



38th ANNUAL REPORT 2017-18

INDO ALUSYS INDUSTRIES LIMITED
(Formerly Mahavir Aluminium Limited)

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Pradeep Kumar Jain	: Managing Director
Mr. M.K. Dooger	: Independent Non-Executive Director
Mr. A.P. Gandhi	: Independent Non-Executive Director
Ms. Suman Lata Saraswat	: Independent/Women Non-Executive Director

CHIEF FINANCIAL OFFICER : Mr. R. K. Wadhawan

COMPANY SECRETARY : Ms. Payal Saxena

STATUTORY AUDITORS : M/s Suresh Kumar Mittal & Co., Chartered Accountants,
House No. 60, 1st Floor, Pocket H-3, Sector-18, Rohini,
Delhi-110085.

INTERNAL AUDITORS : M/s K. N. Gutgutia & Co., Chartered Accountants,
11K, Gopala Tower, Rajendra Place, New Delhi-110008

SECRETARIAL AUDITOR : Janmejay Singh Rajput & Associates, Company

Secretaries, 56, Third Floor, Sant Nagar, East of Kailash,

New Delhi-110065

COST AUDITORS : M/s Avtar Singh & Company, Cost Accountants,
N-14, NDSE Part-1, Ring Road, New Delhi-110049.

BANKERS : State Bank of India

DCB Bank Limited

Axis Bank

IDBI Bank Limited

Syndicate Bank

SHARE TRANSFER AGENT : M/s. Alankit Assignments Ltd., Alankit Heights, 3E/7,
Jhandewalan Ext., New Delhi-110055

DEPOSITORIES : National Securities Depository Limited
Central Depository Services Limited

REGISTERED OFFICE : 606, Tolstoy House, 15, Tolstoy Marg, New Delhi-110001

WORKS : SP-2/333, Bhiwadi, industrial Estate, Bhiwadi, District
Alwar, Rajasthan

PRODUCTS LINES : Extrusion, AAP & Cable Division

WEBSITE : www.indoalusys.com

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COMPANY PROFILE

Indo Alusys Industries Limited (IAIL) (formerly Mahavir Aluminum Limited) is among the leading aluminum extrusion companies in the country and a pioneer in the production and innovation of Aluminum extruded products. The foundation of the company was laid in the year 1979 and today with more than 38 years of industrial experience the company has created a niche for itself in the field of manufacturing and supply of aluminum extrusions and power control cables for supply to Railways/State Electricity Board. From the initial days till today, the company has maintained an uncompromising stand on quality, a practice that enabled us to earn the distinction of being one of the first ISO certified business enterprise in the North India. The main objective of the company is to manufacture sophisticated quality of Aluminum Extrusions, Alloys and Power/Control Cables & Conductors in India.

The manufacturing facilities of Indo Alusys Industries Limited are located in the highly developed Industrial Area of Bhiwadi, in Alwar District of Rajasthan, which is about 70 kms from the National Capital, New Delhi.

The Plant of the company is equipped with latest and most advanced plant and machinery and other supporting/balancing equipment mostly imported. Further, the technologies are updated with latest know-how available in the world to give its products an edge over its competitors, to manufacture extrusions of high precision and quality compared to the best in the world.

ALUMINIUM EXTRUSIONS:

The company is one of the topmost manufacturers of Aluminums Extruded Products that are valued for their high strength to weight ratio, durability and excellent thermal and electrical conductivity. This division is well equipped with latest machines for anodizing, electro coloring and power coating.

The Company has four Oil Hydraulic Extrusion Presses of 2100 UST capacity, 1650 UST capacity, 1250 UST capacity and 1100 UST capacity. The operations of all the four presses are controlled by Micro Processor based technology and Programmable Logic Control ('PLC') Systems.

ALUMINIUM ARCHITECTURAL DIVISION:

Indo Alusys has specialized Architectural Products Division engaged in creating innovatively designed Architectural Door Hardware, Aluminum Doors, Windows, Partitions, Curtain Wall Systems and Structural Glazing. These products are developed by using highly advanced CAD technology. In addition to manufacturing, the company also take care of follow up facilitates like installation, maintenance and refurbishment. The new generation aluminum

Architectural Systems saves wood and thus protecting the environment, with the changing focus of customers from traditional wooden material to light metals like Aluminum.

POWER/QUAD/CONTROL CABLE & CONDUCTOR DIVISION:

The Plant has been set up with ultra-modern technology and international standards of testing facilities and the company has earned the trust and confidence from the reputed Developers/Architects/Consultants. The division is integrated with hi-tech testing facilities to test FR (Flame Retardant) or Flame Retardant Low Smoke (FRLS) cables.

The Power control cables/squads are supplied mainly to State Electricity Board and Railways.

OUR BRAND

The Company is marketing its Product Aluminum Extrusion under the Brand Name **MAL** and it undertakes every possible effort to reinforce the brand image by practicing ethical business policies and working with a disciplined approach. The company considers consistency and quality as the building blocks of the company.

Over the years the company have geared up to be even more adaptive to the changing environment and promoting “Aluminum Stewardship” in our operations by utilizing metal in a strategic manner to facilitate the best possible use for the socio and economic development.

The company is well fortified with multi -products and multi-dimensional undertakings with world class Aluminum Extrusions, Aluminum Architectural Products, Aluminum Alloy Ingots, Aluminum and Copper Power and Control Cables.

OUR GLOBAL PRESENCE

Export is one of the key areas of IAIL. The company has grown notably in the global market through increased advancements. The quality range of products has been accepted and demanded by European and Middle East markets for their persistent reliability and competitive edge.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

FORWARD-LOOKING STATEMENTS

The report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward looking statements.

Forward-looking statements are based on certain assumptions and expectations of future events. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements.

INDUSTRY ANALYSIS AND BUSINESS OPPORTUNITIES

India is one of largest producer of aluminum in the world and aluminum is the biggest non-ferrous industry in the world economy and one of the significant industries in Indian economy. The Indian industry is likely to see double digit growth over next few years owing to consistently growing demand from architectural, building, construction and automobile sectors. The per capita consumption of aluminum metal in developed countries is about 20 to 30 Kgs. However, in India, the per capita consumption of aluminum is only 1.3 Kgs. Thus there is a vast scope for the industry to develop under the current scenario.

Aluminum being lightweight, durable and anti-corrosive is the metal of choice for leading designers, architects, engineers, all of whom are looking for a material which combines functionality and cost- effectiveness with forward looking form and design potential.

With Government now considering the new incentives to be allowed, the usage of aluminium will improve in the construction. The consumer durables and packaging sectors are also showing positive growth signs with the rise in consumer income.

Your company is well positioned to capitalize on emerging opportunity due to significant competitive strength, acquired over the years.

BUSINESS OVERVIEW/ OUT LOOK

On the Industrial side aluminum is heavily used in electrical power transmission, machinery and equipment and construction. Housing in particular makes heavy use of the lightweight material as a substitute for steel and wood in doors, windows and siding. On the consumer side aluminum is used in a variety for retail products, including cans, packaging, air

conditioners, furniture's and vehicle's .Over 5 years, considerable progress has been made in aluminum intensive vehicles production.

During 2017-18, the Company has achieved production of 12916 MT as compared to 12573 MT during the previous year. Considering the installed capacity of 22000 MT, we have significant spare capacity to increase production and sales level. Accordingly Company has geared-up marketing activities and production, so as to achieve Production and sale of 18000 MT in the next year.

In a challenging year for the global economy and our industry, we are pleased to report satisfactory results across our businesses. We have remained focused on our core strengths of aluminum. The aluminum business delivered fair results with steady growth. Business grew on the back of higher process on the LME, expanded volumes from better asset utilization and optimal load distribution, coupled with an increased share of value added products. Cost pressure on account of input price escalation was contained in some measures through cost reduction programs initiated earlier.

Indo Alusys Industries Limited has the distinction of being one of the first extrusion companies of India to have ISO 9001-2000 certification from the world-renowned certifying agency DET NORSKE VERITAS (DNV) of Netherlands.

The Company manufactures quality aluminum Products. The Company also exports its products to various countries including UAE and U.K. Plant of the company is equipped with latest and most advanced plant and machinery and other supporting/ balancing equipment.

The business philosophy of the Company is to provide high quality products, timely delivery and customer satisfaction. The Company is dedicated to continual improvement of its products, services and company as a whole, through process control, employee involvement and management commitment.

INDUSTRY OUTLOOK

The future for aluminum and aluminum extrusion in India looks promising with the low per capita consumption in the country coupled with high and good quality reserves of Bauxite. Awareness of the utility of aluminum in various industrial sectors is growing and it provides a lower cost option as to use of various metals in different sectors.

Aluminum consumption in transportations segment is expanding at a high rate with the increasing household income which has provided a significant lift to passenger vehicles segment. Improvement in road infrastructure and increasing economic activity bodes well for commercial vehicles demand. Export of Auto component from India has clocked a growth rate owing to a huge increase in sourcing of auto components from India by several developed countries. This has significant potential for domestic aluminum consumption.

Towards capitalizing on emerging opportunities, your company has chalked out an ambitious growth plan that is aimed at catapulting your company into the league of top Indian aluminum Manufacturing Companies.

Keeping in mind the ongoing value shift in alumina, favorable demand supply conditions in growing markets of Asia and significant advantages available for Indian producers, your Company has decided to pursue aggressive growth by strengthening our hold on domestic market and embark on value added export in future.

CHALLENGES IN THE INDIAN EXTRUSIONS MARKET

In spite of economic fluctuations the world over; demand for aluminum extruded products is on the rise. Though building & construction sector proves to be the most valued consumer of aluminum, an insight into the future prospects of aluminum extrusion industry will highlight its growing demand in the solar industry and automobile industry.

In India, volatility in the raw material prices and foreign exchange fluctuations has been affecting the growth of aluminum industry to a large extent. Construction sector with a massive population and vast open spaces / areas is an ideal choice for solar energy production. Aluminum is the most preferred metal in the manufacture of solar panels. Indian aluminum extrusion manufacturers need to stress on innovation and new design options and move further down the value chain through sharing of knowledge based information with consumers. This is mainly because in U.S.A. and European countries, extrusion manufacturers went further down the value chain and supplied fabricated products to customers. This growing trend is slowly gaining momentum in India also new players are competing with the key ones.

RISK & CONCERNS

The Company identifies all type of risk at an early stage which helps it to control them better. The risks are normally perceives from Price fluctuation, government policies, market competition and retention of manpower.

FINANCIAL PERFORMANCE

Company has reported a gross turnover of Rs.39224.30 Lacs during the year as compared to Rs.39117.18 Lacs during the previous year.

PROFIT

Company has registered Profit before Depreciation, Interest & Tax of Rs. 3563.60 Lacs as compared to Rs 3395.23 Lacs in the previous year. Therefore, an increase of Rs 168.37 Lacs and Net Profit after Tax of Rs 235.80 lacs as compared to Rs 217.24 Lacs in the previous year.

INTERNAL CONTROL SYSTEM

The company is committed to maintain its high standards of internal control and risk management to provide the appropriate assurances to all stakeholders. The company has proper and adequate internal control system commensurate with its size and business operations to ensure that its assets are safeguarded and transactions are properly authorized, reported and recorded.

The strength of a business's internal control environment also forms a component of senior manager's performance appraisals. The Company has also a system of internal audit and management reviews to ensure compliance with the prescribed procedures and authority levels. Every quarter the Audit Committee is briefed about the internal control findings along with the remedial actions that have been suggested or have been already implemented.

HUMAN RESOURCES

People are one of our key assets and we derive our ability to maintain our competitive position from them. Industrial relations remained cordial during the year. The Company places a great deal of confidence on its excellent pool of Human Resources, which it realizes is the key to its growth strategy.

