

ADITYA BIRLA



**ANNUAL REPORT
2017-2018**

HGI INDUSTRIES LIMITED

MANAGEMENT TEAM

DIRECTORS

Mr. Jyoti Prakash Kanoria
Mr. Arvind Kumar Newar
Mr. Yashwant Kumar Daga
Mr. Ravindra Kastia
Mrs. Neha Agrawal

REGISTERED OFFICE

'Industry House'
18th Floor,
10, Camac Street,
Kolkata – 700017

CHIEF EXECUTIVE OFFICER

Mr. Hukam Chand Daga

AUDITORS

M/s. Salarpuria, Jajodia & Co.

CHIEF FINANCIAL OFFICER

Mr. Kamal Kishor Agarwal

BANKERS

HDFC Bank Limited
State Bank of India

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

Mr. Shubhradip Bose (upto 31.03.2018)
Mr. Rakesh Sharma (w.e.f 23.05.2018)

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SHAREHOLDER INFORMATION

1.	Annual General Meeting	
	Date and Time	Thursday, 27 September, 2018 11.00 A.M.
	Venue	'Industry House' 19 th Floor, 10, Camac Street, Kolkata – 700 017 West Bengal, India
2.	Financial Calendar	April 2018 to March 2019
	Financial reporting for the quarter ending June 30, 2018	Second week of August, 2018
	Financial reporting for the quarter ending September 30, 2018	Second week of November, 2018
	Financial reporting for the quarter ending December 31, 2018	Second week of February, 2019
	Financial reporting for the quarter ending March 31, 2019	Second week of May, 2019
	Annual General Meeting for the year ended March 31, 2019	August / September, 2019
3.	Dates of Book Closure	21.09.2018 to 27.09.2018 (Both days inclusive)
4.	Dividend Payment Date	N.A.
5.	Registered Office	'Industry House' 18 th Floor, 10, Camac Street Kolkata – 700 017 West Bengal, India Tel : (033) 4455 5500 / 98 Fax : (033) 4455 5537 Email: hgiho@adityabirla.com Website : www.hgiil.com
6.	Corporate Identification Number (CIN)	L40200WB1944PLC011754
7.	Listing on Stock Exchange at	Kolkata
8.	Name of the Stock Exchange	The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata - 700 001 Stock Code: 10018159 <i>Note : Listing Fees for the FY 2018-19 has been paid to Calcutta Stock Exchange Ltd. as per their schedule and no amount outstanding.</i>
9.	Name of Depositories	<p>1. National Securities Depository Ltd. 4th Floor, Trade World, 'A' Wing, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013</p> <p>2. Central Depository Services (India) Ltd. Marathon Futurex, 'A' Wing, 25th Floor, N. M. Joshi Marg, Mumbai – 400 013</p>

SHAREHOLDER INFORMATION

10.	ISIN	INE 869B01018		
11.	Stock Price Data			
	The Calcutta Stock Exchange Limited	(in ₹)		
	F.Y. 2017-18	High	Low	Close
		–	–	–
Since there has been no trading during the year under review, the monthly data are not available and hence not furnished.				
12.	Registrar and Transfer Agents (Physical and Demat both)	MCS Share Transfer Agent Limited 12/1/5, Manoharpukur Road, Kolkata – 700 026 Ph : (033) 4072-4051/53 Fax : (033) 4072-4054 E-mail : mcsstal@rediffmail.com		
13.	Share Transfer System	Share Transfers in physical form are registered normally within 15 days from the date of receipt, provided that the documents are complete in all respects. The total number of equity shares transferred in the physical form during the year was 3200 (Previous year Nil). The transfers were completed within 10 days from the date of receipt.		

Transfer period (in days)	2017-18				2016-17			
	No. of transfers	No. of Shares	%	Cumulative Total	No. of transfers	No. of Shares	%	Cumulative Total
1 – 10	1	3200	100	3200	–	–	–	–
11 – 15	–	–	–	–	–	–	–	–
16 – 20	–	–	–	–	–	–	–	–
21 – 30	–	–	–	–	–	–	–	–
30 & above	–	–	–	–	–	–	–	–
Total	1	3200	100	3200	–	–	–	–

Number of pending Share Transfers as on 31st March 2018 is Nil.

14. Investor Services: Complaints received during the year				
Nature of Complaints	2017-18		2016-17	
	Received	Cleared	Received	Cleared
1. Relating to Transfer, Transmission, Duplicate Share Certificate, change of address etc.	–	–	–	–
2. Dividends, Interest, Redemption etc.	–	–	–	–
3. Demat – Remat	–	–	–	–
4. Others	4	4	6	6
Total	4	4	6	6

Legal proceedings on share transfer issues, if any: There are no legal proceedings relating to transfer of shares.

