capital Adjustments</b>	<b>1,650.02</b>	<b>1,393.58</b>
<b>Changes in Working Capital</b>		
<u>Adjustments for (increase) / decrease in operating assets:</u>		
Inventories	(433.13)	(4.35)
Trade receivables	(1,332.33)	(1,017.55)
Short-term loans and advances	339.25	(166.46)
Long-term loans and advances	(13.14)	16.18
Other current assets	(2.76)	(4.62)
<u>Adjustments for increase / (decrease) in operating liabilities:</u>		
Trade payables	297.49	46.57
Other current liabilities	(106.53)	137.86
Short-term provisions	-	-
Cash generated from operations	398.88	401.21
Direct Tax Paid (Refund) [Net]	170.38	122.87
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>228.49</b>	<b>278.34</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets, including capital advances	(520.87)	(744.21)
Proceeds from sale of fixed assets	3.50	12.40
Dividend Received	1.06	1.71
Sale of Mutual Fund-Current Investment	8.84	-
Purchase of Mutual Fund-Current Investment	(162.34)	(10.00)
Loan to Suidiary Company	-	(21.00)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(669.81)</b>	<b>(761.10)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest & Finance Charges	(403.88)	(363.80)
Interest Received	15.06	15.78
Net Increase / (Decrease) in Working Capital Borrowing	559.39	833.45
Proceeds from Long Term Borrowings	504.55	626.46
Repayment of Long Term Borrowing	(430.76)	(343.65)
Dividend Paid	(77.18)	(52.38)
Dividend Tax Paid	(12.52)	(8.50)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>154.65</b>	<b>707.36</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(286.67)</b>	<b>224.59</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>747.43</b>	<b>522.84</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>460.76</b>	<b>747.43</b>
<b>Cash and cash equivalents at the end of the year comprises :</b>		
(a) Cash on hand	7.89	15.73
(b) Balances with banks		
(i) In current accounts	398.45	674.11
(ii) In deposit accounts	54.42	57.59
	<b>460.76</b>	<b>747.43</b>

**NOTES:**

1 The Cash Flow Statement has been prepared as per Indirect Method

As per our report of even date  
**For LADHA SINGHAL & ASSOCIATES**  
Chartered Accountants  
(Firm Regd. No. 120241W)

**FOR & ON BEHALF OF BOARD**

**(AJAY SINGHAL)**  
**PARTNER**  
M.No. 104451  
Place : Mumbai  
Date : 30th May 2015

**(JAIPRAKASH AGARWAL)**  
**MANAGING DIRECTOR**  
(DIN : 01379868)

**(MAHENDRA AGARWAL)**  
**DIRECTOR**  
(DIN : 01366495)

**(LALIT AGARWAL)**  
**WHOLE TIME DIRECTOR**  
(DIN : 01335107)

**(RAKESH BHALLA)**  
**CFO & Company Secretary**

**NOTES FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH 2015**

**Note 1: Significant Accounting Policies**

**a) Background:**

Agarwal Industrial Corporation Ltd is a public company incorporated under the provisions of the Companies Act, 1956. The Company is principally engaged in the business activities of manufacturing and trading of Petrochemicals (Bitumen and Bituminous Products), Logistics of Bitumen and LPG and energy generation through Wind Mills.

**b) Basis Of Preparation:**

The financial statements have been prepared in accordance with the Generally Accepted accounting Principles in India under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**c) Significant Accounting Policies:**

**i. Use of Estimates**

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

**ii. Revenue Recognition**

The Company follows Mercantile system of Accounting and Income and expenditure are recognised on accrual basis.

**iii. Fixed Assets**

All fixed Assets are stated at cost of acquisition less accumulated depreciation (net of cenvat, wherever availed). All cost relating to the acquisition and installation of the fixed assets are capitalised and includes financing costs relating to borrowed fund attributable to the acquisition of fixed assets up to the date the fixed assets is put to use.

**iv. Depreciation**

Depreciation has been provided on straight-line basis and in accordance with, Method and useful life prescribed in Schedule II to the Companies Act 2013.

**v. Impairment**

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the statement of Profit & Loss in the year in which as asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been an improvement in recoverable amount.

**vi. Inventories Valuation**

Raw material and Packing Material: At lower of Cost or Net realisable value. The cost is arrived at on first-in-first-out basis and net of cenvat credit availed.

Finished Goods and Semi Finished Goods: At lower of Cost or Net realisable value. Cost includes appropriate allocation of overheads and is arrived at on first-in-first-out basis.

**vii. Investments**

Long term investments are stated at cost less provision for diminution in value other than temporary, if any.

Current investments are stated at lower of cost and fair value.

**viii. Borrowing Cost**

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalised. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

**ix. Foreign Currency Transaction**

Foreign currency transactions are accounted on the basis of exchange rate prevailing at the time of transaction. The foreign currency transaction remains outstanding at year-end are restated at rate prevailing as on 31st March. The Exchange difference if any arises due to exchange fluctuation is charged to Statement of Profit and Loss.

**x. Taxes on Income**

Current Tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced upto the balance sheet date. Deferred Tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the Profit & Loss account of the respective year of change.

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

**xi. Retirement Benefits**

Short Term and Long Term Employee Benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services.

**xii. Earning Per Share**

Basic earning per share are calculated by dividing the net profit /(loss) for the year attributable to equity shareholders (after deducting attributable taxes) by average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**xiii. Segmental Reporting**

The Company is engaged in the business segment namely transportation, service centre, power generation by windmill and manufacturing of Bitumen & Bituminous Products. Segment assets include all operating assets used by a segment and consist primarily of debtors, current assets and fixed assets net of provisions and allowance. Segment liabilities include all operating liabilities and consist principally of creditors and other payables.

**xiv. Provisions, Contingent Liabilities And Contingent Assets**

Provisions are recognized in the accounts in respect of present probable obligations arising as a result of past events and it is probable that there will be an outflow of resources, the amount of which can be reliably estimated

Contingent liabilities are disclosed in respect of possible obligation that arises from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company.

Contingent Assets are neither recognized nor disclosed in the financial statements.





**NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 2 : Share Capital**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Authorised:</b>		
60,00,000 (60,00,000) Equity Shares of ₹ 10/- each	600.00	600.00
<b>TOTAL</b>	<b>600.00</b>	<b>600.00</b>
<b>Issued, Subscribed and Paid up:</b>		
55,12,900 (55,12,900) Equity Shares of ₹10/- each with voting rights, fully paid up	551.29	551.29
<b>TOTAL</b>	<b>551.29</b>	<b>551.29</b>

**(i) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :**

Particulars	As at 31st March, 2015	As at 31st March, 2014
Number of shares at the beginning of the year	5,512,900.00	5,512,900.00
Add: Issue of Shares during the year	—	—
Number of shares at the end of the year	<b>5,512,900.00</b>	<b>5,512,900.00</b>

**(ii) Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Detail of shares held by the holding company, the ultimate holding company, their subsidiaries and associates :**

Nil Nil

**(iv) Details of shareholder holding more than 5% shares in the company :**

Name of Share Holder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Ramchandra Agarwal	370,700	6.72	370,700	6.72
Jaiprakash Agarwal	407,600	7.39	407,600	7.39
Mahendra Kumar Agarwal	362,600	6.58	362,600	6.58
Kishan Kumar Agarwal	348,200	6.32	348,200	6.32
Jugalkishore Agarwal	331,500	6.01	331,500	6.01
Lalit Kumar Agarwal	302,000	5.48	302,000	5.48

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**Note 3 : Reserves & Surplus**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a) Security Premium</b>	1,576.31	1,576.31
<b>b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	1,622.82	1,215.95
Add/(Less): Profit/(Loss) for the year	579.23	496.58
Less: Utilisation of reserves		
- Proposed Dividend	82.69	77.18
- Tax on Proposed Dividend	16.01	12.52
	2,103.35	1,622.82
<b>c) Share Forfeiture</b>	82.12	82.12
<b>TOTAL</b>	<b>3,761.78</b>	<b>3,281.26</b>

**Note 4 : Long Term Borrowing**

(₹ in Lacs)

Particulars	Non-Current Portion		Current Portion	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>				
<b>Term Loans</b>				
(i) From Bank	492.74	408.55	374.51	384.92
	<b>492.74</b>	<b>408.55</b>	<b>374.51</b>	<b>384.92</b>
(Secured against Hypothecation of specific vehicle and is repayable in equated monthly installment over the tenure of the loan)				
<b>Total</b>	<b>492.74</b>	<b>408.55</b>	<b>374.51</b>	<b>384.92</b>

**Note 5 : Long Term Provision**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Employees Benefit expenses	7.32	—
<b>TOTAL</b>	<b>7.32</b>	—


**Note 6 : Deferred Tax Liability**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Deferred Tax Liability</b> Related to Fixed Assets	135.21	107.85
<b>TOTAL</b>	<b>135.21</b>	<b>107.85</b>

**Note 7 : Short Term Borrowing**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b> (i) From Bank Working Capital Facility	3,184.19	2,624.79
<b>TOTAL</b>	<b>3,184.19</b>	<b>2,624.79</b>

