



# SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



## 36<sup>th</sup> Annual Report — 2015



**TÜV**

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



# Corporate Information

Founder and Promoter Director  
Late Shri. Shriram Chokhani [1924-2010]

Board of Directors  
Late Shri. Chaitan Maniar (Chairman – Upto 29<sup>th</sup> June, 2014)  
Shri. Sudarshan Chokhani - Managing Director  
Shri. Shyantanu Chokhani [Non- Executive Director  
w.e.f 27<sup>th</sup> September, 2014]  
Shri. Mukesh Ashar [CFO & Whole Time Director  
w.e.f 8<sup>th</sup> December, 2014]  
Shri. Jal Thanawala - Independent Director  
Shri. Manoj Shah - Independent Director  
Miss Dimple Nayak - Additional Director w.e.f. 31<sup>st</sup> March, 2015  
Smt. Kamlini Maniar (Resigned w.e.f. 6<sup>th</sup> November, 2014)  
Shri. Deokinandand Ajitsaria (Resigned w.e.f 10<sup>th</sup> July, 2014)

COMPANY SECRETARY & COMPLIANCE OFFICER  
Shri. Ketan Shirwadkar

CORPORATE MANAGEMENT TEAM  
Shri. George Varghese - G. M. (Operations)  
Shri. Shrikant Kulkarni - Works Manager  
Shri. Rajendra Shah - Chief Marketing Officer  
Shri. Kishore Dulla - Commercial Manager

REGISTERED OFFICE & PLANT  
A-5, MIDC, Ambad Industrial Area,  
Mumbai – Nashik Highway,  
Nashik – 422010, Maharashtra  
Tel No. : 91-253-6636200/201  
E-mail : nashik@sudal.co.in

CORPORATE OFFICE  
26A, Nariman Bhavan,  
227, Nariman Point, Mumbai – 400 021  
Tel No. : 91-22-61577100/177  
E-mail : mumbai@sudal.co.in

CIN: L21541MH1979PLC021541

REGISTRAR & SHARE TRANSFER AGENT  
Sharepro Services (India) Private Limited  
13 AB, Samitha Warehousing Complex,  
2<sup>nd</sup> Floor. Saki Naka Tel. Exchange Road,  
Saki Naka, Andheri (East),  
Mumbai – 400 072  
Tel No. 91-22-67720300 / 67720400  
Fax No. 91-22-28591568  
E-mail : sharepro@shareproservices.com

STATUTORY AUDITORS  
Lodha & Co.  
Chartered Accountants  
Karim Chambers,  
40, Ambalal Doshi Marg,  
Mumbai – 400 023

BANKERS  
Syndicate Bank, Mumbai

SOLICITORS & ADVOCATES  
India Law Alliance  
Surya Mahal, 1<sup>st</sup> Floor,  
5 Burjorji Bharucha Marg,  
Fort, Mumbai – 400 023

36<sup>th</sup> ANNUAL GENERAL MEETING  
On Saturday, 26<sup>th</sup> September, 2015  
At Hotel Seven Heaven,  
Mumbai – Agra Road,  
Opposite Mahindra House,  
Pathardi Phatha,  
Nashik – 422010  
Maharashtra

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## Managing Director's Statement - 2014-15

Dear Shareholders

It gives me immense pleasure to welcome you all at the Thirty Sixth Annual General Meeting of your Company. It's been another challenging year and I would like to thank and appreciate you whole heartedly for your continued trust, encouragement and support, which made your company sail through this difficult phase.

### ECONOMIC OUTLOOK

The Global Economy witnessed a marked slowdown in growth. Emerging economies were characterized by sharp fall in growth rates, especially in China. Europe and Japan continued to be in pressure through out the year and the United States showed tepid signs of improvement.

The Indian Economy witnessed the seeds of much needed sustainable economic stability being sown, with a new Government enjoying clear majority, coming to power at the centre, after a two decade long of coalition politics and the future to be seen with certain degree of optimism. With better macroeconomic conditions, coupled with improved sentiments post the general elections helped India to be the better performing emerging markets economies.

However, given the backdrop of market slow down, consumer spending remained muted during the year and the operating environment continued to be a challenging one. Overall the F.Y. 2014-15 remained a tumultuous one for the Metal Industry, particularly in the background of;

- Subdued manufacturing growth leading to overall depressed demand;
- High input cost;
- Frequent Changes in the prices at London Metal Exchange affecting the local price charging system of primary producers in the country;
- Regulatory uncertainties in captive mining operations.

Your company's performance has been viewed in the context of aforesaid economic and market conditions.

### COMPANY PERFORMANCE

The performance of Aluminum Extrusion Industry is dependent upon the following key factors;

- Good Domestic Market
- Reasonable power tariff and other energy costs
- Cost of Credit
- Stable input cost.

The year got off to a jittery start with the first half of the year witnessing a muted consumer demand and production cuts, given the backdrop of slow economic growth. Further high indirect input and finance cost made the operating environment a challenging one.

In the second half of the year, your company faced a financial crunch in the Third Quarter, which nearly doubled the working capital requirement of your company. Further lower margin and lower EBIDT impacted interest coverage, thereby increasing finance cost.