INDO ALUSYS INDUSTRIES LIMITED

DIRECTORS' REPORT

**To
The Members,**

Your Directors take pleasure in presenting their 38th Annual Report and the audited Accounts of the Company for the year ended 31st March 2018.

1. Financial Results & Appropriations

	(in Lacs)	(in Lacs)
Particulars	2017-18	2016-17
Gross Sales	39,224.30	39,117.18
Profit before Interest ,Depreciation & Tax	3563.60	3395.23
Less: Interest	2675.42	2597.61
Profit after Interest but before Depreciation	888.18	797.62
Less: Depreciation	521.76	471.63
Profit for the year before Taxation	366.42	325.99
Less: Provision for Current Tax	74.71	66.47
Net Profit After Tax	291.71	259.52
Less: Deferred Tax	47.64	67.97
Taxation adjustment for previous year	(5.58)	0.03
Less: MAT Credit Entitlement	13.85	(25.72)
Profit after Tax	235.80	217.24
Add: Profit brought forward	3654.27	3437.03
Balance Carried to Balance Sheet	3890.07	3654.27

2. Nature of Business

The Company is engaged in the activities pertaining to Aluminum Extrusion, AAP, and Cables etc. The company has created a niche for itself in the field of manufacturing and supply of aluminum extrusions, power control cables and railway signaling and aluminum architectural products.

There was no change in the nature of the business of the Company during the year under review.

3. Financial Performance

The Company achieved the turnover of Rs. 39,224.30 Lacs during the current year as against Rs 39,117.18 Lacs during the previous year. The Company has registered Profit before Depreciation, Interest & Tax of Rs. 3563.60 Lacs as compared to Rs. 3395.23 Lacs in the previous year. However, Net Profit after Tax was Rs 291.71 Lacs as compared to Rs. 259.52 Lacs in the previous year.

Slowdown of the economy and implementation of GST has impacted the turnover but profits during the current year has increased from Rs. 217.24 (2016-17) to Rs 235.80 (2017-18) Despite of competitive intensity and market environment, Company continued to deliver steady growth in its financial performance.

4. Dividend

Considering the need to conserve resources for meeting long-term capital expenditure for increasing revenue generation of the Company, your Directors consider it appropriate not to recommend dividend for the year.

5. Reserves

The Company proposes to transfer a sum of Rs. 235.80 lakhs to the general reserve.

6. Exports

The Company has increased its efforts on Export to cater the demand in U.S., Canada, UAE and Countries in Europe etc. We are increasing our Exports in the coming year. The Exports during the current year has increased to Rs. 24.39 Crores as against Rs. 9.39 Crores during the previous year 2016-17.

7. Deposits

During the year under review, your Company neither accepted any deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

8. Disclosures under Section 134(3)(I) of the Companies Act, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

Company was listed with Delhi Stock Exchange (DSE) and had to comply with the SEBI Circular No. SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016, wherein company have opted for Exit offer to its public shareholders through Plan of Action and have completed the requisite procedure by providing Exit offer from 28th May to 1st June, 2018 and those who could not tender their Equity Shares during the mentioned tendering period, have been allowed to do so till the Completion of one year post closure of the tendering period, i.e. 31st May, 2019 as mentioned under the aforesaid circular.

After completing the necessary compliances, we are pleased to inform that BSE has issued Notice dated 7th September, 2018 pursuant to SEBI circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated October 10, 2016, mentioning that the name of Indo Alusys Industries Limited, Exclusively Listed Company (the ELC) is removed from the Dissemination Board of BSE (the Exchange) with effect from September 10, 2018.

The listing status of the company stands changed to Unlisted with effect from September 10, 2018.

9. Internal Financial Controls

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors and the Internal Auditors of the Company on the inefficiency or inadequacy of such controls.

10. Disclosure of orders passed by regulators or courts or tribunal

No significant and material orders have been passed by any Regulator or Court or Tribunal which can have impact on the going concern status and the Company's operations in future.

11. Particulars of contracts or arrangements with related parties

Except as disclosed in the financial statements, no related party transactions were entered into during the current financial year by the company. There were no other materially significant related party transactions entered into by the Company with the promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. Thus Form AOC-2 is not applicable.

12. Particulars of loans, guarantees, investments under Section 186

No Loans, Corporate Guarantees and Investments made during the financial year under the provisions of Section 186 of the Companies Act, 2013.

MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

13. Board of Directors and Key Managerial Personnel

During the year under review, Ms. Payal Saxena appointed as Company Secretary, has joined the company on 1st August, 2017 in place of Ms. Pooja Shree Setia who has resigned from the post on 30th May, 2017.

In terms of Section 152 read with Section 149(13) of the Companies Act, 2013, Mr. Pradeep Kumar Jain, Managing Director IAIL is liable to retire by rotation. The said Director has offered himself for reappointment, as incorporated in the Notice of the ensuing Annual General Meeting.

14. Declarations by Independent Directors

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

15. Board Meetings

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-executive directors with at least half of board comprises of Independent (Non-Executive) Directors. The independent directors do not have any pecuniary relationship or transactions with the Company, promoters, and management, which may affect their judgment in any manner.

The Board of Directors met 6 times during the financial year ended 31 March, 2018 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. All the Directors actively participated in the meetings and provided their valuable inputs on the matters brought before Board Indo Alusys Industries Limited from time to time.

NUMBER OF MEETINGS OF THE BOARD

The following Meetings of the Board of Directors were held during the Financial Year 2017-18:

S.NO	Date of Meeting	Board Strength	Directors Present
1.	04.04.2017	4	4
2.	30.05.2017	4	4
3.	29.08.2017	4	4
4.	27.11.2017	4	4
5.	15.02.2018	4	4
6.	16.03.2018	4	4

16. Director's Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2018, the Board of Directors hereby confirms that:

- a. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures, wherever applicable;

b. Such accounting policies have been selected and applied consistently and the Directors 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 March 31, 2018 and of the profit/losses of the Company for the year ended on that date;

c. Proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The annual accounts of the Company have been prepared on a going concern basis;

e. Internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

f. Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

17. Board Evaluation

The board of directors has carried out an annual evaluation of its own performance, Board committees 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. The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

18. Nomination and Remuneration Committee

The composition of the Nomination and Remuneration Committee as on March 31, 2018 is as under:

Name of Members Category

Mr. M K Doogar (Independent Director)

Mr. Sumanlata (Independent Director)

Mr. Avinash Gandhi (Independent director)

Brief about Remuneration Policy:

Your Company has formulated a policy on Nomination and Remuneration of Directors and Senior Managerial Personnel and the major points relating to Remuneration policy are as follows:

-To frame Company's Policy from time to time on:-

-Compensation Policy to Directors.

-Role of Directors.

-Other matters relating to Directors and Employees.

-To review performance and recommend remuneration of Executive Directors to the Board.

-To review the role and conduct of Directors other than Members of the committees and inform the board.

19. Audit Committee

The composition of the Audit Committee as on March 31, 2018 is as under:

Name of Members (Category)

Mr. M K Doogar (Chairman) (Independent Director)

Mr. Avinash Gandhi (Independent director)

Mr. Pradeep Kumar Jain (Managing Director)

TERMS OF REFERENCE

The management is primarily responsible for Company's internal controls and the financial processes. The Statutory Auditors, Cost Auditors and Internal Auditors are responsible for

performing independent audits of the Company's financial statements, cost audit of the product, internal control systems respectively and for issuing the reports on the basis of such audits.

The Audit Committee has been entrusted by the Board of directors to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The terms of the reference of Audit Committee include inter-alia the following:

- A. To investigate any activity within its terms of reference.
- B. To seek information from any employee.
- C. To obtain outside legal or other professional advice.
- D. To secure attendance of outsiders with relevant expertise, if it considers necessary.
- E. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- F. Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- G. Reviewing with management the annual financial statements before submission to the board, focusing primarily on;
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with accounting standards.
 - Compliance with stock exchange and legal requirements concerning financial statements
 - Any related party transactions i.e. transactions of the company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.
- H. Reviewing with the management, external and internal auditors, and the adequacy of internal control systems.

I. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

J. Discussion with internal auditors any significant findings and follow up there on.

K. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

L. Discussions with external auditors before the audits commence nature and scope of audit as well as having post-audit discussion to ascertain any area of concern.

M. Reviewing the company's financial and risk management policies.

N. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.

O. To perform other activities consistent with the charter, company's Memorandum & Article, the Companies Act, 2013 and other Governing Laws.

20. Stakeholders Relationship Committee

The composition of the Stakeholders Relationship Committee as on March 31, 2018 is as under:

Name of Members (Category)

Mr. M K Doogar (Independent Director)

Mr. Pradeep Kumar Jain (Managing Director)

Shareholders/ Investors' Grievance Committee of the Directors was constituted to specifically look into the redressal of complaints of investors such as transfer or credit of shares to demat accounts, non-receipt of dividends/ notices/ annual reports.

The Committee has two members namely Mr. M. K. Doogar and Mr. Pradeep Jain and was headed by Sh. M. K. Doogar as the chairman of the Committee. There is no grievance received from shareholders during the year.

21. Vigil Mechanism for the Directors and Employees

In compliance with the provisions of Section 177(9) of the companies act, 2013, a vigil mechanism for Directors and Employees to report genuine concern and to provide adequate safeguards against victimization of any of them to use such mechanism has been established.

22. Fraud Reporting

During the year under review no instances of fraud were reported by the Statutory Auditors of the Company.

23. Risk Management Policy

The Board takes responsibility for total process of risk management in the organization. Result of risk assessments and residual risks are presented to the senior management and the Audit Committee members. The Management is accountable for the integration of risk management practices into the day-to-day activities. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

24. Corporate Social Responsibility

The provisions of section 135 of the Companies Act, 2013 are not applicable on the company as the company do not fall under any of the criteria mentioned therein for composition of the CSR committee.

25. Particulars of Employees and Remuneration

The information as required under the provisions of Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure C attached herewith and which forms part of this report.

AUDITORS AND THEIR REPORTS

The matters related to Auditors and their Reports are as under:

Observations of statutory auditors on financial statements for the year ended March 31, 2018:

The company continues its accounting policy of not charging the depreciation on revalued fixed assets through Profit & Loss Statement.

The auditor's report state the aforesaid and explained the same in their report and qualified their opinion. No other reservation or adverse remark or disclaimer or modified opinion has been given by the Auditor.

Secretarial Audit report for the year ended March 31, 2018:

As required under provisions of Section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s. Janmejy Singh Rajput and Associates, Company Secretaries in Form MR-3 for the FY2017-18 forms part to this report. The said report does not contain any adverse observation or modified opinion requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

26. Statutory Auditor appointment

Pursuant to the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, M/s. Suresh Kumar Mittal & Co., Chartered Accountants, the Statutory Auditors of the Company, shall hold office upto the conclusion of Forty second (42th) Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

27. Cost Auditor appointment

M/s Avtar Singh & Company, Cost Accountant was appointed as cost auditor to conduct the audit of the Cost Accounts of the company in respect to manufacture of 'ALUMINIUM' for the year ending 31st March, 2018.

OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

28. Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended March 31, 2018 made under the provisions of Section 92(3) of the Act is attached herewith as Annexure A and forms part of this Report.

29. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption have been furnished in Annexure B considering the nature of activities undertaken by the Company during the year under review.

30. Internal Complaint Committee

There exist at the company level an Internal Complaint Committee ('ICC') constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The group is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of ICC. During the year under review, no complaints were filed with the Committee under the provisions of the said Act in relation to the workplace/s of the Company. No Complaint has been received during the year.