(Secured against Hypothecation of Stock, Books Debts, Current Assets, movable & immovable fixed assets of the Company, immovable property of it's director and personal guarantee of some of the Directors)

**Note 8 : Trade Payables**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade Payables:</b> Payable for Goods & Services	618.76	321.27
<b>TOTAL</b>	<b>618.76</b>	<b>321.27</b>

Based on the information available with the company, obtained on verbal confirmation, there are no dues to micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2015

**Note 9 : Other Current Liabilities**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Other Payable</b> Current maturity of Long Term Borrowings (Refer Note No 4)	374.51	384.92
Payable for Expenses	6.84	3.15
Payable for Capital Goods	24.08	26.52
Statutory Remittances	171.41	201.84
Advances From Customer	13.09	61.18
Unclaimed Dividend	7.55	4.63
Rent Equilisation Reserve	1.84	-
Other Liabilities	49.00	81.19
<b>TOTAL</b>	<b>648.34</b>	<b>763.44</b>

**Note 10 : Short Term Provisions**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Proposed Dividend	82.69	77.18
Provision for Tax on Proposed Dividend	16.01	12.52
Provision for Taxation (Net of Taxes Paid)	17.24	0.44
Provision for Payment of Gratuity	0.81	-
<b>TOTAL</b>	<b>116.76</b>	<b>90.14</b>

Note 11 : Fixed Assets NOTES ON FINANCIAL STATEMENT AS AT 31ST MARCH 2015

Description	GROSS BLOCK				Accumulated Depreciation			NET BLOCK	
	Balance as at 01.04.2014	Add during the year	Deductions/ Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation for the year	Deduction/ Adjustment	Balance as at 31.03.2015	Balance as at 31.03.2014
<b>TANGIBLE ASSETS OWNED</b>									
Land	132.93	-	-	132.93	-	-	-	132.93	132.93
Commercial Vehicles	3,144.67	499.63	-	3,644.30	1,936.48	318.30	-	2,254.78	1,208.19
Furniture & Fixtures	53.36	1.93	-	55.29	5.08	5.23	-	10.31	48.27
Computers & Printers	15.70	3.02	-	18.72	12.06	2.26	-	14.32	3.65
Office Equipments	26.10	1.70	-	27.80	3.63	7.88	-	11.51	22.47
Electrical Fittings	21.47	1.04	-	22.51	0.75	2.26	-	3.01	20.72
Borewell	4.18	0.15	-	4.33	0.18	1.26	-	1.44	4.00
Factory Building	91.31	-	-	91.31	7.76	2.86	-	10.62	83.55
Motor Car & Vehicles	107.72	-	(12.30)	95.42	36.06	8.03	(5.45)	38.64	71.66
Workshop	30.59	-	-	30.59	2.96	1.08	-	4.04	27.63
Plant & Machinery	606.17	-	-	606.17	49.15	40.20	-	89.36	557.02
Laboratory Equipment	2.98	-	-	2.98	0.48	0.41	-	0.89	2.50
Wind Mill	1,119.89	-	-	1,119.89	586.74	31.82	-	618.56	533.15
<b>TOTAL</b>	<b>5,357.07</b>	<b>507.47</b>	<b>(12.30)</b>	<b>5,852.23</b>	<b>2,641.32</b>	<b>421.60</b>	<b>(5.45)</b>	<b>3,057.47</b>	<b>2,794.76</b>
<b>WORK-IN-PROGRESS</b>									
Building	71.35	13.40	-	84.75	-	-	-	84.75	71.35
<b>TOTAL</b>	<b>5,428.42</b>	<b>520.87</b>	<b>(12.30)</b>	<b>5,936.98</b>	<b>2,641.32</b>	<b>421.60</b>	<b>(5.45)</b>	<b>3,057.47</b>	<b>2,787.09</b>
<b>PREVIOUS YEAR</b>	<b>4,700.34</b>	<b>762.16</b>	<b>(34.08)</b>	<b>5,428.42</b>	<b>2,230.04</b>	<b>414.69</b>	<b>(3.41)</b>	<b>2,641.32</b>	<b>2,787.09</b>

**Note 12 : Non-Current Investments**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade - Unquoted</b>		
<b>Investment in Equity Shares - At Cost</b>		
6200 (6200) Equity shares of wholly owned subsidiary, M/s Bituminex Cochin Pvt Ltd of ₹ 100/- each, fully paid up	232.50	232.50
<b>Investment in Government Securities - At Cost</b>		
National Saving Certificate (lying with government authority) (As at 31st March, 2015 ₹ 5000)	0.05	0.05
<b>TOTAL</b>	<b>232.55</b>	<b>232.55</b>

**Note 13 : Long Term Loans & Advances**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Unsecured, Considered good</b>		
Security Deposit	65.99	52.85
Loan to Wholly Owned Subsidiary	121.00	121.00
<b>TOTAL</b>	<b>186.99</b>	<b>173.85</b>

**Note 14 : Inventories**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(Valued at lower of Cost or Net Realizable Value)</b>		
Finished Goods	780.47	29.71
Semi Finished Goods	74.06	379.73
Raw Material	15.43	11.04
Stores, Spares & Packing Material	43.59	59.94
<b>TOTAL</b>	<b>913.56</b>	<b>480.43</b>

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**Note 15 : Current Investments**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Non Trade - Unquoted</b>		
<b>Investment in Mutual Fund</b>		
Nil (75257 ) units of Reliance Arbitrage Advantage Fund - Dividend Plan	-	10.00
1008.571 units of Reliance Money Manager Fund - Dividend Plan (Market Value as at 31st March, 2015 ₹ 1011359 (1008.571units @ ₹1002.7641)	10.10	-
247856.823 units of Reliance Income Fund -Growth Plan - Growth Option (Market Value as at 31st March, 2015 ₹ 11290052 (247856.823 units @ ₹.45.5507)	110.00	-
2271.353 units of Union KBC Liquid Fund Growth (Market Value as at 31st March, 2015 ₹ 3179278 (2271.353 units @ ₹1399.7289)	30.93	-
65985.671 units SBI Dynamic Bond Fund - Regular Growth (Market Value as at 31st March, 2015 ₹1133152 (65985.671 units @ ₹ 17.1727)	11.31	-
<b>TOTAL</b>	<b>162.34</b>	<b>10.00</b>
<b>Total Market Value as at 31st March, 2015</b>	<b>166.14</b>	<b>8.53</b>

**Note 16 : Trade Receivable**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade Receivable:</b>		
<b>Unsecured, Considered good</b>		
Due for a period exceeding six months	1,088.31	495.75
Others	2,967.97	2,228.20
<b>TOTAL</b>	<b>4,056.27</b>	<b>2,723.95</b>

**Note 17 : Cash and Cash Equivalents**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Cash on Hand	7.89	15.73
Balance with Scheduled Banks		
- In Current Accounts	398.45	674.11
- In Fixed Deposit Account	54.42	57.59
<b>TOTAL</b>	<b>460.76</b>	<b>747.43</b>

**Note 18 : Short Term Loans & Advances**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Unsecured, Considered good</b>		
Other Loan and Advances		
- Advances recoverable in cash or in kind or for value to be received	73.33	15.32
- Advances to Staff	28.07	36.91
- Advances to Supplier	53.86	442.02
Balance with Government Authorities		
- MAT Credit Entitlement	-	32.39
- Deposit with Custom Authority	25.53	25.00
- Deposit with Sales Tax Authority	33.89	33.89
- Amount due as refund of Additional Duty of Custom	398.13	398.91
<b>TOTAL</b>	<b>612.81</b>	<b>984.45</b>

**Note 19 : Other Current Assets**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Accrued Interest on Fixed Deposit	11.59	8.83
<b>TOTAL</b>	<b>11.59</b>	<b>8.83</b>

**Note 20 : Revenue from Operations**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Sales	18,117.90	14,740.55
Vehicle Freight Income	3,689.61	2,750.08
Labour Charges received	24.28	16.68
Wind Mill Income	122.23	133.77
<b>TOTAL</b>	<b>21,954.02</b>	<b>17,641.09</b>

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**Note 21 : Other Income**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Exchange Rate Gain / (Loss)	30.20	34.94
Interest Received	15.06	15.78
Miscellaneous Income	8.43	12.56
<b>TOTAL</b>	<b>53.68</b>	<b>63.28</b>

**Note 22 : Operating Expenses**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Vehicle Running & Maintenance Expenses	2,463.27	1,906.37
Freight Paid	517.37	264.98
Wind Mill Expenses	31.47	18.09
<b>TOTAL</b>	<b>3,012.12</b>	<b>2,189.44</b>

**Note 23 : Cost of Material Consumed**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Opening Stock	11.04	10.90
Add:- Purchases during the year	4,026.25	3,905.01
	<b>4,037.28</b>	<b>3,915.91</b>
Less: - Closing Stock	15.43	11.04
<b>TOTAL</b>	<b>4,021.85</b>	<b>3,904.87</b>



**Note 24 : Change In Inventories**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
<b>Opening Stock</b>		
Inventory of Finished Goods as at the beginning of the year	29.71	32.34
Inventory of Semi Finished Goods as at the beginning of the year	379.73	390.43
<b>Less : Closing Stock</b>		
Inventory of Finished Goods as at the end of the year	780.47	29.71
Inventory of Semi Finished Goods as at the end of the year	74.06	379.73
<b>TOTAL</b>	<b>(445.09)</b>	<b>13.33</b>