The last quarter of the Financial Year saw business sentiments improving in the energy sector (which constitutes almost 40% of the user segment in India) and automobile sector, which improved the demand and production margins. Thereby the Company witnessed an overall increase in volume as compared to the previous Financial Year.

However considering the financial crunch, high borrowings, poor cash flows and such other factors as mentioned above, the profitability of the company got severely affected.

## RESULTS

For the first time since the F.Y. 2003-04 your Company incurred a loss of ` 838.19 Lakhs in the current Financial Year (2014-15) as compared to a profit of ` 41.09 lakhs for the previous Financial Year (2013-14). EBIDT fell to ` 331.36 Lakhs as compared to ` 775.20 Lakhs in the previous financial year. However the Company recorded an increase in turnover of ` 8075.54 Lakhs in the current Financial Year (2014-15) from ` 7368.32 Lakhs in the previous Financial Year (2013-14).

## FUTURE OUTLOOK

Despite the sluggish performance of the Company for the year under review, the future looks brighter for the Company going ahead, with demand expected to pick from the 2<sup>nd</sup> Quarter of the F.Y 2015-16 on the back of improved business sentiments, as well as higher investments across key industrial and infrastructure sector as the governments "Make in India" campaign will start yielding results. Further with the Government taking necessary steps to control the regulatory uncertainties in captive mining operations, the volatility in indirect input cost seems to be easing up. Further the F.Y. 2015-16 will see moderation in interest cover (operating profit / interest cost) which will help improve profitability at net level.

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

## ACKNOWLEDGMENTS

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

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

Place : Mumbai  
Date : 31<sup>st</sup> July, 2015

Sudarshan Chokhani  
Managing Director



## Notice

TO THE SHAREHOLDERS,

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Members of the Company will be held on Saturday, 26<sup>th</sup> September, 2015 at 3.00 p.m. At Hotel Seven Heaven, Mumbai Agra Road, Opp. Mahindra House, Pathardi Phatha, Nashik – 422 010, to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and Cash Flow for the year ended on that date and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Sudarshan Chokhani (DIN 00243355), who retires by rotation and being eligible, offers himself for re-appointment.
3. To approve ratification of appointment of statutory auditors and fix their remuneration. In this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution

“RESOLVED THAT the appointment of M/s Lodha & Company, Chartered Accountants, (Firm Reg No. 301051E), who were appointed as Statutory Auditors of the Company, to hold office from the conclusion of 35<sup>th</sup> Annual General Meeting until the conclusion of 38<sup>th</sup> Annual General Meeting, be and is hereby ratified and the Board of Directors be and is hereby authorized to fix remuneration for the F.Y. 2015-16 in consultation with the Auditors.”

### SPECIAL BUSINESS :

4. Appointment of Miss. Dimple Nayak as an Independent Director

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

“RESOLVED THAT in accordance with the provisions of Section 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Miss. Dimple Nayak (DIN 07140233), who was appointed as an Additional Director pursuant to the provision of Section 161 of the Companies Act, 2013 to hold office up to the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director along with requisite deposit, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years up to September 25, 2020 and that she shall not be liable to retire by rotation as stipulated under section 149(13) of the Companies Act, 2013.”

5. Appointment of Mr. Mukesh Ashar as Director

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

“RESOLVED THAT in accordance with the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Mukesh Ashar (DIN 06929024), who was appointed as an Additional Director pursuant to the provision of Section 161 of the Companies Act, 2013 to hold office up to the date of this Annual General Meeting and, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director along with requisite deposit, be and is hereby appointed as Director of the Company liable to retire by rotation.”

6. Appointment of Mr. Mukesh Ashar as Whole-Time Director

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

“RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 (“the Act”) (including any statutory modifications and re-enactment thereof for the time being in force) read with Schedule V of the Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and, subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any authorities, including

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

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

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

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modifications and re-enactment thereof for the time being in force) read with Schedule V of the Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and, subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government in granting such approvals, sanctions and permissions, approval of the Company, be and is hereby accorded to the re-appointment of and payment of remuneration to Mr. Sudarshan Chokhani (DIN 00243355), as the Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> September, 2015 to 31<sup>st</sup> August, 2018, on terms and conditions, including remuneration to be set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Director (herein after referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of the said re-appointment and / or the remuneration as it may deem fit and as may be acceptable to Mr. Sudarshan Chokhani, subject to the condition that it shall not exceed the limits specified under Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof."

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

8. To create charge over the assets of the Company

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

"RESOLVED THAT in supersession of the resolution, passed by the shareholders of the Company, at the Thirty Fifth Annual General Meeting of the Company, held on Saturday, 27<sup>th</sup> September 2014, pursuant to section 180(1)(a) of the Companies Act, 2013, and such other applicable provisions (including such modifications or re-enactment(s) thereof), consent of the Company be and is hereby accorded to the Board of Directors of the Company, to mortgage, pledge, hypothecate or charge, in such forms and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and /or immovable properties/assets of the Company, both present and future, and/or the whole or any part of the undertaking or undertakings of the Company for securing the borrowings of the Company to be availed by way of loan (Term Loans / Working Capital Facilities), the aggregate value of which shall not exceed ` 200 Crores (Rupees Two Hundred Crores Only), at any point of time as the case may be from time to time, together with interest, additional interest, liquidated damages, commitment charges, premium or prepayment or on redemption and all other costs, charges and expenses."



