



**ALFRED HERBERT (INDIA) LTD.**

**ANNUAL REPORT  
2014 - 2015**



## ANNUAL REPORT 2014 - 2015

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### **BOARD OF DIRECTORS**

Mr. A. V. Lodha - **Chairman**

Mr. H. V. Lodha

Mr. R. C. Tapuriah

Mr. S. S. Jain

Mr. S. Bhandari

Mrs. S. Lodha

### **CEO & COMPANY SECRETARY**

Mr. R. Radhakrishnan

### **AUDITORS**

Ray & Ray

Chartered Accountants

### **REGISTERED OFFICE**

Herbert House

13/3, Strand Road, Kolkata-700 001

Telephones : 2226 8619/2264 0106

Fax : (91) 033 2229 9124

E-mail : [kolkata@alfredherbert.com](mailto:kolkata@alfredherbert.com)

CIN : L74999WB1919PLC003516

### **MUMBAI OFFICE**

Kaiser-Hind Building, Sprott Road

Ballard Estate, Post Box 110

Mumbai - 400 038

Telephones : 2261 9981 (3 lines)

Fax : (91) 022 22619983

E-mail : [mumbai@alfredherbert.com](mailto:mumbai@alfredherbert.com)

### **ALFRED HERBERT LIMITED**

Whitefield Road, Post Box 4805

Mahadevapura P.O.

Bangalore-560 048

Telephones : (91) 080 2845 2263 (4 lines)

Fax : (91) 080 2845 3023

E-mail : [mfg@alfredherbert.com](mailto:mfg@alfredherbert.com)

## NOTICE

NOTICE IS HEREBY GIVEN THAT THE 95TH ANNUAL GENERAL MEETING OF ALFRED HERBERT (INDIA) LIMITED will be held at Bengal National Chamber of Commerce & Industry Auditorium, at 23 Sir R N Mukherjee Road, Kolkata - 700 001 on Tuesday, 21st July 2015 at 10.00 a.m. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company for the year ended 31st March, 2015 including audited Balance Sheet as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a director in place of Mr. Harsh Vardhan Lodha (DIN: 00394094), who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s. Ray & Ray, Chartered Accountants (ICAI Registration No.301072E) as statutory auditors of the Company and fix their remuneration.

### SPECIAL BUSINESS:

5. Appointment of Ms. Simika Lodha as a Director  
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 Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (appointment & qualification of Directors) Rules, 2014 and clause 49 of the Listing Agreement, Ms. Simika Lodha (DIN:02460015) who was appointed as an Additional Director on 30th March 2015 pursuant to the provisions of Section 161(1) of the Companies Act, 2013, and Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, be and is hereby elected and appointed as a Director of the Company.

By Order of the Board of Directors  
for Alfred Herbert (India) Limited

R. Radhakrishnan  
Chief Executive Officer  
& Company Secretary

Date: 18th May, 2015  
Place: Kolkata

## NOTES

1. The Register of Members and the Share Transfer books of the Company will remain closed from 14th July 2015 to 21st July 2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for 2014-15.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting is annexed hereto.
3. A Statement giving the relevant details of the Directors seeking re-appointment under item 3 and 5 of the accompanying Notice as required by Clause 49 of the Listing Agreement with the Stock Exchange is annexed hereto.
4. A Member entitled to attend and vote at the meeting

is entitled to appoint a Proxy/Proxies to attend and vote instead of himself/herself. Such a Proxy /Proxies need not be a member of the Company. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

5. Dividend on Equity Shares when sanctioned will be made payable to those shareholders whose name stand on the Company's Register of Members on 13th July 2015. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories for this purpose. Dividend on equity shares, if declared at the meeting will be paid/dispached on and from 22nd July 2015.
6. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
7. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company's Registrar.
8. Pursuant to the provisions of Section 205A of the Companies Act, 1956, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had accordingly, transferred Rs.55,912/- being the unpaid and unclaimed dividend amount pertaining to Dividend of 2006-2007 on 28th August 2014 to the Investor Education and Protection Fund of the Central Government.
9. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 30th July 2014 (date of the last Annual General Meeting) on the website of the Company [www.alfredherbert.co.in](http://www.alfredherbert.co.in) ), as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).
10. Members who have not yet encashed their dividend warrants for the financial year ended 31st March, 2008,

may approach the Company for revalidation of the dividend warrants before end of July 2015.

