



ALFRED HERBERT (INDIA) LTD.

**ANNUAL REPORT
2018- 2019**



ANNUAL REPORT 2018- 2019

CONTENT

| | |
|--|----|
| NOTICE | 03 |
| DIRECTORS' REPORT | 07 |
| CORPORATE GOVERNANCE | 19 |
| AUDITORS' REPORT | 24 |
| BALANCE SHEET | 30 |
| STATEMENT OF PROFIT & LOSS | 31 |
| CASH FLOW STATEMENT | 32 |
| NOTES TO THE BALANCE SHEET AND STATEMENT OF PROFIT & LOSS | 33 |
| CONSOLIDATED BALANCE SHEET | 48 |
| CONSOLIDATED STATEMENT OF PROFIT & LOSS | 49 |

BOARD OF DIRECTORS

Mr. A.V. Lodha- **Chairman**
Mr. H.V. Lodha
Mr. R.C. Tapuriah
Mr. S.S. Jain
Mrs. S. Lodha
Mrs. A. Bhandari

CEO

Mr. V. Matta

CFO & COMPANY SECRETARY

Mrs. S. Sethi

AUDITORS

ALPS & Co.
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
CIN : L74999WB1919PLC003516

MUMBAI OFFICE

Kaiser-I-Hind Building, Sprott Road
Ballard Eastate, Post Box 110
Mumbai : 400 038
Telephones : 2261 9981 (3 lines)
Fax : (91) 022 22619983
E-mail : mumbai@alfredherbert.com

ALFRED HERBERT LIMITED

Whitefield Road, Post Box 4805
Mahadevapura P.O.
Bangalore-560048
Telephones : (91) 080 2845 2263 (4 lines)
Fax : (91) 080 2845 3023
E-mail : mfg@alfredherbert.com

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 99TH 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 Friday, 12th July 2019 at 10.30 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, 2019 including audited Balance Sheet as at 31st March, 2019 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. A.V. Lodha (DIN: 00036158), who retires by rotation and being eligible offers himself for re-appointment.

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

Date : 24th May 2019
Place: Kolkata

Chief Financial Officer
& Company Secretary

NOTES

1. The Register of Members and the Share Transfer books of the Company will remain closed from 6th July 2019 to 12th July 2019 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for 2019-20.
2. A Statement giving the relevant details of the Director seeking re-appointment under items 3 of the accompanying Notice as required under Sub-clause 3 of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.
3. A Member entitled to attend and vote at the meeting is entitled to appoint 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 before 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.
4. Dividend on Equity Shares when sanctioned will be made payable to those shareholders whose name stand on the Company's Register of Members as on 5th July 2019. 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/dispatched on and from 13th July 2019.

5. 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.
6. 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.
7. Pursuant to the provisions of Section 124 of the Companies Act, 2013, 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. 64,994/- being the unpaid and unclaimed dividend amount pertaining to Dividend of 2010-2011 on 31st August 2018 to the Investor Education and Protection Fund of the Central Government.
8. 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 27th July 2018 (date of the last Annual General Meeting) on the website of the Company (www.alfredherbert.co.in), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in)
9. Members who have not yet encashed their dividend warrants for the financial year ended 31st March 2012 may approach the Company for revalidation of the dividend warrants before end of 14th August 2019.

10. 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.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company at 13/3, Strand Road, Kolkata -700 001 and its office at 1 Kyd Street, Flat No. 37, Kolkata-700 016 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.
12. 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 99th 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 the 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. 5th July 2019.
 - IV. The Scrutinizer, after scrutinizing the votes cast at the meeting and through e-voting, will, not later than two 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 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 9th July 2019 at 10 a.m. and ends on 11th July 2019 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 5th July 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

| | |
|-----------------------|--|
| | For Members holding shares in Demat Form and Physical Form |
| 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"> 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. 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. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the Depository of Company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv) |

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name, i.e. "ALFRED HERBERT (INDIA) LIMITED" on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after June 2019. Please follow the instructions as prompted by the mobile app while voting on your mobiles.
- (xx) Note for Non-Individual Shareholders and Custodians
 - *Non-individual shareholders (i.e. other than individuals, HUF, NRI etc.) and Custodian are required to log on to 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
 - *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
 - *The list of accounts linked in the login should be mailed to 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.
- (xxi) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors
for Alfred Herbert (India) Limited
Shobhana Sethi
Chief Financial Officer
& Company Secretary

