

**CORPORATE INFORMATION****Board of Directors:**

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

**Chief Financial Officer:** : Mr. R. K. Wadhawan

**Company Secretary** : Ms. Pooja Shree Setia

**Statutory Auditors** : M/s B. K. Shroff & Co.  
Chartered Accountants  
3/7B, Asaf Ali Road, New Delhi-110002

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

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

**Bankers** : State Bank of Mysore  
State Bank of Bikaner and Jaipur  
State Bank of Hyderabad  
DCB Bank Limited  
Axis Bank Limited  
IDBI Bank Limited  
Syndicate Bank  
Tata Capital Financial Services Limited  
Canbank Factors Ltd.

**Share Transfer Agent** : M/s. Alankit Assignments Ltd.  
Alankit House, 2E/21, Jhandewalan Ext., New Delhi-55

**Depositories** : National Securities Depository Limited  
Central Depository Services Limited

**Registered Office** : 606, Tolstoy House, 15, Tolstoy Marg,  
New Delhi-1100 01 (Website: [www.indoalusys.com](http://www.indoalusys.com))

**Works** : SP-2/333, Bhiwadi, Industrial Estate, Bhiwadi, District Alwar, Rajasthan  
(Extrusion, Architectural & Cable Division)

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## COMPANY PROFILE

**Indo Alusys Industries Limited (IAIL)** (formerly Mahavir Aluminium Limited) is among the leading Aluminium Extrusion companies in the country and a pioneer in the production and innovation of Aluminium extruded products. The foundation of the company was laid in the year 1979 and today with more than 36 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 initial days till today's date 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 topmost manufacturers of aluminium 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 1650 UST capacity, 1250 UST capacity, 1100 UST capacity and 2100 UST capacity. The operations of all the four presses are controlled by Micro Processor based technology and Programmable Logic Control ('PLC') Systems. The above Presses are capable of producing Extruded Sections with a circle of 6.5 inches die from container size upto 7 inches dia.

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

### ALUMINIUM INGOTS DIVISION:

Capitalizing on the industrial expertise, Indo Alusys Industries Limited (IAIL) has forayed into Alloy Ingots productions that are manufactured in accordance with national and international quality standards such as IS/BS/DIN/ASTM. This division is powered by hi-tech facilities like rotary furnaces, tilting furnaces, universal testing machine and spectrometer.

### 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.

### 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 Aluminium in the world and Aluminium 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 aluminium metal in developed countries is about 20 to 30 Kgs. However, in India, the per capita consumption of aluminium is only 1.3 Kgs. Thus there is a vast scope for the industry to develop under the current scenario.

Aluminium 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/OUTLOOK

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 aluminium intensive vehicles production.

During 2016-17, the Company has achieved production of 12573 MT as compared to 10893 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 16600 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 Aluminium. The Aluminium 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 Aluminium 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 Aluminium and Aluminium 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 aluminium in various industrial sectors is growing and it provides a lower cost option as to use of various metals in different sectors.

Aluminium consumption in transportation 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 aluminium 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 Aluminium 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 aluminium 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 aluminium 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 aluminium industry to a large extent. Construction sector with a massive population and vast open spaces / areas is an ideal choice for solar energy production. Aluminium is the most preferred metal in the manufacture of solar panels. Indian aluminium 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 as 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 ₹ 39117.18 Lacs during the year as compared to ₹ 31968.12 Lacs during the previous year.

#### **PROFIT**

Company has registered Profit before Depreciation, Interest & Tax of ₹ 3395.22 Lacs as compared to ₹ 2999.13 Lacs in the

previous year. Therefore, an increase of ₹ 396.09 Lacs and Net Profit after Tax (without deferred tax) of ₹ 259.52 lacs as compared to ₹ 167.15 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 those 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.



## DIRECTOR'S REPORT

### Esteem Shareowners,

The directors have pleasure to present the 37th Annual Report of the Company along with the Audited Financial Statements for the financial year ended March 31, 2017.

### Financial Results

|   | ₹ in Lacs | ₹ in Lacs |
|---|-----------|-----------|
| Particulars                                   | 2016-2017 | 2015-2016 |
| Gross Sales                                   | 39117.18  | 31968.12  |
| Profit before Interest, Depreciation & Tax    | 3395.22   | 2999.13   |
| Less: Interest                                | 2597.61   | 2295.65   |
| Profit after Interest but before Depreciation | 797.62    | 703.48    |
| Less: Depreciation                            | 471.63    | 493.52    |
| Profit for the year before Taxation           | 325.99    | 209.96    |
| Less: Provision for Current Tax               | 66.47     | 42.81     |
| Net Profit After Tax                          | 259.52    | 167.15    |
| Less: Deferred Tax                            | 67.97     | 69.13     |
| Taxation adjustment for previous year         | 0.00      | 0.00      |
| Wealth Tax                                    | 0.03      | 0.43      |
| Add: MAT Credit Entitlement                   | 25.72     | 42.81     |
| Profit after Tax                              | 217.24    | 140.40    |

### COMPANY AFFAIRS/RESULTS OF OPERATIONS

The Company achieved the Turnover of ₹ 39,117.18 Lacs during the current year as against ₹ 31,968.12 Lacs during the previous year. The Company has registered Profit before Depreciation, Interest & Tax of ₹ 3395.22 Lacs as compared to ₹ 2999.13 Lacs in the previous year. However, Net Profit after Tax was ₹ 217.24 Lacs as compared to ₹ 140.0 Lacs in the previous year.

Profits during the current year has increased from ₹ 140.40 Lacs (2015-16) to ₹ 217.24 Lacs. Despite of competitive intensity and market environment, Company continued to deliver steady growth in its financial performance.

### 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.

### RESERVES

The amounts, if any, which the Board proposes to carry to any reserves is to be given

### 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 decreased to ₹ 939.82 lacs as against ₹ 975.45 lacs during the previous year 2015-16.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- Directors have prepared the annual accounts on a going concern basis;
- Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- Directors have devised proper systems 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 2016-17.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

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. Mr. Pradeep Kumar Jain was appointed as Managing Director of the Company for a period of 5 year with effect from 01.11.2014 till 31.10.2019.



## NUMBER OF MEETINGS OF THE BOARD

The following Meetings of the Board of Directors were held during the Financial Year 2016-17:

| S No. | Date of Meeting | Board Strength | No. of Directors Present |
|-------|-----------------|----------------|--------------------------|
| 1     | 30.06.2016      | 4              | 4                        |
| 2     | 29.07.2016      | 4              | 3                        |
| 3     | 05.09.2016      | 4              | 3                        |
| 4     | 05.11.2016      | 4              | 4                        |
| 5     | 04.01.2017      | 4              | 4                        |

## 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.

## AUDITORS

M/s. B. K. Shroff & Co., Chartered Accountants, New Delhi, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. M/s. B. K. Shroff & Co., Chartered Accountants have furnished a Certificate to the effect that the proposed re-appointment, if made, will be within the limits of section 141(3) (g) of the Companies Act, 2013.

## AUDITORS' REPORT

The explanations or comments on every qualification, reservation or adverse remark or disclaimer made by the auditor in his report are self-explanatory.

## COST AUDITORS

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, 2017.

## BOARD COMMITTEES

Committees appointed by the Board focus on specific areas and take decision within the authority delegated to them by

the Board. The committees also make specific recommendations to the Board on various matters from time to time. All decisions and recommendations of the committee are placed before the Board for information or approval. Indo Alusys Industries Limited has three Board level committees:

1. Audit Committee
2. Shareholders'/Investors' Grievance Committee
3. Remuneration Committee

## 1. AUDIT COMMITTEE

### 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.
- k. 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.

## **2. SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

- (I) 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.
- (ii) 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.
- (iii) In the absence of any grievance received from shareholders, no meeting was held during the year.

### **COMPLIANCE OFFICER**

Ms. Pooja Shree Setia, Company Secretary\*.

\*Resigned as Company Secretary on 30th May, 2017.

## **3. SHARE TRANSFER/TRANSMISSION COMMITTEE**

No meeting of the committee was held till it was dissolved. M/s. Alankit Assignments Limited is attending to share transfer and other related matter once in fortnight.

### **PENDING SHARE TRANSFERS**

There are no pending share transfers as on 31.03.2017.

## **REMUNERATION COMMITTEE**

The Company had constituted a Remuneration Committee to perform the following functions:

1. To frame Company's Policy from time to time on :-
  - a. Compensation Policy to Directors

## **b. Role of Directors**

### **c. Other matters relating to Directors and Employees**

2. To review performance and recommend remuneration of Executive Director to the Board.
3. To review the role and conduct of Directors other than Members of the committees and inform the board.

## **RISK MANAGEMENT**

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.

## **STATUTORY DISCLOSURES**

None of the directors of your company is disqualified as per 164(1) (g) of Companies Act, 2013.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments if any, have been disclosed in the financial statements.

## **TRANSACTIONS WITH RELATED PARTIES**

The particulars of the transactions with related parties fall under to scope of Section 188(1) of the Act have been disclosed in the financial statements.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of section 135 of the Companies Act, 2013 are not applicable on the company at present as turnover or networth criteria as we met.

## **EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Act, the extract of annual return is given in Annexure-A in the prescribed Form MGT-9, which forms part of this report.

## **PARTICULARS OF EMPLOYEES:**

There was no employee whose remuneration was in excess of the limits prescribed under section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) & (3) of rules The Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which form part of this report.

- a. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year: NIL
- b. The percentage increase in the median remuneration of employees in the financial year: NIL
- c. The number of permanent employees on the rolls of Company: 540
- d. The explanation on the relationship between average increase in remuneration and Company performance:  
There is no increase in the salaries or remuneration of



employees of the company as against last year 2014-15.

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

|   |        |
|---|--------|
| Aggregate remuneration of key managerial personnel (KMP) in FY17 (₹ crores) | 0.48   |
| Revenue (₹ crores)  | 391.17 |
| Remuneration of KMPs (as % of revenue)                                      | 0.15%  |
| Profit before Tax (PBT) (₹ crores)  | 3.25   |
| Remuneration of KMP (as % of PBT)   | 15%    |

- f. 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 is no increase in salaries of employees from last two financial years.

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

|                              | MD     | CFO    | Company Secretary |
|------------------------------|--------|--------|-------------------|
| Remuneration in FY16         | 0.26   | 0.20   | 0.03              |
| Revenue (₹)                  | 391.17 | 391.17 | 391.17            |
| Remuneration as % of revenue | 0.06%  | 0.06%  | 0.007%            |
| Profit before tax (PBT)      | 3.25   | 3.25   | 3.25              |
| Remuneration (as % of PBT)   | 8%     | 6.15%  | 0.92%             |

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

The members have, at the AGM of the Company on September 23, 2014 approved 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.

