



ADITYA ISPAT LIMITED

Regd. Office : Plot No. 20, Phase V, IDA, Jeedimetla, Hyderabad - 500 055.

20th ANNUAL REPORT 2010-2011

Board of Directors :

Shri Satya Bhagwan Chachan

Shri H.M. Dugar

Shri Sanjay Solanki

Shri Swamy S.B. Das

Chairman & Managing Director

Director

Director

Director

Auditors :

M/s. Dagliya & Co.

Chartered Accountants

5-5-9/13, 2nd Floor, Srinivasa Building,

Ranigunj, Secunderabad - 500 003.

Registered Office & Works :

Plot No. 20, Phase V,

IDA, Jeedimetla,

Hyderabad - 500 055.

e-mail : info@adityaispat.com

Website : www.adityaispat.com

Bankers :

Allahabad Bank

Balanagar Branch

Hyderabad - 500 018.

Registrar & Share Transfer Agents :

M/s. XL Softech Systems Private Limited

3 Sagar Society, Road No. 2,

Hyderabad - 500 034.

Tel : 040-23545913/14/15, Fax : 23553214

ISIN NO. INE037E01016

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of Aditya Ispat Limited will be held on Thursday, the 29th September, 2011 at 10.30 AM at Rajasthani Graduates Association, Snatak Bhavan, 5-4-790/1, 1st Floor, Abids, Hyderabad - 500 001 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit and Loss Account of the Company for the year ended 31st March, 2011 and the Balance Sheet as on that date together with the reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Shri. Swamy S.B.Das, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditors and to fix their remuneration and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that M/s.Dagliya & Co, Chartered Accountants, Secunderabad the retiring auditors of the Company be and are hereby re-appointed as 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 fixed by the Board of Directors of the Company."

SPECIAL BUSINESS

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

"RESOLVED THAT in terms of section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (Including any statutory modification(s) or re-enactment thereof for the time being in force), Securities Exchange Board India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "SEBI (ICDR) Regulations, 2009") as in force, the regulations/guidelines, if any, issued by the Government of India, the Reserve Bank of India and any other applicable laws, rules and regulations (including any amendment thereto or re-enactment thereof for the time being in force) and the relevant provisions of the Memorandum and Articles of Association of the Company and Listing Agreement entered into by the Company with Stock Exchanges, where the shares of the Company are listed, and subject to such approvals, consents, permissions and sanctions as may be required from the Government of India, Reserve Bank of India, Securities and Exchange Board of India and any other relevant statutory, governmental authorities or departments, institutions or bodies ("Concerned Authorities) in this regard and further subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of the Concerned Authorities while granting such approvals, and permissions as may be necessary or which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee (s) constituted/ to be constituted by the Board to exercise the powers conferred on the Board by this Resolution), the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time in one or more tranches to Promoters, person acting in concert and promoter group on preferential basis, up to 2,50,000 Share Warrants at a price of Rs. 10/- each convertible into 250000 equity shares of face value of Rs. 10/- each of the Company aggregating to Rs. 25,00,000/- (Rupees Twenty Five Lacs only), or at such higher price calculated in accordance with the SEBI (ICDR) Regulations, 2009, conversion of which should be made within a period of not exceeding 18 Months from the date of allotment of the warrants, in one or more tranches, in accordance with the SEBI (ICDR) Regulations, 2009 and on such terms and conditions and in such manner as the Board may think fit.

Sl. No.	Name of the proposed Allottees	No. of Warrants to be allotted
Promoter & Promoter Group		
1.	ADITYA CHACHAN	30000
2.	ANSHUMAN CHACHAN	30000
3.	JAI BAPJI ISPAT PVT LTD	100000
4.	SATYA BHAGWAN CHACHAN	30000
5.	SATYA BHAGWAN CHACHAN(HUF)	30000
6.	USHA CHACHAN	30000
	TOTAL	250000

"RESOLVED FURTHER THAT the relevant date for the purpose of determining the issue price under SEBI (ICDR) Regulations, 2009 for preferential issue shall be 30th August 2011 i.e. thirty days prior to the date of this meeting."

"RESOLVED FURTHER THAT the Warrants allotted in terms of this resolution and the resultant equity shares arising on exercise rights attached to such warrants shall be subject to lock-in requirements as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009."