"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to finalize, settle and execute such documents/deeds/writings/papers and agreements as may be required and to take all necessary steps and do all necessary things in this regard in order to comply with all the legal and procedural formalities and further to authorize any of Director(s) or any Officer(s) of the Company to do all such acts, deeds or things as it may in its absolute discretion deem necessary proper and fit."

#### 9. Borrowing Powers

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

"RESOLVED THAT in supersession of the resolution, passed by the shareholders of the Company, at the Thirty Fifth Annual General Meeting of the Company held on Saturday, 27<sup>th</sup> September, 2014, pursuant to section 180(1)(c) of the Companies Act, 2013, and such other applicable provisions (including any modification(s) or Re-enactment(s) thereof), consent of the Company be and is hereby accorded to the Board of Directors of the Company, to borrow from time to time, such sum(s) of money and in such manner as may be deemed necessary and prudent for the purposes of the Company, notwithstanding that the money(s) to be borrowed together with the money(s) already borrowed by the Company and outstanding (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) should not exceed ` 200 Crores (Rupees Two Hundred Crores Only)"

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorized to take all necessary steps and do all necessary things in order to comply with all the legal and procedural formalities and to do all such acts, deeds or things as it may in its absolute discretion deem fit."

#### 10. Remuneration to Cost Auditor

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

"RESOLVED THAT pursuant to the provisions of section 148 of the Companies Act, 2013 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), payment of remuneration of ` 60,000/- (Rupees Sixty thousand only) to M/s. Hemant Shah & Associates, Cost Accountants (Firm Reg. No. 000394) appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016, be and is hereby ratified."

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

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

By Order of the Board of Directors  
For Sudal Industries Limited

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Sudarshan Chokhani  
Managing Director

NOTES :

- 1) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the special business proposed under Item Nos. 4 to 10 as set out above and relevant details in respect of Item Nos. 2, 4, 5, 6 & 7 as set out above, to be transacted at the Annual General Meeting, pursuant to Clause 49 of the Listing Agreement with BSE Limited are also annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER/S AS THE CASE MAY BE. THE INSTRUMENT APPOINTING THE PROXY DULY COMPLETED AND SIGNED SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A REQUISITION FOR INSPECTING PROXY MAY BE MADE BY ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND SUCH REQUISITION SHALL BE MADE IN WRITING AND DEPOSITED WITH THE COMPANY ATLEAST 3 DAYS BEFORE THE COMMENCEMENT OF THE MEETING. SUCH INSPECTION SHALL BE PROVIDED DURING 24 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND SHALL CONTINUE TILL THE CONCLUSION OF THE MEETING. INSPECTION SHALL BE ALLOWED BETWEEN 9.00 A.M. AND 6.00 P.M. DURING SUCH PERIOD. IN CASE OF MEETING BEING ADJOURNED A FRESH REQUISITION SHALL BE LODGED WITH THE COMPANY WHERE ANY MEMBER DESIRES TO INSPECT THE PROXIES FOR SUCH ADJOURNED MEETING.
- 3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten per cent of the total Share Capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 4) The Register of Members and the Share Transfer Books of the Company will remain closed from 19<sup>th</sup> September 2015 to 26<sup>th</sup> September, 2015 (both days inclusive).
- 5) Members are requested to notify immediately any change in their address to their depository participants (DPs) if shares are held in Demat form; and to the Registrar and Transfer Agent of the Company, Sharepro Services (India) Private Limited, 13 AB, Samitha Warehousing Complex, 2<sup>nd</sup> Floor, Saki Naka Telephone Exchange Road, Saki Naka, Andheri (East), Mumbai – 400 072, if shares are held in physical form, quoting their folio numbers.
- 6) As members are aware, equity shares of the Company are traded mandatorily in electronic form for all shareholders. Members who still hold share in physical form may dematerialize the same. ISIN – allotted to the Company for this purpose is INE618D01015.
- 7) As per SEBI Circular No. MRD / DOP / Cir -05 / 2009 dated May 20, 2009, it is mandatory to quote PAN No. for transfer of shares in physical form. Therefore, it would be mandatory to submit the self-attested PAN CARD copy to the Registrar and Share Transfer Agent of the Company for registration of transfer of shares held in physical mode.
- 8) Members desirous of availing the facility of nomination in respect of shares held by them may send their nomination in the prescribed Form No. SH-13 duly filled in, to the Company's Registrar and Share Transfer Agent, quoting their respective folio number/s, and giving details of share certificate number/s and distinctive number of shares. The form can be obtained from the Registrars and Share Transfer Agents or from the website of the Company at [www.sudal.co.in](http://www.sudal.co.in).
- 9) Members desirous of getting any information in relation to the Company's Annual Report 2014-15 are requested to address their query (ies) well in advance i.e. at least 10 days before the Meeting to the Company at Registered Office / Corporate Office to facilitate the company to compile the data.
- 10) The instructions for members for remote e-voting are as under :

SECTION A – REMOTE E-VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN DEMAT FORM		
EVSN	:	150805017
Step 1	:	Open your web browser during the voting period and log on to the e-voting website <a href="http://www.evotingindia.com">www.evotingindia.com</a>
Step 2	:	Click on " Shareholders" to cast your vote(s)
Step 3	:	Select the Electronic Voting Sequence Number – "EVSN" along with "SUDAL INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"