31. Cost Records

Cost records as specified by the Central government under sub-section (1) of Section 148 of the Act is required by the company are properly made and maintained.

ACKNOWLEDGEMENTS AND APPRECIATION

Your Directors take this opportunity to thank the employees, customers, suppliers, bankers, financial institutions and various regulatory authorities for their consistent support and encouragement to the Company.

Your Directors would also like to thank the Members for reposing their confidence and faith in the Company and its Management.

For and on behalf of the Board of Directors

Pradeep Kumar Jain

Managing Director

(DIN- 00225927)

M K Doogar

Director

(DIN: 00319034)

Place: New Delhi,

Date: 21st September, 2018

Registered Office

Indo ALusys Industries Limited

606, Tosltoy House, 15 Tolstoy Marg,

Near Janpath, New Delhi-110001

CIN: U74999DL1979PLC009937

Telephone No: 011- 43564200, Fax No: 011-23312677

Email: info@indoalusys.com, cs@indoalusys.com,

Website: www.indoalusys.com

**Annexure-A
Form No. MGT-9**

Extract of Annual Return as on the Financial Year ended on 31.03.2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L74999DL1979PLC009937
ii)	Registered date	17th October, 1979
iii)	Name of the Company	Indo Alusys Industries Limited
iv)	Category/Sub - category of the company	Aluminum Extrusion and Alloy Ingots
v)	Address of the Registered office and Contact details	606, Tolstoy House, 15, Tolstoy Marg, New Delhi-110001
vi)	Whether Listed Company	Listed
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/S. Alankit Assignments Ltd. Alankit Heights, 3E/7, Jhandewalan Extension, New Delhi-110055 Tel. No. : +91-11-4254 1234; Fax No. : + 91-11-4254 1201, +91-11-2355 2001 E-mail : rta@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sl. No.	Name and Designation of main products/services	NIC code of the products/services	% to Total turnover of the Company
1	Aluminum Extruded products/Alloy Ingots	24202	80.35%
2	Insulated wires/Cables/Conductors	27320	19.64%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GIN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
	Not Applicable				

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as %age of Total Equity)

(i) Category-wise share holding

Category of Shareholders	No. of Shares Held at The Beginning of The Year				No. of Shares Held at The End of The Year				% Change During The Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) PROMOTERS									
1. INDIAN									
a) Individual/HUF	34,00,275	21,99,651	55,99,926	65.86	34,00,275	21,99,651	55,99,926	65.86	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	8,70,000	15,80,000	24,50,000	28.80	23,80,000	70,000	24,50,000	28.8	0
e) Banks/Fl	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1)	42,70,275	37,79,651	80,49,926	94.66	57,80,275	22,69,651	80,49,926	94.66	0

Category of Shareholders	No. of Shares Held at The Beginning of The Year				No. of Shares Held at The End of The Year				% Change During The Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) FOREIGN									
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
Sub-Total (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	42,70,275	37,79,651	80,49,926	94.66	57,80,275	22,69,651	80,49,926	94.66	0

B. PUBLIC SHAREHOLDING

1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/Fl	3,33,140	0	3,33,140	3.92	3,33,140	0	3,33,140	3.92	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	3,33,140	0	3,33,140	3.92	3,33,140	0	3,33,140	3.92	0
2. NON-INSTITUTIONS									
a) Bodies Corporates									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individuals shareholders holding nominal share capital upto 1 Lakh	49,550	75,250	1,24,800	1.42	49,550	75,250	1,24,800	1.42	0

Category of Shareholders	No. of Shares Held at The Beginning of The Year				No. of Shares Held at The End of The Year				% Change During The Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individuals shareholders holding nominal share capital in excess of 1 Lakh	0	0	0	0	0	0	0	0	0

c) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	49,550	75,250	1,24,800	1.42	49,550	75,250	1,24,800	1.42	0
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)	3,82,690	75,250	4,57,940	5.34	3,82,690	75,250	4,57,940	5.34	0
C. SHRES HELD BY CUSTODIAN FOR ADRs and GDRs	0	0	0	0	0	0	0	0	0
GRAND TOTAL (A+B+C)	46,52,965	38,54,901	85,07,866	100	61,62,965	23,44,901	85,07,866	100	0

(II) SHAREHOLDING PATTERNS OF PROMOTERS

Sl No.	Shareholder's Name	No. of Shares Held at The Beginning of The Year			No. of Shares Held at The End of The Year			% Change During The Year
		No. of Shares	% of total shares of the company (8507866)	% of Shares Pledged/encumbered too total shares	No. of Shares	% of total shares of the company (8507866)	% of Shares Pledged/encumbered too total shares	
1	Sh. Pradeep Jain	27,84,601	32.73%	7,21,350	27,84,601	32.73%	12,37,600	0
2	Sh. Pradeep Jain (HUF)	11,89,100	13.98%	5,64,100	11,89,100	13.98%	5,64,100	0
3	Mr. Ishaan Jain	9,06,275	10.65%	2,77,400	9,06,275	10.65%	2,77,400	0
4	Aseem Chits Pvt. Ltd.	11,90,000	13.99%	2,40,000	11,90,000	13.99%	9,90,000	0
5	PSJ Construction Pvt. Ltd.	11,90,000	13.99%	2,30,000	11,90,000	13.99%	11,75,795	0

(III) CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

Sl No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	80,49,926	94.66	80,49,926	94.66
2	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	NIL	NIL	0	0
3	At the end of the year	80,49,926	94.66	80,49,926	94.66

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sl No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	IDBI Bank				
1	At the beginning of the year	3,33,140	3.92	3,33,140	3.92
2	Date wise increase/decrease in promoters shareholding during the year specifying the reasons for increase/decrease	NIL	NIL	NIL	NIL
3	At the end of the year	3,33,140	3.92	3,33,140	3.92

(V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl No.		Shareholding at the beginning of the year		Date wise increase/decrease in shares - the reasons for increase/decrease	Cumulative shareholding during the year	
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company
1	Pradeep Jain	27,84,601	32.73%	NIL	27,84,601	32.73%
2	M.K. Dooger	NIL	NIL	NIL	NIL	NIL
3	A.P. Gandhi	NIL	NIL	NIL	NIL	NIL
4.	Suman Lata Saraswat	NIL	NIL	NIL	NIL	NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Si. No.	Particulars of Remuneration	Mr. Pradeep Kumar Jain (Managing Director)	Total Amount
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961 (b) value of perquisites u/s 17(2) Income tax Act, 1961 (c) Profits in lieu of salary under section 17(30) Income tax Act, 1961	24,00,000 - -	24,00,000 - -
2.	Stock option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL
5.	Others, please specify	NIL	NIL
	Total (A)	24,00,000	24,00,000

B. Remuneration to other directors:

SI No.	Particulars of Remuneration	Name of Directors (Non-executive Directors)			Total Amount
		A.P. Gandhi	M.K. Dooger	Suman Lata Saraswat	
	- Sitting fee for attending board and committee meetings	94,500	94,500	40,500	2,29,500
	-Commission	NIL	Nil	Nil	Nil
	-others, please specify	Nil	Nil	Nil	Nil
	Sitting fees	94,500	94,500	40,500	2,29,500
	Total Managerial Remuneration	94,500	94,500	40,500	2,29,500

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No.	Particulars of Remuneration				Total
		Mr. R. K. Wadhawan (Chief Financial Officer)	Ms. Pooja Shree Setia (Company Secretary from April to May)	Ms Payal Saxena (Company Secretary from August to March)	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	19,80,000	48,000	3,20,000	23,48,000
	(b) value of perquisites u/s 17(2) Income tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(30) Income tax Act, 1961	NIL	NIL	NIL	NIL

2.	Stock option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	19,80,000	48,000	3,20,000	23,48,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NOT APPLICABLE

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made, if any (give details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. Other Officers in default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

On behalf of the Board of Directors

Pradeep Kumar Jain
Managing Director
(DIN- 00225927)

M K Doogar
Director
(DIN: 00319034)

Place: New Delhi
Date: 21st September, 2018

Annexure-B

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Outgo, pursuant to provisions of Section 134(3)(m) read with Companies (Accounts) Rules, 2014.

A. CONSERVATION OF ENERGY

1. Energy conservation measures taken:

- a. Extended Powder Coating Oven by 7 meters to increase conveyer speed and hence increase production capacity of powder coating.
- b. Replaced 50HP motor pump unit at Press pump house by 25HP motor pump unit to reduce power consumption.

2. Additional investments & proposals, if any, being implemented for reduction of energy consumption and consequent impact on the cost of production of the goods:

- a. Replaced 50 CFL approximately and Mercury lamp by 25 LED to reduce power consumption (energy) cost per month.
- b. Foundry-Furnace, installed newly designed burner with orifice control to regulate & reduce the gas consumption and installed energy saving motor 30HP in place of 25HP for melting furnace blower.

3. Proposals

- a. To install more LED in place of CFL.
- b. To introduce energy saving motor 25 HP in place old of 20 HP motor.
- c. To introduce energy saving motor 60 HP in place of old three motors of 50 HP, 50 HP and 25 HP motors.

FORM A

FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

A.	Power and fuel consumption		Current Year	Previous Year
	1.	Electricity		
	a.	Purchased		
		Units	11886156	12182007
		Total amount (Rs.)	89992476	77162083
		Rate/Unit (Rs.)	7.57	6.33
	B.	Own generation		
	i.	Thr.diesel generator		
		Units		141872
		Units/Ltr. Of diesel oil		2.55
		Cost/unit (Rs.)		19.52
	ii.	Thr. Steam turbine/generator		
		Units		
		Units/ltr. Of fuel oil/gas		
		Cost/units		
	2.	PNG		
		Quantity (SCM)	2525791	2370706
		Total Cost (Rs.)	68173020	54909521
		Average Rate	26.99	23.16

	3.	Furnace Oil	Nil	Nil
		Quantity (Kgs.)		
		Total Cost (Rs.)		
		Average Rate		
	4.	LDO/HSD		
		Quantity (Ltrs.)	5960	4200
		Total Cost (Rs.)	345558	222862
		Average Rate		
	5.	Others/Internal generation	Nil	Nil
		Quantity (Kgs.)		
		Total Cost (Rs.)		
		Average Rate		

FORM B

B. TECHNOLOGY ABSORPTION

B. CONSUMPTION PER UNIT OF PRODUCT				
	Products	Standard	Current Year	Previous Year
	Aluminium extruded products		12871	12102
	Production (units)/MT	Extrusion		
		Alloy Ingots	0	0
		Job Work (MT)	167	30
	Production (units)/KMs	Cable Wire Cond.		
			766	803
	Electricity (Units)/MT	Extrusion		
		Alloy Ingots	0	
	Electricity(Units)/K.M.	Cable Wire Cond.	163	137
			0	
	Furnace Oil	(Kgs)/MT		
			0.46	0.35
	LDO/HSD	(Ltrs)/MT		
	PNG	SCM/MT (Ext)	186	179

C. FOREIGN EXCHANGE EARNING AND OUTGO (In Lacs)

Particulars	2017-18	2016-17
(1) Earnings-FOB Value of Exports	2447.42	939.82
(2) Outgo-CIF Value of Imports	4234.57	7078.13

On behalf of the Board of Directors

Pradeep Kumar Jain
Managing Director
(DIN- 00225927)

M K Doogar
Director
(DIN: 00319034)

Place: New Delhi
Date: 21st September, 2018

Annexure-C

Particulars of Employees and Remuneration

There was no employee whose remuneration was in excess of the limits prescribed under section 197 of the Companies Act, 2013 read with Rule 5(2) & (3) of rules The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

a. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year: NIL

b. The number of permanent employees on the rolls of Company: 633

c. The explanation on the relationship between average increase in remuneration and Company performance:

There is an increase in the salaries & remuneration of employees of the company in the year ended 2017-18 by 1.55% as against 5.52% in the year 2016-17.

d. Comparison of the remuneration of the key managerial personnel against the performance of the Company:

Aggregate remuneration of key managerial personnel (KMP) in FY 17-18 (crores)	0.47
Revenue (crores)	392.24
Remuneration of KMPs (as % of revenue)	0.12%
Profit before Tax (PBT) (crores)	3.66
Remuneration of KMP (as % of PBT)	12.84%

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There was increase in the salaries of employees in the last year (2016-17) by 5.52% and during the year (2017-18) the increase is 1.55%. There is neither any significant increase in salaries of employees nor in the managerial remuneration. However the increase is marginal as per the inflation index.

f. Comparison of remuneration of the key managerial personnel against the performance of the Company:

	Managing Director	Chief Financial officer	Company Secretary
Remuneration in FY 17-18	0.2400	0.1980	0.0368
Revenue (Rs.)	392.24	392.24	392.24
Remuneration as % of revenue	0.061 %	0.050%	0.009%
Profit before tax (PBT)	3.66	3.66	3.66
Remuneration (as % of PBT)	6.55%	5.40%	1.00%

g. The key parameters for any variable component of remuneration availed by the directors:

The members at the AGM of the Company held on 23rd September, 2014 has approved the payment of commission to the non-executive directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act. No commission has been paid to the non-executive directors till date.

h. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None

i. It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company.