- j. 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

- k. Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as per section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2017 is given in Annexure B of this report.

#### **MODERNISATION**

Your company is continuously focusing on improvement in the core business activities and absorbing new technologies and the present facilities are upgraded in line with the International Standards.

#### **PERSONNEL**

The company believes that people are the biggest strength in line with its vision to create a world-class organization. Human resources are the key pillar of any organization and especially so for us, as the company's USP is to recruit fresh talent and groom them into future leaders for the company through a bottom-up approach.

Relations with staff and workers continued to be cordial. Your Directors wish to place on record their appreciation of the valuable contribution made by employees of the Company at all levels.

#### **TRAINING AND PRODUCTIVITY**

The company focuses on Learning and Development, to enhance the knowledge and skill, preparing its employees to face the challenges of the corporate world. Company has taken many new strategic IT initiatives. During the year, we have organized and imparted various Training Programs for SAP implementation and up gradation.

#### **VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) and (10) 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.

#### **NOMINATION AND REMUNERATION COMMITTEE**

Information as per section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, which form part of this report.

#### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

Information as per section 178 of the Companies Act, 2013 read with rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, which form part of this report.

#### **ACKNOWLEDGMENT**

The directors thank the Company's employees, customers, vendors, investors and academic institutions for their continuous support. The directors appreciate and value the contributions made by every member of the Indo Alusys Family.

By order of the Board  
For Indo Alusys Industries Ltd.

Sd/-  
**Pradeep Kumar Jain**  
Managing Director  
(DIN- 00225927)

Place: New Delhi  
Date: 30th May, 2017



## Annexure-A (Part of Director Report)

### Form no. MGT-9

### Extract of Annual Return as on the Financial Year ended on 31.03.2016

#### 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                                    | Aluminium 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  | Yes  |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | M/S. Alankit Assignments Ltd.<br>Alankit House, 2E/21, Jhandewal Extension,<br>New Delhi-110055<br>Tel. No. : 011-51540060-62; Fax No. : 91-11-51540063,<br>E-mail : alankit@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       | Aluminium Extruded products/ Alloy Ingots      | 24202                             | 78.48%                             |
| 2       | Insulated wires/Cables/Conductors              | 27320                             | 21.52%                             |

#### 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 |
|---------|---------------------------------|---------|------------------------------|------------------|--------------------|
| 1       | 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        | 3184000   | 1127786  | 4311786 | 50.68             | 3184000                                   | 1127786  | 4311786 | 50.68             | 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      | 870000  | 1579415  | 2449415 | 28.79             | 870000                                    | 1579415  | 2449415 | 28.79             | 0                        |
| e) Banks/FI              | 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)        | 4054000   | 2707201  | 6761201 | 79.47             | 4054000                                   | 2707201  | 6761201 | 79.47             | 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/FI  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| e) Any other                                       | 0   | 1071140  | 1071140 | 12.59             | 0   | 1071140  | 0       | 12.59             | 0                        |
| Sub-Tota l (A) (2)                                 | 0   | 1071140  | 1071140 | 12.59             | 0   | 1071140  | 0       | 12.59             | 0                        |
| Total Shareholding of Promoter (A) = (A)(1)+(A)(2) | 4054000   | 3778341  | 7832341 | 92.06             | 4054000                                   | 3778341  | 6761201 | 92.06             | 0                        |

#### B. PUBLIC SHAREHOLDING

|   |        |        |        |      |        |        |        |      |   |
|---|--------|--------|--------|------|--------|--------|--------|------|---|
| <b>1. Institutions</b>  |        |        |        |      |        |        |        |      |   |
| a) Mutual Funds   | 0      | 0      | 0      | 0    | 0      | 0      | 0      | 0    | 0 |
| b) Banks/FI   | 333140 | 0      | 333140 | 3.92 | 333168 | 0      | 333168 | 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 |
| <b>Sub-Total (B)(1)</b>   | 333140 | 0      | 333140 | 3.92 | 333168 | 0      | 333168 | 3.92 | 0 |
| <b>2. NON-INSTITUTIONS</b>  |        |        |        |      |        |        |        |      |   |
| 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 | 35550  | 306835 | 342385 | 4.02 | 35550  | 306807 | 342357 | 4.02 | 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                        |
| <b>Sub-Total (B)(2)</b>  | 35550   | 306835   | 342385  | 4.02              | 35550                                     | 306807   | 342357  | 4.02              | 0                        |
| <b>TOTAL PUBLIC SHAREHOLDING (B) = (B)(1)+(B)(2)</b>                             | 368690  | 306835   | 675525  | 7.94              | 368718                                    | 306807   | 675525  | 7.94              | 0                        |
| <b>C. SHRES HELD BY CUSTODIAN FOR ADRs and GDRs</b>                              | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>GRAND TOTAL (A+B+C)</b>   | 4422690   | 4085176  | 8507866 | 100               | 4422718                                   | 4085148  | 7436726 | 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           | 1223431   | 14.38%                                     | 721350  | 2294162                                   | 26.96%                                     | 721350  | 12.58%                   |
| 2      | Sh. Pradeep Jain (HUF)     | 1189100   | 13.98%                                     | 564100  | 1189059                                   | 13.98%                                     | 564100  | 0                        |
| 3      | Mr. Ishaan Jain            | 1020944   | 12.00%                                     | 277400  | 1020944                                   | 12.00%                                     | 277400  | 0                        |
| 4      | Aseem Chits Pvt. Ltd.      | 1190000   | 13.99%                                     | 240000  | 1190000                                   | 13.99%                                     | 240000  | 0                        |
| 5      | PSJ Construction Pvt. Ltd. | 1190000   | 13.99%                                     | 230000  | 1190000                                   | 13.99%                                     | 230000  | 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   | 7832341                                   | 92.06                            | 7832341                                 | 92.06                            |
| 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                              | NIL                                     | NIL                              |
| 3      | At the end of the year   | 7832341                                   | 92.06                            | 7832341                                 | 92.06                            |

**(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 |
|        | <b>IDBI Bank</b>   |   |                                  |   |                                  |
| 1      | At the beginning of the year   | 333140                                    | 3.92                             | 333168                                  | 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   | 333140                                    | 3.92                             | 333168                                  | 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 |
|        | <b>Directors</b>     |   |                                  |   |   |                                  |
| 1      | Pradeep Jain         | 1223431                                   | 14.38%                           | NIL   | 2294162                                 | 26.96%                           |
| 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                              |

#Joined on 28.03.2015

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| Sl No. | Particulars of Remuneration   | Pradeep Jain     | Total Amount     |
|--------|---|------------------|------------------|
| 1      | Gross Salary<br>(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961<br>(b) value of perquisites u/s 17(2) Income tax Act, 1961<br>(c) Profits in lieu of salary under section 17(30) Income tax Act, 1961 | 240000<br>-<br>- | 240000<br>-<br>- |
| 2.     | Stock option  | NIL              | NIL              |
| 3.     | Sweat Equity  | NIL              | NIL              |
| 4.     | Commission<br>-as % of profit<br>-others, specify   | NIL              | NIL              |
| 5.     | Others, please specify  | NIL              | NIL              |
|        | Total (A)   | 240000           | 240000           |

**B. Remuneration to other directors:**

| Sl No. | Particulars of Remuneration  | Name of Directors (Non-executive Directors) |                     |                     | Total Amount ₹       |
|--------|--|---|---------------------|---------------------|----------------------|
|        |  | A.P. Gandhi                                 | M.K. Dooger         | Suman Lata Saraswat |                      |
| 1      | - Sitting fee for attending board and committee meetings<br>-Commission<br>-others, please specify | 60000<br>Nil<br>Nil                         | 90000<br>Nil<br>Nil | 30000<br>Nil<br>Nil | 180000<br>Nil<br>Nil |
| 2      | Sitting fees   | 60000                                       | 90000               | 30000               | Nil                  |
| 3      | Total Managerial Remuneration  | Nil   | Nil                 | Nil                 | 180000               |

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD****Total Amount ₹**

| Sl No. | Particulars of Remuneration   |                            |  |                         |
|--------|---|----------------------------|--|-------------------------|
|        |   | Mr. R.K. Wadhawan<br>(CFO) | Ms. Pooja Shree Setia<br>Company Secretary | Total                   |
| 1      | Gross Salary<br>(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961<br>(b) value of perquisites u/s 17(2) Income tax Act, 1961<br>(c) Profits in lieu of salary under section 17(30) Income tax Act, 1961 | 20,00,000<br>NIL<br>NIL    | 3,00,000<br>NIL<br>NIL                     | 23,00,000<br>NIL<br>NIL |
| 2      | Stock option  | NIL                        | NIL  | NIL                     |
| 3      | Sweat Equity  | NIL                        | NIL  | NIL                     |
| 4      | Commission<br>- as % of profit<br>- others, specify   | NIL                        | NIL  | NIL                     |
| 5      | Others, please specify  | NIL                        | NIL  | NIL                     |
|        | Total (A)   | 2000000                    | 300000                                     | 2300000                 |



## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

| 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                  | –                            | –                 | –  | –                         | –                                  |

## Annexure-B (Part of Director Report)

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

### A. CONSERVATION OF ENERGY

#### 1. Energy conservation measures taken

- Extended Powder Coating Oven by 7 meters to increase conveyor speed and hence increase production capacity of powder coating.
- 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.

- Installed Gas Meters at Foundry, Homo Furnace, Extrusion Press-4 and Extrusion Press-2 Hot Log Furnaces, Aging Furnace No: 2 and Alloy Ingot Furnaces to measure, analyse and reduce gas consumption.
- Replace old and obsolete Hydraulic pumps of 1650Ton and 1250Ton Extrusion Presses at Container Sealing position to reduce breakdown, increase Press efficiency and production.

#### 3. Proposals

- To Make arrangement of heat recovery system from the 13Ton Melting Furnace flue gases by providing water heating heat exchanger tank to supply hot water to Die Caustic cleaning tanks to conserve Electrical Energy.
- To Install Rain Water harvesting arrangement to Conserve Water Resource and Water Balancing.
- To Replace old obsolete 2500amp/4000amp capacity Anodizing Rectifiers at both the Anodizing lines by New and updated Technology 8000amp Pulse Rectifiers to increase production capacity of Anodized and Electro Coloring products.
- To Replace old flat Electrodes of Electro Coloring Tank of Line-1 by SS-316 piped electrodes for better quality product.
- To Install Compressed Air Booster for VMC-1&2 to reduce compressor loading to reduce electrical energy consumption.
- To Replace old powder coating booth and spray system with latest technology Powder Spray and Recovery Booth, 5 Nozzle spray system and gun reciprocators for better powder recovery and improve quality of the powder coating and reduce air pollution.
- To Replace old and obsolete anodizing hoists with better quality and high speed Hoists to reduce break down time and increase production.