SECTION A – REMOTE E-VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN DEMAT FORM		
Step 4	:	Fill up the Following details in the appropriate boxes (also refer Section C (7) , below)
User – ID	:	a) For account holders in CDSL : Your 16 digit beneficiary ID b) For account holders in NSDL : Your 8 characters DP ID and followed by 8 digits Client ID
Character Displayed	:	Please enter the 'Character Displayed' in the Box provided for the same and click login.
PAN	:	Enter your 10 digits alpha-numeric PAN issued by the Income Tax Department. Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use default value in PAN filed as mentioned in the below example for remote e –voting. Example:- Use the first two letters of your name and the last 8 digits of the demat a/c/ folio no. in the PAN field In case the folio No. is less than 8 digits enter the applicable number of 0's (Zero) before the number after the first two characters of the name in Capital Letters. Eg: If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.
DOB*	:	Enter the date of birth recorded in the Demat Account or registered with the Company for the Demat Account in DD/MM/YYYY format
DIVIDEND BANK DETAILS*	:	Enter your dividend bank details (Account Number) recorded in the Demat Account or registered with the Company for the Demat Account. In absence of Bank Details, you may enter number of shares held by you as on Cut – Off Date i.e. 19th September, 2015
* Any one of the details DOB or DIVIDEND BANK DETAILS or NUMBER OF SHARES held by you should be entered for logging in to the account.		
Step 5	:	After entering these details appropriately, click on "SUBMIT" tab.
Step 6	:	Shareholders holding shares in Demat form will now reach "Password Creation" menu wherein, they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolution of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share password with any other person and take utmost care to keep your password confidential. Please also refer to Section C (7) below
Step 7	:	Click on the relevant EVSN on which you choose to vote.
Step 8	:	On the voting page, you will see resolution description and against the same, the option "YES / NO" for voting. Select the relevant option as desired YES or NO and click on "SUBMIT".
Step 9	:	Click on Resolution File link if you wish to view the Notice
Step 10	:	After selecting the resolution, you have decided to vote on click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK" else to change your vote, click on "CANCEL" and accordingly modify your vote.
Step 11	:	Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

SECTION B – REMOTE E-VOTING PROCESS – SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM		
EVSN	:	150805017
Step 1	:	Open your web browser during the voting period and log on to the e-voting website <a href="http://www.evotingindia.com">www.evotingindia.com</a>
Step 2	:	Now Click on "Shareholders" to cast your vote(s)
Step 3	:	Now, select the Electronic Voting Sequence Number "EVSN" along with "SUDAL INDUSTRIES LIMITED" from the drop down menu and click on "SUBMIT"
Step 4	:	Now fill the Following details in the appropriate boxes
USER ID	:	Folio Number registered with the Company
Character Displayed	:	Please enter the 'Character Displayed' in the BOX provided for the same and click on login.
PAN	:	Enter your 10 digits alpha-numeric PAN issued by Income Tax Department. Shareholders who have not updated their PAN with the Company / Depository Participant are required to use default value in PAN field as mentioned in the below example for remote e-voting  Use the first two letters of your name and the last 8 digits of the demat a/c/ folio no. in the PAN field In case the folio No. is less than 8 digits enter the applicable number of 0's (Zero) before the number after the first two characters of the name in Capital Letters. Eg: If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.
DOB*	:	Enter date of birth recorded in the folio under which you are going to vote in DD/MM/YYYY format.
DIVIDEND BANK DETAILS*	:	Enter your dividend bank details (Account Number) recorded in the folio under which you are going to vote. In absence of Bank Details, you may enter number of shares held by you as on cut- off date i.e. 19 <sup>th</sup> September, 2015
* Any one of the details DOB or DIVIDEND BANK DETAILS or NUMBER OF SHARES held by you should be entered for logging in to the account.		
Step 5	:	After entering these details appropriately, click on "SUBMIT" tab.
Step 6	:	You will then reach directly to the Company Selection Screen / Voting Screen.

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

#### SECTION C – COMMENCEMENT OF REMOTE E-VOTING PERIOD AND OTHER REMOTE - E VOTING INSTRUCTIONS :

1. The Remote e-Voting period commences on September 23<sup>rd</sup>, 2015 (at 9.00 A.M.) and ends on September 25<sup>th</sup>, 2015 (at 5.00 P.M.). During this period, Shareholders of the Company holding shares either in physical form or in dematerialized form, may cast their vote electronically. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Shareholder(s), the Shareholder(s) shall not be allowed to change it subsequently.
2. The voting rights of Shareholders shall be in proportion in their Shares of the paid -up Equity Share Capital of the Company.
3. A person whose name appears in the register of Members/Beneficial Owners as on the cut-off date i.e., 19<sup>th</sup> September, 2015, only shall be entitled to avail the facility of Remote e-voting as well as voting at the meeting.
4. Members who cast their vote by Remote e-voting may attend the meeting but shall not be entitled to cast their vote again.
5. Mr. Jayesh M. Shah, Practicing Company Secretary (Membership No: F5637) has been appointed as the Scrutinizer to scrutinize the remote e-voting process in fair and transparent manner.
6. Copy of the notice has been placed on the website of the Company viz., [www.sudal.co.in](http://www.sudal.co.in) and the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).