On behalf of the Board of Directors

Pradeep Kumar Jain
Managing Director
(DIN- 00225927)

M K Doogar
Director
(DIN: 00319034)

Place: New Delhi
Date: 21st September, 2018

CEO & CFO CERTIFICATION

To,
The Board of Directors
Indo Alusys Industries Limited,
New Delhi.

- (a) We have reviewed financial statements and the cash flow statement of Indo Alusys Industries Limited for the year ended 31st March, 2018 and that to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are to the best of our knowledge and belief, no transactions entered into by the Company during the year 2017-18 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee.
- (i) significant changes in internal control over financial reporting during the year 2017-18;
 - (ii) significant changes in accounting policies during the year 2017-18 and that the same have been disclosed in the notes to the financial statements; and
 - (iii) There are no instances of fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : New Delhi
Date : 21.09.2018

(Pradeep Kumar Jain)
Managing Director

(R. K. Wadhawan)
Chief Financial officer

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors.

I confirm that the Company has in respect of the year ended 31st March, 2018 received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Chief Financial Officer, Secretary, Employees in the Executive Vice President cadre as on 31st March, 2018.

Place: New Delhi
Date: 21.09.2018

Pradeep Kumar Jain
Managing Director
DIN No: 00225927

CORPORATE SOCIAL RESPONSIBILITY

Indo Alusys is a responsible corporate entity never losing sight of its accountability towards environment and society. We are certified for ISO 14001 by DNV, Netherland.

- ▶ Ensuring Safety of the Workforce
 - ✓ Helmets to all workforce.
 - ✓ Ear plugs for workforce working on machines creating heavy noise.
 - ✓ Safety goggles for workforce working on cutting machines.
 - ✓ Heat resistance aprons and face shields for workforce working at foundry.
 - ✓ Safety shoes to all workforce.
 - ✓ Face masks for workforce working at Metal Finishing.
 - ✓ Working gloves to all workforce according to their needs.
- ▶ Ensuring Environment Sustainability
 - ✓ No air pollution due to high rise chimney.
 - ✓ No discharge of any effluent and hazardous wastes
 - ✓ Plantation of trees.
 - ✓ Recycle of discharge water by STP and ETP.
- ▶ Governance of Ethics and Management
 - ✓ Company is following all statutory requirements like ESI, PF, Minimum Wages etc.
 - ✓ No employment to child labour.
 - ✓ Management workers welfare committee to support welfare of workers.
 - ✓ No union and no agitation by workforce.
 - ✓ Management workers relationship – sports day, celebration of festivals, celebration of national days etc.
 - ✓ Free medical treatment and medicines.
 - ✓ Education support to employees children.
 - ✓ Accommodation to workers, staff and executives.
 - ✓ Free water, electricity, house maintenance and security.
 - ✓ Retention policy for workforce.
 - ✓ Assuring Future Development and Responsibility

CSR- environment Sustainability



DM Water Plant



Effluent Treatment Plant



Natural Gas Plant

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31st March, 2018

(Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,
M/s. INDO ALUSYS INDUSTRIES LIMITED
606, TOLSTOY HOUSE, 15,
TOLSTOY MARG, DELHI- 110001

CIN: L74999DL1979PLC009937
Authorized Capital: Rs. 150,000,000 /-
Paid up Capital: Rs. 85,078,660 /-

We have conducted the Secretarial Audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by **M/s. INDO ALUSYS INDUSTRIES LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

The maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that, in our opinion, the company has, during the audit period covering the Financial Year ended 31st March, 2018 (audit Period), company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

A. THE COMPANIES ACT

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company on paper or in electronic form as given in **ANNEXURE-'I'** for the Financial Year ended 31st March, 2018 according to the provisions of the Companies Act, 2013 and the Rules made there under.
2. We report that the Company has, in our opinion, subject to the observations/qualifications reported hereunder, properly complied with the provisions of The Companies Act, 2013 read with Companies Act 1956 (hereinafter singly and collective referred to as 'Act'), to the extent Sections and Schedules notified and the Rules made there under including amendment,

circulars, notifications and removal of difficulties Order issued by the Ministry of Corporate Affairs from time to time with regard to the following:

➤ **Late Filing of E-forms:**

- *Form MGT-7 and AOC-4* for filing of Annual Return and Financial Statements of the company for Financial Year 2016-2017.
- *Form CRA-4* for submission of Cost Audit Report for Financial Year 2016-2017.
- *Form MGT-14* for filing of resolution regarding approval of director's report for Financial Year ending 31st March, 2017.
- *Form MGT-14* for appointment of Mrs. Payal Saxena as the Company Secretary of the company.

These forms have been filed with late fees before expiry of period specified under Section 403 of the Companies Act, 2013, this should be reported as compliance by reference of payment of additional fees.

➤ **Minutes Book and Registers:**

Sr. No	Particulars	Remarks
1.	Board Meeting Minutes Books	<i>As per our observances, Company has maintained the Notices and Minutes Books of Board and General Meetings of the Company and has complied with the applicable Secretarial Standards.</i>
2.	Annual General Minutes Book	
3.	Extra Ordinary General Meeting Minutes Book	
4.	Statutory Registers as per Companies Act, 2013	<i>The company has maintained the Statutory Registers and has updated them as per the requirements under the Act.</i>

➤ **Composition of Board of Directors:**

With respect to the Composition of Board of Directors, the Company has fully complied with the requirements of Section 149 of the Companies Act, 2013 and the rules made there-under. The requirement of Independent Directors with proper balance of Executive & Non- Executive Directors and Women Director has been duly complied.

Constitution of Committee:-

1. **I further report that** as per Section 177 & 178 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board was required to constitute Audit Committee, the Nomination and Remuneration Committee, Shareholders/Investors' Grievance Committee which have been duly constituted by the company.

➤ **Secretarial Audit:-**

As per section 204(1) of Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company was required to obtain Secretarial Audit Report for the Financial Year 2016-17.

Observation:- *The Company has duly complied with the requirement of Secretarial Audit Report for the Financial Year 2016-17.*

B. SECURITIES LAWS

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. INDO ALUSYS INDUSTRIES LIMITED** for the financial year ended 31st March, 2018 according to the provisions of:

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (iv) The requirements under the Listing Agreements entered into with DSE Limited.

Note: *In compliance with SEBI circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October, 2016 and application made by the company, submitting their plan of action to Bombay Stock Exchange as required by SEBI in the aforesaid circular, the company had informed to the BSE that it will provide exit opportunity to the investors by following the prescribed procedure and within the timelines as mentioned in the above referred SEBI circular.*

During the period under review, the company has started the process for valuation of its shares for the purpose of providing exit offer and comply with the other requirements as necessary for the aforesaid purpose.

With respect to the compliances under Securities Law, **I further report that, no investor complaint was pending against the company as per the website of SCORES.**

We have also examined compliance with the applicable clauses of the following:

C. SECRETARIAL STANDARDS

In view of the Secretarial Standards issued by ICSI with regard to the Meeting of Board of Directors (SS-1) and General Meeting (SS-2) which became effective from 01st July, 2015, ***we hereby report that the aforesaid Secretarial Standards have been properly complied by the Company.***

D. OTHER LAWS INCLUDING SECTOR SPECIFIC LAWS

- We further report that based on the information received, explanations given, process explained and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, including Sector Specific laws, rules, regulations and guidelines.
- We further report that the Compliance by the Company of applicable financial laws like direct and indirect tax laws have not been reviewed in this audit since the same has been subject to review by statutory financial auditor and other designated professionals and for the same we have relied on Reports given by the Internal as well as the Statutory Auditors of the Company.

Place: New Delhi
Date: 21.09.2018

For Janmejy Singh Rajput & Associates
Company Secretaries

Janmejy Singh Rajput
(Proprietor)
Membership No.- F9348
PCS No.- 15012

Note: This report is to be read with our letter of even date which is annexed as **ANNEXURE I** and **ANNEXURE II** and forms an integral part of this report.

ANNEXURE -I

Our report of even date is to be read along with the Annexure stating the following:

LIST OF DOCUMENTS VERIFIED:-

1. Memorandum of Association and Article of Association;
2. Detailed Financial Results for the F.Y. 2017-18;
3. List of Shareholders and Shareholding Pattern.
4. Documents with regards to ratification of appointment of Statutory Auditor;
5. Copies of Instruments satisfying the charges;
6. Copies of Instruments modifying the charges during the year;
7. Report for Charge modified;
8. Copies of all e-forms and returns filed during the Financial Year 2017-18 with Registrar of Companies; with respective receipts/Challans of fees paid;
9. Copies of Form MBP-1 & DIR-8 received from all the Directors under Section 184 & Section 164 at the first meeting of the Board in the Financial Year 2017-18;
11. Minutes books and Statutory Registers maintained by the company;
12. List of legal cases against the company.

ANNEXURE -II

**To,
The Members,
M/s. INDO ALUSYS INDUSTRIES LIMITED
606, Tolstoy House, 15, Tolstoy Marg, Delhi -110001**

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: New Delhi
Date: 21.09.2018**

**For Janmejy Singh Rajput & Associates
Company Secretaries**

**Janmejy Singh Rajput
(Proprietor)
Membership No. - F9348
PCS No. - 15012**

Independent Auditors' Report

To
The Members of
Indo Alusys Industries limited

Report on the Financial Statements

We have audited the accompanying financial statements of Indo Alusys Industries limited ("the Company") which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Basis of Qualified Opinion

Additional depreciation on revalued amount of assets has not been charged in the Statement of Profit and Loss as required by the revised accounting standards which has resulted in profit of the year to be higher by Rs.397.73 lacs (including Rs. 48.87 lacs for previous year) (Previous year Rs. 279.12 Lacs). (refer note 37 to the financial statements).

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter described in the basis for qualified opinion paragraph above* the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 *except for the effect of the matter described in the basis for qualified opinion paragraph above.*
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 19 to the financial statements;
 - ii. The Company did not have any long –term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SURESH KUMAR MITTAL & CO.

