



# **ANNUAL REPORT**

**FOR THE YEAR ENDED 31<sup>ST</sup> March 2014**

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**HINDUSTAN WIRES LIMITED**

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## HINDUSTAN WIRES LIMITED

### BOARD OF DIRECTORS

Shri U.S. Bhartia	Non-Executive Director	DIN 00063091
Shri G.R. Goenka	Non-Executive Director	DIN 00133700
Shri K.M. Lal	Non-Executive Director (Independent)	DIN 00016166
Shri J.S. Baijal	Non-Executive Director (Independent)	DIN 00049565
Shri R.K. Gupta	Executive Director	DIN 00423525

### BANKERS

State Bank of India  
Punjab National Bank  
HSBC Ltd

### AUDITORS

Messrs. K.N. Gutgutia & Co., 11 K Gopala Tower  
25, Rajendra Place, New Delhi - 110008

### REGISTERED OFFICE

5<sup>th</sup> Floor, 3A, Shakespeare Sarani, Kolkata – 700 071  
Phone :- 033-22823586, e-mail :- [ho@hwlgas.com](mailto:ho@hwlgas.com)

**CIN : L27106WB1959PLC024177**

### FACTORY:

Plot No.267, Sector – 24,  
Faridabad,(Haryana) – 121 005,  
Phone :- 0129-2233411,  
e-mail:- [ho@hwlgas.com](mailto:ho@hwlgas.com)

### REGISTRAR AND TRANSFER AGENT :

Niche Technologies Pvt. Ltd., D-511,  
Bagree Market (5<sup>th</sup> Floor),  
71, B.R.B. Basu Road, Kolkata – 700001.  
Phone :- 033-22357270/71,  
Fax:- 033-22156823,  
email- [nichetchpl@nichetchpl.com](mailto:nichetchpl@nichetchpl.com)

### STAKEHOLDERS RELATIONSHIP COMMITTEE:-

Phone :- 033-22823586,  
email- [ho@hwlgas.com](mailto:ho@hwlgas.com)

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**For Attention of Members:** We wish to inform all our members that The Central Depository Services (India) LTD. (CDSL) has accepted the Equity Shares of the Company for DEMAT vide ISIN No.INE075C01010 and as such the members of the Company can avail of the Depository Services with any of the Depository participant registered with CDSL.

# HINDUSTAN WIRES LIMITED

## NOTICE

NOTICE is hereby given that the 54<sup>th</sup> Annual General Meeting of the Members of the Company will be held at the Auditorium of Bharatiya Bhasha Parishad at 36A, Shakespeare Sarani, Kolkata-700017 on Tuesday, the 16<sup>th</sup>. September, 2014 at 11.00 AM to transact the following business :

### ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the Financial year ended 31st March, 2014 and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri U.S. Bhartia (DIN No. 00063091) who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as ordinary resolution.

"Resolved that pursuant to the provisions of Section 139 (2) and 142 (1) of the Companies Act, 2013 and the Rules made thereunder the retiring auditors M/s K.N. Gutgutia & Co., Chartered Accountants, New Delhi (Regn No. FRN304153E) be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a term of three (3) years subject to ratification by members at every Annual General Meeting from the conclusion of this meeting until the conclusion of the 57<sup>th</sup> Annual General Meeting of the Company at such remuneration as may be determined by the Board of Directors of the Company from time to time.

### SPECIAL BUSINESS:

4. To appoint Shri. Krishna Murari Lal (DIN No. 00016166) as an Independent Director and in this regard 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 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Krishna Murari Lal (DIN No. 00016166) who was appointed as Director liable to retire by rotation and whose term expires at this Annual General Meeting and who has submitted a declaration that he meets the criteria for Independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 59<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."