**Note 25 : Employees Benefits Expenses**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Directors Remuneration	60.00	55.95
Salaries, Wages and Bonus	160.21	123.58
Gratuity	8.13	-
Staff Welfare	18.94	12.81
	<b>247.28</b>	<b>192.33</b>

**Note 26 : Manufacturing and Other Direct Expenses**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Transportation Charges	153.69	144.61
Labour Charges	35.44	38.27
Repairs & Maintenance - Machinery	21.08	31.35
Storage Terminal Rent	106.98	154.07
Heating Charges	61.83	3.02
Other Direct Expenses	37.90	25.27
<b>TOTAL</b>	<b>416.92</b>	<b>396.58</b>

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**Note 27 : Finance Cost**

(₹ in Lacs)

Particulars	For the year 31st March, 2015	As at 31st 31st March, 2014
Interest Paid to Banks	387.02	325.00
Interest Paid to Others	0.21	0.42
	<b>387.23</b>	<b>325.41</b>

**Note 28 : Other Expenses**

(₹ in Lacs)

Particulars	As on 31st March, 2015	As on 31st March, 2014
<b>(A) Administrative Expenses</b>		
Rent, Rates & Taxes	20.95	11.46
Payment to Auditors		
- Statutory Audit fees	1.29	1.29
- Tax Audit Fees	0.56	0.56
- Other Services	0.15	0.15
Insurance	3.47	4.19
Legal & Professional Charges	10.11	6.16
Electricity Expenses	6.80	3.25
Donation	2.60	0.94
Stock exchange, depository & RTA fees and charges	4.29	1.76
Postage, Telegram and Telephone	6.85	9.47
Security Charges	14.20	11.37
Printing & Stationery	3.00	2.34
Vehical Expenses	7.15	7.09
Bank Charges & Commission	15.31	37.75
Processing Charges	1.34	0.64
Travelling & Conveyance	30.15	27.83
Repair & Maintenance - Other	2.68	3.54
Profit /Loss on sale of Fixed Assets	3.35	0.27
Short Term Capital Loss - Mutual Fund	1.16	-
Miscellaneous Expenses	12.57	14.04
	<b>147.98</b>	<b>144.09</b>
<b>(B) Selling and Distribution Expenses</b>		
Advertisement & Business Promotion Expenses	4.84	4.95
Commission Paid	-	7.19
Discount Given	232.81	51.13
Transportation Charges	-	9.28
	<b>237.65</b>	<b>72.55</b>
<b>TOTAL</b>	<b>385.62</b>	<b>216.63</b>

**29. CONTINGENT LIABILITIES & EVENT OCCURRING AFTER THE BALANCE SHEET DATE:**

(₹ in Lacs)

Particulars	As on 31st March, 2015	As on 31st March, 2014
<b>a. Disputed demand not provided for in respect of :-</b>		
i) Sales Tax	2.72	2.72
ii) Entry Tax	111.58	111.58
iii) Import Duty	32.00	25.00
b. To the best of knowledge of the management, there are no events occurring after the Balance sheet date that provide additional information materially affecting the determination of the amount relating to the conditions existing at the Balance Sheet date that requires adjustment to the Assets or Liabilities of the Company.		

**30. Earning per share has been calculated as under:**

(₹ in Lacs)

Particulars	As on 31st March, 2015	As on 31st March, 2014
Net Profit (Loss) After Tax as per Profit & Loss Account	579.23	496.58
Weighted Average number of equity shares used as denominator for calculating EPS	55,12,900	55,12,900
Basic Earning (Loss) per share	10.51	9.01
Diluted Earning (Loss) per share	10.51	9.01
Nominal Value per equity share	10	10

31. In accordance with the Accounting Standard 17 on Segment Reporting issued by the ICAI, the segment information for the year ended 31st March, 2015 is as follows:

(₹ in Lacs)

Particulars	Petrochemicals (Bitumin & Bituminous Products)	Transportation	Windmill	Total
<b>Revenue</b>				
Segment Revenue	18,111.32	3,774.15	122.23	22,007.70
<b>Result</b>				
Segment Results before Interest and Tax	967.44	187.03	58.93	1,213.40
Less:-Interest	—	—	—	387.23
<b>Net Profit Before Tax</b>				
Taxation	—	—	—	826.17
Net Profit	—	—	—	246.94
<b>Other Information</b>				
Segment Assets	5,403.47	3,095.70	501.33	9,000.50
Unallocable corporate assets	—	—	—	515.89
Total Assets	—	—	—	9,516.39
Segment / Total Liabilities	3,711.75	856.30	—	4,568.05
Segment Capital Employed	1,691.72	2,239.40	501.33	4,432.45
Total Capital Employed	—	—	—	4,948.34

**32. Related Party Disclosures**

(i) Name of the related Parties and Description of relationship

Subsidiary	Bituminex Cochin Pvt Ltd.
Key Management Personnel	Mr. Jaiprakash Agarwal Mr. Lalit Agarwal Mr. Ramchandra Agarwal Mr. Rakesh Bhalla
Concerns in which Directors are interested	ANZ Transporters Agarwal Gas Carriers Agarwal Translink P Ltd Agarwal Petrochem P Ltd

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(ii) Transaction with Related Parties

(₹ in Lacs)

NATURE OF TRANSACTION	SUBSIDIARY	KMP	CONCERNS IN WHICH KMP & THEIR RELATIVES ARE INTERESTED	TOTAL
Remuneration	—	69.38 (63.45)	—	<b>69.38</b> (63.45)
Sub-Contract Payment	—	—	481.15 (252.77)	<b>481.15</b> (252.77)
Sub-Contract Receipt	—	—	77.51 (174.67)	<b>77.51</b> (174.67)
Labour Charges Received	—	—	9.80 (8.85)	<b>9.80</b> (8.85)
Sales of Spare Parts & OIL	—	—	21.08 (31.79)	<b>21.08</b> (31.79)
HSD & Oil Purchase	—	—	237.17 (181.05)	<b>237.17</b> (181.05)
Bitumen Purchase	—	—	246.21 (41.07)	<b>246.21</b> (41.07)
Bitumen Sales	—	—	239.45 (405.93)	<b>239.45</b> (405.93)
Rent Paid	—	6.30 (3.90)	—	<b>6.30</b> (3.90)
Loan Given	— (21.00)	—	—	— (21.00)
Payable towards Expenses	—	—	235.91 (111.61)	<b>235.91</b> (111.61)
Loan Receivable	121.00 (121.00)	—	—	<b>121.00</b> (121.00)

33. **Disclosure in respect of gratuity liability**

The company have recognised the Gratuity liability in accordance with Accounting Standard 15 (revised) during the year. The necessary particulars / disclosure are as follows:-

(₹ in Lacs)

**i. Change in the present value of obligation during the year**

Present value of obligation as at the beginning of the year	Nil
Interest cost	Nil
Current service cost	1.95
Benefits paid	Nil
Actuarial (gains)/losses on obligation	6.17
Present value of obligation as at the end of the year	8.13

**ii. Change in the fair value of the assets during the year**

Fair value of plan assets at the beginning of the year	Nil
Actual return on plan assets	N.A.
Employer contribution	N.A.
Actual benefits paid	N.A.
Fair value of plan assets at the end of the year	Nil

(₹ in Lacs)

**iii. Amount Recognised in Balance Sheet**

Present value of Defined benefit obligation	8.13
Fair value of plan assets	Nil
Net asset / (liability)	(8.13)
Net assets / (liability) recognised in the Balance Sheet	(8.13)

**iv. Expense recognized in statement of Profit and Loss**

Current service cost	1.95
Interest cost	Nil
Actual return on plan assets	N.A.
Net actuarial (gain)/loss recognised in the year	6.17
Expenses recognised in the Statement of Profit and Loss	8.13

**v. Actuarial assumptions used**

Discount rate (per annum)	8% p.a.
Expected rate of return on plan assets	N.A.
In service morality	Indian Assured Lives Mortality (2006-08) Ultimate
Future salary increase	5% p.a.
Withdrawal rates	1% p.a.
Retirement age	58 years
<b>vi. Category of Assets</b>	Not funded

**34. Managerial Remuneration consisting of the following :**

(₹ in Lacs)

	2014-15	2013-14
Remuneration to Managing Directors	24.00	24.00
Remuneration to Whole Time Directors	36.00	31.95
<b>Total</b>	<b>60.00</b>	<b>55.95</b>

**35. Value Of Raw Material Consumed:**

	IMPORTED		INDIGENOUS	
	Value	%	Value	%
Raw Material	3685.14 (3492.72)	91.62% (89.45%)	336.70 (412.15)	8.37% (10.55%)

**36. Expenditure In Foreign Currency**

C.I.F. Value Of Imports:	2591.78	(7725.19)
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37. The balances of Unsecured Loans, Creditors, Debtors and Loans and Advances are subject to confirmation and reconciliation, if any.