"RESOLVED FURTHER THAT the equity shares issued as above shall rank pari passu in all respects with the existing fully paid up equity shares of the company."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized on behalf of the Company to take all actions and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable or expedient to issue or allotment of the aforesaid Warrants and the resultant equity shares to the holders of warrants upon exercise of right to subscribe the shares and listing thereof with the stock exchanges as appropriate and to resolve and settle any questions, difficulties or doubt that may arise in regard to the proposed issue, offer and allotment any of the said warrants and utilization of the issue proceeds and to all acts, deeds and things in connection therewith and incidental there to as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

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

"RESOLVED THAT, in accordance with the applicable provisions of the Companies Act, 1956, the Securities Contracts (Regulations) Act, 1956, the Listing Agreement with the Stock Exchanges and the provision of the SEBI (Delisting of Equity Shares) Regulations, 2009 or any amendment or modification thereof, and subject to such other approvals, permissions and sanctions as may be prescribed or imposed by any Authority while granting such approvals, permissions or sanctions which may be agreed to by the Board of Directors of the Company or any committee/person(s) authorized by the Board, consent be and is accorded to delist the Equity Shares of the Company from the Stock Exchange at Kolkata."

By order of the Board of Directors

Place: Hyderabad.

Date : 30.08.2011

S.B CHACHAN
CHAIRMAN & MANAGING DIRECTOR

Notes:

- i. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies to be effective must be received by the Company not less than 48 hours before the commencement of the meeting.
- ii. Members who hold shares in dematerialized form are requested to bring their Client ID and DPID numbers for easy identification of attendance at the meeting.
- iii. The Register of Members and Share transfer books of the Company will remain closed from 23rd September, 2011 to 29th September, 2011 (both days inclusive).
- iv. Consequent upon the introduction of Section 109 A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to send their requests in Form No.2B in duplicate to the Company.
- v. Explanatory Statement under Section 173(2) of the Companies Act, 1956 for Item Nos. 4 to 5 are attached hereto.

EXPLANTORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No 4.

Your Company is proposing to create, offer, issue and allot up to 250000 share warrants at a price of Rs. 10/- each convertible into 250000 equity shares of face value of Rs. 10/- each of the Company aggregating to Rs. 25,00,000/- to the Promoters, person acting in concert and promoter group on preferential basis.

(i) **Object of the Issue**

Object of the issue is to meet the working capital requirements of the company.

(ii) **Intention of the Promoters, Directors or Key Management personnel to subscribe to the offer:**

The promoters, their relatives, directors,/persons acting in concert, intend to subscribe to the issue.

(iii) **Shareholding Pattern before and after the issue**

Class of Shareholders	Pre Preferential Issue		Post Preferential Issue (assuming full conversion of Warrants into equity shares)	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Promoter Group & Promoter				
a. Indian Promoter	1198100	22.39	1448100	25.86
b. Foreign Promoter	--	--	--	--
Total of Promoter Group	1198100	22.39	1448100	25.86
Public Shareholdings				
Institutional	--	--	--	--
Non Institutional	--	--	--	--
Bodies Corporate	1781723	33.30	1781723	31.82
Individual	2336143	43.68	2336143	41.72
Any Other (clearing members, etc)	26385	0.49	26385	0.47
NRI	7649	0.14	7649	0.13
Total Public Shareholdings	4151900	77.61	4151900	74.14
Total	5350000	100	5600000	100

(iv) **Proposed time within which the allotment shall be completed**

The Board Proposes to allot the Share Warrants within a period of 15 days from the date of passing of the resolution by the shareholders in this Meeting, provided that when the allotment on preferential basis is pending on account of pendency of any approval or permission for such allotment by any regulatory authority or the Central Government, the period of 15 days shall be counted from the date of such approval or permission.

(v) **The identity of the proposed allottees and the percentage of post preferential issue capital that may be held by them.**

Sl. No.	Name of the Proposed Allottees	Category	Pre-Issue		No. of Warrants Proposed to be issued*	Post Issue of Shares & Warrants	
			No. of Shares	% of Holding		No. of Shares	% of Holding
1	ADITYA CHACHAN	Promoter Group	114000	2.13	30000	144000	2.57
2	ANSHUMAN CHACHAN	Promoter Group	114000	2.13	30000	144000	2.57
3	JAI BAPJI ISPAT PRIVATE LTD	Promoter Group	259900	4.86	100000	359900	6.43
4	SATYA BHAGWAN CHACHAN	Core Promoter	244100	4.56	30000	274100	4.90
5	SATYA BHAGWAN CHACHAN (HUF)	Promoter Group	234000	4.37	30000	264000	4.71
6	USHA CHACHAN	Promoter Group	232100	4.34	30000	262100	4.68
	TOTAL		1198100	22.39	250000	1448100	25.86

*On an assumption of full conversion of the Warrants into equity shares of the Company.

(vi) **Consequential Changes in the Voting Rights:**

Voting rights will change in tandem with the shareholding pattern.