5. To appoint Shri. Jagdish Saran. Bajjal (DIN No. 00049565) as an Independent Director and in this regard 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 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment & qualification of Directors) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Jagdish Saran Bajjal (DIN No. 00049565) who was appointed as an Additional Director (Non-Executive) pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting and who has submitted a declaration that he meets the criteria for Independence as provided in Section 149(6) of the Act, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term upto the conclusion of the 59<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019."

Regd. Office:

5<sup>th</sup> Floor, 3A Shakespeare Sarani, Kolkata - 71  
The 27<sup>th</sup> May, 2014.

**By Order of the Board of Directors**

(G.R.Goenka)  
Director

### NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
2. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote (on poll) instead of himself / herself and the proxy need not be a member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than 50 members and holding in aggregate not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the company may appoint a single person as proxy, who shall not act as a proxy for any other member. Proxies in order to be valid must

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reach the registered office of the Company duly completed and signed, at least 48 hours before the commencement of the meeting. Proxy Form is also sent herewith. Proxies submitted on behalf of Limited Companies, Societies etc. must be supported by an appropriate resolution / authority, as applicable.

3. The Register of Members and the Share Transfer Books of the company will remain closed from 11<sup>th</sup> September, 2014 to 16<sup>th</sup> September, 2014 (both days inclusive).

4. **Voting through electronic means:**

- I.) In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL on all resolutions set forth in this Notice.
- II.) Similarly, Members opting to vote physically can do the same either through ballot form as mentioned below in point no. 9 or by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.
- III.) The instructions for shareholders voting electronically are as under followed by i) to xx) lines.
- (i) The voting period begins on **10-September-2014 at 10 AM and ends on 12-September-2014 at 6 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 **01-August-2014**, 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, select the "**Hindustan Wires Limited**" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
- a. For CDSL: 16 digits beneficiary ID,
  - b. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (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:

<b>For Members holding shares in Demat Form and Physical Form</b>	
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 enter in capital letters in the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr / Mrs / Smt / Miss / Ms / M/s etc. Example:</li> </ul> <p>(1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245</p> <p>(2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.</p> <ul style="list-style-type: none"> <li>Please Enter the DOB or Bank Account Number in order to Login. If both the details are not recorded with the depository or company then please enter in the Dividend Bank Details field the Number of Shares Held by you as on Cut-Off Date (Record Date) of <b>01-August-2014</b>.</li> </ul>

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- (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 Hindustan Wires 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 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.
  - (xix) 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 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.
  - (xx) 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).
5. The voting rights of Members shall be in proportion to the number of shares held by them each fully paid up in the paid up equity share capital of the Company as on 1<sup>st</sup> August, 2014. Voting by show of hands are not allowed.
  6. Mrs. Smita Sharma, Practicing Company Secretary (Membership No ACS 17757 ) has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
  7. The scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  8. The results declared along with Scrutinizer's Report shall be placed on the Company's website: [www.ho@hwlgas.com](http://www.ho@hwlgas.com) within two

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days of the passing of the Resolutions at the Fifty forth AGM of the Company to be held on 16<sup>th</sup>. September, 2014 and shall be communicated to BSE Ltd., and the Calcutta Stock Exchange Ltd (CSE) .

### 9. Ballot Form

In terms of Clause 35B of the Listing Agreement, those members, who do not have access to e-voting facility, may send their assent or dissent in writing on the Ballot Form attached with this AGM Notice so as to reach the Scrutinizer at the address mentioned therein on or before September 12, 2014. Any Ballot Form received after this date will be treated as invalid if the reply from the member has not been received.