Chartered Accountants

Firm Reg. No. : 500063N

Partner

Membership Number: 521915

Place: New Delhi

Date: 21.09.2018

Annexure A referred to in paragraph (1) under the heading of “Report on Other Legal and Regulatory requirements” of our report of even date

<p>(i) (a)</p> <p>(b)</p> <p>(c)</p>	<p>The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The fixed assets records of the company which were destroyed in fire on 7th/ 8th April ,1992 have been recompiled on the basis of information and records to the extent available.</p> <p>All the fixed assets have been physically verified by the management according to a regular program, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.</p> <p>The title deeds of immovable properties are held in the name of the company</p>
<p>(ii)</p>	<p>Physical verification of inventory (except material lying with third parties and in transit) has been conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No material discrepancies with respect to book records were noticed on such verification. Discrepancies noticed have been properly dealt with in the books of account.</p>
<p>(iii)</p>	<p>The company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and as such clauses (iii) (a), (b) and (c) of the order are not applicable to the company.</p>
<p>(iv)</p>	<p>In our opinion and according to the information and explanation given to us the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, guarantees and security given and investment made.</p>
<p>(v)</p>	<p>According to the information and explanation given to us, the company has not accepted any deposit from the public. Therefore, the provisions of clause (v) of the order are not applicable to the company.</p>
<p>(vi)</p>	<p>We have broadly reviewed the books of account maintained by the company pursuant to the order made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such accounts and records.</p>

<p>(vii) (a)</p> <p>(b)</p>	<p>The company is <i>generally</i> regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of custom, duty of excise, value added tax, cess and any other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect thereof were outstanding as at 31st March,2018 for a period of more than six months from the date they became payable</p> <p>According to the records of the company, dues of income-tax or Sales tax or service tax or duty of custom or duty of excise or value added tax which have not been deposited on account of any dispute are as under:-</p>																									
<table border="1"> <thead> <tr> <th data-bbox="351 640 459 734">S.No.</th> <th data-bbox="459 640 834 734">Name of the statute</th> <th data-bbox="834 640 1088 734">Nature of the dues</th> <th data-bbox="1088 640 1294 734">Amount (Rs. In lacs)</th> <th data-bbox="1294 640 1522 734">FORUM WHERE DISPUTE IS PENDING</th> </tr> </thead> <tbody> <tr> <td data-bbox="351 734 459 801">1</td> <td data-bbox="459 734 834 801">CENTRAL EXCISE ACT</td> <td data-bbox="834 734 1088 801">EXCISE DUTY</td> <td data-bbox="1088 734 1294 801">23.51</td> <td data-bbox="1294 734 1522 801">HIGH COURT</td> </tr> <tr> <td data-bbox="351 801 459 898">2</td> <td data-bbox="459 801 834 898">CENTRAL EXCISE ACT</td> <td data-bbox="834 801 1088 898">EXCISE DUTY</td> <td data-bbox="1088 801 1294 898">117.82</td> <td data-bbox="1294 801 1522 898">TRIBUNAL</td> </tr> <tr> <td data-bbox="351 898 459 1008">3</td> <td data-bbox="459 898 834 1008">CENTRAL EXCISE ACT</td> <td data-bbox="834 898 1088 1008">EXCISE DUTY</td> <td data-bbox="1088 898 1294 1008">6.41</td> <td data-bbox="1294 898 1522 1008">COMMISSIONER (APPEALS)</td> </tr> <tr> <td data-bbox="351 1008 459 1137">4</td> <td data-bbox="459 1008 834 1137">RAJASTHAN VALUE ADDED TAX ACT</td> <td data-bbox="834 1008 1088 1137">VAT</td> <td data-bbox="1088 1008 1294 1137">9.82</td> <td data-bbox="1294 1008 1522 1137">COMMISSIONER (APPEALS)</td> </tr> </tbody> </table>	S.No.	Name of the statute	Nature of the dues	Amount (Rs. In lacs)	FORUM WHERE DISPUTE IS PENDING	1	CENTRAL EXCISE ACT	EXCISE DUTY	23.51	HIGH COURT	2	CENTRAL EXCISE ACT	EXCISE DUTY	117.82	TRIBUNAL	3	CENTRAL EXCISE ACT	EXCISE DUTY	6.41	COMMISSIONER (APPEALS)	4	RAJASTHAN VALUE ADDED TAX ACT	VAT	9.82	COMMISSIONER (APPEALS)	
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4	RAJASTHAN VALUE ADDED TAX ACT	VAT	9.82	COMMISSIONER (APPEALS)																						
(viii)	<p>In our opinion and according to the informations and explanations given to us, the company has not availed any loan or borrowing from financial institution, Government and debenture holders. The company has generally been regular in repayment of loans or borrowings of bank. There was no overdue amount as on 31.03.2018</p>																									
(ix)	<p>In our opinion, moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.</p>																									
(x)	<p>According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the year</p>																									
(xi)	<p>In our opinion, and according to the information and explanation given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013</p>																									

(xii)	The company is not a nidhi company and hence provisions of clause (xii) of the order are not applicable to the company.
(xiii)	In our opinion all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable accounting standards.
(xiv)	During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
(xv)	The company has not entered into any non cash transactions with directors or persons connected with them.
(xvi)	The company is not required to be registered under section 45-1A of the Reserve Bank of India Act , 1934.

For SURESH KUMAR MITTAL & CO.

Chartered Accountants

Firm Reg. No. : 500063N

Partner

Membership Number: 521915

Place: New Delhi

Date: 21.09.2018

Annexure B referred to in paragraph (2)(f) under the heading of “Report on Other Legal and Regulatory requirements” of our report of even date

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Limited of Indo Alusys Industries limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI".

For SURESH KUMAR MITTAL & CO.

Chartered Accountants

Firm Reg. No. : 500063N

Partner

Membership Number: 521915

Place: New Delhi

Date: 21.09.2018

INDO ALUSYS INDUSTRIES LIMITED
BALANCE SHEET AS ON 31.03.2018

Particulars	As at 31.03.2018		As at 31.03.2017
	Rs. Lacs		Rs. Lacs
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	850.79	850.79
(b) Reserves and Surplus	2	<u>17,976.47</u>	<u>18,138.40</u>
		18,827.26	18,989.19
(2) Non current liabilities			
(a) Long term borrowings	3	6,112.86	3,493.40
(b) Deferred tax liabilities (Net)	4	968.73	921.09
(c) Other long term liabilities	5	1,224.87	1,528.74
(d) Long term provisions	6	<u>268.90</u>	<u>283.82</u>
		8,575.36	6,227.05
(3) Current Liabilities			
(a) Short term borrowings	7	7,098.78	8,844.17
(b) Trade payables	8	6,524.52	5,669.83
(c) Other current liabilities	9	1,005.85	1,479.56
(d) Short term provisions	10	<u>42.68</u>	<u>8.72</u>
		14,671.83	16,002.28
TOTAL		<u><u>42,074.45</u></u>	<u><u>41,218.52</u></u>
II. ASSETS			
(1) Non - current assets			
(a) Fixed Assets	11		
Tangible assets			
Gross Block		31,377.86	30,795.90
Less : Depreciation		<u>12,198.26</u>	<u>11,278.77</u>
		19,179.60	19,517.13
Add : Capital work in progress		<u>146.66</u>	<u>-</u>
		19,326.26	19,517.13
(b) Non - current investments	12	11.04	11.04
(c) Long term loans and advances	13	<u>80.00</u>	<u>76.35</u>
		19,417.30	19,604.52
(2) Current Assets			
(a) Inventories	14	13,816.94	13,038.84
(b) Trade receivables	15	6,123.15	5,955.04
(c) Cash and cash equivalents	16	951.81	1,016.24
(d) Short term loans and advances	17	1,249.33	1,193.55
(e) Other current assets	18	<u>515.92</u>	<u>410.33</u>
		22,657.15	21,614.00
TOTAL		<u><u>42,074.45</u></u>	<u><u>41,218.52</u></u>

See accompanying notes to the financial statement

For Suresh Kumar Mittal & Co.
Chartered Accountants
Firm Reg. No. 500063N

Place : NEW DELHI
Date:

Ankur Bagla
Partner
M.No.521915

Pradeep Kumar Jain
Managing Director
DIN No.00225927

M.K.Doogar
Director
DIN No.00319034

R.K.Wadhawan
Chief Financial Officer

Payal Saxena
Company Secretary

INDO ALUSYS INDUSTRIES LIMITED
PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31st March,2018

Particulars		For the period from 01.04.2017 to 31.03.2018 Rs. Lacs	For the period from 01.04.2016 to 31.03.2017 Rs. Lacs
I. Revenue from Operations			
Gross		39,224.30	39,117.18
Less: GST		4,402.36	-
		<u>34,821.94</u>	<u>39,117.18</u>
Less: Excise Duty		782.64	3,175.06
Net	21	34,039.30	35,942.12
II Other Income	22	157.63	212.33
III Total revenue (I + II)		<u>34,196.93</u>	<u>36,154.45</u>
IV Expenses			
Cost of materials consumed	23	24,680.69	23,764.26
Purchase of Stock in trade	24	1,140.95	3,065.66
Changes in inventories of finished goods, work in progress and stock in trade	25	(615.74)	483.10
Employee benefits expense	26	1,595.72	1,571.24
Other expenses	27	3,831.71	3,874.96
		<u>30,633.33</u>	<u>32,759.22</u>
V Earning before interest, depreciation & Tax (iii - iv)		3,563.60	3,395.23
VI Finance costs	28	<u>2,675.42</u>	<u>2,597.61</u>
VII Earning before depreciation & Tax (v- vi)		888.18	797.62
VIII Depreciation and amortization expense	29	521.76	471.63
IX Profit before tax (VII - VIII)		<u>366.42</u>	<u>325.99</u>
X Tax expense:			
(1) Current tax		74.71	66.47
Add: MAT credit entitlement		<u>13.85</u>	<u>(25.72)</u>
(2) Deferred tax		47.64	67.97
(3) Earlier year's tax		(5.58)	0.03
XI Profit for the year (IX - X)		<u>235.80</u>	<u>217.24</u>
XII Earning per equity share:			
(1) Basic	38	2.77	2.55
(2) Diluted		2.77	2.55

See accompanying notes to the financial statement

As per our report of even date annexed

For Suresh Kumar Mittal & Co.
Chartered Accountants
Firm Reg. No. 500063N

Place : NEW DELHI

Date:

Ankur Bagla
Partner
M.No.521915

Pradeep Kumar Jain
Managing Director
DIN No.00225927

M.K.Doogar
Director
DIN No.00319034

R.K.Wadhawan
Chief Financial Officer

Payal Saxena
Company Secretary

INDO ALUSYS INDUSTRIES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
Cash flows from operating activities		
Profit before taxation	366.42	325.99
Adjustments for:		
Depreciation and amortization expense	521.76	471.63
Interest expenses	2,675.42	2,597.61
	<u>3,197.18</u>	<u>3,069.24</u>
	3,563.60	3,395.23
(Increase)/ decrease in trade and other receivables	(10.39)	(1,547.34)
(Increase)/ decrease in inventories	(778.10)	624.82
Increase/ (decrease) in trade and other payables	(72.37)	(1,667.42)
	<u>(860.86)</u>	<u>(2,589.94)</u>
	2,702.74	805.29
Income taxes paid	(130.60)	(108.73)
<i>Net cash from operating activities</i>	<u>2,572.14</u>	<u>696.56</u>
Cash flows from investing activities		
Purchase of fixed assets	(728.61)	(184.28)
<i>Net cash from investing activities</i>	(728.61)	(184.28)
Cash flows from financing activities		
Proceeds from long term borrowings	3,000.60	704.41
Proceeds from short term borrowings	(1,745.39)	2,411.09
Repayment of long term borrowings	(487.75)	(779.24)
Interest paid	(2,675.42)	(2,597.61)
<i>Net cash from financing activities</i>	(1,907.96)	(261.35)
Net increase/(decrease) in cash and cash equivalents	<u>(64.44)</u>	<u>250.93</u>
Cash and cash equivalents at beginning of reporting period	<u>1,016.24</u>	<u>765.31</u>
Cash and cash equivalents at end of reporting period	<u>951.81</u>	<u>1,016.24</u>

Notes : Brackets represent cash out flow.