(vii) **Lock in Period**

The aforesaid allotment of warrants and/or equity shares arising on the conversion of warrants into equity shares shall be locked in as per the provisions of Chapter VII of the SEBI (ICDR) Regulations, 2009.

(viii) **Change in the control or composition of the Board:**

Subsequent to the proposed issue of warrants on preferential basis, there will neither be change in control nor a change in the management of the Company. However there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the conversion of warrants into equity shares and allotment of such equity shares on preferential basis.

(ix) **Pricing of Issue**

The shares are proposed to be allotted on preferential basis at a price of Rs. 10/- per share or such higher price arrived at as per the SEBI (ICDR) Regulations, 2009 based on the relevant date 30th August, 2011.

(x) **Undertakings:**

- The Issuer Company undertakes that they shall re-compute the price of the Warrants in terms of the provision of SEBI (ICDR) Regulations, 2009, where it is required to do so.
- The Issuer Company undertakes that if the amount payable on account of the re-computation of price is not paid within the time stipulated in terms of the provision of SEBI (ICDR) Regulations, 2009, the warrants shall continue to be locked-in till the time such amount is paid by the allottees.

(xi) **Auditors' Certificate:**

A copy of the certificate from the Statutory Auditors of the Company, M/s. DAGLIYA & Co. Chartered Accountants, certifying that the issue of the warrants is being made in accordance with the requirement of SEBI (ICDR) Regulations, 2009 for preferential issues, will be available for inspection at the Registered office of the Company during 11.00 A.M. to 4.00 P.M. on any working day upto the date of the Annual General Meeting and at the meeting.

(xii) **Other Terms of Issue of Warrants:**

- The proposed allottees of the warrants shall on or before the date of allotment of warrants, pay an amount equivalent to at least 25% of the total consideration per warrant.

- (ii) The holders of each warrant will be entitled to apply for and obtain allotment of one equity shares against such warrant at any time after the date of allotment but on or before the expiry of 18 months from the date of allotment, in one or more tranches. At the time of exercise of entitlement, the warrant holder shall pay the balance of the consideration towards the subscription to each equity share.
- (iii) If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period, the entitlement of the warrant holders to apply for equity shares of the Company along with the rights attached thereto shall expire and any amount paid on such warrants shall stand forfeited.
- (iv) Upon receipt of the requisite payment as above, the Board (or Committee) shall allot one equity shares against warrant by appropriating Rs. 10/- per share towards equity share capital.
- (v) The warrant by itself till converted into equity shares, does not give to the holders thereof any rights of the shareholders of the Company.
- (vi) The equity shares issued as above shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects with the existing fully paid up equity shares of the Company.
- (xiii) Any of the equity shares and/or warrants issued as above, that may remain unsubscribed for any reason whatsoever, may be offered and allotted by the Board in its absolute discretion to any person/entity/investors, on the same terms and conditions.

The consent of the shareholders is being sought pursuant of Section 81(1A) and other applicable provisions of the Companies Act, 1956, if any, and in terms of the provisions of the Listing Agreements executed by the Company with the Stock Exchanges in India where the Company's shares are listed.

None of the Directors of the Company except Mr.S.B.Chachan is, in any way, concerned or interested in the resolution. The Board recommends the resolutions for your approval.

The Board recommends the Special Resolution as set out in the notice for your approval.

Item No 5.

The Equity shares of your Company are presently listed on the Stock Exchanges of Mumbai and Kolkata. It has been observed that trading in the Company's shares on Calcutta Stock Exchange is either nil or insignificant. The board of Directors of your Company at its meeting held on 30th August,2011 accordingly recommended for approval of the Members, the proposal to voluntary delist the Company's shares from the Stock Exchange at Kolkata. The Shares of the company will however continue to be listed on the Mumbai Stock Exchange.

In accordance with the SEBI (Delisting of Equity Shares) Regulations, 2009, the consent of the members by way of a Special Resolution is required for voluntary delisting of the Company's shares from the aforesaid Stock Exchange.

None of the Directors of your Company is interested in this Special Resolution

The Board recommends this Special Resolution for your approval.

By order of the Board of Directors

Sd/-

S.B.CHACHAN

CHAIRMAN

Place: Hyderabad

Date:30.08.2011

BRIEF PROFILES OF DIRECTORS SEEKING RE-APPOINTMENT

1. Shri Swamy S.B.Das

Shri Swamy S.B.Das has over 25 years of experience in public relations and legal matters.He has been a legal consultant to various organization and also associated with social services. He is a member of Audit Committee, Remuneration Committee and Investment Grievance Committee of the company. He is also a chairman of Investor's Grievance Committee.