**If any member exercises both e-voting and in writing through Ballot Form, then Scrutinizer will consider only the e-voting.**

**Members are requested to read the instructions given below :**

- a) The Ballot Form should be completed and signed by the sole/first named member. In case of joint holding, this Form should be completed and signed by the first named member and in his absence by the next named joint holder. The signature of the member on this Ballot Form should be as per the specimen signature registered with the Company or furnished by Central Depository Services (India) Limited to the Company, in respect of shares held in the physical form or dematerialized form, respectively.
- b) In case of shares held by Companies, trusts, societies, etc., the duly completed Ballot Form should be accompanied by a certified true copy of the Board Resolution/ Authorization together with attached specimen signature(s) of the duly authorized signatories.
- c) Member holding shares in dematerialized form are advised, in their own interest, to get their signatures verified by their Banker/Depository Participant (DP). Signatures should be verified by the Manager of the concerned Bank/DP by affixing a rubber stamp/seal mentioning name and address of the Bank/DP and name, stamp and signature of the Manager.
- d) Member are requested not to send any other paper along with the Ballot Form and any other paper found in the envelope, the same would not be considered and would be destroyed by the Scrutinizer.
- e) The votes should be cast in favour or against the Resolution putting the tick mark (✓) in the column for assent or dissent. Ballot form bearing (✓) in both the column will render the form invalid. Incomplete, unsigned, incorrectly filled Ballots will be subject to rejection by the Scrutinizer.
- f) There will be one Ballot Form for every Folio/Client ID irrespective of the number of the joint holders.
- g) The Ballot shall not be exercised by a Proxy.
- h) Ballot Form – Votes will be considered invalid on the following grounds:
  - a) If the member's signature does not tally.
  - b) If the member has marked all his shares both in favour and also against the resolutions.
  - c) If the Ballot paper is unsigned.
  - d) If the Ballot paper filled in pencil or signed in pencil.
  - e) If the Ballot paper received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or one or more of the above grounds.
- i) The Scrutinizer's decision on the validity of the Ballot will be final.
- j) Address of Scrutinizer : Mrs. Smita Sharma-Scrutinizer, Hindustan Wires Limited, 5<sup>th</sup> floor, 3A Shakespeare Sarani, Kolkata-700 071.

# HINDUSTAN WIRES LIMITED

## **Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013**

The following statement sets out all material facts relating to the special business mentioned in the accompanying Notice.

### **Item no. 4**

Shri Krishna Murari Lal is a Non-Executive Independent Director who retires at the ensuing Annual General Meeting and who has held the position as such for more than five years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed Company.

It is proposed to appoint Shri Krishna Murari Lal as Independent Director under Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges to hold office for five consecutive years for a term upto the conclusion of the 59<sup>th</sup> Annual General Meeting of the Company.

Shri Krishna Murari Lal holds a degree of Master of Science and is a retired IAS Officer. He has held Senior positions in various departments of Govt. of India. He was also the Financial Advisor to the Govt. of India for 8 years.

As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and is not liable to retire by rotation.

The Company has received a declaration from Shri Krishna Murari Lal that he meets with criteria of Independence as prescribed both under Section 149(6) of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Krishna Murari Lal proposed to be appointed as an Independent Director fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement and that the proposed Director is Independent of Management.

Shri Krishna Murari Lal possesses appropriate skills, experience and knowledge, inter alia, in the field of finance, hence keeping in view his vast experience and knowledge, it will be in the interest of the Company that Shri Krishna Murari Lal is appointed as Independent Director.

Brief Resume and other Directorship of the said Mr. Krishna Murari Lal is given in the attached annexure.

Copy of the draft letter of appointment of Shri Krishna Murari Lal as Independent Director is available for inspection by members at the Registered office of the Company during normal business hours on any working day upto the date of Annual General Meeting.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in this resolution.

The Board commends the ordinary resolution set out at Item No. 4 of the notice for approval by the shareholders.

### **Item No. 5**

The Board of Directors of the Company pursuant to the provisions of Section 161(1) of the Act, appointed Shri Jagdish Saran Baijal as an Additional Director of the Company w.e.f 27-05-2014 to hold office upto the date of ensuing Annual General meeting and is eligible for appointment as Director.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of Independent Directors by a listed Company.