SHAREHOLDER INFORMATION

15. Distribution of Shareholding as on 31st march, 2018				
No. of Equity Shares held	No. of Share holders	% of Share holders	No. of Shares held	% Share holding
1 – 500	1282	83.25	202233	5.34
501 – 1000	118	7.66	89725	2.37
1001 – 2000	73	4.74	102510	2.71
2001 – 3000	16	1.04	40677	1.07
3001 – 4000	9	0.58	30930	0.82
4001 – 5000	5	0.33	22773	0.60
5001 – 10000	12	0.78	79967	2.11
10001 – 50000	11	0.71	223148	5.89
50001 – 100000	7	0.46	500121	13.20
100001 and Above	7	0.45	2495571	65.89
Total	1540	100	3787655	100

Category of Shareholding as on 31st March, 2018

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Share Holding
Promoters	6	0.39	651730	17.21
Financial Institutions, Banks & Mutual Funds	12	0.78	1592739	42.05
NRI/OCB	3	0.19	5762	0.15
Private Body Corporate	62	4.03	926793	24.47
Individuals / Trust	1457	94.61	610631	16.12
Total	1540	100.00	3787655	100.00

SHAREHOLDER INFORMATION

16.	Dematerialization of Shares and Liquidity:	Trading in Equity Shares of the Company is permitted only in the dematerialized form with effect from 25 th September 2000, as per notifications issued by SEBI.
17.	Details on use of public funds obtained in the last three years:	No funds have been raised from the public in last 3 years.
18.	Outstanding GDR / Warrants and Convertible Bonds, Conversion date and likely impact on Equity:	N.A.
19.	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:	N.A.
20.	Certificates / Secretarial Audit:	<p>(a) Pursuant to the Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates have been issued, on half-yearly basis, by a Practicing Company Secretary, certifying due compliance of share transfer formalities by the Company.</p> <p>(b) A Chartered Accountant in Practice carries out quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted Capital with NSDL and CDSL and the Total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in demat form (held with NSDL and CDSL). The said certificate is submitted quarterly to the Stock Exchange, NSDL and CDSL and is also placed before the Board of Directors.</p> <p>(c) Pursuant to Section 204 of the Companies Act, 2013, M/s K. Arun & Co., Practicing Company Secretaries, have conducted Secretarial Audit of the Company for the financial year 2017-18. The Audit Report is annexed to the Board's Report.</p>
21.	Plant Locations:	None
22.	Investor Correspondence: Share Transfer / De-materialization or other queries relating to Shares of the Company	MCS Share Transfer Agent Limited 12/1/5, Manoharpukur Road Kolkata – 700 026 Phone : (033) 4072-4051/53 Fax : (033) 4072-4054 E-Mail : mcsstal@rediffmail.com

23. Per Share Data:

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Net Earnings [PAT] (₹ in Lakh)	(1.92)	1.75	(37)	11.63	15.61
Cash Earnings [PBDT] (₹ in Lakh)	(1.76)	191	(21)	11.79	15.84
Dividend Per Share (₹)	Nil	Nil	Nil	Nil	Nil
Face Value per Share (₹)	10	10	10	10	10

SHAREHOLDER INFORMATION

24. Other useful information for Shareholders:

Change of Address

- (a) Members are requested to notify immediately any change of address (with PIN CODE) and Bank Account details to their Depository Participants (DPs) in respect of their electronic share accounts and Shareholders holding shares in physical form should notify the same to the Company's RTA by written request under the signature of sole/first joint holder quoting reference of their folio number.
- (b) Members, who hold shares in Physical Form, are advised that a self-attested copy of the PAN card of the Member/ Transferee Members, surviving joint holder/legal heirs be furnished to the Company while making request for transfer, deletion of the name of the deceased joint holder, transposition of name and transmission of shares, as the case may be.
- (c) Shareholders who have not yet registered their e-mail address for availing the facility of e-communication are requested to register the same immediately to their DPs in respect of their shares held in dematerialised form and to MCS Share Transfer Agent Limited, in respect of their physical share folios, if any, quoting reference of their folio numbers.

Communication to the Company

Members are requested to make all correspondence in connection with the shares held by them by addressing letters directly to MCS Share Transfer Agent Limited, 12/1/5, Manoharpukur Road, Kolkata – 700 026, quoting reference of their folio numbers and / or Client ID and DP ID number.

Loss of Shares

In case of loss/misplacement of shares, investors should immediately lodge a FIR/Complaint with the Police and inform to the Company/RTA along with original or certified copy of FIR/Acknowledged copy of Police Complaint along with a self-attested copy of their PAN card.

Non-Resident Shareholders

Non-Resident Shareholders are requested to immediately notify the following to the Company in respect of shares held in physical form and to their DPs in respect of shares held in dematerialised form:

- ▶ Indian address for sending all communications, if not provided so far;
- ▶ Change in their residential status on return to India for permanent settlement;
- ▶ Particulars of the Bank Account maintained with a bank in India, if not furnished earlier;
- ▶ E-mail ID and Fax No.(s), if any; and
- ▶ RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.