7. If you are holding Shares in Demat Form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any company, then your existing login ID and password are to be used.
8. For Shareholders holding shares in physical form, the password and default number can be used only for e-voting on the resolutions given in the Notice.
9. If Demat Account holder has forgotten his password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
10. FOR INSTITUTIONAL SHAREHOLDERS
  - ñ Institutional Shareholders (i.e., other than Individuals, HUF, NRI etc.,) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
  - ñ They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - ñ After receiving the login details, they have to create a user who would be able to link the account(s) which they wish to vote on.
  - ñ The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - ñ They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the System for the scrutinizer to verify the same.
11. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication (s) regarding CDSL remote e-voting system in future. The same may be used in case the Shareholder forgets the password and the same needs to be reset.
12. The consolidated result of the Remote e-voting and voting through Physical Ballot shall be announced within a period of three days of the conclusion of the Annual General Meeting. The result of the voting along with the scrutinizer's report will be communicated to the Stock Exchange and will be placed on the website of the Company at [www.sudal.co.in](http://www.sudal.co.in)
13. In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions (FAQ) and remote e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an e-mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

CONTACT DETAILS

Company	:	Sudal Industries Limited CIN: L21541MH1979PLC021541 Corporate office 26A, Nariman Bhavan 227, Nariman Point, Mumbai – 400021 Tel No. 91-22-61577100 / 177 E-mail: mumbai@sudal.co.in Website: www.sudal.co.in
Registrar & Share Transfer Agent	:	Sharepro Services (India) Private Ltd 13 AB, Samitha Warehousing Complex 2nd Floor, Saki Naka Tel. Exchange Road, Saki Naka, Andheri (East), Mumbai- 400 072 Tel No. 91-22-67720300 / 67720400 Email: sharepro@shareproservices.com
Remote e-Voting Agency	:	Central Depository Services (India) Ltd 17th Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001 Email-helpdesk.evoting@cdslindia.com
Scrutinizer	:	Mr. Jayesh Shah Practicing Company Secretary (Membership No. F5637) M/s. Rathi & Associates Practicing Company Secretaries A-303, Prathmesh, 3rd Floor, Raghuvanshi Mill Compound, 11-12, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 Email: associates.rathi8@gmail.com

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

By Order of the Board of Directors  
For Sudal Industries Limited

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Sudarshan Chokhani  
Managing Director



## Annexure to Notice

EXPLANATORY STATEMENT pursuant to Section 102 of the Companies Act, 2013 setting out all the material facts pertaining to the Special Business.

### Item No. 4 :

As per the provisions of Section 149(4) of the Companies Act, 2013 the Board of Directors of every listed Company shall have at least one third of the total number of directors as Independent Directors and an Independent Director can hold office for a term of upto five consecutive years. In the opinion of the Board, Miss. Dimple Nayak (DIN 07140233) who have been appointed as Independent Director fulfill the conditions for 'Independence' specified under the Companies Act, 2013 for such appointment. She is a member of the Institute of Company Secretaries of India and having two years of experience in the field of legal and secretarial matters.

The Company has received a Notice in writing from a member of the Company alongwith the deposit of ₹ 100,000/- per Notice, as per the provisions of Section 160 of the Companies Act, 2013, signifying it's intention to propose the candidature for the office of Director of the Company. Pursuant to the provisions of the above referred Section it would be necessary to seek the approval of members for appointment of Independent Director.

The copies of the Notice as aforesaid and a copy of draft letters of appointment of the aforesaid Director, setting out the terms and conditions of appointment would be available for inspection at the Registered Office of the Company on all working days during the business hours till the date of the Annual General Meeting and the said documents shall also be placed at the meeting.

The Board recommends the resolution as set out in Item No. 4 of the Notice to the Members for their acceptance.

Save and except Ms. Dimple Nayak no other Directors, Promoters and Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

### Item Nos. 5 and 6 :

The Board of Directors of the Company, pursuant to the provisions of Section 161(1) of the Act, appointed Mr. Mukesh Ashar (DIN 06929024) as an Additional Director of the Company with effect from 8<sup>th</sup> December 2014, and Whole Time Director with immediate effect and, who shall continue to be the Chief Financial Officer of the Company in terms of the provisions of Section 203(1) of the Companies Act, 2013. Further in terms of the provisions of Section 161 (1) of the Act, Mr. Mukesh Ashar would hold office up to the date of the ensuing Annual General Meeting.

The Company has received a Notice in writing from a member of the Company alongwith the deposit of ₹ 100,000/- Notice, as per the provisions of Section 160 of the Companies Act, 2013, signifying its intention to propose the candidature for the office of Director of the Company.

Mr. Mukesh Ashar is presently the Chief Financial Officer of the Company and is associated with the Company since last 28 Years. He is a member of the Institute of Chartered Accountant of India and possesses sound knowledge of Accounting, Taxation, Banking, as well as other domain, such as marketing and business development.

The Board of Directors of your Company, after considering his Qualifications, experience and overall industry exposure, and responsibilities to be undertaken by him, including acting as the Occupier of the Company's factory, in terms of the provision of Section 2(n) of the Factories Act, 1948, it is thought fit to appoint Mr. Mukesh Ashar as Whole Time Director of the Company for a period of three years w.e.f 8<sup>th</sup> December, 2014 to 7<sup>th</sup> December, 2017, and who shall continue to be the Chief Financial Officer of the Company.