38. The previous year's figures have been regrouped / reclassified, wherever requires to align the financial statement. Figures in brackets represent corresponding figures for the previous year.

As per our report of even date  
**For LADHA SINGHAL & ASSOCIATES**  
 Chartered Accountants  
 (Firm Regd. No. 120241W)

**FOR & ON BEHALF OF BOARD**

**(AJAY SINGHAL)**  
**PARTNER**  
 M.No. 104451  
 Place : Mumbai  
 Date : 30th May 2015

**(JAIPRAKASH AGARWAL)**  
**MANAGING DIRECTOR**  
 (DIN : 01379868)

**(MAHENDRA AGARWAL)**  
**DIRECTOR**  
 (DIN : 01366495)

**(LALIT AGARWAL)**  
**WHOLE TIME DIRECTOR**  
 (DIN : 01335107)

**(RAKESH BHALLA)**  
**CFO & Company Secretary**

**CONSOLIDATED FINANCIAL STATEMENTS**

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## INDEPENDENT AUDITOR'S REPORT

To the Members of Agarwal Industrial Corporation Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Agarwal Industrial Corporation Limited** (hereinafter referred to as "the Holding Company") and its subsidiary **Bituminex Cochin Private Limited** (the holding company and its subsidiary constitute "the Group") which comprise the consolidated Balance Sheet as at 31st March, 2015, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operative effectiveness of such control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31st March, 2015, and its consolidated profits and its consolidated cash flows for the year ended on that date.

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the Profit of the Group for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

### Other Matter

We did not audit the financial statement of the subsidiary, whose financial statement reflect total assets of ₹ 195.09 Lacs as at 31st March 2015, total revenues of ₹ 493.78 Lacs and net cash flow amounting to ₹ (-) 2.24 Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statement have been audited by the other

auditor whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it related to the amounts and disclosure included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to aforesaid subsidiary, is based solely on the report of the other auditor.

**Report on other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' report of the holding company and its subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors of the Holding as on 31st March, 2015, and taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, none of the directors of the Group Company is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) There were no pending litigations which would materially impact the consolidated financial position of the Group;
    - ii) The Group did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses; and
    - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company.

**For Ladha Singhal & Associates**

*Chartered Accountants*  
(Firm Registration No. 120241W)

**Ajay Singhal**  
(Partner)

M. No. 104451

Place : Mumbai  
Dated : 30th May 2015



### Annexure to the Independent Auditor's Report

Referred to as Annexure in our Independent Auditors' Report of even date to the members of **Agarwal Industrial Corporation Limited** on the consolidated financial statement for the year ended 31st March 2015, we report that:

- (i) (a) The group has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets have been physically verified by the management during the year under a regular programme of verification which, in our opinion, is reasonable having regard to the size of the group and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the group and the nature of its business.
  - (c) The group is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The group has not granted any loan to company, firm or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act') and hence, clause 3(iii) of the order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the group and the nature of its business with regard to purchase of inventory, fixed assets and for the sale of goods and services.
- (v) In our opinion and according to the information given to us, the group has not accepted deposits and hence, compliance with the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted is not applicable.
- (vi) Based on our review of the books of accounts maintained by the Holding Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act in respect of holding company's products/services and on the basis of the report of the statutory auditor of its subsidiary company, we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the holding Company and the report of the statutory auditor of its subsidiary company, the group is regular in depositing with appropriate authorities applicable undisputed statutory dues including employee state insurance, income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax, cess.

According to the information and explanation given to us and on the basis of report of statutory auditors of subsidiary company, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax or cess were in arrears as at 31st March, 2015 for a period of more than six months from the date they became payable.

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(b) According to the information and explanation given to us, details of income tax, sales tax, wealth tax, service tax, duty of custom, duty of excise, value added tax or cess which have not been deposited as on 31st March, 2015 on account of any dispute so far as it relates to holding company are as given below:

<b>Name of Statute</b>	<b>Nature of the dues</b>	<b>Unpaid disputed Amount (in Lacs)</b>	<b>Period for which the amount relates</b>	<b>Forum where dispute is pending</b>
The Karnataka Tax on Entry of Goods Act, 1979	Tax on Entry of Goods	39.75	April 2011 to March 2012	JCCT Appeal
The Karnataka Value Added Tax, 2003	Sales Tax Demand	0.97	April 2011 to March 2012	JCCT Appeal
Central Sales Tax, 1956	Sales Tax Demand	0.93	April 2010 to March 2011	JCCT Appeal
The Karnataka Tax on Entry of Goods Act, 1979	Tax on Entry of Goods Demand	38.35	April 2010 to March 2011	JCCT Appeal
Custom Act	Penalty under the Custom Act	6.48	April 2013 to March 2014	CESAT Appellate Tribunal
Income Tax Act	Income Tax Demand	20.25	A.Y. 2003-04	Rectification
Income Tax Act	Income Tax Demand	17.50	A.Y. 2004-05	Rectification

On the basis of the report of the statutory auditor of its subsidiary company, no undisputed amounts are payable in respect of income tax, wealth tax, sales tax, custom duty and excise duty, service tax, VAT and cess as far subsidiary company is concern.

(c) According to the information and explanation given to us, there were no any amount which were required to be transferred by the group to the investor education and protection fund in accordance with the relevant provisions of the Companies Act,1956 (1 of 1956) and rules made thereunder.

(viii) In our opinion, the group does not have accumulated losses at the end of the financial year and have not incurred cash losses during the current financial year and during the immediately preceding financial year.

(ix) In our opinion and according to the information and explanation given to us, the group has not defaulted in repayment of dues to any financial institution or bank. The group did not have any outstanding debentures during the year.

(x) As informed to us, the group has not given any guarantees for loans taken by others from banks or financial institutions.

(xi) The term loans were applied for the purpose for which the loans were obtained by the group.

(xii) According to the information and explanation given to us, no fraud on or by the holding company and its subsidiary company has been noticed or reported during the course of our audit

**For Ladha Singhal & Associates**  
*Chartered Accountants*  
(Firm Registration No. 120241W)

**Ajay Singhal**  
*(Partner)*  
M. No. 104451

Place : Mumbai  
Dated : 30th May 2015



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

(₹ in Lacs)

	Note No.	As At 31.03.2015	As At 31.03.2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	2	551.29	551.29
(b) Reserves and Surplus	3	3,768.78	3,280.23
		<b>4,320.07</b>	<b>3,831.52</b>
<b>2. Non - Current Liabilities</b>			
(a) Long Term Borrowing	4	492.74	408.55
(b) Long Term Provision	5	7.32	-
(c) Deferred Tax Liability	6	136.20	109.72
		<b>636.25</b>	<b>518.26</b>
<b>3. Current Liabilities</b>			
(a) Short Term Borrowing	7	3,236.91	2,675.86
(b) Trade Payables	8	624.03	324.08
(c) Other Current Liabilities	9	650.23	764.80
(d) Short Term Provisions	10	116.76	89.25
		<b>4,627.94</b>	<b>3,854.00</b>
<b>TOTAL</b>		<b>9,584.27</b>	<b>8,203.78</b>
<b>II. ASSETS</b>			
<b>1. Non - Current Assets</b>			
(a) Fixed Assets (Net Block)			
(i) Tangible Assets	11	2,916.18	2,832.15
(ii) Goodwill on Consolidation		226.30	226.30
(b) Non Current Investment	12	0.05	0.05
(c) Long Term Loans & Advances	13	67.79	54.06
		<b>3,210.33</b>	<b>3,112.56</b>
<b>2. Current Assets</b>			
(a) Inventories	14	992.80	501.83
(b) Current Investments	15	162.34	10.00
(c) Trade Receivable	16	4,079.27	2,784.41
(d) Cash & Cash Equivalents	17	463.05	751.95
(e) Short Term Loans & Advances	18	664.88	1,034.20
(f) Other Current Assets	19	11.59	8.83
		<b>6,373.94</b>	<b>5,091.22</b>
<b>TOTAL</b>		<b>9,584.27</b>	<b>8,203.78</b>
<b>Significant Accounting Policies</b>	1		
<b>Notes forming part of the financial statements</b>	29 to 38		

As per our report of even date

For LADHA SINGHAL & ASSOCIATES

Chartered Accountants  
(Firm Regd. No. 120241W)

FOR & ON BEHALF OF BOARD

(AJAY SINGHAL)  
PARTNER

M.No. 104451

Place : Mumbai

Date : 30th May 2015

(JAIPRAKASH AGARWAL)  
MANAGING DIRECTOR  
(DIN : 01379868)

(MAHENDRA AGARWAL)  
DIRECTOR  
(DIN : 01366495)

(LALIT AGARWAL)  
WHOLE TIME DIRECTOR  
(DIN : 01335107)

(RAKESH BHALLA)  
CFO & Company Secretary

**Twenty First Annual Report**  
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**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

(₹ in Lacs)