Share Transfer / Dematerialization

- (a) Share transfer requests are acted upon in 15 days from the date of their receipt. In case no response is received from the Company within 20 days of lodgement of transfer request, the lodger may write to the RTA of the Company with full details so that necessary action could be taken to safeguard interest of the concerned against any possible loss/ interception during postal transit.
- (b) Dematerialization requests duly complete in all respects are normally processed within 7 days from the date of their receipt at Registered Office.
- (c) Members who are holding shares in identical order of names in more than one folio are requested to send to the Company the details of such folios together with the Share Certificates for consolidating their holdings in one folio. The Share Certificates will be returned to the Members after making requisite changes thereon.

BOARD'S REPORT

Dear Shareholders,

The Board of Directors of HGI Industries Limited (the "Company") are pleased to present the 74th Annual Report along with the Audited Financial Statement of your Company for the Financial Year ended 31st March, 2018.

Financial Performance

Your Company has prepared Financial Statements in accordance with the Companies (Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013. The Company has adopted the Indian Accounting Standards (Ind AS) from 1st April, 2017 with a transition date of 1st April, 2016. The summarized financial highlights of your Company are as under:

(₹ in thousands)

Particulars	2017-18	2016-17*
Total Income	1,460	1,848
Less: Expenditure	1,636	1,657
Earning before Finance Cost, Tax & Depreciation	(176)	191
Less: Finance Cost	–	–
Profit before Depreciation	(176)	191
Less : Depreciation	16	16
Profit / (Loss) before Taxation	(192)	175
Less : Tax Expenses	–	–
Profit / (Loss) after Taxation	(192)	175
Balance as per last Financial Statements	(1,95,641)	(1,95,816)
Add : Transfer from OCI Reserve	9,104	–
Net Deficit in the Statement of Profit & Loss	(1,86,729)	(1,95,641)
Earning per Equity Share - Basic and Diluted	(0.05)	0.05

*previous year figures have been regrouped/rearranged wherever necessary.

Operations and Overall Performance

The total income of the Company during Financial Year 2017-18 is ₹ 14.60 Lakhs as against ₹ 18.48 Lakhs in the previous year. The profit after tax is ₹ (1.92) Lakhs as against ₹ 1.75 Lakhs in the previous year.

Future Prospects

Your Company is looking for viable business opportunities to be pursued in future.

Dividend

In view of accumulated losses, your Directors do not recommend any dividend for the Financial Year 2017-18.

Reserves

Your Directors do not propose to transfer any amount to General Reserve.

Share Capital

During the year, the Company has not made any allotment of Equity Shares. Consequently, there was no change in the issued, subscribed and paid up share capital of your Company as on 31st March, 2018, from the previous year.

BOARD'S REPORT

Board of Directors

The composition of Board of Directors is as under:

S. No.	Name	Category
1.	Mr. Jyoti Prakash Kanoria	Independent Director
2.	Mr. Yashwant Kumar Daga	Independent Director
3.	Mr. Arvind Kumar Newar	Non – Executive Director
4.	Mr. Ravindra Kastia	Independent Director
5.	Mrs. Neha Agrawal	Independent Director

During the year, 4 (Four) number of Board Meetings were held on 26th May, 2017, 8th August, 2017, 9th November, 2017 and 7th February, 2018 respectively.

Committees of Board

The composition of the Committees of the Board is as under:

a. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013, the Audit Committee of the Board of Directors comprises of the following Members:

S. No.	Name	Chairman/ Member
1.	Mr. Jyoti Prakash Kanoria	Chairman
2.	Mr. Yashwant Kumar Daga	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Ravindra Kastia	Member

During the year, the Audit Committee reviewed the unaudited quarterly financial results and also recommended the Financial Statements for the Financial Year 2017-18 for approval of the Board. The Committee also reviewed/approved all the matters which come within the terms of its reference in accordance with the provisions of the Companies Act, 2013, from time to time. All the recommendations made by the Committee during the year were accepted by the Board.

During the year, 4 (Four) number of Committee Meetings were held on 26th May, 2017, 8th August, 2017, 9th November, 2017 and 7th February, 2018 respectively.

● Vigil Mechanism/Whistle Blower

In compliance with the provision of Section 177 of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014 and SEBI (LODR), your Company has established a robust Vigil Mechanism for reporting of concerns through the Whistle Blower Policy. The policy provides for framework and process, for the employees and directors to voice genuine concerns or grievances about unprofessional conduct without fear of reprisal. Adequate safeguards have been provided against victimization to those who avail of the mechanism and access to the Chairman of the Audit Committee is provided to them in exceptional cases. The details of such policy is also available at the website of the Company, viz., www.hgiil.com. During the year, no complaint was received/reported under the Vigil Mechanism/Whistle Blower Policy.

b. Nomination & Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013, the Nomination & Remuneration Committee of the Board of Directors comprises of the following Members:

S. No.	Name	Chairman/ Member
1.	Mr. Jyoti Prakash Kanoria	Chairman
2.	Mr. Yashwant Kumar Daga	Member
3.	Mr. Arvind Kumar Newar	Member
4.	Mr. Ravindra Kastia	Member