**FROM - A**
**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO  
CONSERVATION OF ENERGY**

| <b>A.</b> | <b>POWER AND FUEL CONSUMPTION</b> |                              | <b>CURRENT YEAR 2016-17</b> | <b>PREVIOUS YEAR 2015-16</b> |
|-----------|-----------------------------------|------------------------------|-----------------------------|------------------------------|
| 1.        | Electricity                       |                              |                             |                              |
|           | a.                                | Purchased                    |                             |                              |
|           |                                   | Units                        | 1,21,82,007                 | 1,05,76,881                  |
|           |                                   | Total Amounts (₹)            | 7,71,62,083                 | 5,79,15,885                  |
|           |                                   | Rate/Unit (₹)                | 6.33                        | 5.48                         |
|           | b.                                | Own Generation               |                             |                              |
|           | i                                 | Thr Diesel Generation        |                             |                              |
|           |                                   | Units                        | 1,41,872                    | 1,57,650                     |
|           |                                   | Units/Ltr. Of Diesel Oil     | 2.55                        | 2.35                         |
|           |                                   | Cost/ unit (₹)               | 19.00                       | 20.09                        |
|           | ii                                | Thr. Steam turbine/generator |                             |                              |
|           |                                   | Units                        | NIL                         | NIL                          |
|           |                                   | Units/Ltr. Of fuel oil/ gas  | NIL                         | NIL                          |
|           |                                   | Cost/ units                  | NIL                         | NIL                          |
| 2.        | PNG                               |                              |                             |                              |
|           |                                   | Quantity (SCM)               | 23,70,706                   | 22,54,374                    |
|           |                                   | Total Cost (₹)               | 5,49,09,521                 | 6,19,01,180                  |
|           |                                   | Average Rate                 | 23.16                       | 27.46                        |
| 3.        | Furnace Oil                       |                              |                             |                              |
|           |                                   | Quantity (Kgs.)              | NIL                         | NIL                          |
|           |                                   | Total Cost (₹)               |                             |                              |
|           |                                   | Average Rate                 |                             |                              |
| 4.        | LDO/HSD                           |                              |                             |                              |
|           |                                   | Quantity (Ltrs.)             | 4,200                       | 4,080                        |
|           |                                   | Total Cost (₹)               | 2,22,862                    | 1,94,921                     |
|           |                                   | Average Rate                 | 53.06                       | 47.77                        |
| 5.        | Others/Internal generation        |                              |                             |                              |
|           |                                   | Quantity (Kgs.)              | NIL                         | NIL                          |
|           |                                   | Total Cost (₹)               |                             |                              |
|           |                                   | Average Rate                 |                             |                              |



| B. | CONSUMPTION PER UNIT OF PRODUCT |                  |                      |                       |
|----|---------------------------------|------------------|----------------------|-----------------------|
|    | Products                        | Standard         | CURRENT YEAR 2016-17 | PREVIOUS YEAR 2015-16 |
|    | Aluminium extruded products     |                  |                      |                       |
|    | Production (Units) / MT         | Extrusion        | 12573                | 11137                 |
|    |                                 | Alloy Ingots     | NIL                  | 705                   |
|    |                                 | Job Work (MT)    | 30                   | 58                    |
|    | Production in KMs               | Cable Wire Cond. | 12949                | 10998                 |
|    | Electricity (Units) /MT         | Extrusion        | 843.20               | 846.41                |
|    |                                 | Alloy Ingots     | NIL                  | 40.47                 |
|    |                                 | Cable Wire Cond. | 137.30               | 135.26                |
|    | Furnace Oil                     | (Kgs)/MT         | NIL                  | NIL                   |
|    | LDO/HSD                         | (Ltrs)/MT        | NIL                  | NIL                   |
|    | PNG                             | SCM/MT (Ext)     | 175.96               | 195.62                |

| C. | FOREIGN EXCHANGE EARNING AND OUTGO ₹ In Lacs |                      |                       |
|----|--|----------------------|-----------------------|
|    | Particulars                                  | CURRENT YEAR 2016-17 | PREVIOUS YEAR 2015-16 |
|    | (1) Earnings - FOB Value of Exports          | 939.82               | 975.45                |
|    | (2) Outgo - CIF Value of Imports             | 7078.13              | 2666.82               |



## 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, 2017 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 2015-16 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 2016-17;
  - (ii) significant changes in accounting policies during the year 2016-17 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 : 30.05.2017

Sd/-  
(R. K. Wadhawan)  
Chief Financial officer

Sd/-  
(Pradeep Jain)  
Managing Director

## 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. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2017, 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, Employees in the Executive Vice President Cadre and the Company Secretary as on March 31, 2017.

Place : New Delhi  
Dated : 30.05.2017

Sd/-  
(Pradeep 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.

- a. 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.
- b. 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.
- c. 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.
- d. Assuring Future Development and Responsibility

## CSR-ENVIRONMENT SUSTAINABILITY



Sewage Treatment Plant



DM Water Plant



Effluent Treatment Plant



Natural Gas Plant



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2016**

[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. 85,079,000 /-

We have conducted the Secretarial Audit of the compliance 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 on 31st March, 2017 (audit Period), few compliances were not 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 on 31st March, 2017 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, 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:

During the Financial Year 2016-17, the company has failed to file Form AOC-4 (for filing Financial Statements of the company) and Form MGT-14 (for filing resolutions in relation to various matters) with Registrar of Companies within the prescribed time limits. 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:

| Sl No. | Particulars                                    | Remarks  |
|--------|--|--|
| 1      | Board Meeting Minutes Books                    | As per our observances, Company has maintained the Notices and Minutes Books of Board and General Meetings of the Company. |
| 2      | Annual General Minutes Book                    |  |
| 3      | Extra Ordinary General Meeting Minutes Book    |  |
| 4      | Statutory Registers as per Companies Act, 2013 | The company has maintained the Statutory Registers and has updated them as per the requirements under the Act.             |

- 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.

Alteration of MOA & AOA:

In its 36th Annual General Meeting held on 28th September, 2016, the Company has adopted new set of Memorandum and Article of Association of the company and the form filed in respect of the same has been approved by the Registrar of Companies.

I, further report that, as per the management, the altered copies of the MOA & AOA are in the process of printing.

Constitution of Committee:-

- 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.

Observation: - The Company has complied with the above sections as committee is formed by the Board as per their statutory records and representations.

- 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 2015-16.

Observation:- The Company has duly complied with the requirement of Secretarial Audit Report for the Financial Year 2015-16.

#### 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 on 31st March, 2017 according to the provisions of:

- The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 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;
- The requirements under the Listing Agreements entered into with DSE Limited.

Note: SEBI vide its Order No. WTM/PS/45/MRD/DSA/NOV/2014 dated November 19, 2014 withdrew the recognition granted to DSE. Pursuant to de-recognition of DSE, the company has been shifted to the Dissemination Board of BSE Limited.

In view of above, the company in its letter to the General Manager, Listing Operations, BSE Ltd. dated December 7, 2015 requested to advice the company with an appropriate manner for providing exit opportunities to the existing equity



shareholders of the company since the company's shares are not being traded in any Stock Exchange and also requested to inform whether the promoters can buy their shares.

Further, in compliance with SEBI circular SEBI/HO/MRD/DSA/CIR/P/2016/110 dated 10th October, 2016, an application has been made by the Ms. Pooja Shree Setia, Company Secretary of the company, submitting their plan of action to Bombay Stock Exchange as required by SEBI in the aforesaid circular. The company, through this application, has 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.

With respect to the compliances under Securities Law, I further report that, a Complaint from an investor was pending on SCORES as per the following details:

| Sr. no. | Complaint Registration no. | Name of complainant     | Complaint Against           | Date of receipt | Pending days |
|---------|----------------------------|-------------------------|-----------------------------|-----------------|--------------|
| 1       | SEBIP/DH16/0000414/1       | Surya Prakash Srivastva | Indo Alusys Industries Ltd. | 17/03/2016      | 375          |

The above complaint was regarding Demat request and was not answered by the company within time.

Further, on 09th March, 2017 the Company asked the shareholder to provide some information for processing the request of the Investor but the information provided by the investor was not proper, therefore, the above request was sent back to the investor on 30th March, 2017 due to lack of proper information and on 31st March, 2017 SEBI Scores disposed off complaint of investor.

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

#### 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 complied by the Company.

#### 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. The company has confirmed compliance with all those laws.
- We further report that the Compliance by the Company of applicable financial laws like direct and indirect tax laws has 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: 30th May, 2017**

**For Janmejy Singh Rajput & Associates**

Company Secretaries

**Sd/-**

Janmejy Singh Rajput

(Proprietor)

Membership No.- 28403

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. 2016-17;
3. List of Shareholders and Shareholding Pattern.
4. Documents with regards to 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 2016-17 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 at the first meeting of the Board in the Financial Year 2016-17;
11. Minutes books and Statutory Registers maintained by 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: 30th May, 2017

For Janmejay Singh Rajput & Associates  
Company Secretaries  
Sd/-  
Janmejay Singh Rajput  
(Proprietor)  
Membership No.- 28403  
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 2017, 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. 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, 2017, 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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.
  - Iv According to the information and explanation given to us and relying on the management representation, we report that the company did not have any holdings or dealings in specified Bank notes during the period from 08.11.2016 to 30.12.2016 – Refer note 40 to the financial statements.

**Place : New Delhi**

**Date : 30.05.2017**

**For B.K.Shroff & Co.**

**Chartered Accountants**

Reg. No.: 302166E

Sd/-

**O.P Shroff (Partner)**

Membership Number: 6329



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

1. a) 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.  
b) 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.  
c) The title deeds of immovable properties are held in the name of the company
2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. a. The company is generally 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, 2017 for a period of more than six months from the date they became payable.  
b. 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:-

| S.No. | Name of the statute           | Nature of the dues | Amount (₹ In lacs) | Forum where dispute is pending |
|-------|-------------------------------|--------------------|--------------------|--------------------------------|
| 1     | Central Excise Act            | Excise Duty        | 447.64             | Tribunal                       |
| 2     | Central Excise Act            | Excise Duty        | 59.52              | Commissioner (Appeals)         |
| 3     | Rajasthan Value Added Tax Act | Vat                | 15.11              | Commissioner (Appeals)         |

8. 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 defaulted in repayment of loans or borrowings of bank. The overdue amount as on 31.03.2017 in Cash Credit Accounts of State Bank of India was ₹1812.39 Lacs and of Syndicate Bank was ₹ 1.95 Lacs The overdue amount as on 31.03.17 in Term/ Corporate Loan Account of various Banks was ₹ 11.28 Lacs. All overdue amounts were paid by 29.05.2017.
9. 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.