It is proposed to appoint Shri Jagdish Saran Baijal as Independent Director under Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges to hold office for five consecutive years for a term upto the conclusion of the 59<sup>th</sup> Annual General Meeting of the Company.

Mr. Jagdish Saran Baijal is M.A. in Economics and is a retired IAS Officer. He has held Senior positions in various departments of Govt. of India. After retirement he remained Executive Director in World Bank Washington, DC, USA for more than three years and later on also held Senior positions in Indian Banks & Financial Institutions.

As per the provisions of Section 149 of the Act, an Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and is not liable to retire by rotation.

## HINDUSTAN WIRES LIMITED

The Company has received a declaration from Shri Jagdish Saran Baijal that he meets with criteria of Independence as prescribed both under Section 149(6) of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Jagdish Saran Baijal proposed to be appointed as an Independent Director fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Agreement and that the proposed Director is Independent of Management.

Shri Jagdish Saran Baijal possesses appropriate skills, experience and knowledge, inter alia, in the field of finance, hence keeping in view his vast experience and knowledge, it will be in the interest of the Company that Shri Jagdish Saran Baijal is appointed as Independent Director.

Brief Resume and other Directorship of the said Mr. Jagdish Saran Baijal is given in the attached annexure.

Copy of the draft letter of appointment of Shri Jagdish Saran Baijal as Independent Director is available for inspection by members at the Registered office of the Company during normal business hours on any working day upto the date of Annual General Meeting.

None of the other Directors, Key Managerial Personnel of the Company or their relatives are in any way concerned or interested in this resolution.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Shri Jagdish Saran Baijal for the office of Director of the Company and is available for inspection by the members at the Registered office of the Company during normal business hours on any working day upto the date of Annual General Meeting.

The Board commends the ordinary resolution set out at Item No. 5 of the notice for approval by the shareholders.

Regd. Office:

**By Order of the Board of Directors**

5<sup>th</sup> Floor, 3A Shakespeare Sarani, Kolkata - 71

The 27<sup>th</sup> May, 2014.

(G.R.Goenka)  
Director



# HINDUSTAN WIRES LIMITED

## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors present their Annual Report together with Audited Financial Statements of the Company for the year ended on 31st March, 2014.

### FINANCIAL RESULTS

The Results are summarised below:

	(Rs. in Lacs)	
	Year ended on 31.03.2014	Year ended on 31.03.2013
Revenue from Operations (excluding excise duty)	562.02	415.62
Other income & provisions no longer required written back	116.07	86.67
Total Revenue	678.09	502.29
Expenses	537.50	420.53
Exceptional Items	140.23	3.72
Total Expenses	677.73	424.25
Profit/(Loss) before Depreciation & Tax	0.36	78.04
Depreciation	36.26	36.02
Provision for income tax (MAT)	-	-
Net Profit/(Loss) after tax	(35.90)	42.02
Net Profit/(Loss) Carried to Balance Sheet	(35.90)	42.02

### OPERATIONS & GENERAL REVIEW

During the year Company continued its activities in manufacturing, trading and transportation of Industrial Gases. The revenue from operations for the current year was Rs. 562.02 Lacs as against Rs. 415.62 Lacs in the previous year. In addition the Company has also earned other income of Rs. 116.07 Lacs mainly on account of receipt of warehousing and storage charges as against Rs. 86.67 lacs in the previous year. The Company expects to further improve its performance in the current year. The Company is also exploring the possibility of renting out on a regular basis some of its vacant factory sheds for storage & warehousing to improve its performance and Cash inflow.

Exceptional items include: Provision made on the basis of financial prudence for Doubtful debts amounting to Rs. 129.83 Lacs in respect of old dues of Public Sector Oil Companies which are under litigation for the last more than a decade.

The net loss carried to Balance Sheet is Rs. 35.90 lacs and the net accumulated loss at the year end is Rs. 1212.15 lacs.

