



SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541

37th Annual Report - 2016



TÜV

• ISO/TS 16949:2009 • DIN EN ISO 9001:2008
• BS OHSAS 18001:2007 • ISO 14001:2004
• SA 8000:2008 • ISO 50001:2011

Certified Company

Corporate Information

Founder and Promoter Director

Late Shri. Shriram Chokhani [1924-2010]

Board of Directors
Shri. Sudarshan S Chokhani

[Managing Director]

Shri. Shyantanu S Chokhani

[Non- Executive Director]

Shri. Mukesh V Ashar

[Whole Time Director & CFO]

Shri. Jal S Thanawala

[Independent Director]

Shri. Manoj O Shah

[Independent Director]

Miss Dimple V Nayak

[Independent Director, Resigned W.e.f. 3rd December, 2015]

Miss Vedika G Gupta

[Additional Director, Appointed w.e.f. 23rd November, 2015]

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Pooja R Bangera

CORPORATE MANAGEMENT TEAM

Shri. George Varghese [G. M. (Operations)]

Shri. Shrikant Kulkarni [Works Manager]

Shri. Rajendra Shah [Chief Marketing Officer]

Shri. Kishore Dulla [Commercial Manager]

REGISTERED OFFICE & PLANT

A-5, MIDC, Ambad Industrial Estate,

Mumbai – Nashik Highway,

Nashik – 422010, Maharashtra

Tel No. : 91-253-6636200/201

E-mail : nashik@sudal.co.in

CORPORATE OFFICE

26A, Nariman Bhavan,

227, Nariman Point, Mumbai – 400 021

Tel No. : 91-22-61577100/177

E-mail : cs@sudal.co.in / mumbai@sudal.co.in

CIN: L21541MH1979PLC021541

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, L.B.S. Marg,
Bhandup (W), Mumbai – 400 078.

Tel No. 91-22-25946970

Fax No. 91- 022-25946969

E-mail : rnt.helpdesk@linkintime.co.in

STATUTORY AUDITORS

Lodha & Co.

Chartered Accountants

Karim Chambers,

40, Ambalal Doshi Marg,

Mumbai – 400 023

BANKERS

Syndicate Bank, Mumbai

SOLICITORS & ADVOCATES

India Law Alliance

Surya Mahal, 1st Floor,

5 Burjorji Bharucha Marg,

Fort, Mumbai – 400 023

37th ANNUAL GENERAL MEETING

On Sunday, 24th July, 2016 at 03.00 P.M.

At Hotel Seven Heaven,

Mumbai – Agra Road,

Opposite Mahindra House,

Pathardi Phatha,

Nashik – 422010

Maharashtra

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Managing Director's Statement - 2015-16

Dear Shareholders,

It is indeed an honour to address the 37th Annual General Meeting of our Company. I am glad to extend a warm welcome to all of you on behalf of the Board of Directors, Management and the Employees of the Company.

It goes without saying that a large part of who we are today has been shaped entirely by the continued support and motivation from you and I am confident that this support will continue for years to come.

Economic Outlook

The capacity utilisation of domestic aluminium industry has fallen drastically since 2008 due to the intermittent slowdown in global economy leading to global price reductions.

The domestic aluminium industry, that has been facing tough times on account of cheap imports and softening of prices, is now pushing for increasing the duty of raw materials in a bid to meet production costs. The cost of production is higher than the international prices. China has drastically reduced the consumption due to slow growth in economy resulting into steep downfall in demand for aluminium and aluminium product.

Indian aluminium industry will continue to face difficulty unless world prices increase because in the short-run it is "virtually impossible" to reduce production cost, said the 2015-16 report card of state of the economy tabled by Finance Minister Arun Jaitley in Parliament.

India in general and the eastern states of Andhra Pradesh & Odisha in particular, hold vast potential for development of alumina and aluminium industry because of the availability of rich bauxite deposits (> 75%) & coal (> 33%), the main inputs for aluminium industry. This will bring good development in the most under developed region of the country by turning mineral and metal potential of the eastern states.

Company Performance

Our Company has faced a very challenging year, due to various reasons, like depressed metal prices, de-growth in metal consumption in India and subdued growth in other emerging markets coupled with cheap imports from China & other Countries.