	NOTE NO.	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>A CONTINUING OPERATIONS</b>			
I	Gross Revenue	22,446.03	18,189.14
II	Other Income	58.43	62.04
III	<b>Total Revenue (I + II)</b>	<b>22,504.46</b>	<b>18,251.18</b>
<b>IV Expenses</b>			
	Operating Expenses	3,012.12	2,189.44
	Cost of Material Consumed	4,432.24	4,363.46
	Purchase of Stock in Trade	12,735.09	9,419.30
	Change in Inventories	(441.25)	13.52
	Employee Benefits Expenses	267.75	209.98
	Manufacturing and Other Direct Expenses	442.39	425.61
	Finance Cost	394.77	334.51
	Depreciation and Amortization Expense	429.82	421.25
	Other Expenses	397.15	228.77
	<b>Total Expenses</b>	<b>21,670.09</b>	<b>17,605.85</b>
V	Profit / (Loss) before Exceptional and Extraordinary Items and Tax (III-IV)	834.37	645.33
VI	Exceptional Items / Extraordinary Items		
VII	Profit / (Loss) Before Tax (V-VI)	834.37	645.33
VIII	Tax Expense:		
	(a) Current Tax	186.56	128.50
	(b) Deferred Tax (Asset) / Liability	26.49	(20.27)
	(c) Short Provision for Tax for earlier years	2.19	-
	(d) Mat Credit Utilisation	31.63	27.42
		<b>246.87</b>	<b>135.65</b>
IX	Profit / (Loss) from Continuing operations (VII-VIII)	<b>587.50</b>	<b>509.68</b>
<b>B DISCONTINUING OPERATIONS</b>			
X	Profit/(Loss) for the Year from Discontinuing Operations	-	-
<b>C TOTAL OPERATIONS</b>			
XI	Profit / (Loss) for the Year (IX + X)	<b>587.50</b>	<b>509.68</b>
<b>XII Earnings Per Equity Share of ₹10/- each :</b>			
	Weighted average no. of shares (Basic & Diluted)	5,512,900	5,512,900
	(1) Basic Earning Per Share (₹)	10.66	9.25
	(2) Diluted Earning Per Share (₹)	10.66	9.25
	Significant Accounting Policies	1	
	Notes forming part of the financial statements	29 to 38	

As per our report of even date  
**For LADHA SINGHAL & ASSOCIATES**  
Chartered Accountants  
(Firm Regd. No. 120241W)

**FOR & ON BEHALF OF BOARD**

**(AJAY SINGHAL)**  
PARTNER  
M.No. 104451  
Place : Mumbai  
Date : 30th May 2015

**(JAIPRAKASH AGARWAL)**  
MANAGING DIRECTOR  
(DIN : 01379868)

**(MAHENDRA AGARWAL)**  
DIRECTOR  
(DIN : 01366495)

**(LALIT AGARWAL)**  
WHOLE TIME DIRECTOR  
(DIN : 01335107)

**(RAKESH BHALLA)**  
CFO & Company Secretary



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

	For the year ended 31st March, 2015 (₹ in Lacs)	For the year ended 31st March, 2014 (₹ in Lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before tax and Extraordinary Items	834.37	645.33
<b>Adjustments for</b>		
Depreciation	429.82	421.25
Interest & Finance Charges	411.80	373.58
Gratuity	8.39	—
Rent Equilisation Reserve	1.84	—
Dividend Received	(0.95)	(1.71)
Interest Received	(15.16)	(15.89)
Loss on sale of Mutual Funds	1.16	—
Loss on sale of fixed assets	3.35	0.27
<b>Operating Loss Before Working Capital Adjustments</b>	<b>1,674.63</b>	<b>1,422.83</b>
<b>Changes in Working Capital</b>		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(490.97)	0.91
Trade receivables	(1,294.86)	(1,048.64)
Short-term loans and advances	337.41	(175.25)
Long-term loans and advances	(12.91)	15.41
Other current assets	(2.76)	(4.62)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	299.95	46.34
Other current liabilities	(106.01)	128.25
Short-term provisions	—	—
<b>Cash generated from operations</b>	<b>404.49</b>	<b>385.24</b>
Direct Tax Paid (Refund) [Net]	171.88	124.37
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>232.61</b>	<b>260.87</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure on fixed assets, including capital advances	(520.94)	(747.68)
Proceeds from sale of fixed assets	3.50	12.40
Dividend Received	0.95	1.71
Sale of Mutual Fund-Current Investment	8.84	—
Purchase of Mutual Fund-Current Investment	(162.34)	(10.00)
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(670.00)</b>	<b>(743.57)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest & Finance Charges	(411.80)	(373.58)
Interest Received	15.16	15.89
Net Increase / (Decrease) in Working Capital Borrowing	561.05	845.99
Proceeds from Long Term Borrowings	504.55	626.46
Repayment of Long Term Borrowing	(430.76)	(343.65)
Dividend Paid	(77.18)	(52.38)
Dividend Tax Paid	(12.52)	(8.50)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>148.49</b>	<b>710.23</b>
<b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(288.90)</b>	<b>227.52</b>
Cash and cash equivalents at the beginning of the year	751.95	524.43
Cash and cash equivalents at the end of the year *	463.05	751.95
* Comprises:		
(a) Cash on hand	9.27	16.68
(b) Balances with banks		
(i) In current accounts	399.37	677.68
(ii) In deposit accounts	54.42	57.59
	<b>463.05</b>	<b>751.95</b>

### NOTES:

1 The Cash Flow Statement has been prepared as per Indirect Method

As per our report of even date  
For **LADHA SINGHAL & ASSOCIATES**  
Chartered Accountants  
(Firm Regd. No. 120241W)

FOR & ON BEHALF OF BOARD

(AJAY SINGHAL)  
PARTNER  
M.No. 104451  
Place : Mumbai  
Date : 30th May 2015

(JAIPRAKASH AGARWAL)  
MANAGING DIRECTOR  
(DIN : 01379868)

(MAHENDRA AGARWAL)  
DIRECTOR  
(DIN : 01366495)

(LALIT AGARWAL)  
WHOLE TIME DIRECTOR  
(DIN : 01335107)

(RAKESH BHALLA)  
CFO & Company Secretary

**Notes forming part of the Consolidated Financial Statement for the year ended 31st March 2015**

**Note 1: Significant Accounting Policies**

**a) Background:**

The Consolidated Financial Statement comprises the financial statement of Agarwal Industrial Corporation Ltd, ("The Company") and its wholly owned subsidiary, M/s Bituminex Cochin Pvt Ltd ("the company and its subsidiary constitute "the Group)". The Group is principally engaged in the business activities of manufacturing and trading of Petrochemicals (Bitumen and Bituminous Products), Logistics of Bitumen and LPG and energy generation through Wind Mills.

**b) Basis Of Preparation:**

The financial statements have been prepared in accordance with the Generally Accepted accounting Principles in India under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

**c) Significant Accounting Policies:**

**i. Use of Estimates**

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

**ii. Principles of Consolidation:**

The Consolidated financial statements relate to the company and its subsidiary companies. The consolidated financial statements have been prepared on the following basis

- I. The financial statement of the company and its subsidiaries are combined on a line by - line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transaction resulting in unrealized profit or losses in accordance with Accounting Standard (AS) - 21 - "Consolidated Financial Statement".
- II. The difference between the costs of investment in the subsidiary over the net assets at the time of acquisition of the shares in the subsidiary is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- III. As far as possible, the consolidated financial statement are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the company's separate financial statement.
- IV. Notes on these consolidated financial statements are intended to serve as a means of informative disclosure and a guide to better understanding of the consolidated positions of the group. Recognising this purpose, the company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.
- V. The list of subsidiary considered in these consolidated financial statements with percentage holding is summarized below:

<b>Name of Subsidiaries</b>	<b>Country of Incorporation</b>	<b>Proportion of ownership interest</b>
Bituminex Cochin Private Limited	India	100.00%

**iii. Revenue Recognition**

The Group follows Mercantile system of Accounting and Income and expenditure are recognised on accrual basis.

iv. **Fixed Assets**

All fixed Assets are stated at cost of acquisition less accumulated depreciation (net of cenvat, wherever availed). All cost relating to the acquisition and installation of the fixed assets are capitalised and includes financing costs relating to borrowed fund attributable to the acquisition of fixed assets up to the date the fixed assets is put to use. Intangible assets are recognised in terms of Accounting Standard 26 (AS-26) "Intangible Assets" based on materiality. Goodwill purchased is not amortised and tested for impairment purposes every year.

v. **Depreciation**

Depreciation has been provided on straight-line basis and in accordance with, Method and useful life prescribed in Schedule II to the Companies Act 2013.

vi. **Impairment**

An asset is treated as impaired when the carrying cost of the Asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognised as an expense in the statement of Profit & Loss in the year in which as asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been an improvement in recoverable amount.

vii. **Inventories Valuation**

Raw material and Packing Material: At lower of Cost or Net realisable value. The cost is arrived at on first-in-first-out basis and net of cenvat credit availed.

Finished Goods and Semi Finished Goods: At lower of Cost or Net realisable value. Cost includes appropriate allocation of overheads and is arrived at on first-in-first-out basis.

viii. **Investments**

Long term investments are stated at cost less provision for diminution in value other than temporary, if any.