The terms and Remuneration payable to Mr. Mukesh Ashar, Whole Time Director are set out below;

PARTICULARS	AMOUNT
Gross Salary	₹ 6,16,260 Per Annum
LTA	₹ 33,162 Per Annum
Medical	₹ 16,581 Per Annum
Bonus	₹ 9950/-
Total	₹ 6,75,953 Per Annum

#### Other Perquisites

1. Gratuity payable in accordance with the rules of the Company or as per the Gratuity Act amended from time to time, and the value of such benefits shall not be included in the computation of the limits for the remuneration or perquisites.
2. Reimbursement of all entertainment and traveling and out of pocket expenses actually and properly incurred for the business purpose of the Company.

#### Other Terms

1. The Whole Time Director shall not be entitled to receive the Directors sitting fess for attending the meetings of the Board of Directors or any committee thereof as appointed by the Board or under any statute.
2. The Pecuniary relationship of the Whole Time Director is to the extent of the transactions being carried out with related parties in the ordinary course of business.

Pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 ("the Act"), including Schedule V to the Act, the Remuneration payable to Mr. Mukesh Ashar, Whole Time Director of the Company is placed before the members in the Thirty Sixth Annual General Meeting of the Company for seeking approval.

Your Directors recommend the Resolution at Item Nos. 5 & 6 as Ordinary Resolution for approval of members.

Apart from Mr. Mukesh Ashar, Whole Time Director, who would be interested in his appointment and remuneration, none of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, deemed to be concerned or interested in Resolution Nos. 5 & 6 of the Notice.

Considering the loss during the year, the remuneration proposed is within the prescribed limit of Part II, Section II (A) (ii) of Schedule V of the Companies Act, 2013.

Further the additional information as required by Part II, Section II of schedule V to the Companies Act, 2013 is given below:

#### **I. GENERAL INFORMATION**

1. Nature of Business : The Company is engaged in the business of Manufacturing and Supply of Sophisticated Aluminum Extrusions since past 35 years.
2. Date of Commencement of Commercial Production : The Company started commercial production from 20th August, 1979.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
4. Financial Performance based on given indicators – as per the audited financial results for the year ended 31<sup>st</sup> March 2015 :

PARTICULARS	₹ In Lakhs
Total Revenue from Operations	8075.54
Net Profit / (Loss) as per Profit and Loss Account (after tax)	(838.19)
Net Worth	1545.18
Effective Capital as per Part II Section II of Schedule V to the Companies Act, 2013	3865.58



5. Foreign Investments or collaborations, if any : The Company has not entered into any foreign collaboration. The company has not made any foreign Investments.

## II. INFORMATION ABOUT THE APPOINTEE

1. Background details : Mr. Mukesh Ashar, age 61 years is a member of the Institute of Chartered Accountants of India and is presently the Chief Financial Officer of the Company. He joined the organization as Finance Manager on 1<sup>st</sup> January 1987. With his hard work, dedication, drive to achieve goals he was rewarded by the management with a promotion and was designated as the Vice –President Corporate Affairs w.e.f 1<sup>st</sup> November, 1994. Looking at his sound knowledge, commitment, experience, and over all industrial exposure the management considered him as an asset to the organization and thereby appointed him as the Chief Financial Officer of the Company w.e.f. 1<sup>st</sup> January, 2009

Mr. Mukesh Ashar is associated with the Organization for more than 28 years. He has vast experience in the field of Accounting, Taxation, Banking and Finance as well as in the field of marketing and business development.

2. Date of First Appointment on the Board : 8<sup>th</sup> December, 2014.
3. Past Remuneration : Salary paid for the period 1<sup>st</sup> April, 2014 to 30<sup>th</sup> November, 2014 – ` 4.51 Lakhs
4. Shareholding in the Company : NIL
5. No. of Meeting of the Board Attended for the F.Y. 2014-15 : Since his appointment w.e.f 8<sup>th</sup> December, 2014, the Board of Directors of the Company met on two occasions and he was present during the two meetings of the Board.
6. Recognition or awards : None
7. Job Profile and his suitability : Mr. Mukesh Ashar looks after the entire domain of Accounting, taxation and Banking & Finance. He also assists the marketing and business development team in taking key strategic and marketing decision. He will also be involved in taking key business decisions with the Senior Management of the Company.  
  
Taking into account his qualification and expertise in the domain of Accounting, Taxation and Banking & Finance, he is best suited for the aforementioned role.
8. Remuneration proposed : ` 51,335 per month plus perquisites and allowances as set above.
9. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person : Taking into consideration the size of the organization, the profile of Mr. Mukesh Ashar, the responsibilities shouldered by him and the Industry Benchmark, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterparts in other Companies.
10. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Besides the remuneration proposed to be paid to him, there is no pecuniary relationship of Mr. Mukesh Ashar or any of his relative is to the extent of transactions to be carried out with related parties in ordinary course of business.

## III. OTHER INFORMATION

1. Reason of Loss or inadequate profits :

Following are the reasons for loss for the F.Y. 2014 -15:-

- Muted demand environment
- Increase in Finance Cost
- Steep increase in electricity and fuel prices.
- High volatility in price of raw materials.
- Higher working Capital requirement in the second half of the year.