10. 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.
11. 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.
12. The company is not a *nidhi* company and hence provisions of clause (xii) of the order are not applicable to the company.
13. 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.
14. During the year under review the company has not made any preferential allotment on private placement of shares or fully or partly convertible debentures.
15. The company has not entered into any non cash transactions with directors or persons connected with them.
16. The company is not required to be registered under section 45-1A of the Reserve Bank of India Act, 1934.

Place : New Delhi  
Date : 30.05.2017

For B.K.Shroff & Co.  
Chartered Accountants  
Reg. No.: 302166E

Sd/-  
O.P Shroff (Partner)  
Membership Number: 6329



## **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, 2017 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:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 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
- 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 2017, 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”.

Place : New Delhi  
Date : 30.05.2017

For B.K.Shroff & Co.  
Chartered Accountants  
Reg. No.: 302166E

Sd/-  
O.P Shroff (Partner)  
Membership Number: 6329



**BALANCE SHEET AS AT 31st March 2017**

(₹ in Lacs)

| Particulars                                       | Note No. |           | As at<br>31.03.2017 | As at<br>31.03.2016 |
|---|----------|-----------|---------------------|---------------------|
| <b>I. EQUITY AND LIABILITIES</b>                  |          |           |                     |                     |
| <b>(1) Shareholders' Funds</b>                    |          |           |                     |                     |
| (a) Share Capital                                 | 1        | 850.79    | 850.79              |                     |
| (b) Reserves and Surplus                          | 2        | 18,138.40 | 18,200.28           |                     |
|   |          |           | 18,989.19           | 19,051.07           |
| <b>(2) Non - current liabilities</b>              |          |           |                     |                     |
| (a) Long term borrowings                          | 3        | 3,493.40  | 1,747.73            |                     |
| (b) Deferred tax liabilities (Net)                | 4        | 921.09    | 853.12              |                     |
| (c) Other long term liabilities                   | 5        | 1,528.74  | 1,807.69            |                     |
| (d) Long term provisions                          | 6        | 283.82    | 239.57              |                     |
|   |          |           | 6,227.05            | 4,648.11            |
| <b>(3) Current Liabilities</b>                    |          |           |                     |                     |
| (a) Short term borrowings                         | 7        | 8,844.17  | 6,433.08            |                     |
| (b) Trade payables                                | 8        | 5,669.83  | 8,432.85            |                     |
| (c) Other current liabilities                     | 9        | 1,479.56  | 1,595.76            |                     |
| (d) Short term provisions                         | 10       | 8.72      | 7.36                |                     |
|   |          |           | 16,002.28           | 16,469.05           |
| <b>TOTAL</b>                                      |          |           | 41,218.52           | 40,168.23           |
| <b>II. ASSETS</b>                                 |          |           |                     |                     |
| <b>(1) Non - current assets</b>                   |          |           |                     |                     |
| (a) Fixed Assets                                  | 11       |           |                     |                     |
| Tangible assets                                   |          |           |                     |                     |
| Gross Block                                       |          | 30,795.90 | 30,611.62           |                     |
| Less : Depreciation                               |          | 11,278.77 | 10,528.02           |                     |
|   |          | 19,517.13 | 20,083.60           |                     |
| (b) Non - current investments                     | 12       | 11.04     | 11.04               |                     |
| (c) Long term loans and advances                  | 13       | 76.35     | 72.63               |                     |
|   |          |           | 19,604.52           | 20,167.27           |
| <b>(2) Current Assets</b>                         |          |           |                     |                     |
| (a) Inventories                                   | 14       | 13,038.84 | 13,663.66           |                     |
| (b) Trade receivables                             | 15       | 5,955.04  | 4,189.76            |                     |
| (c) Cash and cash equivalents                     | 16       | 1,016.24  | 765.31              |                     |
| (d) Short term loans and advances                 | 17       | 1,193.55  | 980.48              |                     |
| (e) Other current assets                          | 18       | 410.33    | 401.75              |                     |
|   |          |           | 21,614.00           | 20,000.96           |
| <b>TOTAL</b>                                      |          |           | 41,218.52           | 40,168.23           |
| See accompanying notes to the financial statement |          |           |                     |                     |

As per our report of even date annexed

For B. K. Shroff & Co.  
Chartered Accountants  
Firm Reg. No. 302166E

Place : New Delhi  
Date: 30/05/2017

Sd/-  
(Partner)  
M. No. 85128

Sd/-  
Pooja Shree Setia  
Secretary

Sd/-  
R. K. Wadhawan  
CFO

Sd/-  
Pradeep Jain  
Managing Director  
DIN No.00225927

Sd/-  
M.K. Doogar  
Director  
DIN No.00319034


**PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED 31st March, 2017**

(₹ in Lacs)

| Particulars  | Note No. |           | For the period<br>from 01.04.2016<br>to 31.03.2017 |           | For the period<br>from 01.04.2015<br>to 31.03.2016 |
|--|----------|-----------|--|-----------|--|
| I. Revenue from Operations   |          |           |  |           |  |
| Gross  |          | 39,117.18 |  | 31,968.12 |  |
| Less: Excise Duty  |          | 3,175.06  |  | 2,992.79  |  |
| Net  | 21       |           | 35,942.12  |           | 28,975.33  |
| II Other Income  | 22       |           | 212.33   |           | 155.14   |
| III <b>Total revenue (I + II)</b>  |          |           | 36,154.45  |           | 29,130.47  |
| IV Expenses  |          |           |  |           |  |
| Cost of materials consumed   | 23       | 23,764.26 |  | 20,802.43 |  |
| Purchase of Stock in trade   | 24       | 3,065.66  |  | 1,016.51  |  |
| Changes in inventories of finished goods,<br>work in progress and stock in trade | 25       | 483.10    |  | (260.79)  |  |
| Employee benefits expense  | 26       | 1,571.24  |  | 1,488.91  |  |
| Other expenses   | 27       | 3,874.96  | 32,759.22  | 3,084.28  | 26,131.34  |
| Earning before interest, depreciation & Tax                                      |          |           | 3,395.22   |           | 2,999.13   |
| Finance costs  | 28       |           | 2,597.61   |           | 2,295.65   |
| Depreciation and amortization expense  | 29       |           | 471.63   |           | 493.52   |
| V Profit before tax (III-IV)   |          |           | 325.99   |           | 209.96   |
| VI Tax expense:  |          |           |  |           |  |
| (1) Current tax  |          | 66.47     |  | 42.81     |  |
| Less: MAT credit entitlement   |          | 25.72     |  | 42.81     |  |
| (2) Deferred tax   |          |           | 40.75  |           | -  |
| (3) Wealth Tax   |          |           | 67.97  |           | 69.13  |
| (4) Earlier year's tax   |          |           | 0.03   |           | 0.43   |
| VII Profit for the year (V - VI)   |          |           | 217.24   |           | 140.40   |
| VII Earning per equity share:  |          |           |  |           |  |
| (1) Basic  | 38       |           | 2.55   |           | 1.65   |
| (2) Diluted  |          |           | 2.55   |           | 1.65   |
| See accompanying notes to the financial statement                                |          |           |  |           |  |

As per our report of even date annexed

For B. K. Shroff & Co.  
Chartered Accountants  
Firm Reg. No. 302166E

Place : New Delhi  
Date: 30/05/2017

Sd/-  
(Partner)  
M. No. 85128

Sd/-  
Pooja Shree Setia  
Secretary

Sd/-  
R. K. Wadhawan  
CFO

Sd/-  
Pradeep Jain  
Managing Director  
DIN No.00225927

Sd/-  
M.K. Doogar  
Director  
DIN No.00319034



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

(₹ in Lacs)

| Particulars   |            | As at<br>31.03.2017 |            | As at<br>31.03.2016 |
|---|------------|---------------------|------------|---------------------|
| <b>Cash flows from operating activities</b>                       |            |                     |            |                     |
| Profit before taxation  |            | 325.99              |            | 209.96              |
| Adjustments for:  |            |                     |            |                     |
| Depreciation and amortization expense                             | 471.63     |                     | 493.52     |                     |
| Profit on sale of fixed assets                                    | -          |                     | (0.15)     |                     |
| Interest expenses   | 2,597.61   |                     | 2,295.65   |                     |
|   |            | 3,069.24            |            | 2,789.02            |
|   |            | 3,395.23            |            | 2,998.98            |
| (Increase)/ decrease in trade and other receivables               | (1,547.34) |                     | 95.71      |                     |
| (Increase)/ decrease in inventories                               | 624.82     |                     | (679.15)   |                     |
| Increase/ (decrease) in trade and other payables                  | (1,667.42) |                     | 127.70     |                     |
|   |            | (2,589.94)          |            | (455.74)            |
|   |            | 805.29              |            | 2,543.24            |
| Income taxes paid   |            | (108.73)            |            | (69.55)             |
| Net cash from operating activities                                |            | 696.56              |            | 2,473.69            |
| <b>Cash flows from investing activities</b>                       |            |                     |            |                     |
| Purchase of fixed assets  | (184.28)   |                     | (105.80)   |                     |
| Proceeds from sale of fixed assets                                | -          |                     | 0.18       |                     |
| Proceeds from sale of investments                                 |            |                     |            |                     |
| Net cash from investing activities                                |            | (184.28)            |            | (105.62)            |
| <b>Cash flows from financing activities</b>                       |            |                     |            |                     |
| Proceeds from long term borrowings                                | 704.41     |                     | 98.50      |                     |
| Proceeds from short term borrowings                               | 2,411.09   |                     | 711.01     |                     |
| Repayment of long term borrowings                                 | (779.24)   |                     | (748.57)   |                     |
| Interest paid   | (2,597.61) |                     | (2,295.65) |                     |
| Net cash from financing activities                                |            | (261.35)            |            | (2,234.71)          |
| <b>Net increase/(decrease) in cash and cash equivalents</b>       |            | 250.93              |            | 133.36              |
| <b>Cash and cash equivalents at beginning of reporting period</b> |            | 765.31              |            | 631.95              |
| <b>Cash and cash equivalents at end of reporting period</b>       |            | 1,016.24            |            | 765.31              |
| <b>Notes : Brackets represent cash out flow.</b>                  |            |                     |            |                     |