11. 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 electronic form are requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar.

12. 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 3.00 p.m.) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

13. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 95th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
- II. The Board of Directors of the Company has appointed Mr. Abhijeet Jain, Practicing Company Secretary (Membership No. FCS – 4975) and Proprietor of M/s. A J & Associates, Company Secretaries as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- III. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. July 14, 2015.
- IV. The Scrutinizer, after scrutinizing the votes cast at the meeting and through e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.alfredherbert.co.in](http://www.alfredherbert.co.in) and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchange.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 18th July, 2015 at 10 a.m. and ends on 20th July, 2015 at 5 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 14th July, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

1. For CDSL: 16 digits beneficiary ID,
2. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
3. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) 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.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat share-holders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of 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 in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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 (vii).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name, i.e. "ALFRED HERBERT (INDIA) LIMITED" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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).
  - After receiving the login details they have to create 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.

- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) 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 (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") 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).

The facility for voting through ballot paper shall be made available at the AGM and the members as on the "cut-off date" i.e. 14th July, 2015, attending the meeting who have not cast their vote by e-voting shall be able to exercise their right to vote at the meeting through ballot paper.

#### **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 5:**

Ms. Simika Lodha – Non-Executive Woman Director was appointed Additional Director of the Company with effect from 30th March 2015. She holds office of Director upto the date of the forthcoming Annual General Meeting. She is BA(Hons) Graduate from Delhi University. She is holding 220576 equity shares in the Company. Her continued association with the Company would be a great advantage. Your Directors therefore, recommend her election to the office of Director of the Company. Notice from a member proposing her candidature together with a deposit of Rs.1 lac in terms of Section 160 of the Companies Act, 2013 has been received by the Company.

Ms. S Lodha, is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 Except Ms. S Lodha, being an appointee, Mr. A V Lodha, Mr. H V Lodha being relatives of Ms. S Lodha, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested financial or otherwise, in the resolution set out at item no. 5.

By Order of the Board of Directors  
for Alfred Herbert (India) Limited

R. Radhakrishnan  
Chief Executive Officer  
& Company Secretary

Date:: 18th May, 2015  
Place: Kolkata



## ANNEXURE TO ITEM NOS. 3 AND 5 OF THE NOTICE

Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting  
(in pursuance of Clause 49 of the Listing Agreement)  
(As on 31st March, 2015)

<b>Name of Director</b>	Harsh Vardhan Lodha	Simika Lodha
<b>Director Identification Number (DIN)</b>	00394094	02460015
<b>Date of Birth</b>	13th February 1967	2nd September 1969
<b>Nationality</b>	Indian	Indian
<b>Date of Appointment on Board</b>	20th September 1990	30th March 2015
<b>Qualification</b>	Chartered Accountant	BA (Hons)
<b>Shareholding in AHIL</b>	35040 Equity Shares	220576 Equity Shares
<b>List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)</b>	Advance Business Services Ltd. Birla Corporation Ltd Birla Ericsson Optical Ltd. Central Business Services Ltd. City Consultants Ltd. Elco Consultants Ltd. J K Fenner Ltd. Harsh Chemicals Ltd. Hindustan Gum & Chemicals Ltd. Punjab Produce Holdings Ltd. Universal Cables Ltd. Vindhya Telelinks Ltd. La Crème De La Crème LLP First Capital Consultants LLP	La Crème De La Crème Services LLP
<b>Memberships/Chairmanships of Committees across Public Companies</b>	Chairman: Stakeholders Relationship Committee Birla Corporation Limited Audit Committee Sicpa India Pvt. Ltd. Corporate Social Responsibility Committee Birla Corporation Limited Member: Audit Committee J K Fenner (India) Ltd. Corporate Social Responsibility Committee Hindustan Gum & Chemicals Ltd. Audit Committee Punjab Produce Holding Ltd. Audit Committee The Punjab Produce & Trading Co. Pvt. Ltd.  Audit Committee Gwalior Webbing Co. Pvt. Ltd. Audit Committee Baroda Agents & Trading Co. Pvt. Ltd. Committee of Directors Birla Corporation Ltd. Nomination & Remuneration Committee Birla Corporation Ltd. Corporate Social Responsibility Committee Sicpa India Pvt. Ltd.	NIL



**DIRECTORS' REPORT**

Your Directors have pleasure in presenting the Ninety-fifth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2015.