Current investments are stated at lower of cost and fair value.

ix. **Borrowing Cost**

Borrowing Costs that are attributable to the acquisition and construction of qualifying assets are capitalised. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

x. **Foreign Currency Transaction**

Foreign currency transactions are accounted on the basis of exchange rate prevailing at the time of transaction. The foreign currency transaction remains outstanding at year-end are restated at rate prevailing as on 31st March. The Exchange difference if any arises due to exchange fluctuation is charged to Statement of Profit and Loss.

xi. **Taxes on Income**

Current Tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been announced upto the balance sheet date. Deferred Tax assets and liabilities are recognised for the future tax consequences attributable to timing differences between the taxable income and accounting income. The effect of tax rate change is considered in the Profit & Loss account of the respective year of change.

Minimum Alternate Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit

becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the asset is created by way of a credit to the Profit & Loss Account and shown as MAT Credit Entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Group will pay normal Income Tax during specified period.

**xii. Retirement Benefits**

Short Term and Long Term Employee Benefits are recognised as an expense in the Statement of Profit and Loss for the year in which the employee has rendered services.

**xiii. Earning Per Share**

Basic earning per share are calculated by dividing the net profit /(loss) for the year attributable to equity shareholders (after deducting attributable taxes) by average number of equity shares outstanding during the year.

For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**xiv. Segmental Reporting**

The Group is engaged in the business segment namely transportation, service centre, power generation by windmill and manufacturing of Bitumen & Bituminous Products. Segment assets include all operating assets used by a segment and consist primarily of debtors, current assets and fixed assets net of provisions and allowance. Segment liabilities include all operating liabilities and consist principally of creditors and other payables.

**xv. Provisions, Contingent Liabilities And Contingent Assets**

Provisions are recognized in the accounts in respect of present probable obligations arising as a result of past events and it is probable that there will be an outflow of resources, the amount of which can be reliably estimated

Contingent liabilities are disclosed in respect of possible obligation that arises from past events but their existence is confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent Assets are neither recognized nor disclosed in the financial statements.





**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 2 : Share Capital**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Authorised:</b>		
60,00,000 (60,00,000) Equity Shares of ₹ 10/- each	600.00	600.00
<b>TOTAL</b>	<b>600.00</b>	<b>600.00</b>
<b>Issued, Subscribed and Paid up:</b>		
55,12,900 (55,12,900) Equity Shares of ₹ 10/- each with voting rights, fully paid up	551.29	551.29
<b>TOTAL</b>	<b>551.29</b>	<b>551.29</b>

**(i) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period :**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Number of shares at the beginning of the year	5,512,900	5,512,900
Add: Issue of Shares during the year	—	—
Number of shares at the end of the year	<b>5,512,900</b>	<b>5,512,900</b>

**(ii) Terms/rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii) Detail of shares held by the holding company, the ultimate holding company, their subsidiaries and associates :**

Nil Nil

**(iv) Details of shareholder holding more than 5% shares in the company :**

Name of Share Holder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Ramchandra Agarwal	370,700	6.72	370,700	6.72
Jaiprakash Agarwal	407,600	7.39	407,600	7.39
Mahendra Kumar Agarwal	362,600	6.58	362,600	6.58
Kishan Kumar Agarwal	348,200	6.32	348,200	6.32
Jugalkishore Agarwal	331,500	6.01	331,500	6.01
Lalit Kumar Agarwal	302,000	5.48	302,000	5.48

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 3 : Reserves & Surplus**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>a) Security Premium</b>	1,576.31	1,576.31
<b>b) Other Reserves</b>		
Capital Investment Subsidy	0.76	0.76
Investment Allowance Reserve	0.62	0.62
<b>c) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Opening Balance	1,620.42	1,200.44
Add/(Less): Profit/(Loss) for the year	587.50	509.68
Less: Utilisation of reserves		
- Depreciation Adjustment	0.24	-
- Proposed Dividend	82.69	77.18
- Tax on Proposed Dividend	16.01	12.52
	2,108.97	1,620.42
<b>d) Share Forfeiture</b>	82.12	82.12
<b>TOTAL</b>	<b>3,768.78</b>	<b>3,280.23</b>

**Note 4 : Long Term Borrowing**

(₹ in Lacs)

Name of Share Holder	Non-Current Portion		Current Portion	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>				
<b>Term Loans</b>				
(i) From Bank	492.74	408.55	374.51	384.92
	<b>492.74</b>	<b>408.55</b>	<b>374.51</b>	<b>384.92</b>
(Secured against Hypothecation of specific vehicle and is repayable in equated monthly installment over the tenure of the loan)				
<b>Total</b>	<b>492.74</b>	<b>408.55</b>	<b>374.51</b>	<b>384.92</b>

**Note 5 : Long Term Provision**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Employees Benefit expenses	7.32	-
<b>TOTAL</b>	<b>7.32</b>	<b>-</b>

**Note 6 : Deferred Tax Liability**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	136.20	109.72
<b>TOTAL</b>	<b>136.20</b>	<b>109.72</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**
**Note 7 : Short Term Borrowing**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Secured Loans</b>		
(i) From Bank		
Working Capital Facility	3,236.91	2,675.86
(Secured against Hypothecation of Stock, Books Debts, Current Assets, movable & immovable fixed assets of the Company, immovable property of it's director and personal gaurantee of some of the Directors)		
<b>TOTAL</b>	<b>3,236.91</b>	<b>2,675.86</b>

**Note8 : Trade Payables**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade Payables:</b>		
Payable for Goods & Services	624.03	324.08
<b>TOTAL</b>	<b>624.03</b>	<b>324.08</b>

Based on the information available with the company, obtained on verble confirmation, there are no dues to micro, small & medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31st March 2015

**Note 9 : Other Current Liabilities**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Other Payable</b>		
Current maturity of Long Term Borrowings (Refer Note No 4)	374.51	384.92
Payable for Expenses	7.31	3.80
Payable for Capital Goods	24.08	26.52
Statutory Remittances	171.81	202.02
Advances From Customer	14.11	61.73
Unclaimed Dividend	7.55	4.63
Rent Equilisation Reserve	1.84	-
Other Liabilities	49.00	81.19
<b>TOTAL</b>	<b>650.23</b>	<b>764.80</b>

**Note 10 : Short Term Provisions**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Proposed Dividend	82.69	77.18
Provision for Tax on Proposed Dividend	16.01	12.52
Provision for Taxation (Net of Taxes Paid)	17.24	(0.45)
Provision for Payment of Gratuity	0.81	-
<b>TOTAL</b>	<b>116.76</b>	<b>89.25</b>

**NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH 2015**

**Note 11 : Fixed Assets**

(₹ in Lacs)

Description	GROSS BLOCK				Accumulated Depreciation			NET BLOCK		
	Balance as at 01.04.2014	Add. during the year	Deduction/ Adjustments	Balance as at 31.03.2015	Balance as at 01.04.2014	Depreciation For the Year	Write of useful life expired assets	Deduction/ Adjustment	Balance as at 31.03.2015	Balance as at 31.03.2014
<b>TANGIBLE ASSETS OWNED</b>										
Land	133.60	-	-	133.60	-	-	-	-	133.60	133.60
Commercial Vehicles	3,144.67	499.63	-	3,644.30	1,936.48	318.30	-	2,254.78	1,389.52	1,208.19
Furniture & Fixtures	54.33	2.01	-	56.34	5.92	5.30	-	11.21	45.13	48.42
Computers & Printers	17.06	3.02	-	20.08	13.30	2.26	0.08	15.63	4.45	3.76
Office Equipments	26.98	1.70	-	28.68	4.30	7.88	0.16	12.35	16.33	22.68
Electrical Fittings	22.46	1.04	-	23.50	1.54	2.32	-	3.87	19.63	20.92
Borewell	4.18	0.15	-	4.33	0.18	1.26	-	1.44	2.90	4.00
Factory Building	98.08	-	-	98.08	11.89	3.10	0.01	15.00	83.08	86.18
Motor Car & Vehicles	111.73	-	(12.30)	99.43	39.99	8.03	-	(5.45)	56.86	71.74
Workshop	30.59	-	-	30.59	2.96	1.08	-	4.04	26.55	27.63
Plant & Machinery	675.33	-	-	675.33	77.41	48.03	0.00	125.44	549.89	597.91
Laboratory Equipment	3.42	-	-	3.42	0.81	0.44	-	1.25	2.17	2.61
Wind Mill	1,119.89	-	-	1,119.89	586.74	31.82	-	618.56	501.33	533.15
<b>INTANGIBLE ASSETS OWNED</b>										
Goodwill	226.30	-	-	226.30	-	-	-	-	226.30	226.30
<b>TOTAL</b>	<b>5,668.63</b>	<b>507.54</b>	<b>(12.30)</b>	<b>6,163.87</b>	<b>2,681.53</b>	<b>429.82</b>	<b>0.24</b>	<b>(5.45)</b>	<b>3,106.14</b>	<b>2,987.10</b>
<b>WORK-IN-PROGRESS</b>										
Building	71.35	13.40	-	84.75	-	-	-	-	84.75	71.35
<b>TOTAL</b>	<b>5,739.98</b>	<b>520.94</b>	<b>(12.30)</b>	<b>6,248.62</b>	<b>2,681.53</b>	<b>429.82</b>	<b>0.24</b>	<b>(5.45)</b>	<b>3,106.14</b>	<b>3,058.45</b>
<b>PREVIOUS YEAR</b>	<b>5,008.43</b>	<b>765.63</b>	<b>(34.08)</b>	<b>5,739.98</b>	<b>2,263.69</b>	<b>421.25</b>	<b>-</b>	<b>(3.41)</b>	<b>2,681.53</b>	<b>2,744.75</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**
**Note 12 : Non-Current Investments**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade - Unquoted</b>		
<b>Investment in Government Securities - At Cost</b>		
National Saving Certificate (lying with government authority) (As at 31st March, 2015 ₹ 5000)	0.05	0.05
<b>TOTAL</b>	<b>0.05</b>	<b>0.05</b>

