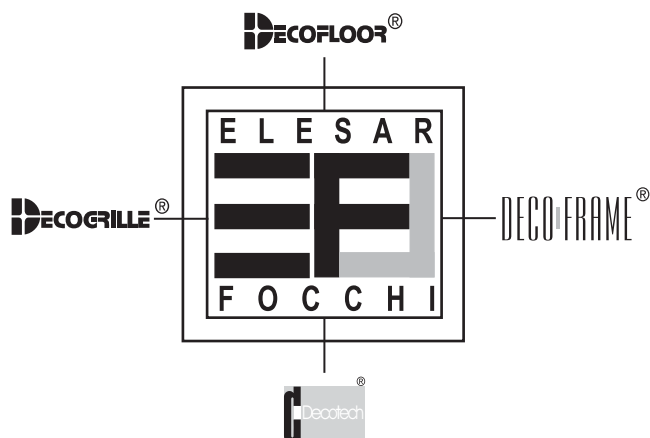


# NIRAV COMMERCIALS LIMITED



## ANNUAL REPORT 2015-2016

## BOARD OF DIRECTORS

Shri Lalit Kumar Daga  
Shri Shailesh Daga  
CA. Sudhir Goel  
Mrs. Renu Somani

Chairman

## EXECUTIVES

Shri S.K.Sharma  
Shri H. Gopalan

Chief Financial Officer  
Advisor

## STATUTORY AUDITORS

Motilal & Associates  
Chartered Accountants, Mumbai

## BANKERS

HDFC Bank Ltd.  
United Bank of India

**REGISTERED OFFICE**

(CIN:L51900MH1985PLC036668)

B-1, Tulsi Vihar,

Dr.A.B.Road, Worli Naka,

Mumbai - 400 018.

Email: [nirav@associatedgroup.com](mailto:nirav@associatedgroup.com)

Website: [www.associatedgroup.com/NCL](http://www.associatedgroup.com/NCL)

## WORKS

Elesar Focchi  
Survey No.65/3D, Plot No.1,  
Cachigam Road, Ringanwada,  
Daman – 396 210 (Union Territory).

Elesar Focchi  
W-50, M.I.D.C.Industrial Area,  
Taloja – 410 208  
Dist.; Raigad (Maharashtra)

## REGISTRARS AND 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

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## 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 31st Annual General Meeting of the Members of Nirav Commercials Limited 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 Friday, the 26th August, 2016 at 11.00 AM 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 appoint a Director in place of Shri Shailesh Daga (DIN: 00074225) who retires by rotation at this Annual General Meeting and being eligible has offered himself for re-appointment.
3. 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 34th AGM of the Company to be held in the year 2019 at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### SPECIAL BUSINESS

4. To consider and if thought fit to pass, with or without modifications, the following resolution as the ordinary resolution

"RESOLVED THAT pursuant to the provisions of Section 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 Regulation 17 of SEBI (Listing Obligation & Disclosure Requirement), Regulation, 2015, Mrs Renu Somani (DIN : 07132142), who was appointed as a Director liable to retire by rotation and in respect of whom the Company has received a notice under Section 160 of the Company 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 to hold office for the 5 (five) consecutive years for a term up to the conclusion of the 36th AGM of the Company which will be held in the calendar year 2021.

For and on behalf of the Board

**Shailesh Daga**  
Director

**Sudhir Goel**  
Director

Place: Mumbai  
Date: 30th May, 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.4 of the Notice, is annexed hereto.
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 Wednesday, 24th August, 2016 to Friday, 26th August, 2016 (both days inclusive) for the purpose of AGM.
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. 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).
6. 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
7. 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.
8. 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 Company' website i.e. [www.associatedgroup.com/NCL](http://www.associatedgroup.com/NCL)
9. The route map showing directions to reach the venue of the thirty- first AGM is annexed.
10. 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.
11. 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.
12. 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.
13. 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.
14. 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.

15. 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.
16. 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.
17. 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.