Date : 24th May 2019
Place: Kolkata

ANNEXURE TO ITEM NO.3 OF THE NOTICE

Details of Director seeking re-appointment / appointment at the forthcoming Annual General Meeting (in pursuance of Sub-clause 3 of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement (As on 31st March 2019)

| | |
|--|---|
| Name of Director | Aditya Vikram Lodha |
| Director identification Number (DIN) | 00036158 |
| Date of Birth | 11th October 1965 |
| Nationality | Indian |
| Date of Appointment on Board | 24th September 1987 |
| Qualification | Chartered Accountant |
| Expertise | <p>He has over 30 years of experience in providing advisory services to diverse client base across a wide spectrum of industries. He has handled various consultancy assignments in fields of corporate restructuring, mergers & acquisitions, joint ventures, collaborations, business strategy etc. He has also assisted large Indian corporates to raise resources from the overseas capital markets.</p> <p>Mr. Lodha served as the President of the Indian Chamber of Commerce (ICC), Kolkata twice i.e. in 1998-99 and in 2001-02 in its 75th year Platinum Jubilee Year) as well as the Chairman of its banking and Finance Committee. He has also served as a Member of The National Council of CII (Confederation of Indian Industry) and was National Committee Chairman of its Accounting Standards & Corporate Disclosures and Tax Committees. He served as a member of the High Level Naresh Chandra Committee for Corporate audit and governance, appointed by the Government of India, Governing Body of Indian Council of Arbitration, Governing Council of the Central Manufacturing, Technology Institute, Bangalore, Peer Review Board of Institute of Chartered Accountants of India, Industrial Development Bank of India's Eastern Regional Advisory Board, State Advisory Board on Investment Promotion in Tripura and was the Honorary Secretary of the Alumnorum Societies, the old boys association of St. Xavier's Collegiate School, Kolkata.</p> <p>Mr. Lodha is the Chairman of Alfred Herbert (India) Limited.</p> |
| Shareholding in AHIL | 38,043 Equity Shares |
| List of Directorships held in other Companies | <p>Graphite India Limited</p> <p>Herbert Holdings Limited</p> <p>Newby S.E. Asia (P) Limited</p> <p>One World Capital Holdings Private Limited</p> |
| Memberships/Chairmanships of Committees Across Public Companies | <p>Member:</p> <p>Audit Committee: Graphite India Limited</p> <p>Nomination & Remuneration Committee: Alfred Herbert (India) Limited</p> |
| Relationship between Directors inter-se | Brother of Mr. H.V. Lodha & Husband of Ms. Simika Lodha |

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Ninety-ninth Annual Report together with the Audited Accounts of your Company for the year ended 31st March 2019.

FINANCIAL RESULTS

The Financial Results are as under:

| | 31st March 2019 Rs. | 31st March 2018 Rs. |
|--|---------------------------|---------------------------|
| Profit before Tax and Exceptional items | 32,848,288 | 10,589,247 |
| Exceptional Items | - | - |
| Provision for Tax (including deferred tax) | 3,147,908 | (1,300,388) |
| Excess Tax provision written back | - | (7,739) |
| Profit after Tax | 29,700,380 | 11,897,374 |
| Surplus from earlier years brought forward | 147,279,438 | 140,639,012 |
| Amount available for appropriation | 176,979,818 | 152,536,386 |
| Appropriations: | | |
| Dividend for 2017-18 | 1,928,573 | 1,542,858 |
| Corporate Dividend Tax for 2017-18 | 396,423 | 314,090 |
| General Reserve | 75,000,000 | 1,000,000 |
| Special Reserve | 5,940,000 | 2,400,000 |
| | 83,264,996 | 5,256,948 |
| Surplus carried to Balance Sheet | 93,714,822 | 147,279,438 |

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year 2018-19.

TRANSFER TO RESERVES

The Company has transferred Rs. 5,940,000/ to the Special Reserve Account and Rs. 75,000,000/- to the General Reserve Account.

DIVIDEND

Your Directors take pleasure in recommending for approval the payment of Dividend of Rs. 2.50 (per share) for the year ended 31st March 2019.

FINANCIAL PERFORMANCE

The Company's performance was satisfactory during the year. The Company's gross income for the financial year ended 31st March 2019 stood at Rs.442.41 lakhs as against Rs.265.37 lakhs in 2017-18. Profit before tax stood at Rs.328.48 lakhs in 2018-19 as against Rs. 105.89 lakhs profit before tax in 2017-18. Profit after tax of the Company stood at Rs.297.00 lakhs. The performance of the Company's non-current investments was also satisfactory.

The Company is developing its property in Kolkata where the

work is progressing but with multiple sanctions involved with regard to the proposed project being a green building, incremental area was sanctioned by Kolkata Municipal Corporation subject to the Company obtaining permission from the Archeological Survey of India (ASI). The Company had even received a favorable Heritage Impact Assessment Report from INTACH. However, the Archeological Survey of India (ASI) did not grant permission for the construction of the incremental area on an additional floor, hence considerable time was lost in completing the building. However, the Company now hopes to complete the construction by early next year.