**Note 13 : Long Term Loans & Advances**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Secured</b>		
Security Deposit	0.77	1.00
<b>Unsecured, Considered good</b>		
Security Deposit	66.19	53.06
Advance Income Tax (Net of Provision)	0.83	-
<b>TOTAL</b>	<b>67.79</b>	<b>54.06</b>

**Note 14 : Inventories**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>(Valued at lower of Cost or Net Realizable Value)</b>		
Finished Goods	786.82	39.90
Semi Finished Goods	74.06	379.73
Raw Material	87.35	21.04
Stores, Spares & Packing Material	44.57	61.15
<b>TOTAL</b>	<b>992.80</b>	<b>501.83</b>

**Note 15 : Current Investments**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Non Trade - Unquoted</b>		
<b>Investment in Mutual Fund</b>		
75257 units of Reliance Arbitrage Advantage Fund - Dividend Plan	-	10.00
1008.571 units of Reliance Money Manager Fund - Dividend Plan (Market Value as at 31st March, 2015 ₹ 1011359 (1008.571 units @ ₹1002.7641)	10.10	-
247856.823 units of Reliance Income Fund -Growth Plan - Growth Option (Market Value as at 31st March, 2015 ₹ 11290052 (247856.823 units @ ₹ 45.5507)	110.00	-
2271.353 units of Union KBC Liquid Fund Growth (Market Value as at 31st March, 2015 ₹ 3179278 (2271.353 units @ ₹1399.7289)	30.93	-
65985.671 units SBI Dynamic Bond Fund - Regular Growth (Market Value as at 31st March, 2015 ₹ 1133152 (65985.671 units @ ₹ 17.1727)	11.31	-
<b>TOTAL</b>	<b>162.34</b>	<b>10.00</b>
<b>Total market value as at 31st March, 2015</b>	<b>166.14</b>	<b>8.53</b>

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 16 : Trade Receivable**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Trade Receivable:</b>		
<b>Unsecured, Considered good</b>		
Due for a period exceeding six months	1,098.15	495.75
Others	2,981.12	2,288.66
<b>TOTAL</b>	<b>4,079.27</b>	<b>2,784.41</b>

**Note 17 : Cash and Cash Equivalents**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Cash on Hand	9.27	16.68
Balance with Scheduled Banks		
- In Current Accounts	399.37	677.68
- In Fixed Deposit Account	54.42	57.59
<b>TOTAL</b>	<b>463.05</b>	<b>751.95</b>

**Note 18 : Short Term Loans & Advances**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>Unsecured, Considered good</b>		
Other Loan and Advances		
- Security Deposit	4.90	2.67
- Advances recoverable in cash or in kind or for value to be received	73.33	15.32
- Prepaid Expenses	0.19	0.19
- Advances to Staff	28.19	37.01
- Advances to Supplier	88.11	473.43
Balance with Government Authorities		
- MAT Credit Entitlement	3.74	35.64
- Deposit with Custom Authority	25.53	25.00
- Deposit with Sales Tax Authority	33.89	35.72
- Amount due as refund of Additional Duty of Custom	407.01	409.22
<b>TOTAL</b>	<b>664.88</b>	<b>1,034.20</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 19 : Other Current Assets**

(₹ in Lacs)

Particulars	As at 31st March, 2015	As at 31st March, 2014
Accrued Interest on Fixed Deposit	11.59	8.83
<b>TOTAL</b>	<b>11.59</b>	<b>8.83</b>

**Note 20 : Revenue from Operations**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Sales	18,609.90	15,288.61
Vehicle Freight Income	3,689.61	2,750.08
Labour Charges received	24.28	16.68
Wind Mill Income	122.23	133.77
<b>TOTAL</b>	<b>22,446.03</b>	<b>18,189.14</b>

**Note 21 : Other Income**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Exchange Rate Gain / (Loss)	33.07	33.59
Interest Received	15.16	15.89
Miscellaneous Income	10.21	12.56
<b>TOTAL</b>	<b>58.43</b>	<b>62.04</b>

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 22 : Operating Expenses**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Vehicle Running & Maintenance Expenses	2,463.27	1,906.37
Freight Paid	517.37	264.98
Wind Mill Expenses	31.47	18.09
<b>TOTAL</b>	<b>3,012.12</b>	<b>2,189.44</b>

**Note 23 : Cost of Material Consumed**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Opening Stock	22.25	27.19
Add:- Purchases during the year	4,498.32	4,358.53
	<b>4,037.28</b>	<b>3,915.91</b>
Less: - Closing Stock	88.33	22.25
<b>TOTAL</b>	<b>4,432.24</b>	<b>4,363.46</b>

**Note 24 : Change In Inventories**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
<b>Opening Stock</b>		
Inventory of Finished Goods as at the beginning of the year	39.75	42.04
Inventory of Semi Finished Goods as at the beginning of the year	379.89	391.13
<b>Less : Closing Stock</b>		
Inventory of Finished Goods as at the end of the year	786.51	39.75
Inventory of Semi Finished Goods as at the end of the year	74.38	379.89
<b>TOTAL</b>	<b>(441.25)</b>	<b>13.52</b>



**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 25 : Employees Benefits Expenses**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Directors Remuneration	60.00	55.95
Salaries, Wages and Bonus	175.18	138.09
Gratuity	8.39	-
Staff Welfare	24.18	15.94
<b>TOTAL</b>	<b>267.75</b>	<b>209.98</b>

**Note 26 : Manufacturing and Other Direct Expenses**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Transportation Charges	180.18	169.41
Labour Charges	36.09	39.10
Repairs & Maintenance - Machinery	21.96	31.58
Storage Terminal Rent	106.98	154.07
Heating Charges	61.83	3.02
Other Direct Expenses	35.34	28.43
<b>TOTAL</b>	<b>442.39</b>	<b>425.61</b>

**Note 27 : Finance Cost**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
Interest Paid to Banks	394.56	334.10
Interest Paid to Others	0.21	0.42
<b>TOTAL</b>	<b>394.77</b>	<b>334.51</b>

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**Note 28 : Other Expenses**

(₹ in Lacs)

Particulars	For the year ended 31st March, 2015	As at ended 31st March, 2014
<b>(A) Administrative Expenses</b>		
Rent, Rates & Taxes	22.92	12.80
Payment to Auditors		
- Statutory Audit fees	1.48	1.47
- Tax Audit Fees	0.71	0.70
- Other Services	0.15	0.15
Insurance	4.15	4.56
Legal & Professional Charges	10.62	6.37
Electricity Expenses	8.11	4.36
Donation	2.60	0.94
Stock exchange, depository & RTA fees and charges	4.29	1.76
Postage, Telegram and Telephone	7.37	10.06
Security Charges	15.19	12.31
Printing & Stationery	3.19	2.62
Vehical Expenses	8.06	8.06
Bank Charges & Commission	15.68	38.43
Processing Charges	1.34	0.64
Travelling & Conveyance	31.12	29.17
Repair & Maintenance - Other	2.84	4.67
Profit /Loss on sale of Fixed Assets	3.35	0.27
Short Term Capital Loss - Mutual Fund	1.16	-
Miscellaneous Expenses	13.84	15.12
	<b>158.17</b>	<b>154.44</b>
<b>(B) Selling and Distribution Expenses</b>		
Advertisement & Business Promotion Expenses	5.41	6.73
Commission & Borkerage Paid	0.77	7.19
Discount Given	232.81	51.13
Transportation Charges	-	9.28
	<b>238.99</b>	<b>74.33</b>
<b>TOTAL</b>	<b>397.15</b>	<b>228.77</b>

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**29. CONTINGENT LIABILITIES & EVENT OCCURRING AFTER THE BALANCE SHEET DATE:**

a. Disputed demand not provided for in respect of :-

(₹ in Lacs)

Particulars	As on 31st March, 2015	As on 31st March, 2014
i) Sales Tax	2.72	2.72
ii) Entry Tax	111.58	111.58
iii) Import Duty	32.00	25.00

b. To the best of knowledge of the management, there are no events occurring after the Balance sheet date that provide additional information materially affecting the determination of the amount relating to the conditions existing at the Balance Sheet date that requires adjustment to the Assets or Liabilities of the Company.

