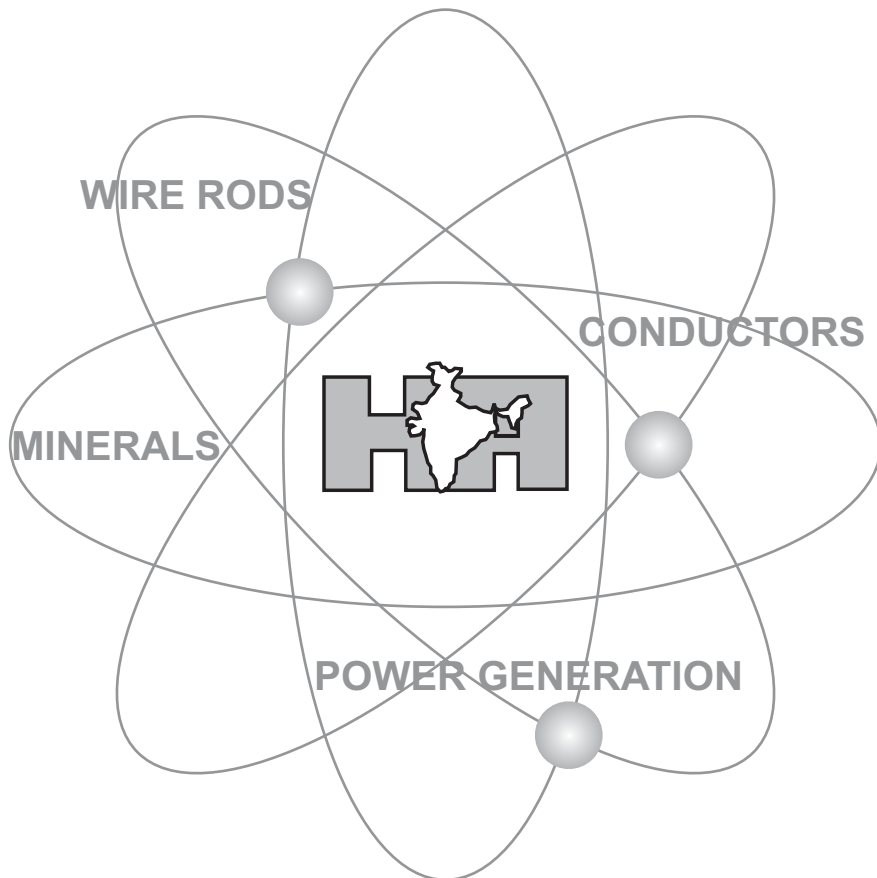


# **HIND ALUMINIUM INDUSTRIES LIMITED**



## **ANNUAL REPORT 2015-2016**

## BOARD OF DIRECTORS

Shri Lalit Kumar Daga  
Shri Shailesh Daga  
CA. Sudhir Goel  
Shri Navin Shah  
Shri Sundeep Mohta  
Shri Narayan Das Mundhra  
Mrs. Renu Somani

Chairman  
Managing Director  
Whole-Time Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

## EXECUTIVES

CA. Kailash Agarwal  
Shri G. L. Prasad  
Shri Mahendra Kumar Jain  
Shri Prem Sharma  
Shri Santosh L.Baghel  
Shri Mahendra H Karia  
Shri Deepak Chaturvedi

(Unit Incharge –Wire Rod & Conductors)  
(President Operation - Wire Rod & Conductors)  
(Chief Financial Officer)  
(Senior General Manager, Marketing - Conductors)  
(General Manager-Works; Wire Rod & Conductors)  
(General Manager-Commercial)  
(General Manager-Corporate)

## STATUTORY AUDITORS

Motilal & Associates  
Chartered Accountants, Mumbai.

## BANKERS

ICICI Bank Ltd.  
Standard Chartered Bank  
HDFC Bank Ltd  
State Bank of India

## REGISTERED OFFICE

(CIN: L28920MH1987PLC043472)  
B-1, Tulsi Vihar, Dr. Annie Besant Road,  
Worli Naka, Mumbai-400 018.  
Email: hind@associatedgroup.com  
Website; www.associatedgroup.com/hail/investors.htm

## REGISTRARS & SHARE TRANSFER AGENTS

Bigshare Services Pvt.Ltd.  
Regd.office; E-2, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka, Andheri (E),  
Mumbai – 400 072.  
Tel.022-40430200,  
Fax No.022-28475207  
Email; investor@bigshareonline.com