The performance of the Company's wholly owned subsidiary Alfred Herbert Limited continued to be disappointing. Despite supporting Alfred Herbert Limited significantly including providing significant financial support over the years, the Company did not performed to the expectation. Lower selling prices due to aggressive competition coupled with sharp increases in input costs, a shift in the markets to radial tyre machinery and less than optimum productivity with high fixed costs had led to significant challenges. Whilst the management team of Alfred Herbert Limited has taken significant steps to cut expenses, augment margins and productivity, more needs to be done to ensure that the Company returns to profitability at the earliest.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Mr. S S Jain and Mr. R C Tapuria were appointed as Independent Directors of the Company for the second term commencing from April 1, 2019 upto March 31st 2024 by passing special resolution through Postal ballot on April 1, 2019.

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Mr. V Matta was appointed as Chief Executive Officer with effect from 1st May 2018 and Mrs. Shobhana Sethi was appointed as Chief Financial Officer & Company Secretary with effect from 1st May 2018.

SHARE CAPITAL

The paid -up equity share capital of the Company as on 31st March 2019 was Rs.77.14 lakhs. 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.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual return in Form MGT-9 as required under Section 92 of the Companies Act, 2013, is marked as 'Annexure -B' which is annexed hereto and forms part of the Directors' Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Provisions of Section 186 of the Companies Act, 2013 pertaining to Investments, Loans and Guarantees is not applicable to the Company since the Company is a Non-banking Financial Company.

STATUTORY AUDITORS

M/s. ALPS & Co. Chartered Accountants (Firm Registration No. FRN 313132E) existing Auditors of the Company were appointed for a period of 5 (five) years by the Members of the Company in the 97th Annual General Meeting held on 28th July 2017. By virtue of the amendment made in the Companies (Amendment) Act, 2017, the Company is not required to place before the Annual General Meeting the matter pertaining to ratification of appointment of Auditors.

AUDIT REPORT

There is no qualification, reservation or adverse remark or disclaimer made by the Auditor in his report and hence, no explanations or comments by the Board are required.

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 Priyanka Tibrewal, 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 consolidated financial statements presented by the Company include financial results of its Subsidiary Companies, Alfred Herbert Limited and Herbert Holdings Limited.

MEETINGS OF THE BOARD

During the year 5 meetings of the Board of Directors and 1 meeting of Independent Directors were convened and held. 5 meetings of Audit Committee, 2 meetings of Stakeholders Relationship Committee and 2 meeting of Nomination and Remuneration Committee were also held, the details of which viz., dates and number of meetings attended by each director etc., 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

SECRETARIAL STANDARDS

The Company is in compliance of all applicable Secretarial Standards as specified by the Institute of Company Secretaries of India.

MANAGERIAL REMUNERATION

During the year, the Company paid an aggregate sum of Rs. 14.07 lakhs to Key Managerial Personnel, Mr. V Matta, Chief Executive Officer and Mrs. Shobhana Sethi, Company Secretary & Chief Financial Officer.

VIGIL MECHANISM

Pursuant to the provisions of revised Regulation 22 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 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 Regulation 4(f) and Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, 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 Committees.

INTERNAL FINANCIAL CONTROLS

Pursuant to Section 134(5) (e) of the Company's Act, 2013, the Directors of the Company had laid down internal financial control policy assuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safe guarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the Accounting records and timely preparation of reliable financial information.

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 direct pecuniary relationships or transactions vis-à-vis the Company.

CORPORATE SOCIAL RESPONSIBILITY

The profit of the Company is less than the amount specified under section 135 of the Companies Act, 2013 and, thereby, provision of Corporate Social Responsibilities and Obligations thereof are not applicable to 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.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company is not required to set up an Internal Complaints Committee as per the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has not received any complaints during the year.

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:

- a) that in the preparation of the annual financial statements for the year ended 31st March 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) 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 2019 and of the profit of the Company for the year ended on that date

- c) 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;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) 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

There were no foreign exchange earnings and expenditure during the year. 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.

On behalf of the Board

A. V. Lodha

CHAIRMAN

Kolkata

Date: 24th May 2019

(DIN : 00036158)

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2019

[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
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, 2019 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 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(Not applicable to the Company during the audit period);
- (iii) The Depositories Act, 1996 and the Regulations and Bye laws framed there under;
(Not applicable to the Company during the audit period);
- (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 during the period under review);
- (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 (Not applicable to the Company);
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not applicable to the Company);
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company);
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the period under review) (Not applicable to the Company during the period under review);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the period under review);
 - 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 (Not applicable to the Company);
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the period under review);
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the period under review);
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations- (Not Applicable to the Company)
- (vi) Other that the fiscal, labour and environmental laws which are generally applicable to all manufacturing / trading companies, there is no such laws that applies specifically to the Company. The examination and