As per our report of even date annexed

For B. K. Shroff & Co.  
Chartered Accountants  
Firm Reg. No. 302166E

Place : New Delhi  
Date: 30/05/2017

Sd/-  
(Partner)  
M. No. 85128

Sd/-  
Pooja Shree Setia  
Secretary

Sd/-  
R. K. Wadhawan  
CFO

Sd/-  
Pradeep Jain  
Managing Director  
DIN No.00225927

Sd/-  
M.K. Doogar  
Director  
DIN No.00319034



## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

## 1 SHARE CAPITAL:

| Particulars  | As at 31.03.2017 |              | As at 31.03.2016 |              |
|--|------------------|--------------|------------------|--------------|
|  | Number           | ₹ Lacs       | Number           | ₹ Lacs       |
| <b>I Authorized:</b>   |                  |              |                  |              |
| Equity shares of ₹ 10/- each   |                  |              |                  |              |
| At the beginning of the year   | 15,000,000       | 1,500.00     | 15,000,000       | 1,500.00     |
| Addition during the year   | -                | -            | -                | -            |
| Reduction during the year  | -                | -            | -                | -            |
| At the close of the year   | 15,000,000       | 1,500.00     | 15,000,000       | 1,500.00     |
| <b>II Issued, subscribed and fully paid up:</b>  |                  |              |                  |              |
| Equity shares of ₹ 10/- each   |                  |              |                  |              |
| At the beginning of the year   | 8,507,866        | 850.79       | 8,507,866        | 850.79       |
| Addition during the year   | -                | -            | -                | -            |
| Reduction during the year  | -                | -            | -                | -            |
| At the close of the year   | 8,507,866        | 850.79       | 8,507,866        | 850.79       |
| <b>III Particulars of equity share holders holding more than 5% of the total number of equity share capital:</b> |                  |              |                  |              |
| Name of Shareholder  | As at 31.03.2017 |              | As at 31.03.2016 |              |
|  | 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  | 1189059          | 13.98%       | 1189059          | 13.98%       |
| d. Triumph International Trading   | -                | -            | 1070731          | 12.59%       |
| e. Pradeep Jain  | 2294162          | 26.97%       | 1223431          | 14.38%       |
| f. Ishaan Jain   | 1020944          | 12.00%       | 1020944          | 12.00%       |
| g. Shriya Jain   | 457050           | 5.37%        | 457050           | 5.37%        |

## 2 RESERVES AND SURPLUS:

## a) As at 31.03.2017 (₹ 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 |

## b) As at 31.03.2016 (₹ Lacs)

| Particulars  | Capital Reserve | Revaluation Reserve | Surplus i.e. balance in Statement of Profit & Loss | Total     |
|--|-----------------|---------------------|--|-----------|
| At the beginning of the year   | 15.00           | 15,076.21           | 3,402.32   | 18,493.53 |
| Additions during the year  | -               | -                   | 140.40   | 140.40    |
| Adjustment of depreciation in opening balance on account of adoption of schedule II of Companies Act, 2013 (net of deferred tax assets of Rs.52.20 lacs) | -               | -                   | 105.69   | 105.69    |
| Transferred to Depreciation  | -               | 327.96              | -  | 327.96    |
| At the close of the year   | 15.00           | 14,748.25           | 3,437.03   | 18,200.28 |

\* Refer note no.37



### 3 LONG TERM BORROWINGS

| Particulars                | As at<br>31.03.2017<br>₹ Lacs | As at<br>31.03.2016<br>₹ Lacs |
|----------------------------|-------------------------------|-------------------------------|
| <b>1) Secured Loans:</b>   |                               |                               |
| a. Term Loans              |                               |                               |
| - from Banks               | 1,354.76                      | 176.00                        |
| - from Others              | -                             | 137.50                        |
| Sub Total                  | 1,354.76                      | 313.50                        |
| <b>2) Unsecured Loans:</b> |                               |                               |
| Other Loans & Advances     |                               |                               |
| - from Companies           | 2,138.64                      | 1,434.23                      |
| free of interest           |                               |                               |
| Sub Total                  | 2,138.64                      | 1,434.23                      |
| Total                      | 3,493.40                      | 1,747.73                      |

a) Term Loans of ₹ 350.12 lacs (previous year ₹ 1010.64 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 ₹ 1773.01 lacs (previous year ₹ nil ) 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 ₹ 10.86 lacs (previous year ₹ 51.43 lacs) are secured against hypothecation of vehicle financed out of loan amount.

d) The above loans are repayable as follows :

|                        |          |          |
|------------------------|----------|----------|
| - Payable after 1 year | 468.25   | 313.50   |
| - Payable after 2 year | 531.90   | 286.85   |
| - Payable after 3 year | 354.60   | 286.85   |
| - Payable after 4 year | 712.88   | 430.27   |
| - Payable after 5 year | 712.88   | 430.26   |
| - Payable after 6 year | 712.88   | -        |
|                        | 3,493.40 | 1,747.73 |

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



#### 4 DEFERRED TAX LIABILITY (NET):

| Particulars                                   | As at<br>31.03.2017<br>₹ Lacs | As at<br>31.03.2016<br>₹ Lacs |
|---|-------------------------------|-------------------------------|
| <b>i) Deferred tax liability :</b>            |                               |                               |
| a) On account of depreciation on fixed assets | 1,022.36                      | 986.87                        |
| b) others                                     | 0.16                          | 0.16                          |
| Total   | 1,022.52                      | 987.03                        |
| <b>ii) Deferred tax asset:</b>                |                               |                               |
| a) On account disallowance under section 43B  | 101.43                        | 85.98                         |
| b) On account of loss carried forward         | -                             | 47.93                         |
| Total   | 101.43                        | 133.91                        |
| <b>Net Deferred tax (liability)/asset</b>     | <b>(921.09)</b>               | <b>(853.12)</b>               |
| <b>5 OTHER LONG TERM LIABILITIES</b>          |                               |                               |
| Trade deposits                                | 1,493.25                      | 1,476.29                      |
| Other Deposits                                | 35.49                         | 331.40                        |
|   | 1,528.74                      | 1,807.69                      |

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

#### 6 LONG TERM PROVISIONS

Provisions for employee benefits

283.82

239.57

#### 7 SHORT TERM BORROWINGS

##### Secured Loans:

- a) Loans repayable on demand  
- working capital limits from Banks
- b) Others  
- Buyer's Credit

6,702.01

5,703.05

2,142.16

730.03

Total

8,844.17

6,433.08

- 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.



## 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:

| Particulars                              | As at<br>31.03.2017<br>₹ Lacs | As at<br>31.03.2016<br>₹ Lacs |
|--|-------------------------------|-------------------------------|
| a) Current maturities of long term Debts | 779.24                        | 748.57                        |
| b) Advances from Customers               | 80.15                         | 113.88                        |
| c) Others Payables                       | 620.17                        | 733.31                        |
|  | 1,479.56                      | 1,595.76                      |

No amount was due for credit to Investor Education and Protection Fund as at 31.03.2017

## 10 SHORT TERM PROVISIONS:

|                                      |       |       |
|--------------------------------------|-------|-------|
| a) For Income Tax                    | 66.47 | 42.81 |
| Less: Tax deducted at source         | 66.47 | 42.81 |
|                                      | -     | -     |
| b) Provision for employee's benefits | 8.72  | 7.36  |
|                                      | 8.72  | 7.36  |



**11 FIXED ASSETS - TANGIBLE ASSETS (₹ LACS)**

| Particulars          | GROSS BLOCK         |                              |                                  | DEPRECIATION     |                    |                  |                                       | NET BLOCK  |                  |
|----------------------|---------------------|------------------------------|----------------------------------|------------------|--------------------|------------------|---------------------------------------|------------|------------------|
|                      | As at<br>01.04.2016 | Additions<br>for<br>the year | Deductions<br>during<br>the year | Total            | upto<br>31.03.2016 | For<br>the year* | Depreciation<br>on revalued<br>amount | Deductions | Total            |
| Land - lease hold    | 15,921.71           | -                            | -                                | 15,921.71        | 1,520.18           | 0.17             | 230.25                                | -          | 1,750.60         |
| Buildings            | 2,859.13            | -                            | -                                | 2,859.13         | 1,411.61           | 48.34            | 27.54                                 | -          | 1,487.49         |
| Plant & Machinery*   | 11,314.30           | 163.54                       | -                                | 11,477.84        | 7,134.13           | 409.16           | 21.33                                 | -          | 7,564.62         |
| Furniture & Fixtures | 51.12               | 0.07                         | -                                | 51.19            | 47.64              | 0.48             | -                                     | -          | 48.12            |
| Vehicles             | 272.44              | 13.01                        | -                                | 285.45           | 236.61             | 7.97             | -                                     | -          | 244.58           |
| Office equipment     | 192.92              | 7.66                         | -                                | 200.58           | 177.85             | 5.51             | -                                     | -          | 183.36           |
| <b>TOTAL</b>         | <b>30,611.62</b>    | <b>184.28</b>                | <b>-</b>                         | <b>30,795.90</b> | <b>10,528.02</b>   | <b>471.63</b>    | <b>279.12</b>                         | <b>-</b>   | <b>11,278.77</b> |
| Previous Year        | 30,506.27           | 105.80                       | 0.45                             | 30,611.62        | 9,549.07           | 651.41           | 327.96                                | 0.42       | 10,528.02        |
|                      |                     |                              |                                  |                  |                    |                  |                                       |            | <b>20,083.60</b> |

\*Includes nil (Previous year ₹ 157.89 lacs) adjusted against opening balance of retained earnings on adoption of Schedule II of the Companies Act, 2013.