Given the tough economic conditions and the general sluggishness in demand from the industrial consumers that the Company thrives on, the Company has incurred a loss of ₹ 631.19 Lacs as against the loss of ₹ 838.19 Lacs in financial year 2014-2015. As mentioned earlier, key reasons for adversities was on account of downward pressure on metal price and consequent change due to huge capacity created by China and cut throat competition in local market.

Going forward, the focus would be to continue our efforts to improve efficiency levels at each and every stage of our operations. This, along with increase in capacity utilization on revival of demand/economy improvement would ensure that the profitability would return to healthy levels.

Further, the Company's proposal is under final stage of restructuring cum enhancement of limits.

Future Outlook

Globally, aluminium prices like other metal prices are cyclical and though it is difficult to forecast when they will begin to move upwards, the trend is expected to change when world industrial growth improves.

Moving forward, we will continue to leverage our established track record, commitment to quality and strong network of domestic customers to achieve greater value for our shareholders. Our vision is to expand our business volume where margins are comparable.

Acknowledgements

Our Directors express their sincere appreciation to the active involvement and dedication of the officers, employees and workers of the Company at all levels to show the resilience in the performance of the Company.

Your Directors would also like to place on record their appreciation for the continued support and co-operation to the Company by the bankers, other business associates, regulatory authorities, customers, vendors, shareholders and Stock Exchange.

Place: Mumbai

Date: 14th May, 2016

Sudarshan S Chokhani
Managing Director
DIN: 00243355



Notice

TO THE SHAREHOLDERS,

NOTICE is hereby given that the Thirty Seventh Annual General Meeting of the Members of the Company will be held on Sunday, 24th July, 2016 at 3.00 P.M. at Hotel Seven Heaven, Mumbai Agra Road, Opp. Mahindra House, Pathardi Phata, Nashik – 422 010 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve, and adopt the Audited Balance Sheet as on 31st March, 2016, the Statement of Profit and Loss, and Cash Flow for the year ended on that date, and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Shyantanu S Chokhani (DIN 02444142), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To approve ratification of appointment of statutory auditors and fix their remuneration. In this regard, to consider, and if thought fit to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the appointment of M/s Lodha & Co., Chartered Accountants, (Firm Reg No. 301051E), registered with ICAI, who were appointed as Statutory Auditors of the Company, to hold office from the conclusion of 35th Annual General Meeting of the Company until the conclusion of the 38th Annual General Meeting of the Company be and is hereby ratified for the Financial Year 2016-17 and, the Board of Directors be and is hereby authorised to fix such remuneration for the Financial Year 2016-17, as may be determined by the Audit Committee in consultation with the Auditors.”

SPECIAL BUSINESS :

4. Appointment of Ms. Vedika Gupta as an Independent Director

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Section 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including and statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Vedika Gupta (DIN 07344836), who was appointed as an Additional Director pursuant to the provision of Section 161 of the Companies Act, 2013 to hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director along with requisite deposit be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 23rd July, 2021 and that she shall not be liable to retire by rotation as stipulated under Section 149(13) of the Companies Act, 2013.

5. Remuneration to Cost Auditor

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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and as per the recommendation of the Audit Committee, payment of remuneration to Shri Hemant V Shah, Cost Accountants (Membership No. M/7839) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2017 of ₹ 60,000/- (Sixty Thousand Only) be and is hereby ratified.

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

Registered Office

A - 5, MIDC, Ambad Industrial Area,
Mumbai Nashik Highway, Nashik-422 010

By Order of the Board of Directors
For **Sudal Industries Limited**

Sd/-

Place: Mumbai

Date: 14th May, 2016

Sudarshan S Chokhani
Managing Director
DIN: 00243355

NOTES:

- 1) The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to items of special business to be transacted at the Annual General Meeting (the "Meeting") is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER/S AS THE CASE MAY BE. THE INSTRUMENT APPOINTING THE PROXY DULY COMPLETED AND SIGNED SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A REQUISITION FOR INSPECTING PROXY MAY BE MADE BY ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND SUCH REQUISITION SHALL BE MADE IN WRITING AND DEPOSITED WITH THE COMPANY ATLEAST 3 DAYS BEFORE THE COMMENCEMENT OF THE MEETING. SUCH INSPECTION SHALL BE PROVIDED DURING 24 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND SHALL CONTINUE TILL THE CONCLUSION OF THE MEETING. INSPECTION SHALL BE ALLOWED BETWEEN 9.00 A.M. to 6.00 P.M. DURING SUCH PERIOD. IN CASE OF MEETING BEING ADJOURNED A FRESH REQUISITION SHALL BE LODGED WITH THE COMPANY WHERE ANY MEMBER DESIRES TO INSPECT THE PROXIES FOR SUCH ADJOURNED MEETING.
- 3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A member holding more than ten per cent 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 proxy for any other person or shareholder.
- 4) The Register of Members and the Share Transfer Books of the Company shall remain closed from 19th July, 2016 to 24th July, 2016(both days inclusive).
- 5) Members are requested to notify immediately any change in their address to their depository participants (DPs) in respect of shares held in Demat form; and to the Registrar and Transfer Agent of the Company, Link Intime (India) Private Limited at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078 in respect of shares held in physical form, quoting their folio numbers.
- 6) As members are aware, equity shares of the Company are traded mandatorily in electronic form for all shareholders. Members who still hold share in physical form may dematerialize the same. ISIN – allotted to the Company for this purpose is INE618D01015.
- 7) As per SEBI Circular No. MRD / DOP / Cir -05 / 2009 dated 20th May, 2009, it is mandatory to quote PAN No. for transfer of shares in physical form. Therefore the transferee(s) is required to submit the self attested PAN CARD copy to the Registrar and Share Transfer Agent of the Company for registration of transfer of shares.
- 8) Members desirous of availing the facility of nomination in respect of shares held by them may send their nomination in the prescribed Form No. SH-13 duly filled in, to the Company's Registrar and Share Transfer Agent, quoting their respective folio number/s, and giving details of share certificate number/s and distinctive number of shares. The form can be obtained from the Registrars and Share Transfer Agents or from the website of the Company at www.sudal.in.
- 9) Members desirous of getting any information in relation to the Company's Annual Report 2015-16 are requested to address their query(ies) well in advance i.e. at least 10 days before the Meeting to the Company at Registered office to facilitate clarifications during the Meeting.
- 10) The instructions for members for voting electronically are as under

SECTION A : e -VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN DEMAT FORM		
EVSN	:	160615003
Step 1	:	Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
Step 2	:	Click on " Shareholders/Members" to cast your vote(s)
Step 3	:	Select the Electronic Voting Sequence Number – " EVSN " along with " SUDAL INDUSTRIES LIMITED " from the drop down menu and click on " SUBMIT "



SECTION A – E-VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN DEMAT FORM		
Step 4	:	Fill up the Following details in the appropriate boxes (also refer Section C (7) , below)
User – ID	:	a) For account holders in CDSL : Your 16 digit beneficiary ID b) For account holders in NSDL : Your 8 characters DP ID and followed by 8 digits Client ID
Character Displayed	:	Please enter the 'Character Displayed' in the Box provided for the same and click login.
PAN	:	Enter your 10 digits alpha-numeric PAN issued by the Income Tax Department. Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on attendance slip, in the PAN field.
DOB*	:	Enter the date of birth recorded in the Demat Account or registered with the Company for the Demat Account in DD/MM/YYYY format
DIVIDEND BANK DETAILS*	:	Enter your dividend bank details (Account Number) recorded in the Demat Account or registered with the Company for the Demat Account. In absence of Bank Details, you may enter number of shares held by you as on Cut – Off Date.
* Any one of the details DOB or DIVIDEND BANK DETAILS or NUMBER OF SHARES held by you should be entered for logging in to the account.		
Step 5	:	After entering these details appropriately, click on " SUBMIT " tab.
Step 6	:	Shareholders 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 resolution 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 password with any other person and take utmost care to keep your password confidential. Please also refer to Section C (7) below
Step 7	:	Click on the relevant EVSN on which you choose to vote.
Step 8	:	On the voting page, you will see resolution description and against the same, the option "YES / NO" for voting. Select the relevant option as desired YES or NO and click on "SUBMIT".
Step 9:	:	Click on Resolution File link if you wish to view the Notice
Step 10:	:	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.
Step 11:	:	Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote

SECTION B – E-VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM		
EVSN		160615003
Step 1		Open your web browser during the voting period and log on to the e-voting website www.evotingindia.com
Step 2		Click on " Shareholders/Members" to cast your vote(s)
Step 3		Select the Electronic Voting Sequence Number – " EVSN " along with " SUDAL INDUSTRIES LIMITED " from the drop down menu and click on " SUBMIT "
Step 4		Now fill the Following details in the appropriate boxes
USER ID	:	Folio Number registered with the Company
Character Displayed	:	Please enter the ' Character Displayed' in the BOX provided for the same and click on login.
PAN		Enter your 10 digits alpha numeric PAN issued by the Income Tax Department. Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Attendance slip, in the PAN field.
DOB*		Enter the date of birth recorded in the Demat Account or registered with the Company for the Demat Account in DD/MM/YYYY format
DIVIDEND BANK DETAILS		Enter your dividend bank details (Account Number) recorded in the Demat Account or registered with the Company for the Demat Account. In absence of Bank Details, you may enter number of shares held by you as on Cut – Off Date.
* Any one of the details DOB or DIVIDEND BANK DETAILS or NUMBER OF SHARES held by you should be entered for logging in to the account.		
Step 5		After entering these details appropriately, click on "SUBMIT" tab.
Step 6		You will then reach directly to the Company Selection Screen / Voting Screen.

For next steps, please refer to Step 7 to Step 11 as mentioned in Section A above.

SECTION C – COMMENCEMENT OF e - VOTING PERIOD AND OTHER e – VOTING INSTRUCTIONS:

1. The e-Voting period commences on 21st July, 2016 (at 9.00 A.M.) and shall end on 23rd July, 2016 (at 5.00 P.M.). During this period, Shareholders of the Company holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Shareholder(s), the Shareholder(s) shall not be allowed to change it subsequently.
2. The voting rights of Shareholders shall be in proportion in their Shares of the paid-up Equity Share Capital of the Company.
3. A person whose name appears in the register of Members/Beneficial Owners as on the cut-off date i.e. 18th July, 2016, only shall be entitled to avail the facility of e-voting as well as voting at the meeting.
4. Members who cast their vote by e-voting may attend the meeting but shall not be entitled to cast their vote again.



5. Shri Jayesh M. Shah, Practicing Company Secretary (Membership No : F5637) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.
6. Copy of the notice has been placed on the website of the Company viz., www.sudal.in and the website of CDSL at www.evotingindia.com.
7. If you are holding Shares in Demat Form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login ID and password are to be used.
8. For Shareholders holding shares in physical form, the password and default number can be used only for e-voting on the resolutions given in the Notice.
9. If Demat Account holder has forgotten his password, then enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system.

10. FOR INSTITUTIONAL SHAREHOLDERS

- Institutional Shareholders (i.e., other than Individuals, HUF, NRI etc.,) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details, they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the System for the scrutinizer to verify the same.
11. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication (s) regarding CDSL e-voting system in future. The same may be used in case the Shareholder forgets the password and the same needs to be reset.
 12. The results of the e-voting will be announced by the Chairman of the Meeting on or after the 37th Annual General Meeting to be held on Sunday, 24th July, 2016. The result of the Voting will be communicated to the Stock Exchange and will be placed on the website of the Company www.sudal.in
 13. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com

CONTACT DETAILS

Company	:	Sudal Industries Limited Corporate office 26A, Nariman Bhavan 227, Nariman Point, Mumbai – 400 021 Tel No. 91-22-61577100 / 177 Email : cs@sudal.co.in Website: sudal.co.in
Registrar & Share	:	Ms. Sharmila Amin Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai – 400 078. Tel No. 91-22-25946970 Fax No. 91- 022-25946969 E-mail : rnt.helpdesk@linkintime.co.in
e-Voting Agency	:	Central Depository Services (India) Ltd 17th Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001 Email-helpdesk.evoting@cdslindia.com
Scrutinizer	:	Mr. Jayesh M. Shah Practicing Company Secretary (Membership No. F5637) A-303, Prathmesh, 3rd Floor, Raghuvanshi Mill Compound, 11-12, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Registered Office

A - 5, MIDC, Ambad Industrial Area,
Mumbai Nashik Highway, Nashik-422 010

By Order of the Board of Directors
For **Sudal Industries Limited**

Place: Mumbai

Date: 14th May, 2016

Sudarshan S Chokhani
Managing Director
DIN: 00243355