2. Steps taken or proposed to be taken for improvement :

- To minimize the impact of increasing input cost, your Company has launched a number of containment actions and cost reduction drives to enhance internal efficiencies and improve operational excellence.
- Your Company has taken conscious decisions to improve its EBDIT margins and not chase top line growth.

3. Expected increase in productivity and profits in measurable terms :

The expected productivity and profits in measurable terms are as follows

	( ` In Lakhs)	
	2014-15 Actual	2013-14 Actual
Total Revenue	8075.54	7638.32
EBIDT	331.36	775.20

The Company has made conscious decision to improve its EBIDT Margins for the F.Y. 2015-16.

Item No. 7 :

The Members at the Thirty Third Annual General Meeting held on 29<sup>th</sup> September, 2012, had approved the appointment of Mr. Sudarshan Chokhani as Managing Director of the Company for a period of three years w.e.f. 1<sup>st</sup> September 2012 to 31<sup>st</sup> August, 2015.

The term of 3 years of Mr. Sudarshan Chokhani is expiring on 31<sup>st</sup> August, 2015.

Considering the growth in the operations of the Company, the ambitious growth plans for the future, the industry standards and the responsibilities borne by the Managing Director, the Board of Directors of the Company at its meeting held on 31<sup>st</sup> July, 2015, has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved re-appointment of Mr. Sudarshan Chokhani as the Managing Director for a period of three years w.e.f. 1<sup>st</sup> September, 2015 to 31<sup>st</sup> August, 2018. The Managing Director shall also be a Key Managerial Personnel under the provisions of section 203(1) of the Act.

The terms of appointment and Remuneration payable to Mr. Sudarshan Chokhani, Managing Director, are set out below :

Period	1 <sup>st</sup> September 2015 to 31 <sup>st</sup> August, 2018
Salary	Up to ` 3,50,000 / - Per Month
Commission	Such amount which together with the Annual Salary and perquisites, will not exceed 5% of the Net Profit as computed under Section 198 of the Act at the end of each financial year during the tenure of the Managing Director.

Other Perquisites

1. Gratuity payable in accordance with the rules of the Company or as per the Gratuity Act amended from time to time, and the value of such benefits shall not be included in the Computation of limits for the remuneration or perquisites.
2. Free use of the Company's car for business and free telephone facility at residence are not considered as perquisites. No personal long distance calls on telephone are allowed.
3. Re-imbursement of all entertainment and traveling and out of pocket expenses actually and properly incurred for the business purpose of the Company.

Other Terms

1. The Managing Director shall not be entitled to receive the Directors Sitting Fees for attending the meetings of the Board of Directors or any Committee thereof as appointed by the Board or any statute.
2. If at any time the Managing Director ceases to be a Director of the Company due to any reason or cause, he shall cease to be the Managing Director in terms of the agreement.
3. The either party can terminate the arrangement by giving the other party notice of three months.

Pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 ("the Act"), including Schedule V to the Act, the Remuneration payable to Mr. Sudarshan Chokhani, Managing Director of the Company is placed before the members in the Thirty Sixth Annual General Meeting of the Company .



Your Directors recommend the Resolution at Item No. 7 as an ordinary resolution for the approval of the members.

Apart from Mr. Shyantanu Chokhani, Non – Executive Director (Related) and Mr. Sudarshan Chokhani, Managing Director, who would be interested in his appointment and remuneration, none of the Directors and Key Managerial Personnel of the Company and their relatives are, in any way, deemed to be concerned or interested in this item of business.

Considering the loss during the year, the remuneration proposed is within the prescribed limit of Part II, Section II (A) (ii) of Schedule V of the Companies Act, 2013.

Further the additional information as required by Part II, Section II of schedule V of the Act is given below :

#### I. GENERAL INFORMATION

1. Nature of Business : The Company is engaged in the business of Manufacturing and Supply of Sophisticated Aluminum Extrusions since past 35 years.
2. Date of Commencement of Commercial Production : The Company started commercial production from 20<sup>th</sup> August, 1979.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
4. Financial Performance based on given indicators – as per the audited financial results for the year ended 31<sup>st</sup> March 2015 :

PARTICULARS	` In Lakhs
Total Revenue from Operations	8075.54
Net Profit / (Loss) as per Profit and Loss Account (after tax)	(838.19)
Net Worth	1545.18
Effective Capital as per Part II Section II of Schedule V to the Companies Act, 2013	3865.58

5. Foreign Investments or collaborations, if any : The Company has not entered into any foreign collaboration. The company has not made any foreign Investments.