Contents	Page No.
Board of Directors	1
Financial Performances	2
Route Map	3
Notice of the Annual General Meeting	4
Directors Report	8
Management discussion and Analysis	19
Report on corporate Governance	20
Auditors Report	27
Balance Sheet	31
Profit and Loss Account	32
Notes to The Financial Statements	33
Proxy Form	48
Attendance Slip	50

**FINANCIAL PERFORMANCES**

ANNUAL REPORT 2015-2016

₹ in Crores

PARTICULARS	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
TOTAL INCOME	722.05	444.36	444.89	437.68	410.61	363.73	184.14	220.05	206.50	202.49
PBDIT	27.26	18.60	17.58	19.50	16.50	14.98	7.07	7.32	8.85	10.55
DEPRECIATION	3.29	3.15	3.51	3.06	2.94	2.70	2.64	2.54	1.12	1.12
PBIT	23.97	15.45	4.07	16.44	13.56	12.28	4.43	4.78	7.73	9.43
FINANCE /INTEREST COST	10.46	5.44	6.11	7.75	5.36	4.19	0.80	1.20	1.12	0.38
PBT	13.51	10.01	7.96	8.70	8.20	8.09	3.63	3.58	6.61	9.05
EQUITY DIVIDEND %	16 %	15 %	15 %	15 %	15 %	15 %	15 %	15 %	15%	15%
SHARE CAPITAL	6.30	6.30	6.30	6.30	6.30	6.30	5.00	5.00	5.00	5.00
RESERVE & SURPLUS	64.76	56.97	51.12	46.36	41.07	35.56	27.32	25.47	23.99	20.63
NET WORTH	71.06	63.27	57.42	52.66	47.37	41.86	32.32	30.47	28.99	25.63
NET FIXED ASSETS	26.83	22.30	24.25	22.07	21.48	22.19	22.85	23.92	24.65	18.92

## ROUTE MAP TO THE AGM VENUE

Venue : Maheshwari Pragati Mandal-Mumbai”Maheshwari Bhavan, 603, Jagannath Shankar Sheth Marg, Chira Bazar, Marine Lines (East), Mumbai-400002



**Landmark : Near Parsi Diary, Marine Lines (East) Mumbai**

**Distance From Churchgate Railway Station – 1 Km (approx)**

**Distance From Chhatrapati Shivaji Terminus – 1.2 Km (approx)**

**Distance From Marine Lines Railway Station: 0.8 km (approx)**

**NOTICE OF THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that the 29th Annual General Meeting of the members of Hind Aluminium Industries Ltd. will be held at "Maheshwari Pragati Mandal-Mumbai" 1st Floor, Maheshwari Bhavan, 603, Jagannath Shankar Sheth Marg, Chira Bazar, Marine Lines (East), Mumbai-400 002 on Monday, the 22nd August, 2016 at 11.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To consider & adopt the Audited Financial Statement of the Company for the financial year ended 31st March, 2016, together with the Reports of the Board of Directors and Auditors thereon;
2. To declare dividend on Equity Shares for the year ended 31st March, 2016.
3. To appoint a Director in place of Shri Lalit Kumar Daga (DIN: 00089905) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s. Motilal & Associates, Chartered Accountants (Firm Registration No. 106584W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 32nd AGM of the Company to be held in the Calendar year 2019 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.

**SPECIAL BUSINESS**

5. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution:

RESOLVED that in accordance with the provisions of sections 197, 198 & 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof for the time being in force), the said Act, the Company hereby approves the re-appointment of Shri Shailesh Daga as Managing Director of the Company for the tenure of 5 years with effect from 1st June, 2016, on the following remuneration (subject to maximum remuneration of ₹ 3,75,000/- per month):

**A) Tenure :** From 1st June, 2016 to 31st May, 2021

**B) Remuneration :** Up to ₹ 3,75,000/- per month

**C) Perquisites & Allowances:**

- (a) In addition to the salary & commission payable, the Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance, together with reimbursement of expenses or allowance for utilities such as gas, electricity, water, furnishings and repairs, medical reimbursement, club fees and leave travel concession, for himself and his family, medical insurance or and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors.
- (b) Provision for use of the Company's car for official duties and telephone(s) including cellular phone(s) at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites.
- (c) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act, gratuity payable at a rate not exceeding half a month salary for each completed year of service and encashment of leave at the end of the tenure, shall not be included in the computation of ceiling on remuneration specified paragraph 1 Section IV of Part II of Schedule V of the Companies Act.

**D) Minimum Remuneration:**

In event of loss or inadequacy of profit in any year, the Managing Director shall be entitled to payment by way of remuneration and perquisites and allowances as specified in schedule V of Companies Act, 2013.