| Particulars   | As at<br>31.03.2017<br>₹ Lacs | As at<br>31.03.2016<br>₹ Lacs |
|---|-------------------------------|-------------------------------|
| <b>12 NON CURRENT INVESTMENTS:</b>  |                               |                               |
| (at cost)   |                               |                               |
| In Government Securities ( unquoted - Non Trade)  |                               |                               |
| National Saving Certificate *   | 0.05                          | 0.05                          |
| In equity Shares of ₹ 10/ each fully paid up ( Quoted - Non Trade)                              |                               |                               |
| 115000 ( previous year 115000) shares of Kwaliti 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                         |
| * logged with Govt. Department  |                               |                               |
| **Last available quoted rates have been considered to determine the market value of investments |                               |                               |
| <b>13 LONG TERM LOANS AND ADVANCES:</b>   |                               |                               |
| (unsecured - considered good)   |                               |                               |
| i) Capital advances   | 2.00                          | -                             |
| ii) Security Deposits   | 74.35                         | 72.63                         |
|   | 76.35                         | 72.63                         |
| <b>14 INVENTORIES:</b>  |                               |                               |
| (As taken, valued and certified by the management)  |                               |                               |
| i) Raw materials  | 3,068.25                      | 3,184.10                      |
| ii) Work in progress  | 3,092.52                      | 3,418.70                      |
| iii) Finished goods   | 2,985.35                      | 3,121.76                      |
| iv) Scrap   | 9.19                          | 29.70                         |
| v) Stores and spares  | 1,061.81                      | 1,023.15                      |
| vi) Loose tools   | 10.54                         | 12.59                         |
| vii) Dies & Moulds *  | 2,478.35                      | 2,512.51                      |
| viii) Goods in transit:   |                               |                               |
| Raw materials   | 332.83                        | 361.15                        |
|   | 13,038.84                     | 13,663.66                     |

\* The Stock of Dies & Moulds have been revalued as on 31.03.2017 at ₹ 2478.35 lacs (Previous Year ₹ 2512.51 lacs) by an approved valuer considering their residual useful life and replacement value resulting into an increase in the value of dies & moulds by ₹ 170.37 lacs (Previous Year ₹ 219.23 lacs). The gain of ₹ 170.37 lacs (Previous Year ₹ 219.23 lacs) on revaluation has been reduced from ₹ 371.75 lacs (Previous Year ₹ 376.88 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 ₹ 201.38 lacs (Previous Year ₹ 157.65 lacs)only has been charged to the Profit and Loss account.



| Particulars   | As at<br>31.03.2017<br>₹ Lacs | As at<br>31.03.2016<br>₹ Lacs |
|---|-------------------------------|-------------------------------|
| <b>15 TRADE RECEIVABLES:</b><br>(unsecured - considered good)   |                               |                               |
| i) Trade receivables exceeding six months   | 450.57                        | 415.57                        |
| ii) others  | 5,504.47                      | 3,774.19                      |
|   | 5,955.04                      | 4,189.76                      |
| a) A sum of ₹ 733.33 lacs (previous year ₹ 579.06 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.   |                               |                               |
| <b>16 CASH AND CASH EQUIVALENTS:</b>  |                               |                               |
| i) Balances with banks  |                               |                               |
| - in margin money, security for borrowings, guarantees and other commitments  | 881.12                        | 724.28                        |
| - in other accounts   | 133.00                        | 37.73                         |
| ii) Balance in Post office Saving Bank Account  |                               |                               |
| - passbook pledged with excise department   | 0.38                          | 0.26                          |
| iii) Cash on hand   | 1.74                          | 3.04                          |
|   | 1,016.24                      | 765.31                        |
| (Bank deposits with more than 12 months maturity ₹ 119.43 Lacs ( previous year ₹ 75.76 Lacs)  |                               |                               |
| <b>17 SHORT TERM LOANS AND ADVANCES:</b><br>(unsecured - considered good)   |                               |                               |
| i) Balance with Central Excise authorities  | -                             | 41.81                         |
| ii) Income tax refundable   | 92.32                         | 79.66                         |
| iii) Commercial Tax Recoverable   | 91.06                         | 120.43                        |
| iv) Others  | 1,010.17                      | 738.58                        |
|   | 1,193.55                      | 980.48                        |
| <b>18 OTHER CURRENT ASSETS</b><br>(unsecured - considered good)   |                               |                               |
| i) Interest receivable  | 29.03                         | 35.35                         |
| ii) MAT Credit Entitlement  | 308.48                        | 282.76                        |
| iii) other receivables  | 72.82                         | 83.64                         |
|   | 410.33                        | 401.75                        |
| <b>19 CONTINGENT LIABILITIES AND COMMITMENTS:</b><br>(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   | 1,234.35                      | 1,108.50                      |
| iii) Guarantees given on behalf of an outsider  | 1.00                          | 1.00                          |
| iv) Letters of credit   | 29.98                         | -                             |
| v) Tax demands under disputes   | 522.27                        | 515.18                        |
| vi) Bills Discounted/Bills Factored   | 2,120.22                      | 2,447.01                      |
| 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)  | 138.00                        | -                             |
| <b>20 In the opinion of the board the assets other the fixed assets have a value on realisation in the ordinary course of business at least equal to the amount at which they have been stated.</b>           |                               |                               |



| Particulars                                  | For the year<br>01.04.2016<br>to 31.03.2017<br>₹ Lacs | For the year<br>01.04.2015<br>to 31.03.2016<br>₹ Lacs |
|--|---|---|
| <b>21 REVENUE FROM OPERATIONS:</b>           |   |   |
| i) Sale of products                          |   |   |
| Aluminium extruded Products/ Alloy ingots    | 30,656.58   | 25,403.97   |
| Insulated wires/ cables/ conductors          | 8,418.20  | 6,509.33  |
| Total  | 39,074.78   | 31,913.30   |
| ii) Sale of services - Job work              | 42.40   | 54.82   |
| Less:  | 39,117.18   | 31,968.12   |
| Excise duty                                  | 3,175.06  | 2,992.79  |
|  | 35,942.12   | 28,975.33   |
| <b>22 OTHER INCOME:</b>                      |   |   |
| i) Interest income                           |   |   |
| - from Banks                                 | 56.88   | 54.56   |
| - from others                                | 53.45   | 60.26   |
| ii) Profit on sale of fixed assets           | -   | 0.15  |
| iii) Rent                                    | 0.37  | 0.38  |
| iv) Claims                                   | -   | -   |
| v) Liability no longer required written back | 71.72   | 37.89   |
| vi) Misc. Receipts                           | 29.91   | 1.90  |
|  | 212.33  | 155.14  |
| <b>23 COST OF MATERIALS CONSUMED:</b>        |   |   |
| a) i) Consumption of raw materials           | 22,355.38   | 20,044.28   |
| ii) Consumption of stores and spare parts    | 1,408.88  | 758.15  |
| b) Consumption of major raw materials        | 23,764.26   | 20,802.43   |
| Stock at the beging of the year              |   |   |
| i) Aluminium Ingots                          | 2,369.82  | 2,221.95  |
| ii) Aluminium Rod                            | 65.53   | 137.27  |
| iii) Others                                  | 748.75  | 726.18  |
| Total  | 3,184.10  | 3,085.40  |
| Purchases during the year                    |   |   |
| i) Aluminium Ingots                          | 16,734.16   | 15,581.13   |
| ii) Aluminium Rod                            | 1,992.34  | 1,886.27  |
| iii) Others                                  | 3,513.03  | 2,675.58  |
| Total  | 22,239.53   | 20,142.98   |
| Consumption during the year                  |   |   |
| i) Aluminium Ingots                          | 16,888.22   | 15,433.26   |
| ii) Aluminium Rod                            | 1,984.36  | 1,958.01  |
| iii) Others                                  | 3,482.80  | 2,653.01  |
| Total  | 22,355.38   | 20,044.28   |
| Stock at the end of the year                 |   |   |
| i) Aluminium Ingots                          | 2,215.76  | 2,369.82  |
| ii) Aluminium Rod                            | 73.51   | 65.53   |
| iii) Others                                  | 778.98  | 748.75  |
| Total  | 3,068.25  | 3,184.10  |



| Particulars  | For the year<br>01.04.2016<br>to 31.03.2017<br>₹ Lacs | For the year<br>01.04.2015<br>to 31.03.2016<br>₹ Lacs |
|--|---|---|
| <b>24 PURCHASE OF STOCK IN TRADE</b>   |   |   |
| Aluminium Ingots   | 3,065.66  | 1,016.51  |
| Total  | 3,065.66  | 1,016.51  |
| <b>25 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE:</b> |   |   |
| Stocks at the end 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  |
| ii) 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  |
| iii) Scrap   | 9.19  | 29.70   |
| Total  | 6,087.06  | 6,570.16  |
| Stocks at the beginning of the year  |   |   |
| i) Work in progress  |   |   |
| Aluminium extruded Products/ Alloy ingots  | 2,519.25  | 2,456.36  |
| Insulated wires/ cables/ conductors  | 899.45  | 880.50  |
| Sub -Total   | 3,418.70  | 3,336.87  |
| ii) Finished goods   |   |   |
| Aluminium extruded Products/ Alloy ingots  | 1,352.19  | 1,500.73  |
| Insulated wires/ cables/ conductors  | 1,769.57  | 1,359.63  |
| Sub -Total   | 3,121.76  | 2,860.36  |
| iii) Scrap   | 29.70   | 112.15  |
| Total  | 6,570.16  | 6,309.37  |
| Change in Stock  | 483.10  | (260.79)  |
| <b>26 EMPLOYEE BENEFIT EXPENSES:</b>   |   |   |
| Salaries and wages   | 1,394.52  | 1,337.39  |
| Contribution to provident and other funds  | 86.45   | 84.04   |
| Gratuity *   | 43.42   | 27.74   |
| Staff welfare expenses   | 46.85   | 39.74   |
|  | 1,571.24  | 1,488.91  |