#### 18. Shareholder Instructions for E-Voting

- (i) The voting period begins on < 22nd August, 2016 at 10.00 am> and ends on <25th 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 <19th 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<br>OR<br>number in the<br>Date of Birth<br>(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 Dividend Bank details field as mentioned in instruction (iv).</li> </ul>   |

- (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 <Nirav Commercials 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 —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 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.
- (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

**Shailesh Daga**  
Director

**Sudhir Goel**  
Director

Place: Mumbai  
Date: 30th May, 2016

#### 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

With the recommendations of the Remuneration and Nomination Committee, the Board of Directors at their meeting held on 30.05.2016, recommends to designate Mrs Renu Somani, as an Independent Director pursuant to Section 149, Schedule IV and other applicable provisions of the companies Act, 2013, for a consecutive period of 5 years term, from the conclusion of AGM dated 26.08.2016 up to the conclusion of 36th AGM of the Company which will be held in the calendar year 2021.

Therefore, as required under Schedule IV, appointment of Independent Directors is set out in the item no 4 of the Notice for approval of the shareholders.

In respect of the appointment of the aforesaid Director, a notice in writing in the prescribed manner as required by Section 160 of the Company Act, 2013 and Rules made thereunder has been received by the Company, regarding candidature of the aforesaid Director for the office of the Director.

The Independent Director have submitted the declaration of independence, as required pursuant to section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section (6). The respective appointment is not disqualified from being appointed as a Director in terms of section 164 of the Act.

The terms & conditions of appointment of independent Director shall be open for inspection at the registered office of the Company by any member during normal business hours.

Mrs Renu Somani, is a Bachelor in Arts (B.A) from Chennai University and has over 19 years experience of social sector. The terms & conditions of her appointment as independent director as per Schedule IV of the Act. She has submitted a declaration that she meets the criteria of independence as provided in section 149 (6) of the Companies Act, 2013. She does not hold any share in the company.

None of the Directors or Key Managerial Person (KMP) or relatives of directors & KMP except Mrs. Renu Somani is concerned or interested in the resolution at item no.4 of the notice relating to her appointment.

For and on behalf of the Board

**Shailesh Daga**  
Director

**Sudhir Goel**  
Director

Place: Mumbai  
Date: 30th May, 2016

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual Report and the Audited Accounts, 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<br>(₹ in Lakhs) | 2014-2015<br>(₹ in Lakhs) |
|--------------------|---------------------------|---------------------------|
| Total Revenue      | <b>762.64</b>             | <b>951.21</b>             |
| Profit before Tax  | <b>20.38</b>              | <b>32.56</b>              |
| Less: Tax Expenses | <b>3.47</b>               | <b>5.33</b>               |
| Net Profit         | <b>16.91</b>              | <b>27.23</b>              |

### DIVIDEND

Considering the financial position of the company the Board of Director does not recommend any dividend for this financial year.

### TRANSFER TO RESERVES

An amount of profit for the year ₹ 16.91 Lakhs is proposed to be retained in the profit & loss account

### COMPANY PERFORMANCE

During the year under review, the Company's total income is ₹ 762.64 Lakhs as compared to ₹ 951.21 Lakhs in previous year. The Net Profit is ₹ 16.91 Lakhs as compared to ₹ 27.23 Lakhs in the previous year. There is no material change in the nature of business of the company.

### MANUFACTURING

Your company is engaged in manufacturing of Aluminium Grills, Door & Windows etc. and has two manufacturing units namely 'Elesar Focchi', at Daman (UT) & other at Talaja, Dist; Raigad (Maharashtra). These units have contributed ₹ 659.16 Lakhs as compared to ₹ 713.64 Lakhs in the previous year in total income of the Company.

### SUBSIDIARY COMPANY

There is no subsidiary/joint venture company within the meaning of Companies Act, 2013.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the 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 have 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 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 Act 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

### DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Shailesh Daga, Director of the Company, retires by rotation at the ensuing AGM and being eligible has offered himself for re-appointment. Shri Shailesh Daga is a Commerce Graduate from the University of Mumbai and MBA from Bond University, Australia. He has over 29 year experience in the Aluminium Industries. He holds 8960 equity shares in the Company. He is the son of Shri Lalit Kumar Daga, Chairman/Director of the Company. Shri Shailesh Daga also hold directorship in another listed company viz. Hind Aluminium Industries Limited.

Pursuant to the provisions of Section 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 Regulation 17 of SEBI (Listing Obligation & Disclosure Requirement), Regulation, 2015, Mrs Renu Somani (DIN: 07132142), Director be designated as an Independent Director of the Company.

Shri S K Sharma 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 company and SEBI (LODR), 2015 Compliances, however the company is also looking for a qualified company secretary.

### MEETING OF THE BOARD

Six Board Meetings were held during the year.

### BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance and individual directors pursuant to the provisions of the Act. 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.

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

The Company's policy on directors' appointment and remuneration and other matter are as per provisions of Section 178(3) of the Companies Act 2013.

### INTERNAL FINANCIAL CONTROLS

The Board of Directors has 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 29th AGM of the company till the conclusion of the 34th AGM of the Company to be held in the Calendar year 2019 subject to ratification of their appointment at every AGM.

### 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. 25 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

### 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.

### 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 -II to this Report. An experienced team of senior executives of the company is looking after all company laws and SEBI (LODR) Regulation, 2015 Compliances, however the company is also looking for a qualified company secretary.

### 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 9002

You will be happy to note that the manufacturing unit of the Company namely Elesar Focchi, Daman is an ISO 9001: 2008 certified unit.



**MANAGEMENT DISCUSSION & 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.

**EQUITY SUSPENSE ACCOUNT**

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, 2015 no share of the company is in suspense account.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO****Conservation of energy:**

Energy conservation continues to be an area of focus for the company. Initiatives to integrate energy efficiency into overall operations are undertaken through design considerations and operational practices. The key initiatives towards conservation of energy were:

- a. improved monitoring of energy consumption through smart metering and integration with building management systems;
- b. setting internal targets for energy performance improvement and institution of rigorous operational controls toward achieving these targets;
- c. The Company is planning for Solar energy as an alternate source of energy.
- d. The Company has invested on energy conservation equipment.

**Technology absorption, adaption and innovation:**

The Company continues to use the latest technologies for improving the productivity and quality of its services and products. The Company's operations do not require significant import of technology.

**Research and Development (R&D):**

The Company is actively engaged in product up gradation, design, development and new product development.

Since the expenditure incurred on research and development activities were not substantial, no separate account for the same was being maintained.

**FOREIGN EXCHANGE EARNING AND OUTGO**

The Company is constantly exploring the possibilities of exporting its products. This is an on going process. Export sales can only be increased by developing relationship with prospective buyers. In this connection your

Company's officials may plan to visit some countries to explore possibilities of export sales. The information on the above is given in Notes on Account (Note No.28 to the Accounts).

**ACKNOWLEDGEMENT**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members/shareholders of the company during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by Company's executives, staff and workers.

For and on behalf of the Board

**Shailesh Daga**  
Director

**Sudhir Goel**  
Director

Place: Mumbai.

Date: 30th May, 2016.

## **Managements' Discussion and Analysis**

### **Industry sector and development**

Your company is engaged in manufacturing of Aluminium Grills, Door & Windows etc. and has two manufacturing units namely 'Elesar Focchi', one of them is situated at Daman (UT) & another at Taloja, Dist; Raigad (Maharashtra).

### **Opportunities**

The Government of India has approved "Housing for All by 2022" programme for the rehabilitation of slum-dwellers and promotion of affordable housing for the urban poor. The target is to provide nearly 20 million houses over six years. This will mean demand of aluminium door & windows for such housing projects will continue. Our analysis of proposed / ongoing projects indicates that the strong order inflow in this sector.

### **Segment-wise performance**

Your company is in single segment of manufacturing of Aluminium Door & Windows etc. and trying to increase its revenue.

### **Major threats**

While significant investments are planned by the Government of India, there has always been a lag in the planned investments and in the actual implementation and execution of those investments. The Company operates in a highly competitive environment. While the Company is well placed in this segment, with increased competition realizations may be hit going forward.

### **Outlook**

As mentioned in the earlier paragraph with the government initiating investments in the housing for all sector there seems to be a positive outlook for our products.

### **Risk and concern**

As always, volatility in the price of aluminium which will affect the performance of the company.

### **Internal control system and their adequacy**

The company has aligned its current systems of internal financial control with the requirement of Companies Act 2013. The Internal Control – Integrated Framework (the 2013 framework) is intended to increase transparency and accountability in an organisation's process of designing and implementing a system of internal control. Your Company has a real time system of monitoring its targets as well as expenditure. Your company manufacturing unit at Daman is an ISO 9001:2008 certified.

### **Performance**

Your Company has constantly trying to increase its sales as well as profitability.

### **Development in human resource / industrial relations**

The company places high importance on the development of its human resources. It imparts regular training to its employees to make them more focused to adapt to the constant change in the business environment. Industrial relation in both the units was satisfactory.