As per our report of even date annexed

For Suresh Kumar Mittal & Co.
Chartered Accountants
Firm Reg. No. 500063N

Place : NEW DELHI
Date:

Ankur Bagla	Pradeep Kumar Jain	M.K.Doogar	R.K.Wadhawan	Payal Saxena
Partner	Managing Director	Director	Chief Financial Officer	Company Secretary
M.No.521915	DIN No.00225927	DIN No.00319034		

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

1 Share Capital:

Particulars	As at 31.03.2018		As at 31.03.2017	
	Number	Rs Lacs	Number	Rs Lacs
I Authorized:				
Equity shares of Rs. 10/- each				
At the beginning of the year	1,50,00,000	1,500.00	1,50,00,000	1,500.00
Addition during the year	-	-	-	-
Reduction during the year	-	-	-	-
At the close of the year	1,50,00,000	1,500.00	1,50,00,000	1,500.00
II Issued, subscribed and fully paid up:				
Equity shares of Rs. 10/- each				
At the beginning of the year	85,07,866	850.79	85,07,866	850.79
Addition during the year	-	-	-	-
Reduction during the year	-	-	-	-
At the close of the year	85,07,866	850.79	85,07,866	850.79
III Particulars of equity share holders holding more than 5% of the total number of equity share capital:				
	As at 31.03.2018		As at 31.03.2017	
Name of Shareholder	Number	% of Holding	Number	% of Holding
a. Aseem Chits Pvt Ltd	1190000	13.99%	1190000	13.99%
b. PSJ Construction Pvt Ltd	1190000	13.99%	1190000	13.99%
c. Pradeep Jain HUF	1189100	13.98%	1189059	13.98%
d. Pradeep Jain	2784601	32.73%	2294162	26.97%
e. Ishaan Jain	906275	10.65%	1020944	12.00%
f. Shreya Jain	457050	5.37%	457050	5.37%

2 Reserves and Surplus:

a) As at 31.03.2018(Rs. Lacs)

Particulars	Capital Reserve	Revaluation Reserve	Surplus i.e. balance in Statement of Profit & Loss	Total
At the beginning of the year	15.00	14,469.13	3,654.27	18,138.40
Additions during the year	-	-	235.80	235.80
Transferred to Depreciation*	-	397.73	-	397.73
At the close of the year	15.00	14,071.40	3,890.07	17,976.47

b) As at 31.03.2017(Rs. Lacs)

Particulars	Capital Reserve	Revaluation Reserve	Surplus i.e. balance in Statement of Profit & Loss	Total
At the beginning of the year	15.00	14,748.25	3,437.03	18,200.28
Additions during the year	-	-	217.24	217.24
Transferred to Depreciation*	-	279.12	-	279.12
At the close of the year	15.00	14,469.13	3,654.27	18,138.40

* Refer note no.37

3 Long term Borrowings

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
1) Secured Loans:		
a. Term/Corporate Loans		
- from Banks	1461.37	2,134.00
- Others	3,000.00	-
	4,461.37	2,134.00
2) Unsecured Loans:		
Other Loans & Advances		
- from Companies		
free of interest	2,139.24	2,138.64
	2,139.24	2,138.64
	6,600.61	4,272.64
Less : current maturity	487.75	779.24
	6,112.86	3,493.40

a) Term Loans of Rs. 3000.00 lacs (previous year Rs.350.12 lacs) are secured/to be secured by first pari passu charge by way of equitable mortgage of land and building of the company and hypothecation of all movable and immovable assets of the company, present and future, except assets charged to the hirer and second pari passu charge on entire current assets of the company. The loans are additionally secured against personal guarantee of the managing director.

b) Corporate Loans of Rs. 1340.46 lacs (previous year Rs.1773.02 lacs) are secured/to be secured by first pari passu charge by way of hypothecation over entire present and future current assets (alongwith working capital lenders) and entire present and future fixed assets (alongwith term lenders).

c) Vehicle loans of Rs. 120.91 lacs (previous year Rs.10.86 lacs) are secured against hypothecation of vehicle financed out of loan amount.

d) The above loans are repayable as follows :

- Payable after 1 year	952.75	468.26
- Payable after 2 year	1,331.88	531.90
- Payable after 3 year	1,406.44	354.60
- Payable after 4 year	1,382.00	712.88
- Payable after 5 year	812.00	712.88
- Payable after 6 year	227.79	712.88
	<u>6,112.86</u>	<u>3,493.40</u>

e) The management has certified that the unsecured loans from companies(free of interest) are repayable after repayment of other loans

INDO ALUSYS INDUSTRIES LIMITED

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
4 Deferred tax liability (Net):		
i) Deferred tax liability :		
a) On account of depreciation on fixed assets	1,064.01	1,022.36
b) others	0.16	0.16
Total	1,064.17	1,022.52
ii) Deferred tax asset:		
On account disallowance under section 43B	95.44	101.43
Total	95.44	101.43
Net Deferred tax (liability)/asset	(968.73)	(921.09)

5 Other Long term liabilities

Trade deposits	1,189.25	1,493.25
Other Deposits	35.62	35.49
	1,224.87	1,528.74

The management has certified that the above liabilities are repayable after one year.

6 Long term Provisions

Provisions for employee benefits	268.90	283.82
	268.90	283.82

7 Short term Borrowings

Secured Loans:

a) Loans repayable on demand - working capital limits from Banks	6,167.65	6,702.01
b) Others - Buyer's Credit	931.13	2,142.16
Total	7,098.78	8,844.17

a) Above loans are secured/to be secured by first pari passu charge by way of hypothecation of entire current assets of the company and second pari-passu charge on the entire fixed assets of the company except assets charged to the hirer. The loans are additionally secured against pledge of part of promoters' shareholding and personal guarantee of the managing director.

b) Adjustments on account of events occurring after Balance Sheet :-

Buyers' credit outstanding at the year end has been reinstated at the rate of actual payment/forward contracts taken subsequent to Balance sheet date.

INDO ALUSYS INDUSTRIES LIMITED

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
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8 Trade Payables

The Company is in process of identifying suppliers covered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, information required under section 22 of the said Act has not been provided.

9 Other current liabilities:

a) Current maturities of long term Debts	487.75	779.24
b) Advances from Customers	114.73	80.15
c) Others Payables	403.37	620.17
	1,005.85	1,479.56

No amount was due for credit to Investor Education and Protection Fund as at 31.03.2018

10 Short term provisions:

a) For Income Tax	74.71	66.47
Less: Tax deducted at source	40.29	66.47
	34.42	-
b) Provision for employee's benefits	8.26	8.72
	42.68	8.72

11 Fixed Assets - Tangible Assets (Rs. Lacs)

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 01.04.2017	Additions for the year	Total	upto 31.03.2017	For the year	Dpreciation on revalued amount*	Total	As at 31.03.2018	As at 31.03.2017
Land - lease hold	15,921.71		15,921.71	1,750.60	0.17	230.25	1,981.02	13,940.69	14,171.11
Buildings	2,859.13		2,859.13	1,487.49	48.33	97.39	1,633.21	1,225.92	1,371.64
Plant & Machinery	11,477.84	403.54	11,881.38	7,564.62	420.01	70.09	8,054.72	3,826.66	3,913.22
Furniture & Fixtures	51.19		51.19	48.12	0.40		48.52	2.67	3.07
Vehicles	285.45	152.30	437.75	244.58	46.86		291.44	146.31	40.87
Office equipment	200.58	26.12	226.70	183.36	5.99		189.35	37.35	17.22
TOTAL	30,795.90	581.96	31,377.86	11,278.77	521.76	397.73	12,198.26	19,179.60	19,517.13
Previous Year	30,611.62	184.28	30,795.90	10,528.02	471.63	279.12	11,278.77	19,517.13	

* Refer note no.37

INDO ALUSYS INDUSTRIES LIMITED

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
12 Non Current Investments:		
(at cost)		
In Government Securities (unquoted - Non Trade) National Saving Certificate *	0.05	0.05
In equity Shares of Rs. 10/ each fully paid up (Quoted - Non Trade)		
115000 (previous year 115000) shares of Kquality Builders & Developers Ltd	10.99	10.99
	11.04	11.04
Aggregate value of quoted investments	10.99	10.99
Aggregate value of unquoted investments	0.05	0.05
	11.04	11.04
Aggregate market value of quoted investments**	20.13	20.13

* lodged with Govt. Department

**Last available quoted rates have been considered to determine the market value of investments

INDO ALUSYS INDUSTRIES LIMITED

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
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13 Long term loans and advances:

(unsecured - considered good)

- i) Capital advances
- ii) Security Deposits

	3.00	2.00
	77.00	74.35
	80.00	76.35

14 Inventories:

(As taken, valued and certified by the mangement)

- i) Raw materials
- ii) Work in progress
- iii) Finished goods
- iv) Scrap
- v) Stores and spares
- vi) Loose tools
- vii) Dies & Moulds *
- viii) Goods in transit:
Raw materials

	3,018.55	3,068.25
	3,831.27	3,092.52
	2,862.90	2,985.35
	8.63	9.19
	991.80	1,061.81
	10.39	10.54
	2,544.65	2,478.35
	548.75	332.83
	13,816.94	13,038.84

* The Stock of Dies & Moulds have been revalued as on 31.03.2018 at Rs.2544.65 lacs (Previous Year Rs.2478.35 lacs) by an approved valuer considering their residual useful life and replacement value resulting into an increase in the value of dies & moulds by Rs.187.23 lacs (Previous Year Rs. 170.37 lacs). The gain of Rs.187.23 lacs (Previous Year Rs. 170.37 lacs) on revaluation has been reduced from Rs.381.70 lacs (Previous Year Rs.371.75 lacs) being the amount to be written off for the year(net of amount received from customers), as per past practice, and net amount of Rs.194.47 lacs (Previous Year Rs.201.38 lacs)only has been charged to the Profit and Loss account.

Particulars	As at 31.03.2018 Rs. Lacs	As at 31.03.2017 Rs. Lacs
15 Trade receivables:		
(unsecured - considered good)		
i) Trade receivables exceeding six months	763.67	450.57
ii) others	5,359.48	5,504.47
	6,123.15	5,955.04
a) A sum of Rs.758.92 lacs (previous year Rs. 733.33 lacs) retained by the customers, from amount payable against sales, as per terms of the contract has been included under other short term loans & advances.		
b) Trade receivables exceeding six months are from due date of receipt of payments as per the records of the company		
16 Cash and cash equivalents:		
i) Balances with banks		
- in margin money, security for borrowings, guarantees and other commitments	897.17	881.12
- in other accounts	53.05	133.00
ii) Balance in Post office Saving Bank Account		
- passbook pledged with excise department	0.38	0.38
iii) Cash on hand	1.21	1.74
	951.81	1,016.24
(Bank deposits with more than 12 months maturity Rs.123.80 Lacs (previous year Rs.119.43Lacs)		
17 Short term loans and advances:		
(unsecured - considered good)		
i) Income tax refundable	96.82	92.32
ii) Commercial Tax Recoverable	15.63	91.06
iii) Others	1,136.88	1,010.17
	1,249.33	1,193.55
18 Other Current Assets		
(usecured - considered good)		
i) Interest receivable	60.41	29.03
ii) MAT Credit Entitlement	300.21	308.48
iii) other receivables	155.30	72.82
	515.92	410.33
19 Contingent liabilities and Commitments:		
(to the extent not provided for)		
a) Contingent Liabilities:		
i) Claims against the Company not acknowledged as debts	9.04	9.04
ii) Bank Guarantees	1,104.68	1,234.35
iii) Guarantees given on behalf of an outsider	1.00	1.00
iv) Letters of credit	80.63	29.98
v) Tax demands under disputes	157.56	522.27
vi) Bills Discounted/Bills factored	1,583.46	2,120.22
vii) Bonds Issued In favour of Govt Authority	14.60	14.60
b) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	15.29	138.00

20 In the opinion of the board the assets other the fixed assts have a value on realisation in the ordinary course of business at least equal to the amount at which they have been stated.