**FINANCIAL RESULTS**

The Financial Results are as under:

	<b>31st March 2015</b>	31st March 2014
	<b>Rs.</b>	Rs.
Profit before Tax	<b>8,167,651</b>	11,051,309
Provision for Tax (including deferred tax)	<b>234,304</b>	338,546
Profit after Tax	<b>7,933,347</b>	10,712,763
Surplus from earlier years brought forward	<b>36,497,790</b>	30,543,094
Amount available for appropriation	<b>44,431,137</b>	41,255,857
Appropriations:		
Proposed Dividend	<b>1,542,858</b>	1,542,858
Corporate Dividend Tax	<b>262,209</b>	262,209
General Reserve	<b>600,000</b>	810,000
Special Reserve	<b>1,587,000</b>	2,143,000
	<b>3,992,067</b>	4,758,067
Surplus carried to Balance Sheet	<b>40,439,070</b>	36,497,790
	<b>44,431,137</b>	41,255,857

**DIVIDEND**

Your Directors take pleasure in recommending for approval the payment of Dividend of Rs. 2/- (per share) for the year ended 31st March 2015.

**FINANCIAL PERFORMANCE**

The Company's gross income for the financial year ended 31st March 2015 stood at Rs.201.27 lacs as against Rs.230 lacs in 2013-14. Profit before tax of the Company stood at Rs.81.68 lacs as against Rs.110.51 lacs in 2013-14.

The Company's wholly owned subsidiary, Alfred Herbert Limited did not perform satisfactorily during the year due to poor demand, surplus of capacity due to the poor economic environment, delays caused by customers in not taking deliveries of machines ordered during the year etc. Given the sustained and growing volatility in economic conditions, comprehensive action is being attempted to realign Alfred Herbert Limited's business plan to allow for much greater flexibility and lower fixed costs. Attempts are also being made to change the product mix with a greater focus on developing new sizes and technology, upgrading existing machineries for external agencies. Your Directors hope that these measures would result in better performance in the year ahead.

**DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013, Mr. H V Lodha, Director, retires by rotation and being eligible, offers himself for re-appointment.

Mrs. Simika Lodha - Non-Independent Woman Director has been appointed as an Additional Director with effect from 30th March 2015 to hold office upto the date of the forthcoming Annual General Meeting. A Notice from a member U/s. 160 of the Companies Act, has been received signifying intention to propose her candidature as a Director. Your Directors recommend her re-appointment subject to approval of Shareholders at the forthcoming Annual General Meeting of the Company.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**SHARE CAPITAL**

The paid-up equity share capital of the Company as on 31st March 2015 was Rs.77.14 lacs. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**DEPOSITS**

The Company had discontinued its fixed deposit scheme in the financial year 2000-2001.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not taken or given any loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013.

**STATUTORY AUDITORS**

M/s. Ray & Ray, Chartered Accountants, will retire at the Annual General Meeting and they have given their consent to be re-appointed for the current year.

**SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Messrs Priyanka Lohia, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure A".

**CORPORATE GOVERNANCE**

The Company has complied with the Corporate Governance code as stipulated under the Listing Agreement with the Stock Exchange. A separate section on Corporate Governance, along with Certificate from the Auditors confirming the compliance, is annexed and forms part of the Annual Report.

**SUBSIDIARY COMPANIES**

In accordance with the General Circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Statement of Profit & Loss and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. However, the financial information of the Subsidiary Companies is disclosed in the Annual Report in compliance with the said circular. The said Annual Accounts of the Subsidiary Companies will also be kept open for inspection at the Registered Office of the Company. The consolidated Financial statements presented by the Company include financial results of its Subsidiary Companies, Alfred Herbert Limited and Herbert Holdings Limited.