6. To consider and if thought fit to pass, with or without modification, the following resolution as an ordinary resolution:

RESOLVED Further that in continuation of earlier board resolution dated 26.04.2013 which was approved in the AGM of the Company held on 23.08.2013 and also in accordance with the provisions of sections 197, 198 and 203 of the Companies Act, 2013 (the act) read with Schedule V of the said Act, the remuneration of Whole-Time Director CA. Sudhir Goel for his remaining tenure, (subject to maximum remuneration of ₹3,75,000/- per month) be and is hereby revised as mutually agreed upon by the Board of Directors and Whole-Time Director CA. Sudhir Goel, and all other terms and conditions will remain same as specified in earlier resolution dated 26th April, 2013.

For and on behalf of the Board

**Lalit Kumar Daga**  
Chairman

Place: Mumbai

Date: 6th June, 2016

**NOTES FOR MEMBERS' ATTENTION**

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act") setting out material facts concerning the business under Item No.5 of the Notice, is annexed hereto. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking re-appointment as Director under Item No. 5 of the Notice, are also annexed.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. The instrument appointing the proxy should however be deposited at the registered office of the company not less than forty eight hours before the commencement of the meeting.
3. The Company has notified closure of Register of Members and Share Transfer Books from Saturday, 20th August, 2016 to Monday, 22nd August, 2016 (both days inclusive) for determining the names of the members eligible for dividend on Equity Shares, if declared at the Meeting.
4. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
5. The dividend on equity shares, if declared at the Meeting, will be credited / dispatched between 26th August, 2016 to 21st September, 2016 to those members whose names shall appear on the Company's Register of Members on 20th August, 2016; in respect of the shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. as beneficial owner as on that date.
6. Members holding share in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / Bigshare Services Private Limited (RTA).
7. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website. Members holding shares in physical form may submit the same to RTA/Company. Members holding shares in electronic form may submit the same to their respective depository participant.
8. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
9. Pursuant to Sections 205A and 205C and other applicable provisions, if any, of the Companies Act, 1956, all unclaimed / unpaid dividend, Company has transferred the unpaid or unclaimed dividends declared upto financial years 2007-2008 from time to time on due dates to the Investor Education and Protection Fund (the IEPF) established by the Central Government. Pursuant to provisions of Investor Education and Protection Fund (uploading of information regarding unpaid & unclaimed amount lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid & unclaimed amounts lying with the Company as on the date of last AGM i.e 27.08.2015 on the website of the Ministry of Corporate Affairs and updated on quarterly basis on the website of the Company [www.associatedgroup.com/hail/investors.htm](http://www.associatedgroup.com/hail/investors.htm)
10. The notice of AGM along with Annual Reports 2015-16 is being sent by electronic mode to those members whose e-mail address are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. Members may note that this Notice & Annual Report 2015-16 will also be available on the Companies website i.e [www.associatedgroup.com/hail/investors.htm](http://www.associatedgroup.com/hail/investors.htm)
11. The route map showing directions to reach the venue of the twenty-ninth AGM is annexed.
12. In compliance with the Provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given below. Resolution(s) passed by Members through e-voting is/are deemed to have been passed as if they have been passed at the AGM.
13. The board of directors has appointed CS. Arun Dash of M/s Arun Dash & Associates, Practicing Company Secretaries (Membership No. ACS18701) as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.

14. The facility for voting, either through electronic voting system or polling paper shall also be made available at the AGM and the Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.
15. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturday, during business hours up to the date of the meeting.
16. 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, therefore, requested to submit their PAN to their Depository Participant with whom they are maintaining demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
17. Non-Resident Indian Members are requested to inform RTA immediately of any change in their residential status on return to India for permanent settlement, particular of their bank account maintain in India with complete name, branch, account type, account no. & address of the bank with PIN Code no., if not furnished earlier.
18. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the RTA or the Company at its registered office.
19. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

**20. Shareholder Instructions for E-Voting :**

- (i) The voting period begins on <18th August, 2016 at 10.00 am> and ends on <21st August, 2016 at 5.00 pm>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <16th August, 2016> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) 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](http://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](http://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"> <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>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

# HIND ALUMINIUM INDUSTRIES LTD.

- (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 <Hind Aluminium Industries 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a 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 Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - 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 emailed 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.
- (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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

For and on behalf of the Board

Date: 6th June, 2016  
Place: Mumbai

**Lalit Kumar Daga**  
Chairman

## STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

As required by Section 102 of the Companies Act, 2013("Act") the following explanatory statement sets out all material facts relating to the business mentioned under item No. 5 & 6 of the accompanying Notice:

### Item No. 5

Shri Shailesh Daga is a Commerce Graduate from Mumbai University and Master in Business Administration from Bond University, Australia. He is the Son of Shri Lalit Kumar Daga, Chairman/Director of the Company. Shri Shailesh Daga has over 29 year experience in the Aluminium Industries and under his leadership the Company has made rapid progress. The board of directors of the Company at their meeting held on 6th June, 2016 has re-appointed him as Managing Director of the Company for a further period of 5 years w.e.f. 1st June, 2016 to 31st May, 2021. He is holding directorship in the company from the date of its incorporation. He holds 250982 equity shares in the Company & also hold directorship in another Listed Company viz. Nirav Commercials Ltd.

The Board commends the Resolution at item No. 5 for approval by the Members.

None of the Directors or Key Managerial Person (KMP) or relative of directors and KMP except Shri Lalit Kumar Daga & Shri Shailesh Daga is/are concerned or interested in the resolution.

### Item No. 6

Shri Sudhir Goel is a qualified Chartered Accountant. He has over 33 year experience in the Aluminium Industries. He is looking after the financial affairs of the Company as a Whole-Time Director & He is holding directorship in the company from the date of its incorporation. He holds 3000 equity shares in the Company & also hold directorship in another Listed Company viz. Nirav Commercials Ltd. The board of directors of the Company at their meeting held on 6th June, 2016 has revised his remuneration.

The Board commends the Resolution at item No. 6 for approval by the Members.

None of the Directors or Key Managerial Person (KMP) or relative of directors and KMP except Shri Sudhir Goel is concerned or interested in the resolution.

For and on behalf of the Board

Date : 6th June, 2016  
Place : Mumbai

**Lalit Kumar Daga**  
Chairman



**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Dear Shareholders,

Your Directors have pleasure in presenting the 29th Annual Report together with Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 2016. The highlights of the financial results are as under:

**FINANCIAL RESULTS:**

	2015-2016 (₹ in Crores)	2014-2015 (₹ in Crores)
Total Revenue	<u>722.05</u>	<u>444.36</u>
Profit before Tax	13.51	10.01
Less: Tax Expenses	4.50	2.73
Net Profit	9.01	7.28
Add: Balance brought forward from previous year	49.73	44.14
Less: Adjustment related to fixed assets	-	(0.30)
Balance available for Appropriations	<u>58.74</u>	<u>51.12</u>
<b>Appropriations:</b>		
Proposed Dividend	1.01	0.95
Corporate tax on dividend	0.20	0.19
Transfer to General Reserve	0.25	0.25
Balance transferred to Balance Sheet	<u>57.28</u>	<u>49.73</u>
<b>Total</b>	<u>58.74</u>	<u>51.12</u>

**DIVIDEND**

Your Directors are pleased to recommend a Dividend of ₹1.60 i.e. 16 % (Previous Year ₹1.50 per equity share i.e. 15 %) per equity share of ₹ 10 each fully paid up which will be paid in line with the applicable rules after your approval at the ensuing Annual General Meeting.

**TRANSFER TO RESERVES**

The company proposes to transfer ₹25 Lakhs in to general reserve out of the amount available for appropriation and an amount of ₹ 754.54 Lakhs is proposed to be retained in the profit & loss account.

**COMPANY PERFORMANCE**

During the year 2015-2016 total revenue of the Company is ₹ 722.05 crores as compared to ₹ 444.36 crores in the previous year. The net profit is ₹ 9.01 crores as compared to ₹ 7.28 crores in the previous year. There is no material change in the nature of business of the company.

**WIRE RODS & CONDUCTORS**

During the year 2015-2016 Aluminium Division of the Company has contributed total ₹ 717.29 crores as compared to ₹ 439.00 Crores in the previous year in the total revenue of the Company.

**MINING BUSINESS**

During the year Mining Division of the Company has not carried out any activity.

**POWER GENERATION**

Your Company have two Wind Turbine Generators (WTG) of total 2.75 Mega Watts viz. (1) 1.25 Mega Watts, at Nandurbar – Maharashtra (2) 1.50 Mega Watts at Sangli-Maharashtra.

Your Company also have four Solar Power plants of total 1.43 Mega Watts, viz. (1) 100 KWP at Pune- Maharashtra (2) 522 KWP at Bangluru -Karnataka (3) 403 KWP at Rewari- Haryana & (4) 403 KWP at Alwar-Rajasthan.