INDO ALUSYS INDUSTRIES LIMITED

Particulars	For the year	For the year
	01.04.2017 to 31.03.2018 Rs.Lacs	01.04.2016 to 31.03.2017 Rs.Lacs
21 Revenue from operations:		
i) Sale of products		
Aluminium extruded Products/ Alloy ingots	31,503.52	30,656.58
Insulated wires/ cables/ conductors	7,705.85	8,418.20
Total	39,209.37	39,074.78
ii) Sale of services - Job work	14.93	42.40
	39,224.30	39,117.18
Less : GST	4,402.36	-
	34,821.94	39,117.18
Less: Excise duty	782.64	3,175.06
	34,039.30	35,942.12
22 Other Income:		
i) Interest income		
- from Banks	73.96	56.88
- from others	54.63	53.45
ii) Rent	0.40	0.37
iii) Liability no longer required written back	1.17	71.72
iv) Misc. Receipts	27.47	29.91
	157.63	212.33
23 Cost of materials consumed:		
a) i) Consumption of raw materials	23,228.85	22,355.38
ii) Consumption of stores and spare parts	1,451.84	1,408.88
	24,680.69	23,764.26
b) Consumption of major raw materials		
Stock at the begning of the year		
i) Aluminium	2,289.27	2,435.35
ii) Others	778.98	748.75
Total	3,068.25	3,184.10
Purchases during the year		
i) Aluminium	20,113.35	18,726.50
ii) Others	3,065.80	3,513.03
Total	23,179.15	22,239.53
Consumption during the year		
i) Aluminium	20,115.34	18,872.58
ii) Others	3,113.51	3,482.80
Total	23,228.85	22,355.38
Stock at the end of the year		
i) Aluminium	2,287.28	2,289.27
ii) Others	731.27	778.98
Total	3,018.55	3,068.25
24 Purchase of Stock in trade		
Aluminium	1,140.95	3,065.66
Total	1,140.95	3,065.66

INDO ALUSYS INDUSTRIES LIMITED

Particulars	For the year 01.04.2017 to 31.03.2018 Rs.Lacs	For the year 01.04.2016 to 31.03.2017 Rs.Lacs
25 Changes in inventories of finished goods, work in progress and stock in trade:		
Stocks at the end of the year		
i) Work in progress		
Aluminium extruded Products/ Alloy ingots	2,371.10	2,204.87
Insulated wires/ cables/ conductors	1,460.17	887.65
Sub -Total	3,831.27	3,092.52
iii) Finished goods		
Aluminium extruded Products/ Alloy ingots	1,181.42	1,577.43
Insulated wires/ cables/ conductors	1,681.48	1,407.92
Sub -Total	2,862.90	2,985.35
iii) Scrap	8.63	9.19
Total	6,702.80	6,087.06
Stocks at the beginning of the year		
i) Work in progress		
Aluminium extruded Products/ Alloy ingots	2,204.87	2,519.25
Insulated wires/ cables/ conductors	887.65	899.45
Sub -Total	3,092.52	3,418.70
iii) Finished goods		
Aluminium extruded Products/ Alloy ingots	1,577.43	1,352.19
Insulated wires/ cables/ conductors	1,407.92	1,769.57
Sub -Total	2,985.35	3,121.76
iv) Scrap	9.19	29.70
Total	6,087.06	6,570.16
Change in Stock	(615.74)	483.10
26 Employee Benefit Expenses:		
Salaries and wages	1,442.90	1,394.52
Contribution to provident and other funds	104.56	86.45
Gratuity *	(0.03)	43.42
Staff welfare expenses	48.29	46.85
	1,595.72	1,571.24

- * (i) includes premium payment of Rs.18.50 lacs (previous year Rs.Nil).
(ii) Current year figures is negative as the liability certified by LIC on 31.03.2018 is lower than the liability certified by LIC on 31.03.2017.

INDO ALUSYS INDUSTRIES LIMITED

Particulars	For the year 01.04.2017 to 31.03.2018 Rs.Lacs		For the year 01.04.2016 to 31.03.2017 Rs.Lacs	
27 Other expenses:				
i) Power and fuel		1,554.56		1,312.41
ii) Rent		74.17		73.13
iii) Repairs to buildings		1.50		1.57
iv) Repairs to machinery		19.34		17.32
v) Insurance		20.59		16.16
vi) Rates and taxes		6.00		30.64
vii) Payment to the auditors				
- as audit fee	6.00		6.00	
- as tax audit fee	1.80		1.80	
- for other services	0.39	8.19	0.25	8.05
viii) Packing & forwarding		715.50		552.79
ix) Other selling expenses		96.02		298.10
x) Jobwork		649.21		798.15
xi) Excise Duty expenses		17.08		183.82
xii) Dies & Moulds written off		194.47		201.38
xiii) Miscellaneous expenses		346.81		239.20
xiv) Bad trade receivables written off		28.52		27.01
xv) Directors sitting fees		2.55		1.80
xvi) Travelling & Conveyance		97.20		113.43
		3,831.71		3,874.96
28 Finance cost				
i) Interest		2,258.95		2,176.86
ii) Other Financial Charges		416.47		420.75
		2,675.42		2,597.61
29 Depreciation and amortization:				
Depreciation		919.49		750.75
Less : Transferred from Revaluation Reserve *		397.73		279.12
		521.76		471.63

* Refer note no.37

INDO ALUSYS INDUSTRIES LIMITED

Particulars	For the year	For the year
	01.04.2017 to 31.03.2018 Rs.Lacs	01.04.2016 to 31.03.2017 Rs.Lacs

30 Prior period items:

i) Income	-	-
ii) Expenses	0.95	1.23

31 Previous year's figures have been regrouped and/or rearranged wherever considered necessary.

32 a) Net foreign currency exposure that are not hedged by derivative instruments as on 31.03.2018 are for USD 585069.77 (credit) (previous year USD 2230013.24 (credit) and EURO 70948.51(Credit)).

b) Raw material purchases are inclusive of gain due to fluctuation in exchange rates Rs.45.17 lacs (Previous year loss of Rs.53.06 lacs).

33 Balances of Sundry Debtors, Loans & Advances and Sundry Creditors have been taken as per balances appearing in the books of accounts.

34 As per Accounting standard 18, issued by the Institute of Chartered Accountants of India, the disclosure of transactions with the related parties as defined in the Accounting Standard are given below :-

i) List of related parties with whom transactions have taken place and relationships :

S.no.	Name of the related party	Relationship
1)	Sh.Pradeep Jain, Managing Director	Key Managerial Personnel
2)	Aseem Chits Pvt Ltd.	Associate
3)	Indo Alusys Industries Ltd. Employees Group Gratuity Fu	Others
4)	Jain Tube Co. Ltd.	Associate
5)	Sh.R.K.Wadhawan, Chief Financial Officer	Key Managerial Personnel
6)	Ms.Pooja Sheree Setia(upto 30.05.2017)	Key Managerial Personnel
7)	Mrs. Payal Saxena (w.e.f. 01.08.2017)	Key Managerial Personnel

ii) Transactions during the year with related parties :

S.No.	Nature of Transaction	Key Managerial Personnel & Relative (Rs. Lacs)	Associate (Rs. lacs)	Others (Rs. lacs)	Total (Rs. lacs)
1-a)	Remuneration**	47.48	-	-	47.48
		(48.27)	(--)	(--)	(48.27)
b)	Outstanding against above	4.05	-	-	4.05
		(8.96)	(--)	(--)	(8.96)
2-a)	Loan Received/repaid	-	-	-	-
		(--)	(--)	(--)	(--)
b)	Outstanding against above	-	15.00	-	15.00
		(--)	(15.00)	(--)	(15.00)
3-a)	Trade deposit received/repaid	-	-	-	-
		(--)	(--)	(--)	(--)
b)	Outstanding against above	-	100.00	-	100.00
		(--)	(100.00)	(--)	(100.00)
4-a)	Contribution to Gratuity Fund	-	-	18.50	18.50
		(--)	(--)	(5.50)	(5.50)
b)	Outstanding against above	-	-	244.81	244.81
		(--)	(--)	(263.35)	(263.35)

Note:

- Related parties relationship is as identified by the company and relied upon by the auditors.
- Previous year's figures are given in brackets.

35 Employee Benefit Obligations :

The various benefits provided to employees have been classified as under :-

a. State Plans

Contribution made by the company to the various state plans which have been recognized as on expense in the profit & loss account are

Employer's contribution to employees state insurance Rs.34.03lacs (previous year 23.67 lacs)

Employers's contribution to employees provident fund scheme Rs.64.45 lacs (previous yearRs. 56.78 lacs)

b. Defined Benefit Plan

The employees' gratuity fund scheme is managed by a trust. The present value of obligation is determined based on actuarial valuation. The obligation for leave encashment is recognized in the same manner as gratuity.

As on 31.03.2018		As on 31.03.2017	
Gratuity	Leave Encashment	Gratuity	Leave Encashment
(Funded)	(Unfunded)	(Funded)	(Unfunded)
7.50%	7.86%	7.50%	7.86%
6.00%	6.00%	6.00%	6.00%

i) Assumptions

Discount rate

Salary escalation

ii) Table showing changes in present value of obligations

Present value of obligations as at beginning of year	263.34	29.20	253.66	27.00
Interest cost	19.75	2.15	20.29	2.12
Current service cost	16.75	6.62	18.61	4.92
Benefit paid	(19.63)	-	(22.08)	-
Actuarial (gain)/loss on obligations	(35.40)	(5.63)	(7.13)	(4.84)
Present value of obligations as at end of year	244.81	32.34	263.34	29.20

iii) Table showing changes in the fair value of plan assets

Fair value of plan assets at beginning of year	14.82		32.35	
Expected return on plan assets	0.88		1.65	
Contributions	17.21		2.72	
Benefits paid	(19.63)		(22.08)	
Actuarial gain/(loss) on plan assets	(0.00)		-	
Fair value of plan assets at end of year	13.28		14.82	

iv) Table showing fair value of plan assets

Fair value of plan assets at beginning of year	14.82		32.35	
Actual return on plan assets	0.88		1.65	
Contributions	17.21		2.72	
Benefits paid	(19.63)		(22.08)	
Fair value of plan assets at end of year	13.28		14.64	
Funded status	(231.52)		(248.70)	
Excess of actual over estimated return on plan assets (Actual rate of return=Estimated rate of return as ARD Falls on 31st March	NIL		NIL	

v) Actual gain/loss recognized

Actuarial (gain)/loss for the year – obligation	35.40	(5.63)	7.13	(4.84)
Actuarial (gain)/loss for the year - plan assets	(0.01)	-	-	-
Total (gain)/loss for the year	(35.39)	(5.63)	(7.13)	(4.84)
Actuarial (gain)/loss recognized in the year	(35.39)	(5.63)	(7.13)	(4.84)

vi) The amount to be recognized in the balance sheet and statements of profit and loss