\*Includes premium payment of ₹ Nil ( previous year ₹ 5.50 lacs)



| Particulars  |      | For the year<br>01.04.2016<br>to 31.03.2017<br>₹ Lacs |      | For the year<br>01.04.2015<br>to 31.03.2016<br>₹ Lacs |
|--|------|---|------|---|
| <b>27 OTHER EXPENSES:</b>  |      |   |      |   |
| i) Power and fuel  |      | 1,312.41  |      | 1,196.50  |
| ii) Rent   |      | 73.13   |      | 70.16   |
| iii) Repairs to buildings  |      | 1.57  |      | 8.73  |
| iv) Repairs to machinery   |      | 17.32   |      | 16.46   |
| v) Insurance   |      | 16.16   |      | 15.83   |
| vi) Rates and taxes  |      | 30.64   |      | 9.83  |
| vii) Payment to the auditors   |      |   |      |   |
| - as audit fee   | 6.00 |   | 6.00 |   |
| - as tax audit fee   | 1.80 |   | 1.80 |   |
| - as limited review fee  | -    |   | 1.59 |   |
| - for other services   | 0.25 | 8.05  | 0.15 | 9.54  |
| viii) packing & forwarding   |      | 552.79  |      | 381.01  |
| ix) other selling expenses   |      | 298.10  |      | 171.75  |
| x) Jobwork   |      | 798.15  |      | 551.98  |
| xi) Excise Duty expenses   |      | 183.82  |      | 161.46  |
| xii) Dies & Moulds written off   |      | 201.38  |      | 157.65  |
| xiii) Miscellaneous expenses   |      | 352.63  |      | 319.99  |
| xiv) Bad trade receivable written off  |      | 27.01   |      | 10.37   |
| xv) Donations  |      | -   |      | 0.17  |
| xvi) Directors sitting fees  |      | 1.80  |      | 2.85  |
|  |      | 3,874.96  |      | 3,084.28  |
| <b>28 FINANCE COST</b>   |      |   |      |   |
| i) Interest  |      | 2,176.86  |      | 1,980.62  |
| ii) Other Financial Charges  |      | 420.75  |      | 315.03  |
|  |      | 2,597.61  |      | 2,295.65  |
| <b>29 DEPRECIATION AND AMORTIZATION:</b>   |      |   |      |   |
| Depreciation   |      | 750.75  |      | 979.37  |
| Less : Adjustment in opening balance of retained earnings on account of adoption of schedule II of Companies Act,2013. |      | -   |      | 157.89  |
|  |      | 750.75  |      | 821.48  |
| Less : Transferred from Revaluation Reserve*   |      | 279.12  |      | 327.96  |
|  |      | 471.63  |      | 493.52  |
| * Refer note no.37   |      |   |      |   |
| <b>30 PRIOR PERIOD ITEMS:</b>  |      |   |      |   |
| i) Income  |      | -   |      | -   |
| ii) Expenses   |      | 1.23  |      | 1.66  |

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 31.03.2017 are for USD 2230013.24 (credit) and EURO 70948.51 (credit)( previous year USD 2146110.40 (credit).

b) Raw material purchases are inclusive of loss due to fluctuation in exchange rates ₹ 53.06 lacs (Previous year ₹ 38.78 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.<br>Employees Group Gratuity Fund | Others                   |
| 4)     | Jain Tube Co. Ltd.   | Associate                |
| 5)     | R. K. Wadhawan, Chief Financial Officer                      | Key Managerial Personnel |
| 6)     | Ms. Pooja Shree Setia  | Key Managerial Personnel |

ii) Transactions during the year with related parties :

| S. No. | Nature of Transaction         | Key Managerial<br>Personnel &<br>Relative (₹ Lacs) | Associate<br>(₹ Lacs) | Others<br>(₹ Lacs) | Total<br>(₹ Lacs) |
|--------|-------------------------------|--|-----------------------|--------------------|-------------------|
| 1-a)   | Remuneration*                 | 48.27  | --                    | --                 | 48.27             |
|        |                               | (45.77)  | (--)                  | (--)               | (45.77)           |
| b)     | Outstanding against above     | 8.96   | --                    | --                 | 8.96              |
|        |                               | (6.47)   | (--)                  | (--)               | (6.47)            |
| 2-a)   | Loan Received/Repaid          | --   | --                    | --                 | --                |
|        |                               | (--)   | (--)                  | (--)               | (--)              |
| b)     | Outstanding against above     | --   | 15.00                 | --                 | 15.00             |
|        |                               | (--)   | (15.00)               | (--)               | (15.00)           |
| 3-a)   | Trade Deposit Received/Repaid | -  | -                     | -                  | -                 |
|        |                               | (--)   | (100.00)              | -                  | (100.00)          |
| b)     | Outstanding against above     | -  | 100.00                | -                  | 100.00            |
|        |                               | (--)   | (100.00)              | (--)               | (100.00)          |
| 4-a)   | Contribution to Gratuity Fund | --   | --                    | -                  | --                |
|        |                               | (--)   | (--)                  | (5.50)             | (5.50)            |
| b)     | Outstanding against above     | --   | --                    | 263.35             | 263.35            |
|        |                               | (--)   | (--)                  | (253.66)           | (253.66)          |

Note: i) Related parties relationship is as identified by the company and relied upon by the auditors.

ii) 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 ₹ 23.67 lacs (previous year ₹ 24.58 lacs)

Employers's contribution to employees provident fund scheme ₹ 56.78 lacs (previous year ₹ 53.41 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 en-cashment is recognized in the same manner as gratuity.



|      |  | As on 31.03.2017 |                  | As on 31.03.2016 |                  |
|------|--|------------------|------------------|------------------|------------------|
|      |  | Gratuity         | Leave Encashment | Gratuity         | Leave Encashment |
| i)   | Assumptions  | (Funded)         | (Unfunded)       | (Funded)         | (Unfunded)       |
|      | Discount rate  | 8.00%            | 7.86%            | 8.00%            | 7.86%            |
|      | Salary escalation  | 6.00%            | 6.00%            | 6.00%            | 6.00%            |
| ii)  | <b>Table showing changes in present value of obligations</b>   |                  |                  |                  |                  |
|      | Present value of obligations as at beginning of year   | 253.66           | 27.00            | 237.79           | 26.35            |
|      | Interest cost  | 20.29            | 2.12             | 19.01            | 2.11             |
|      | Current service cost   | 18.61            | 4.92             | 18.61            | 3.94             |
|      | Benefit paid   | (22.08)          | -                | (11.40)          | -                |
|      | Actuarial (gain)/loss on obligations   | (7.13)           | (4.84)           | (10.35)          | (5.40)           |
|      | Present value of obligations as at end of year   | 263.35           | 29.20            | 253.66           | 27.00            |
| iii) | <b>Table showing changes in the fair value of plan assets</b>  |                  |                  |                  |                  |
|      | Fair value of plan assets at beginning of year   | 32.35            |                  | 36.62            |                  |
|      | Expected return on plan assets   | 1.65             |                  | 3.01             |                  |
|      | Contributions  | 2.72             |                  | 4.12             |                  |
|      | Benefits paid  | (22.08)          |                  | (11.40)          |                  |
|      | Actuarial gain/(loss) on plan assets   | -                |                  | -                |                  |
|      | Fair value of plan assets at end of year   | 14.64            |                  | 32.35            |                  |
| iv)  | <b>Table showing fair value of plan assets</b>   |                  |                  |                  |                  |
|      | Fair value of plan assets at beginning of year   | 32.35            |                  | 36.62            |                  |
|      | Actual return on plan assets   | 1.65             |                  | 3.01             |                  |
|      | Contributions  | 2.72             |                  | 4.12             |                  |
|      | Benefits paid  | (22.08)          |                  | (11.40)          |                  |
|      | Fair value of plan assets at end of year   | 14.64            |                  | 32.35            |                  |
|      | Funded status  | (248.70)         |                  | (221.31)         |                  |
|      | Excess of actual over estimated return on plan assets<br>(Actual rate of return=Estimated rate of return as ARD Falls on 31st March) | NIL              |                  | NIL              |                  |
| v)   | <b>Actual gain/loss recognized</b>   |                  |                  |                  |                  |
|      | Actuarial (gain)/loss for the year - obligation  | 7.13             | (4.84)           | 10.35            | (5.40)           |
|      | Actuarial (gain)/loss for the year - plan assets   | -                | -                | -                | -                |
|      | Total (gain)/loss for the year   | (7.13)           | (4.84)           | (10.35)          | (5.40)           |
|      | Actuarial (gain)/loss recognized in the year   | (7.13)           | (4.84)           | (10.35)          | (5.40)           |
| vi)  | <b>The amount to be recognized in the balance sheet and statements of profit and loss</b>  |                  |                  |                  |                  |
|      | Present value of obligations as at the end of the year   | 263.35           | 29.20            | 253.66           | 27.00            |
|      | Fair value of plan assets as at the end of the year  | 14.64            | -                | 32.35            | -                |
|      | Funded status  | (248.70)         | (29.20)          | (221.31)         | (27.00)          |
|      | Net asset/(liability) recognized in balance sheet  | (248.70)         | (29.20)          | (221.31)         | (27.00)          |
| vii) | <b>Expenses recognised in statement of profit &amp; loss</b>   |                  |                  |                  |                  |
|      | Current service cost   | 18.61            | 4.92             | 18.61            | 3.94             |
|      | Interest cost  | 20.29            | 2.12             | 19.01            | 2.11             |
|      | Expected return on plan assets   | (1.65)           | -                | (3.01)           | -                |
|      | Net actuarial (gain)/loss recognised in the year   | (7.13)           | (4.84)           | (10.35)          | (5.40)           |
|      | Expenses recognised in statement of profit & loss  | 30.11            | 2.20             | 24.26            | 0.65             |

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 31.03.2017 is as under:

|                            | Aluminium Extruded<br>Products/ Alloy or Ingots<br>(₹ Lacs) | Cable/Conductor<br>(₹ Lacs) | Unallocated<br>(₹ Lacs) | Consolidated Total<br>(₹ Lacs) |
|----------------------------|---|-----------------------------|-------------------------|--------------------------------|
| REVENUE                    | 30698.98  | 8418.20                     | -                       | 39117.18                       |
| Segment Wise               | (25458.79)  | (6509.33)                   | (-)                     | (31968.12)                     |
| Less : Inter Segment Sales | -   | -                           | -                       | -                              |
|                            | (-)   | (-)                         | (-)                     | (-)                            |
| Total Sales                | 30698.98  | 8418.20                     | -                       | 39117.18                       |
|                            | (25458.79)  | (6509.33)                   | (-)                     | (31968.12)                     |
| RESULT                     | 7354.99   | 802.47                      | -                       | 8157.46                        |
| Segment result             | (6124.21)   | (799.45)                    | (-)                     | (6923.66)                      |
| Corporate expenses         | 5016.34   | 429.85                      | -                       | 5446.19                        |
|                            | (4236.84)   | (336.35)                    | (-)                     | (4573.19)                      |
| Operating Profit           | 2338.65   | 372.62                      | -                       | 2711.27                        |
|                            | (1887.37)   | (463.10)                    | (-)                     | (2350.47)                      |
| Interest expenses          | 2237.61   | 360.00                      | -                       | 2597.61                        |
|                            | (1905.77)   | (389.88)                    | (-)                     | (2295.65)                      |
| Other Income               | 212.33  | -                           | -                       | 212.33                         |
|                            | (155.14)  | (-)                         | (-)                     | (155.14)                       |
| Income Taxes               | -   | -                           | 108.75                  | 108.75                         |
|                            | (--)  | (--)                        | (69.56)                 | (69.56)                        |
| Net Profit                 | 313.37  | 12.62                       | (-)108.75               | 217.24                         |
|                            | (136.74)  | (73.22)                     | (-)69.56                | (140.40)                       |
| <b>OTHER INFORMATIONS</b>  |   |                             |                         |                                |
| Segment Assets             | 32885.12  | 7932.60                     | 400.81                  | 41218.52                       |
|                            | (32499.75)  | (7306.06)                   | (362.42)                | (40168.23)                     |
| Segment Liabilities        | 18009.05  | 3365.66                     | 854.62                  | 22229.33                       |
|                            | (17471.69)  | (2835.16)                   | (810.31)                | (21117.16)                     |
| Capital expenditure        | 113.08  | 71.20                       | -                       | 184.28                         |
|                            | (80.80)   | (25.00)                     | (--)                    | (105.80)                       |
| Depreciation               | 367.13  | 104.50                      | -                       | 471.63                         |
|                            | (389.02)  | (104.50)                    | (--)                    | (493.52)                       |
| 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<br>01.04.2016 to<br>31.03.2017 ₹ Lacs | For the year<br>01.04.2015 to<br>31.03.2017 ₹ Lacs | For the year<br>01.04.2016 to<br>31.03.2017 ₹ Lacs | For the year<br>01.04.2015 to<br>31.03.2016 ₹ Lacs |
| Sales revenue by geographical market | 939.82   | 975.45   | 38177.36   | 30992.67   |
| Carrying of Segment Debtors          | 151.61   | 211.29   | 5803.43  | 3978.47  |
| Cost to acquire fixed assets         | -  | -  | 184.28   | 105.80   |