During the year the power segment of the company has contributed ₹ 2.48 crores in the total revenue of the Company as compared to ₹ 2.45 crores in the previous year.

**SUBSIDIARY AND JOINT VENTURE COMPANIES**

The Company has two subsidiaries & one Joint Venture

Companies as on March 31, 2016. There are no activity carried out during the year in subsidiaries, while Joint Venture Company is yet to start its commercial productions. There has been no material change in the nature of the business of the subsidiaries & Joint Venture Companies.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of Companies Act 2013, with respect to Directors' responsibility statement, it is hereby confirmed that:

- in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates 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, 2016 and of the profit of the Company for the said period;
- the directors have taken proper and sufficient care of 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;
- the directors have prepared the Annual Accounts on a going concern basis.
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**DIRECTOR & KEY MANAGERIAL PERSONNEL**

Pursuant to the provisions of section 149 of the Companies Act, 2013, Shri Navin Shah, Shri Sundeeep Mohta and Shri Narayan Das Mundhra were appointed as independent directors at the AGM of the Company held on August 28, 2014 & Mrs Renu Somani was appointed as independent director at the AGM of the Company held on August 27, 2015. They have submitted a declaration that each of them meets the criteria of independence as provided in section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year. In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Lalit Kumar Daga, Chairman/Director of the Company, retire by rotation and being eligible have offered himself for re-appointment.

Shri Lalit Kumar Daga is a Commerce Graduate from the University of Kolkata. He has vast experience of over 50 years in Aluminium Industry. He is the Chairman and founder of Hind Aluminium Industries Ltd. He holds 5,59,616 equity shares in the Company & also hold directorship in another Listed Company viz. Nirav Commercials Ltd.

Shri Mahendra Kumar Jain has been appointed as Chief Financial Officer of the Company as per Section 203 of the Companies Act, 2013.

The Board has informed an experience team of senior executive of the company are looking after all companies and SEBI (LODR), 2015 Compliances, however the company is also looking for a qualified company secretary.

**MEETING OF THE BOARD**

Seven meetings of the Board of Directors were held during the year. For details of the board meetings please refer to the corporate governance report, which forms part of directors' report.

## BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of independent directors performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matter provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of directors' report.

## INTERNAL FINANCIAL CONTROLS

The Board of Directors have taken necessary steps for internal financial control and its adequacy during the financial year 2015-16.

## AUDITORS

Pursuant to the provisions of Section 139 of the Act and the rules framed thereunder, M/s. Motilal & Associates (Firm Reg. No. 106584W), Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of 27th AGM of the company till the conclusion of the 32nd AGM of the Company to be held in the year 2019 subject to ratification of their appointment at every AGM.

## AUDITORS' REPORT & SECRETARIAL AUDITORS' REPORT

The Board has re-appointed M/s. Arun Dash & Associates, Company Secretaries, to conduct Secretarial Audit of the Company. Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure IV to this Report. An experienced team of senior executives of the company is looking after all company laws and SEBI (LODR), 2015 Compliances, however the company is also looking for a qualified company secretary. An Experienced team of Senior Executives of the Company is looking after Cost accounting related functions of the Company, however the Company is also looking for a suitable qualified Cost Auditors

## RISK MANAGEMENT POLICY

The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of

this report.

## PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

The particulars of loans, guarantees and investments have been disclosed in the financial statements of the Company.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arms length basis. Your Directors draw attention of the members to Note no. 30(A) of the financial statement which set out related party transactions. Information on transactions with related parties pursuant to section 134(3)(h) of the Act read with rule 8(2) of the Companies(Accounts) Rules, 2014 are given in Annexure-I in Form AOC-2 and the same forms part of this report

## CORPORATE SOCIAL RESPONSIBILITY

The brief outline of the corporate social responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure II of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the corporate governance report, which forms part of this report.

## EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure III to this Report.

## PARTICULARS OF EMPLOYEES

The information required under section 197(12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

During the year 2015-2016, the Company has no executive who was in receipt of remuneration exceeding the sum prescribed under aforesaid section / rule.

## DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## MATERIAL ORDERS

There was no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

## ISO 9001:2008

The Wire Rod as well as Conductor divisions of the Company are ISO 9001:2008 certified and the Company is committed to maintain and improve quality.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Schedule V of SEBI Listing Regulations, 2015 is presented in a separate section forming part of the Annual Report.

## CORPORATE GOVERNANCE

A separate report on Corporate Governance is enclosed as a part of this Annual Report. A certificate from the auditors of the Company regarding compliance with the Corporate Governance norms stipulated is annexed to the report on Corporate Governance.