



SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541

38th Annual Report 2017



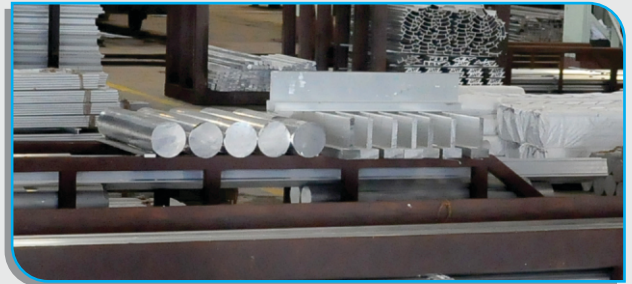
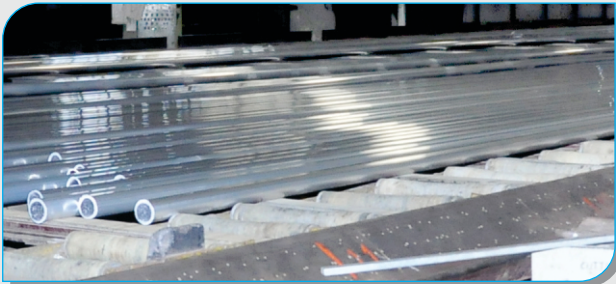
TÜV

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



SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



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 Vedika G Gupta

[Independent Director, Resigned W.e.f. 25th April, 2017]

Miss Chaitali V Salgaonkar

[Additional Director, Appointed w.e.f. 25th May, 2017]

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Pooja R Bangera

CORPORATE MANAGEMENT TEAM

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

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

C 101, 247 Park, L B S Marg

Vikhroli West, Mumbai - 400 083

Tel No. 91-22-49186000

Fax No. 91- 022-49186060

E-mail : Mumbai@linkintime.co.in

Website: www.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

38th ANNUAL GENERAL MEETING

On Sunday, 24th September, 2017 at 03.00 P.M.

AT Hotel Hi 5 Plot No P-5

MIDC Mumbai Nashik Highway,

Nashik-422010

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Managing Director's Statement - 2016-17

Dear Shareholders,

It is indeed an honor to address the 38th 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.

Your motivation, support and belief in our Company has kept us going through all the ups and downs in the Market and otherwise and I believe that this shall definitely take the Company to achieve new heights and success in the Long run of the Company.

ECONOMIC OUTLOOK

The surprise announcement of Demonetization of the higher currency notes by the government had a tremendous impact on the Business Environment. The World Bank has predicted that Demonetization of high value currency notes last year and the upcoming roll out of the goods and services tax (GST), will increase the formalization of the Indian economy in particular will result in saving of expenses like LBT and availability of input credit on purchases from out of state and make the Company more competitive.

Aluminium offers a rare combination of valuable properties. It is three times lighter than Iron but is almost as strong as steel, extremely flexible and corrosion resistant due to thin surface layer of aluminum oxide. Aluminum has been continuously finding new applications due to rising price competence, superior weight to strength ratio, corrosion resistance, formability, dampness etc.

Aluminum has emerged as the best performing industrial metal of 2017. It has much outpaced base metals like zinc and copper. The performance of Aluminum was quite poor in the Year 2015-2016, however the Industry performed quite satisfactory and has emerged as one of the good industries in the year 2016-2017

It is believed that the Indian Aluminum Industry is rising high and is forecasting Future Growth in the coming years. It is observed that the beneficial market conditions can enable the Indian Producers to expand the capacities and are gearing up to adopt state of the art technology & latest equipments to meet quality challenges. However being a commodity, customers enjoy relatively high bargaining power, as prices are determined on demand and supply.

COMPANY PERFORMANCE

During the year the Company has achieved higher growth both in terms of quantum and value due to increased price trend and higher production which enabled the Company to earn higher profits before interest and depreciation of Rs. 655.69 Lacs against meager of Rs. 30.08 Lacs in last financial year.

FUTURE OUTLOOK

The world aluminium industry struggled through 2012, except for the final quarter with some good macro stories finally emerging from China and the US, and the European recession appearing to be less severe than before. It managed to negotiate volatile metal prices and global economic instability.

The aluminium consumption follows the GDP growth curve; hence these would also be growth drivers for the consumption of aluminium. The major sectors contributing to Indian aluminium consumption growth are Electrical (Power), Building and Construction, Packaging and Transportation. These sectors are expected to grow in double digits in the next decade, to reach a per capita consumption of approx. 10 kg. To be in line with China's per capita consumption in 2020, consumption in India has to reach 10 million tonnes. Thus with the expected growth in consumption for aluminium and aluminium products, the Company will strive to achieve higher capacity utilisation from present level of 30% to 60%-70% without compromising of its industrial and end users products.

The Company has also approached its banker for restructuring of its certain overdue loan & interest payment which will give reprieve in interest cost burden.