Present value of obligations as at the end of the year	244.81	32.34	263.35	29.20
Fair value of plan assets as at the end of the year	13.28	-	14.82	-
Funded status	(231.53)	(32.34)	(248.52)	(29.20)
Net asset/(liability) recognized in balance sheet	(231.53)	(32.34)	(248.52)	(29.20)

vii) Expenses recognised in statement of profit & loss

Current service cost	16.75	6.62	18.61	4.92
Interest cost	19.75	2.15	20.29	2.12
Expected return on plan assets	(0.88)	--	(1.65)	--
Net actuarial (gain)/loss recognised in the year	(35.39)	(5.63)	(7.13)	(4.84)
Expenses recognised in statement of profit & loss	0.23	3.14	30.11	2.20

Note : the above information is certified by the actuary

36 a) Primary Segment

Segment Information as per Accounting Standard 17 on Segment Reporting for the year ended 31.03.2018 is as under :

	Aluminium Extruded Products(Rs. Lacs)	Cable/Conductor (Rs. Lacs)	Unallocated (Rs. Lacs)	Consolidated Total (Rs. Lacs)
REVENUE	27116.09	7705.85	--	34821.94
Segment Wise	(30698.98)	(8418.20)	(-)	(39117.18)
Less : Inter Segment Sales	-	-	-	-
	(-)	(-)	(-)	(-)
Total Sales	27116.09	7705.85		34821.94
	(30698.98)	(8418.20)	(-)	(39117.18)
RESULT	7620.11	691.53	-	8311.64
Segment result	(7354.99)	(802.47)	(-)	(8157.46)
Corporate expenses	5002.43	424.99	-	5427.42
	(5016.34)	(429.85)	(-)	(5446.19)
Operating Profit	2617.69	266.53	-	2884.22
	(2338.65)	(372.62)	(-)	(2711.27)
Interest expenses	2411.42	264.00	-	2675.42
	(2237.61)	(360.00)	(-)	(2597.61)
Other Income	157.63	-	-	157.63
	(212.33)	(-)	(-)	(212.33)
Income Taxes	-	-	130.62	130.62
	(-)	(-)	(108.75)	(108.75)
Net Profit	363.89	2.53	(68.98)	235.80
	(313.37)	(73.22)	(-)(108.75)	(217.24)
OTHER INFORMATIONS				
Segment Assets	32945.08	8732.34	397.03	42074.45
	(32885.11)	(7932.60)	(400.81)	(41218.52)
Segment Liabilities	20570.97	1782.22	894.01	23247.20
	(18009.05)	(3365.66)	(854.62)	(22229.33)
Capital expenditure	284.61	444.00	--	728.61
	(113.08)	(71.20)	(-)	(184.28)
Depreciation	421.31	100.45	--	521.76
	(367.13)	(104.50)	(-)	(471.63)
Non-Cash expenses	--	--	--	--
Other than depreciation	(-)	(-)	(-)	(-)

Notes :

- (i) Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the different risks and return of these segments.
 - (ii) Segment information has been prepared in conformity with the accounting policies for preparing and presenting the financial statement of the company.
 - (iii) All segment assets and liabilities as well as revenue and expenses are directly attributable to the segment except for Income Taxes.
 - (iv) Previous year figures are given in brackets.
- b) Secondary Segment (Segments Revenue as per geographical market)

The company has considered geographical segment as per secondary reporting segment for disclosure. For this purpose, revenue are bifurcated based on sales in India and outside India.

	Outside India		In India	
	For the year 01.04.2017 to 31.03.2018 Rs.Lacs	For the year 01.04.2016 to 31.03.2017 Rs.Lacs	For the year 01.04.2017 to 31.03.2018 Rs.Lacs	For the year 01.04.2016 to 31.03.2017 Rs.Lacs
Sales revenue by geographical market	2447.42	939.82	32374.52	38177.36
Carrying of Segment Debtors	504.29	151.61	5618.86	5803.43
Cost to acquire fixed assets	-	-	728.61	184.28

INDO ALUSYS INDUSTRIES LIMITED

Particulars	For the year	For the year
	01.04.2017 to 31.03.2018 Rs.Lacs	01.04.2016 to 31.03.2017 Rs.Lacs

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Additional depreciation on revalued amount of fixed assets which was credited to the statement of profit & loss account, with schedule II of the companies Act, 2013 becoming applicable is to be credited to revenue reserve. However, the Company has continued its earlier policy resulting profit for the year to be higher by Rs.397.73 lacs including Rs.48.87 lacs for previous year (previous year Rs.279.12 lacs). This does not change the cash profit of the company.

38 Basic & Diluted Earnings per share:

Profit after tax as per profit & loss account	235.80	217.24
No. of equity shares (Nos.'000)	8,508	8,508
Basic & Diluted Earning per shares (Rs.)	2.77	2.55

39 Additional Information :

a) Value of Imports calculated on CIF basis:

i) Raw Materials	4,034.71	6,838.13
ii) Components and spare parts	93.21	131.00

b) Expenditure in foreign currency:

i) Travelling	-	20.97
ii) Interest	28.19	-

c) Earnings in foreign exchange

FOB Value of Exports	2,447.42	939.82
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Note : Does not include export to rupee trade countries /deemed exports.

d) Particulars of consumption of imported and indigenous materials and percentage thereof

Class of Goods	IMPORTED		INDIGENOUS		TOTAL	
	%	Value (Rs. Lacs)	%	Value (Rs. Lacs)	%	Value (Rs. Lacs)
Raw Material	17.83	4141.36	82.17	19,087.49	100.00	23,228.85
	(31.08)	(6,947.13)	(68.92)	(15,408.25)	(100.00)	(22,355.38)
Stores & Spares	6.42	93.21	93.58	1,358.63	100.00	1,451.84
	(9.39)	(132.25)	(90.61)	(1,276.63)	(100.00)	(1,408.88)

40 Goods and Service Tax (GST) was implement from 01.07.2017. Thus, Excise duty was applicable for the whole of the previous year i.e. from 01.04.2016 to 31.03.2017 but only for three months in the current year i. e. from 01.04.2017 to 30.06.2017. Hence, Gross turnover is not comparable.

41 The equity shares of the company were exclusively listed on Delhi Stock Exchange (DSE) and the said DSE has been de-recognised by the Securities and Exchange Control Board of India (SEBI). The company was informed by SEBI to either get listed on any functional stock exchange or to undergo the process of delisting through dissemination Board of Bombay Stock Exchange (BSE). After fulfilment of conditional as laid down in SEBI guidelines, the company applied to dissemination Board of BSE for removal of name from listed entities. Final approval from BSE has been obtained vide letter dated 07.09.2018.

42 SIGNIFICANT ACCOUNTING POLICIES**a) Basis of Preparation of Financial statements**

The financial statement has been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, subject to what is stated herein below, as adopted consistently by the company.

The company follows mercantile system of accounting and recognises significant items of Income and Expenditure on accrual basis.

b) Fixed Assets

Fixed assets (other than revalued assets) are stated at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses relating to acquisition and installation and are net of modvat credit. Revalued assets are stated at the revalued figures. In respect of major projects involving construction, related pre-operational expenses form part of the value of the assets capitalised.

As per practice, expenses incurred on modernisation/debottlenecking/relining of plant & equipment are capitalised.

c) Depreciation**a) Assets carried at historical cost :**

Depreciation on assets carried at historical cost is provided on the written down value basis on assets acquired upto 31st March,2006 (in accordance with useful life prescribed under schedule II of the Companies Act,2013) and on straight line basis on Plant & Machinery acquired subsequently (in accordance with useful life prescribed under Schedule II of the Companies Act, 2013). Leasehold land is being written off over the lease period.

b) Revalued assets :

In respect of revalued assets, an amount equivalent to the additional charge of depreciation arising due to revaluation is transferred from the revaluation reserve to the Profit & Loss Account.

d) Investments

Long term investment are stated at cost of acquisition. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary, in the opinion of the management. Current investments are carried at the lower of cost or quoted/fair value.

e) Foreign Currency Transactions

Assets and Liabilities are translated at the year end rate. The difference between the rate prevailing on the date of transaction and on the date of settlement as also on translation of assets and liabilities at the end of the year is recognised as income or expense, as the case may be, for the year. However, liability on translation of fluctuation on account of acquisition of fixed assets is added to the cost of fixed assets. Wherever forward contracts have been taken the exchange conversion is made at the contracted rate.

f) **Inventories**

Valuation of inventories are made as under :

Stores & Spares	- at cost
Tools & Implements	- at cost
Dies & Moulds	- at cost/revalued amount less yearly write off
Raw-Materials	- at cost or market price whichever is lower
Finished goods	- at cost or realisable value whichever is lower
Semi Finished Goods	- at cost or realisable value whichever is lower
Scrap	- at realisable value

Cost comprise all costs of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Cost formula used are either first in first out (FIFO) or weighted average as applicable.

Valuation of finished goods includes provision of excise duty made for goods manufactured, but not cleared.

g) **Sales**

Sales are inclusive of recovery of excise duty and net of returns.

h) **Claims & Benefits**

Claims & Benefits have been accounted for to the extent considered recoverable and are recognised on acceptance basis.

i) **Employees Retirement Benefits**

Company's contribution to state plans are charged to revenue every year. Liability to defined benefit plans is determined on the basis of an actuarial valuation at the end of the year. The actuarial valuation is recognized as an expense. Actuarial gains and losses comprise adjustments and the effects of changes in actuarial assumptions and are recognized immediately in the profit and loss account as income or expense.

j) **Research and Development Expenses**

Expenditure relating to capital item is debited to fixed assets and depreciated at applicable rates. Revenue expenditure is charged to Profit and Loss Account of the year in which they are incurred.

k) **Borrowing Cost**

Interest and other costs in connection with the borrowing of the funds to the extent related/attribution to the acquisition/construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use and other borrowing costs are charged to profit & loss account.

l) **Taxation**

Income-tax expense comprises Current tax, and Deferred tax charge or credit. Provision for the current tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

m) **Deferred Taxation**

Deferred taxation is provided using the liability method in respect of the taxation effect arising from all material timing differences between the accounting and tax treatment of income and expenditure which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonably expected to be realisable in the near future.

n) **Earning Per Share**

Basic earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting dividends on preference shares) by the weighted average number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing the net profit for the year attributable to equity shareholders (after deducting dividends on preference shares) by the weighted average number of equity shares outstanding during the year (adjusted for the effects of dilutive options).

o) **Impairment of Assets**

Impairment loss is provided to the extent the carrying amount of assets exceeds their recoverable amount. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

p) **Events occurring after Balance Sheet Date**

Events occurring after the Balance Sheet date have been considered appropriately in the preparation of financial statements.

q) **Contingent Liabilities**

Unprovided contingent liabilities are disclosed in the accounts by way of notes giving nature and quantum of such liability.

As per our report of even date annexed

For Suresh Kumar Mittal & Co.
Chartered Accountants
Firm Reg. No. 500063N

Place : NEW DELHI

Date:

Ankur Bagla	Pradeep Kumar Jain	M.K.Doogar	R.K.Wadhawan	Payal Saxena
Partner	Managing Director	Director	Chief Financial Officer	Company Secretary
M.No.521915	DIN No.00225927	DIN No.00319034		





Indo Alusys Industries Limited (Formerly Mahavir Aluminium Limited)
Registered Office: 606, Tolstoy House, 15 Tolstoy Marg, Delhi-110001
Telephone: 011-43564200, Website: www.indoalusys.com