- 37 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 to be higher by ₹ 279.12 lacs. This does not change the cash profit of the company.

| Particulars                                       | For the year<br>01.04.2016<br>to 31.03.2017<br>₹ Lacs | For the year<br>01.04.2015<br>to 31.03.2016<br>₹ Lacs |
|---|---|---|
| <b>38 BASIC &amp; DILUTED EARNINGS PER SHARE:</b> |   |   |
| Profit after tax as per profit & loss account     | 217.24  | 140.40  |
| No. of equity shares (Nos.'000)                   | 8,508   | 8,508   |
| Basic & Diluted Earning per shares (₹)            | 2.55  | 1.65  |
| <b>39 ADDITIONAL INFORMATION :</b>                |   |   |
| a) Value of Imports calculated on CIF basis:      |   |   |
| i) Raw Materials                                  | 6,838.13  | 2,572.77  |
| ii) Components and spare parts                    | 131.00  | 92.05   |
| b) Expenditure in foreign currency:               |   |   |
| i) Travelling                                     | 20.97   | 1.51  |
| ii) Interest                                      | -   | 0.49  |
| c) Earnings in foreign exchange                   |   |   |
| FOB Value of Exports                              | 939.82  | 975.45  |

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<br>₹ Lacs | %          | Value<br>₹ Lacs | %        | Value<br>₹ Lacs |
| Raw Material    | 31.08    | 6947.13         | 68.92      | 15,408.25       | 100.00   | 22,355.38       |
|                 | (13.23)  | (2,651.38)      | (86.77)    | (17,392.90)     | (100.00) | (20,044.28)     |
| Stores & Spares | 9.30     | 131.00          | 90.70      | 1,277.88        | 100.00   | 1,408.88        |
|                 | (12.14)  | (92.05)         | (87.86)    | (666.10)        | (100.00) | (758.15)        |

- 40 Details of specified Bank Notes (SBN) held and transacted during the period from 08.11.2016 to 30.12.2016 are as follows :

| Particulars                        | SBN's  | Other Demonetisation Notes | TOTAL  |
|------------------------------------|--------|----------------------------|--------|
|                                    | ₹ Lacs | ₹ Lacs                     | ₹ Lacs |
| Closing Cash in hand on 08.11.2016 | -      | 2.28                       | 2.28   |
| Add : Withdrawn from bank          | -      | 15.35                      | 15.35  |
| : other permitted receipts         | -      | 1.47                       | 1.47   |
| Less : Deposited in bank           | -      | -                          | -      |
| : other permitted payments         | -      | 14.77                      | 14.77  |
| Closing Cash in hand on 30.12.2016 | -      | 4.33                       | 4.33   |



## 41 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.

### 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/attributed 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 B. K. Shroff & Co.  
Chartered Accountants  
Firm Reg. No. 302166E

Place : New Delhi  
Date: 30/05/2017

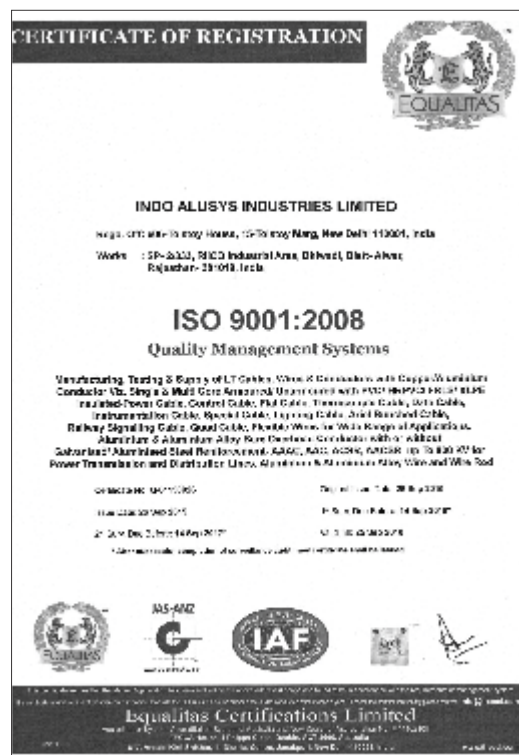
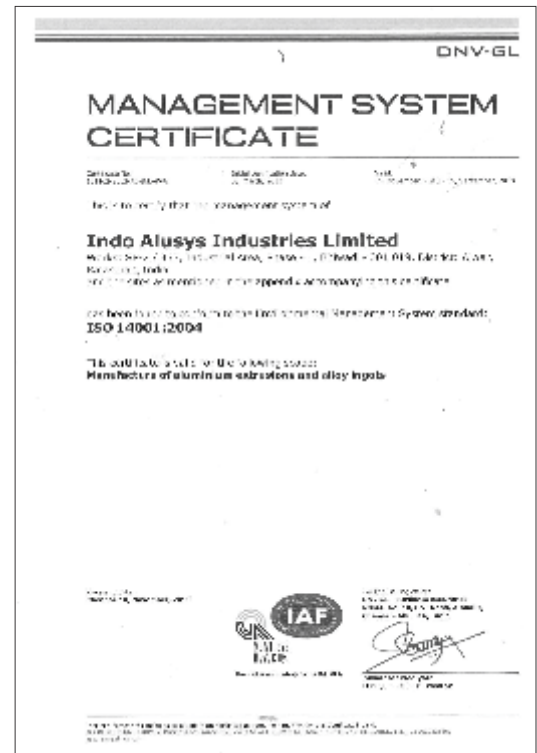
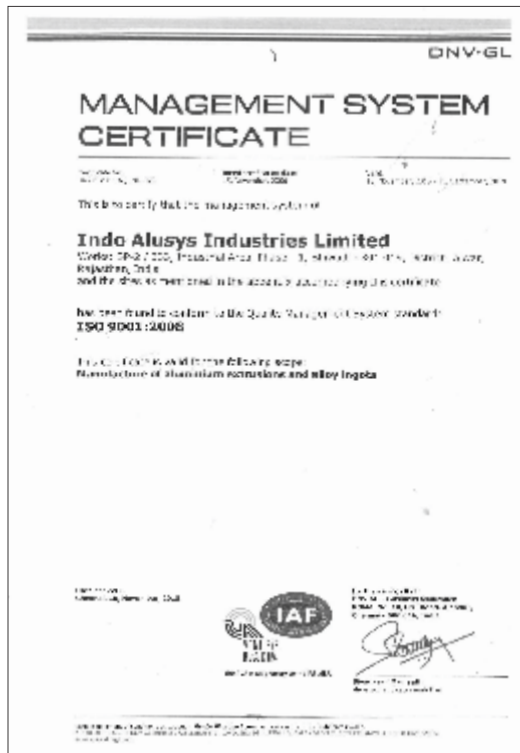
Sd/-  
(Partner)  
M. No. 85128

Sd/-  
Pooja Shree Setia  
Secretary

Sd/-  
R. K. Wadhawan  
CFO

Sd/-  
Pradeep Jain  
Managing Director  
DIN No.00225927

Sd/-  
M.K. Doogar  
Director  
DIN No.00319034





## BIS LICENSE STATUS FOR OUR MANUFACTURING RANGE OF PRODUCTS

| S. No. | Our Manufacturing Range of the Products | Product Details   | Required Indian Standard Licences for the Product                                | License Detail / Status   |
|--------|---|---|--|---|
| 1      | Conductors                              | AAC Conductor   | BIS:398(Pt-1)/1996   | CM/ L- 3094959  |
|        |   | ACSR Conductor (Upto 61 Strands)  | BIS:398(Pt-2)/1996   | CM/L- 3095052   |
|        |   | AAAC Conductor  | BIS:398(Pt-4)/1994   | CM/ L- 3127847  |
| 2      | LT PVC/XLPE Cables                      | Domestic Wire/ W.P Cable  | BIS:694:1990   | CM/ L- 3135745  |
|        |   | PVC Power/ Control Cables   | BIS:1554(Pt-1)/1988  | CM/ L-3135543   |
|        |   | XLPE Power Cable  | BIS:7098(Pt-1)/1988  | CM/ L - 3135442   |
|        |   | Aerial Bunched Cable  | BIS:14255/1995   | CM/ L- 3133640  |
| 3      | Railway Signaling & Quad Cables         | UG Railway JF Quad (1.4mm) Cables for Signalling & Telecom Installation | RDSO/SPN/TC/72/07 Rev. 0 with amend no. - 1 or latest                            | RDSO/TC/1.4 mm Quad Cable/2011/02                                     |
|        |   | Railway Signalling Cables   | IRS:S-63/07 with amend no. - 3 or latest   | RDSO/2011/QS/1589   |
|        |   | Railway Signalling Power Cables   | IRS:S-63/07 with amend no. - 3 or latest & IS:1554 (Pt-1):1988 with latest amend | RDSO/2011/QS/1590   |
|        |   | PVC Insulated Indoor Single/Multicore Railway Signalling Cable          | IRS:S-76/89 with amend no. - 3 or latest   | RDSO/2011/QS/1565 for Single core and RDSO/2011/QS/1564 for multicore |
|        |   | UG Railway JF Quad Cables for Signalling & Telecom Installation         | IRS:TC-30/05 Ver.-1 with amend no. - 4 or latest                                 | RDSO/2012/QS/0004   |