## MEETINGS

During the year 4 meetings of the Board of Directors and 1 meeting of Independent Directors were convened and held. Also 4 meetings of Audit Committee, 2 meetings of Nomination & Remuneration Committee and 2 meetings of Stakeholders Relationship Committee were held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

## BUSINESS RISK MANAGEMENT

The main identified risks at the Company are Commercial Risks, Financial Risks, Operational Risks and Legal & Regulatory Risks. Your Company has established a comprehensive Risk Management System to ensure that risk to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk Management strategy as approved by the Board of Directors is implemented by the Company Management.

## MANAGERIAL REMUNERATION

During the year, the Company paid an aggregate sum of Rs.9.53 lacs to Key Managerial Personnel, Mr. R Radhakrishnan (CEO) and Mr. A K Basu (CFO).

## VIGIL MECHANISM

Pursuant to the provisions of revised Clause 49 of the Listing Agreement and Section 166 (9)&(10) of the Companies Act, 2013, the Company had established a Vigil Mechanism for Directors and Employees to report concerns of unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

## REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

## BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees.

## INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an Internal Control System commensurate with the size and scale of its operations.

## RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the financial year were in the ordinary course of business. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

## SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/ Courts which would impact the going concern status of the Company and its future operations.

## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the annual return in Form No. MGT- 9 is annexed herewith as "Annexure B".

## DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 134(3) (C) of the Companies Act, 2013, your Directors subscribe to the "Directors' Responsibility Statement" and confirm as under:

- that in the preparation of the annual financial statements for the year ended 31st March 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- that such accounting policies as mentioned in Note No.1 of the Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the profit of the Company for the year ended on that date
- that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the annual financial statements have been prepared on a going concern basis;
- that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars regarding foreign exchange earnings and expenditure appear as Annexure to Schedule at item No.14 &15 in the Notes to the Accounts. The other particulars relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3M) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

## PERSONNEL

Your Directors wish to place on record their appreciation for the services rendered by the employees of the Company during the year.

## PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

On behalf of the Board

Kolkata  
Date: 18th May 2015

A V Lodha  
Chairman



## SECRETARIAL AUDIT REPORT

'Annexure A'

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2015

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

To,

The Members

**Alfred Herbert (India) Limited**

I have conducted the secretarial audit of the Compliance of applicable statutory provisions and adherence to good corporate practices by Alfred Herbert (India) 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 Company'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 complied with 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 the company for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under (to the extent notified and as amended from time to time);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings - (Not Applicable to the company during the Audit period);
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (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) Guidelines, 1999 - (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);
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (Not Applicable to the company during the Audit period);
- (vi) I further report that having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the following laws specifically applicable to the company, as identified by the management, that is to say:
  - a. Reserve Bank of India Act, 1934 (Section 45-IA and directions thereon, viz.,
    - Non Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
    - Non Banking Finance (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
  - b. Prevention of Money Laundering Act, 2002.

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

- (i) The Listing Agreement entered into by the Company with Bombay Stock Exchange (BSE).

During the audit period, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards, etc. mentioned above except to the extent as mentioned below:



1. Filing of Form MGT 14 for the first Board Meeting dated 17.05.2014 was not filed within time.  
- MGT 14 dated 17.05.2014 filed on 19.07.2014.
2. The company has filed certain e-forms MGT 10 with respect to change of 2% in the number of shares held by promoters or top ten shareholders pursuant to section 93 of the Act, 2013 with some delay.
3. The CFO of the company was redesignated and reappointed in terms of section 203 of the Act w.e.f. 01.08.2014.
4. The appointment of CEO and CS in terms of section 203 of the Act was made w.e.f. 13th October, 2014.
5. The company is yet to become a member of Credit Information Company (CIC) as advised by the RBI to all the NBFC companies.

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 meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded, wherever required, as part of the minutes.

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 law, rules, regulations and guidelines. A compliance report by the CFO is submitted to the Board quarterly.

Place: Kolkata  
Date: 18.05.2015

**CS Priyanka Lohia**  
FCS No.: 7893  
C P No: 8843

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**'Annexure A'**

To,  
The Members  
**Alfred Herbert (India) Limited**  
13/3, Strand Road,  
Kolkata - 700 001

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management; my examination was limited to the verification of procedures on test basis.
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.

Place: Kolkata  
Date: 18.05.2015

**CS Priyanka Lohia**  
FCS No.: 7893  
C P No: 8843