ACKNOWLEDGEMENT

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.

By Order of the Board of Directors
For Sudal Industries Limited

Sd/-

Place: Mumbai
Date: 22nd August, 2017

Sudarshan S Chokhani
Managing Director
DIN: 00243355



Notice

TO THE SHAREHOLDERS,

NOTICE is hereby given that the Thirty Eighth Annual General Meeting of the Members of the Company will be held on Sunday, 24th September, 2017 at 03.00 P.M. at Hotel Hi 5, Plot No P-5 Ambad, MIDC Mumbai Nashik Highway, Nashik-422010 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve, and adopt the Audited Balance Sheet as on 31st March, 2017, 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. Mukesh V Ashar (DIN 06929024), who retires by rotation, and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to provision of Section 152 of Companies Act 2013, Shri Mukesh V Ashar (DIN 06929024), who retires by rotation in this meeting and being eligible has offered himself for reappointment, be and is hereby appointed as Director of Company."

3. To approve 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 pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), M/s Bagaria & Co. LLP, Chartered Accountants, (Firm Registration Number:113447W/W-100019) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of 38th Annual General Meeting till the conclusion of the 43rd Annual General Meeting subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS :

4. **Appointment of Ms. Chaitali Salgaonkar (DIN: 07762927) 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 there under (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. Chaitali Salgaonkar (DIN 07762927), 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 September, 2022 and that she shall not be liable to retire by rotation as stipulated under Section 149(13) of the Companies Act, 2013.

5. **Re-Appointment of Mr. Mukesh V Ashar as Whole-Time Director**

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modifications and re-enactment thereof for the time

being in force) read with Schedule V of the Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and, subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government in granting such approvals, sanctions and permissions, and pursuant to recommendation of the Nomination and Remuneration Committee of the Board, Mr. Mukesh V Ashar, who shall continue to be the Chief Financial Officer of the Company, in terms of the provisions of section 203(1) of the Act, be and is hereby appointed as the Whole –Time Director of the Company, with such remuneration as may be determined, for a period of Five years w.e.f. 8th December, 2017 to 7th December, 2022 on such terms and conditions, including remuneration to be set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (herein after referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of the said appointment and / or the remuneration as it may deem fit and as may be acceptable to Mr. Mukesh V Ashar, subject to the condition that it shall not exceed the limits specified under Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof."

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, during the currency of tenure of Mr. Mukesh V Ashar, as Whole – Time Director of the Company, he shall be paid such remunerations, at the same substantive level as specified herein above, however subject to limit specified in Part II, Section II of Schedule V of the Companies Act, 2013."

6. Re- Appointment of Mr. Sudarshan S Chokhani as Managing Director of the Company

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modifications and re-enactment thereof for the time being in force) read with Schedule V of the Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and, subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government in granting such approvals, sanctions and permissions, approval of the Company, be and is hereby accorded to re-appoint Mr. Sudarshan S Chokhani(DIN 00243355), as the Managing Director of the Company for a period of five years w.e.f. 1st September, 2018 to 31st August, 2023, on such terms and conditions, including remuneration to be set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Director (herein after referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of the said re-appointment and / or the remuneration as it may deem fit and as may be acceptable to Mr. Sudarshan S Chokhani, subject to the condition that it shall not exceed the limits specified under Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profit in any financial year, during the currency of tenure of Mr. Sudarshan S Chokhani, as Managing Director of the Company, he shall be paid such remunerations, at the same substantive level as specified in explanatory statement, however subject to limit specified in accordance with Part II, Section II of Schedule V of the Companies Act, 2013."

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: 22nd August, 2017

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 September, 2017 to 24th September, 2017(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 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083 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 Company.
- 9) Members desirous of getting any information in relation to the Company's Annual Report 2016-17 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) Unclaimed Dividend :

The shareholders who have not encashed their dividend warrants for the years 2009-10* onwards are requested to correspond with Link Intime India Private Limited (the Registrar and Transfer Agents) or Ms. Pooja R. Bangera, Company Secretary and Compliance Officer at the Company's Registered Office. As per Section 125 of the Companies Act, 2013, any money transferred by the Company to the Unpaid Dividend Account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called 'The Investor Education and Protection Fund' (IEPF) set up by the Central Government. No claims shall lie against the fund or the Company in respect of amount so transferred.

*Note: Members are requested to claim the unclaimed dividend by 24th September, 2017 for the year 2009-10.

11) The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st September, 2017 on 9.00 A.M. and ends on 23rd September, 2017 on 5.00 P.M. 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 18th September, 2017 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: 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	<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"> 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (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 relevant <Company Name> 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **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 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.
 - 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

1. The voting period begins on 21st September, 2017 on 9.00 A.M. and ends on 23rd September, 2017 on 5.00 P.M. 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 18th September, 2017 may cast their vote electronically..The e-voting module shall be disabled by CDSL for voting thereafter.
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 September, 2017, 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.