**30. Earning per share has been calculated as under:**

(₹ in Lacs)

Particulars	As on 31st March, 2015	As on 31st March, 2014
Net Profit (Loss) After Tax as per Profit & Loss Account	587.50,	509.68
Weighted Average number of equity shares used as denominator for calculating EPS	55,12,900	55,12,900
Basic Earning (Loss) per share	10.66	9.25
Diluted Earning (Loss) per share	10.66	9.25
Nominal Value per equity share	10	10

31. In accordance with the Accounting Standard 17 on Segment Reporting issued by the ICAI, the segment information for the year ended 31st March, 2015 is as follows:

(₹ in Lacs)

Particulars	Petrochemicals (Bituminous Products)	Transportation	Windmill	Total
<u>Revenue</u>				
Segment Revenue	18,608.07	3,774.15	122.23	22,504.46
<u>Result</u>				
Segment Results before Interest and Tax	983.56	187.03	58.93	1,229.52
Less: - Interest	—	—	—	395.15
<u>Net Profit Before Tax</u>	—	—	—	834.37
Taxation	—	—	—	246.87
Net Profit	—	—	—	587.50
<u>Other Information</u>				
Segment Assets	5,471.35	3,095.70	501.33	9,068.38
Unallocable corporate assets	—	—	—	515.89
Total Assets	—	—	—	9,584.27
Segment / Total Liabilities	3,771.64	856.30	—	4,627.94
Segment Capital Employed	1,699.72	2,239.39	501.33	4,440.43
Total Capital Employed	—	—	—	4,956.32

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**32. Related Party Disclosures**

(i) Name of the related Parties and Description of relationship

Key Management Personnel (KMP)	Mr. Jaiprakash Agarwal Mr. Lalit Agarwal Mr. Ramchandra Agarwal Mr. Rakesh Bhalla
Concerns in which Directors are interested	ANZ Transporters Agarwal Gas Carriers Agarwal Translink P Ltd Agarwal Petrochem P Ltd

(ii) Transaction with Related Parties

(₹ in Lacs)

NATURE OF TRANSACTION	KMP	CONCERNS IN WHICH KMP & THEIR RELATIVES ARE INTERESTED	TOTAL
Remuneration	69.38 (63.45)	—	<b>69.38</b> (63.45)
Sub-Contract Payment	—	481.15 (252.77)	<b>481.15</b> (252.77)
Sub-Contract Receipt	—	77.51 (174.67)	<b>77.51</b> (174.67)
Labour Charges Received	—	9.80 (8.85)	<b>9.80</b> (8.85)
Sales of Spare Parts & OIL	—	21.08 (31.79)	<b>21.08</b> (31.79)
HSD & Oil Purchase	—	237.17 (181.05)	<b>237.17</b> (181.05)
Bitumen Purchase	—	246.21 (41.07)	<b>246.21</b> (41.07)
Bitumen Sales	—	239.45 (405.93)	<b>239.45</b> (405.93)
Rent Paid	6.30 (3.90)	—	<b>6.30</b> (3.90)
Payable towards Expenses	-	235.91 (111.61)	<b>235.91</b> (111.61)

**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**33. Managerial Remuneration consisting of the following:**

(₹ in Lacs)

	2014-15	2013-14
Remuneration to Managing Directors	24.00	24.00
Remuneration to Directors	36.00	31.95
<b>Total</b>	<b>60.00</b>	<b>55.95</b>

34. The balances of Unsecured Loans, Creditors, Debtors and Loans and Advances are subject to confirmation and reconciliation, if any.

**35. Disclosure in respect of gratuity liability**

(₹ in Lacs)

<b>i. Change in the present value of obligation during the year</b>	
Present value of obligation as at the beginning of the year	Nil
Interest cost	Nil
Current service cost	1.95
Benefits paid	Nil
Actuarial (gains)/losses on obligation	6.17
Present value of obligation as at the end of the year	8.13
<b>ii. Change in the fair value of the assets during the year</b>	
Fair value of plan assets at the beginning of the year	Nil
Actual return on plan assets	N.A.
Employer contribution	N.A.
Actual benefits paid	N.A.
Fair value of plan assets at the end of the year	Nil
<b>iii. Amount Recognised in Balance Sheet</b>	
Present value of Defined benefit obligation	8.13
Fair value of plan assets	Nil
Net asset / (liability)	(8.13)
Net assets / (liability) recognised in the Balance Sheet	(8.13)
<b>iv. Expense recognized in statement of Profit and Loss</b>	
Current service cost	1.95
Interest cost	Nil
Actual return on plan assets	N.A.
Net actuarial (gain)/loss recognised in the year	6.17
Expenses recognised in the Statement of Profit and Loss	8.13
<b>v. Actuarial assumptions used</b>	
Discount rate (per annum)	8% p.a.
Expected rate of return on plan assets	N.A.
In service mortality	Indian Assured Lives Mortality (2006-08) Ultimate
Future salary increase	5% p.a.
Withdrawal rates	1% p.a.
Retirement age	58 years
<b>vi. Category of Assets</b>	Not funded

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**NOTES ON CONSOLIDATED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015**

**36. Value Of Raw Material Consumed:**

(₹ in Lacs)

	IMPORTED		INDIGENOUS	
	Value	%	Value	%
Raw Material	3876.20 (3940.35)	87.46% (90.30%)	556.04 (423.11)	12.54% (9.70%)

**37. Expenditure In Foreign Currency**

C.I.F. Value of Imports (₹ in Lacs) 2771.18 (7926.38)

38. The previous year's figures have been regrouped / reclassified, wherever requires to align the financial statement. Figures in brackets represent corresponding figures for the previous year.

As per our report of even date

**FOR & ON BEHALF OF BOARD**

**For LADHA SINGHAL & ASSOCIATES**

Chartered Accountants  
(Firm Regd. No. 120241W)

**(JAIPRAKASH AGARWAL)**  
**MANAGING DIRECTOR**  
(DIN : 01379868)

**(MAHENDRA AGARWAL)**  
**DIRECTOR**  
(DIN : 01366495)

**(AJAY SINGHAL)**  
**PARTNER**

M.No. 104451  
Place : Mumbai  
Date : 30th May 2015

**(LALIT AGARWAL)**  
**WHOLE TIME DIRECTOR**  
(DIN : 01335107)

**(RAKESH BHALLA)**  
**CFO & Company Secretary**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**

**Part "A": Subsidiaries**

(₹ in Lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Bituminex Cochin Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2014 to 31/03/2015
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4.	Share capital	6.20
5.	Reserves & surplus	7.00
6.	Total assets	195.09
7.	Total Liabilities	195.09
8.	Investments	Nil
9.	Turnover	493.78
10.	Profit before taxation	8.20
11.	Provision for taxation	(0.07)
12.	Profit after taxation	8.27
13.	Proposed Dividend	Nil
14.	% of shareholding	100 %

Notes:

- Names of subsidiaries which are yet to commence operations : Nil
- Names of subsidiaries which have been liquidated or sold during the year : Nil

**Part "B": Associates and Joint Ventures**

There are no Joint Venture or Associate Companies related to your Company.



**AGARWAL INDUSTRIAL CORPORATION LIMITED**

Registered Office: Eastern Court, Unit No. 201-202, Plot No. 12, V. N. Purav Marg, S. T. Road, Chembur, Mumbai 400 071, Tel .Nos +91-22-25291149-50; Fax No.: +91-22-25291147; Website : www.aicld.in; E-mail: r.bhalla@aicld.in  
CIN: L99999MH1995PLC084618

**PROXY**

Folio No. ....  
\* DP ID .....  
\* Client ID .....

I/We ..... of ..... being a member / members of the above named Company hereby appoint ..... of ..... or filling him ..... of ..... as my/our proxy to vote for me/us on my/our behalf at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company to be held at Hotel Stars Parade, Lower Hall, Swami Jairamdas Building, Near Basant Park, Chembur, Mumbai - 400 071 on Wednesday 30th September, 2015 at 11 A.M. and at adjournment thereof.

Signed this ..... day of ..... 2015.

Signature .....

Affix  
Rupee. 1  
Revenue  
Stamp

\* Applicable in case of shares held in Demat.

Note : Proxy Form must reach the Company's Registered Office not less than 48 hours before the commencement of the Meeting.

(TEAR HERE)



**AGARWAL INDUSTRIAL CORPORATION LIMITED**

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CIN: L99999MH1995PLC084618

**ATTENDANCE SLIP**

(To be handed over, duly filled in, at the Entrance of the Meeting Place)

Name of the attending member/s (in Block Letters)	Folio No.	*DP ID	*Client ID
Name of the Proxy (in Block Letters) (To be filled in by the Proxy who attends instead of the Member)			

No. of Shares held .....

I, hereby record my presence at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company at Hotel Stars Parade, Lower Hall, Swami Jairamdas Building, Near Basant Park, Chembur, Mumbai - 400 071 on Wednesday 30th September, 2015 at 11 A.M.

\* Applicable in case of shares held in Demat.

.....  
Member's Proxy/s/Signature  
(To be signed at the time of handing over this slip)

Note : Shareholders / Proxy holders are requested to bring the attendance slip with them, dully filled in when they come to the meeting and hand over at the gate, affixing signature on it.





**Agarwal Industrial Corporation Limited**

Registered Office:

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S.T. Road, Chembur,  
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Web site : [www.aicld.in](http://www.aicld.in) ;  
E-mail : [r.bhalla@aicld.in](mailto:r.bhalla@aicld.in)