### REGISTRATION WITH BIFR

The Company is registered with BIFR as a Sick Industrial Company under the provisions of the Sick Industrial Companies (Special Provisions) (SICA) Act, 1985. The Company applied to BIFR for de-registration of the Company from the purview of Sick Industrial Companies (special provision) (SICA) Act, 1985. However the decision of the BIFR in this matter is awaited. The matter is being pursued by the Company.

### DIVIDEND

In view of accumulated losses, your Directors are not in a position to recommend any dividend for the year ended 31st March, 2014.

### REDEMPTION OF PREFERENCE SHARE CAPITAL AND ISSUE OF FRESH PREFERENCE SHARES

During the year the Company has issued fresh redeemable preference shares by way of private placement amounting to Rs. 490 Lacs and the said proceeds of the issue were utilized in redemption of the existing redeemable Preference shares amounting to Rs. 490 Lacs which were due for redemption on or before 30-03-2014.

# HINDUSTAN WIRES LIMITED

## PUBLIC DEPOSITS

At the end of the year, there were no outstanding Public Fixed deposits.

## TRADING IN SHARES OF THE COMPANY

During the year the Equity script of the Company was under Suspension for Trading at BSE. However BSE vide its letter dated 19-05-2014 has given in principal approval for Revocation of Suspension in Trading of Equity Shares of the Company. As such the Company expects that the trading in equity shares of the Company on BSE shall resume within next six months.

## DEPOSITORY SERVICES FOR EQUITY SHAREHOLDERS OF THE COMPANY

The Central Depository Services (India) LTD. (CDSL) has accepted the Equity Shares of the Company for DEMAT vide ISIN No.INE075C01010 and as such the members of the Company can avail of the Depository Services with any of the Depository participant registered with CDSL.

## DIRECTORS

Shri U.S. Bhartia a Director of Company retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

Shri K.M. Lal who is an Independent Director of the Company retires at the forthcoming Annual General Meeting. As per the provisions of Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term upto 5 consecutive years on the Board of the Company and is not liable to retire by rotation. In the opinion of the board he fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director. The Board of Directors pursuant to provisions of Section 149 & 152 of the Companies Act, 2013 recommends for his appointment for a period of five years as Independent Director in the forthcoming Annual General meeting.

Shri J.S. Bajjal was appointed as Additional Director (Independent) in the Board Meeting held on 27-05-2014 to hold office upto the date of next Annual General Meeting. He being eligible to be appointed as Independent Director for a period of 5 years pursuant to Section 149 (10) of the Companies Act, 2013, offer himself for re-appointment at the forthcoming AGM. In the opinion of the board he fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director. The Board of Directors pursuant to provisions of Section 149 & 152 of the Companies Act, 2013 recommends for his appointment for a period of five years as Independent Director in the forthcoming Annual General meeting.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 your Directors confirm that:

That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of that year.

That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

That the Directors had prepared the annual accounts on a going concern basis.

## MANAGEMENT DISCUSSIONS AND ANALYSIS

### FINANCIAL PERFORMANCE

During the year the Company continued its activities in manufacturing and trading of Industrial Gases. The revenue from operations for the year is Rs. 562.02 lacs and the other income including receipt of warehousing and storage charges is Rs. 116.07 lacs. During the year the Company had made a provision for Doubtful debts amounting to Rs. 129.83 Lacs and after the said provision there is a Net loss of Rs. 35.90 Lacs. These debts pertain to dues of Public sector oil Companies which are under litigation for the last more than a decade. The net loss carried to Balance Sheet is Rs. 35.90 lacs and the net accumulated loss at the year end is Rs. 1212.15 lacs.

### BUSINESS/INDUSTRY OUTLOOK

There is a good demand of Industrial Gases in and around Faridabad, but the competition has also increased in the market. However the Company expects to improve its performance in the coming years. The Company is also trying to generate income from its vacant factory sheds by grant of lease for warehousing.