

“श्री जी”



National General Industries Ltd.

An ISO 9001 : 2008 Certified Company

**28th Annual Report
2013-14**

Board of Directors

Ashok Kumar Modi	Chairman cum Managing Director
Pawan Kumar Modi	Joint Managing Director cum Chief Financial Officer
Pankaj Kumar Agarwal	Independent Director
Chaitanya Dalmia	Independent Director
Vasu Modi	Non-executive Director
Abhilasha Goenka	Independent Director

Statutory Auditors

R. K. Govil & Co.
Chartered Accountants
4, Kiran Enclave, Behind Hotel Samrat,
G.T. Road, Ghaziabad, U.P.

Registered Office

3rd Floor, Surya Plaza,
K-185/1, Sarai Julena,
New Friends Colony,
New Delhi – 110 025
Ph. No. : 011-26829517, 19
Fax No.: 011-26920584
E-mail : ngil@vsnl.com

Registrar & Transfer Agents

D-153 A, 1st Floor,
Okhla Industrial Area,
Phase I, New Delhi - 110020
Tel.: 011-26812682, 26812683
Fax : 011 – 30857575
Email: admin@skylinerta.com

Cost Auditors

Neeraj Sharma & Co.
Cost Accountants
34, 1st Floor, Durga Tower,
RDS, Raj Nagar, Ghaziabad, U.P.

Works – I : Re-rolling unit

9th Mile Stone, G.T. Road,
Mohan Nagar,
Ghaziabad – 201 007

Works – II : Casting unit

Plot No. SP-242, RIICO Ind. Area
Kaharani (Bhiwadi Extension)
District : Alwar, Rajasthan.

Bankers

State Bank of Patiala

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NOTICE

NOTICE is hereby given that the **TWENTY EIGHTH ANNUAL GENERAL MEETING** of the Members of National General Industries Limited will be held on Tuesday, the 30th September, 2014 at 11.30 a.m. at Nawal Vihar, Farm 7, Dera Gaon, New Delhi – 110 030, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended 31 March, 2014, the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pawan Kumar Modi (DIN : 00051679) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution :

“RESOLVED THAT pursuant to provisions of section 139 of Companies Act, 2013 and the rules and regulations made thereunder, M/s. R. K. Govil & Company, Chartered Accountants (Firm Regn. No. 000748C) be and is hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 31st Annual General Meeting in the year 2017 (subject to ratification of the appointment by the members at every Annual General Meeting) and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration in consultation with them.”

SPECIAL BUSINESS :

4. To appoint Mrs. Abhilasha Goenka (DIN : 06962989) 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, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and 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, Mrs. Abhilasha Goenka (DIN : 06962989), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of ensuing Annual General Meeting 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 her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a term upto 31st March, 2019.”

5. To appoint Shri Pankaj Agarwal (DIN: 00244480) 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, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and 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, the term of Shri Pankaj Agarwal (DIN: 00244480) as Independent Director of the Company, not liable to retire by rotation, be and is hereby fixed upto 31st March, 2019, in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company.”

6. To appoint Shri Chaitanya Dalmia (DIN: 00028402) 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, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and 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, the term of Shri Chaitanya Dalmia (DIN: 00028402) as Independent Director of the Company, not liable to retire by rotation, be and is hereby fixed upto 31st March, 2019, in respect of whom the company has received a notice in writing under Section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company.”

7. To approve and ratify the remuneration of the Cost Auditors for the financial year ending 31st March, 2015 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 Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company be and is hereby approve and ratifies the remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus service taxes thereon, if any, payable to M/s. Neeraj Sharma & Co. (Firm Registration No. 100466), Cost Accountants, appointed as Cost Auditors of the Company for the financial year 2014-15.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board
For **NATIONAL GENERAL INDUSTRIES LIMITED**

Sd/-
Ashok Kumar Modi
Managing Director

Place : New Delhi
Date : 02.09.2014

NOTES :

1. A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting is annexed hereto.
2. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on a poll 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 48 hours before the commencement of the meeting.**
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten 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.
3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. Brief resume of Directors those proposed to be appointed / re-appointed, nature of their expertise in specific functional areas, name of companies in which they hold directorships and memberships, chairmanship of the Board Committees, shareholding and relationships between

directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are annexed to the notice.

5. Members / proxies are requested to bring their attendance slip along with their copy of Annual Report to the meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Only members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting.
8. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 18th September, 2014 to Monday, 22th September, 2014 (both days inclusive).
10. Members who are holding shares in physical form are requested to notify the change in their respective addresses, e-mail ID or Bank details to the Registrar and Transfer Agents (RTA) and always quote their Folio Numbers in all correspondence with the Company and RTA. In respect of holding in electronic form, Members are requested to notify any change in addresses, e-mail ID or Bank details to their respective Depository Participants.
11. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Skyline Financial Services Pvt. Ltd. Members holding shares in DEMAT form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
12. Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
13. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, 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.

The instructions for e-voting are as under:

- (i) The voting period begins on Tuesday, 23rd September, 2014 (9.00 a.m. IST) and ends on Wednesday, 24th September, 2014 (6.00 p.m. IST). 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 29th 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.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID :
 - a) For CDSL : Enter your User ID which is 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

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

For Members holding shares in Demat Form and Physical Form

PAN

* Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

* 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.

DOB

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Bank Details

Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

* Please enter the DOB or Bank Detail in order to login. If the detail are not recorded with the depository or company please enter the Number of Shares held in the Bank details field as mentioned in instruction (v)

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

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the National General Industries Ltd. on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) **Note for Non-Individual Shareholders & Custodians:**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporates and Custodians respectively.
- 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 they have to create a compliance user which 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.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

14. Other Instructions:

- a. The e-voting period commences on Tuesday, 23rd September, 2014 (9.00 a.m. IST) and ends on Wednesday, 24th September, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 29th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
- b. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 29th August, 2014.
- c. M/s. Deepak Bansal & Associates, Practicing Company Secretary (FCS No. : 3736 and C. P. No. : 7433), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-Voting process) in a fair and transparent manner.
- d. 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.
- e. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- f. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.modisteel.com and on the website of CDSL within two days of the passing of the resolutions at the 28th AGM of the Company on September 30, 2014 and communicated to the BSE Limited, where shares of the Company are listed.

15. Poll at the Meeting

After all the items of the notice have been discussed, the Chairman will order poll in respect of all the items. Poll will be conducted and supervised under the Scrutinizer appointed for e-voting as stated above. After conclusion of the poll, the Chairman may declare the meeting as closed. The results of the poll aggregated with the results of e-voting will be announced by the Company on its website : www.modisteel.com and will also inform to the stock exchanges where the securities of the Company are listed within two days from the date of AGM of the Company.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following Statements sets out all material facts relating to the Special Business mentioned in the accompanying notice.

ITEM NO. 4

The Board of Directors of the Company appointed, pursuant to provision of Section 161(1) of the Act and Articles of Association of the Company, Mrs. Abhilasha Goenka as an Additional Director of the Company with effect from 2nd September, 2014. In terms of the provisions of Section 161(1) of the Act, Mrs. Abhilasha Goenka would hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a member alongwith deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Abhilasha Goenka for office of Director of Company. Mrs. Abhilasha Goenka is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Section 149 of the Act *inter-alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and shall not be included in the total number of directors for retirement by rotation. As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director.

The Company has received a declaration from Mrs. Abhilasha Goenka that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mrs. Abhilasha Goenka possesses appropriate skills, experience and knowledge, *inter-alia*, in the field of business development and marketing.

In the opinion of the Board, Mrs. Abhilasha Goenka fulfills the conditions for her appointment for a term upto 31st March, 2019, as an Independent Director as specified in the Act and the Listing Agreement. Mrs. Abhilasha Goenka is independent of the management.

Brief resume of Mrs. Abhilasha Goenka, nature of her expertise in specific functional areas and names of companies in which she holds directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors *inter-se* as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Keeping in view, her vast expertise and knowledge, it will be in the interest of the Company that Mrs. Abhilasha Goenka is appointed as an Independent Director.

Copy of the draft letter for appointment of Mrs. Abhilasha Goenka as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mrs. Abhilasha Goenka and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

ITEM NOS. 5 and 6

Shri Pankaj Agarwal and Shri Chaitanya Dalmia are Independent Directors of the Company and have held the positions as such for more than 5 (five) years.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions and terms for the appointment of independent directors by a listed company.

It is proposed to fix the term of appointment of Shri Pankaj Agarwal and Shri Chaitanya Dalmia as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement for the period upto 31st March, 2019.

Shri Pankaj Agarwal and Shri Chaitanya Dalmia are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Pankaj Agarwal and Shri Chaitanya Dalmia for the office of Directors of the Company.

The Company has also received declarations from Shri Pankaj Agarwal and Shri Chaitanya Dalmia that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Pankaj Agarwal and Shri Chaitanya Dalmia fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Pankaj Agarwal and Shri Chaitanya Dalmia are independent of the management.

Brief resume of Shri Pankaj Agarwal and Shri Chaitanya Dalmia, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

Copies of the letters for fixing of respective terms of appointment of Shri Pankaj Agarwal and Shri Chaitanya Dalmia as Independent Directors are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Pankaj Agarwal and Shri Chaitanya Dalmia are interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice with regard to their respective appointments. The relatives of Shri Pankaj Agarwal and Shri Chaitanya Dalmia may be deemed to be interested in the resolutions set out respectively at Item Nos. 5 and 6 of the Notice, to the extent of their shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions set out at Item No. 5 and 6 of the Notice.

The Board commends the Ordinary Resolutions set out at Item Nos. 5 and 6 of the Notice for approval by the shareholders.