#### II. INFORMATION ABOUT THE APPOINTEE

1. Background details : Mr. Sudarshan Chokhani age 61 years is a Bachelor in Commerce and completed further studies in EDP from Mumbai University. He is associated with the Company, right from its incorporation in August 1979 and has played an instrumental role in all phases, since the time of setting up of the project of manufacturing aluminum extrusions, till date. He possesses sound knowledge and rich experience of more than 38 years in the field of Aluminum.
2. Date of First Appointment on the Board : 8<sup>th</sup> August, 1979
3. Past Remuneration for the Year 2014-15 : 30 Lakhs (2.50 Lakhs Per Month)
4. Shareholding in the Company : 15,33,587 Equity Shares (20.81%)
5. No. of Meeting of the Board Attended for the F.Y. 2014-15 : During the year the Board of Directors of the Company met on eight occasions and Mr. Sudarshan Chokhani was present during all the eight meetings of the Board.
6. Recognition or awards : Having regard to his experience and qualification as set in above, in the opinion of the Board, he is eminently suited for the above mentioned position.
7. Job Profile and his suitability : Mr. Sudarshan Chokhani, Managing Director is responsible in day to day management of the Company, subject to overall superintendence, control and supervision of the Board of Directors. Taking into consideration his qualification, expertise, sound knowledge and rich experience of more than 38 years in the field of aluminum, the Managing Director is best suited for the responsibilities of current assigned role.
8. Remuneration proposed : 3.50 Lakhs per month, (42 Lakhs Per Annum) plus perquisites and allowances as set above.

9. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person : Taking into consideration the Size of the Company, the profile of Mr. Sudarshan Chokhani, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid is in commensurate with the remuneration packages paid to similar senior level counterpart(s) in other Companies.
10. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel if any : Mr. Sudarshan Chokhani is also the Promoter of the Company. He is the father of Mr. Shyantanu Chokhani (Non-Executive Director). Besides the remuneration proposed to be paid to him, the pecuniary relationship of the Managing Director is to the extent of the transactions carried out with related parties, in the ordinary course of business.

### III. OTHER INFORMATION

#### 1. Reason of Loss or inadequate profits :

Following are the reasons for loss for the F.Y. 2014 - 15 :

- Muted demand environment.
- Increase in Finance Cost
- Steep increase in electricity and fuel prices.
- High volatility in price of raw materials.
- Higher working Capital requirement in the second half of the year.

#### 2. Steps taken or proposed to be taken for improvement :

- To minimize the impact of increasing input cost, your company has launched a number of containment actions and cost reduction drives to enhance internal efficiencies and improve operational excellence.
- Your company has taken conscious decisions to improve its EBDIT margins and not chase top line growth.

#### 3. Expected increase in productivity and profits in measurable terms :

The expected productivity and profits in measurable terms are as follows

	(` In Lakhs)	
	2014-15 Actual	2013-14 Actual
Total Revenue	8075.54	7638.3
EBIDT	331.36	775.20

The company has made conscious decision to improve its EBIDT Margins for the F.Y. 2015-16

Item Nos. 8 and 9 :

In terms of the resolution passed by the members at the Thirty Fifth Annual General Meeting of the Company, pursuant to section 180(1)(C) of the Companies Act, 2013, the Board of Directors of the Company is authorized to borrow up to a sum of ` 100 Crores (Rupees Hundred Crores Only) over and above the aggregate of the paid-up capital and free reserves of the Company, (apart from temporary loans to be obtained from the Company's bankers in ordinary course of business) and also to create charge on the assets of the Company for the same amount.

As per the future plans drawn by the Company, the Company may be required to borrow additional funds for meeting Company's operational and/ or short/ long term fund requirements, and the aggregate of such borrowings, apart from the temporary loans borrowed from bankers of the Company in ordinary course of business, may exceed the present limit of ` 100 crores. Hence, it is proposed to obtain approval of the members of the Company for enhancing the power of the Board for borrowing funds up to ` 200 Crores (Rupees Two Hundred Crores only) and necessary delegation of authorities to the Board for this purpose.



Hence, consequently, in terms of Section 180(1) (a) of the Companies Act, 2013, the Board of Directors will required to be authorized by the members to create charge on the assets of the Company by way of mortgage/charge/ hypothecation on all or any of the movable / immovable properties of the Company for securing various borrowings up to ` 200 Crores (Rupees Two Hundred Crores Only).

Your Directors recommend the said resolutions as specified in Resolution Nos. 8 & 9 of the Notice for approval of members by way of Special Resolution.

None of the Directors, Key managerial personnel of the Company or their respective relatives are deemed to be concerned or interested otherwise in the said resolutions.

Item No. 10 :

The Board, on the recommendation of the Audit Committee, approved the appointment and payment of remuneration of ` 60,000/- (Rupees Sixty Thousand Only) to the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors requires to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought as set out at Item No. 10 of the Notice for ratification of the remuneration payable to the Cost Auditor for the financial year ending 31<sup>st</sup> March, 2016 by way of Ordinary Resolution.

None of the Directors, Key managerial personnel of the Company or their respective relatives are deemed to be concerned or interested otherwise in the said resolutions

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

By Order of the Board of Directors  
For Sudal Industries Limited

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Sudarshan Chokhani  
Managing Director

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE THIRTY SIXTH ANNUAL GENERAL MEETING :

Item No 2, 4, 5,6 and 7 (In pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr. Sudarshan Chokhani	Mr Mukesh Ashar	Miss. Dimple Nayak
Date of Birth	June 22, 1954	June 7, 1954	December 15, 1989
Date of Appointment	8 <sup>th</sup> August, 1979	8 <sup>th</sup> December, 2014	31 <sup>st</sup> March, 2015
DIN / PAN No.	00243355	06929024	07140233
Qualification	B.Com, EDP	B.Com, ACA	B.Com, ACS
Expertise in specific Functional	Business	Accounts, Taxation Planning	Legal and Secretarial
Directorship held in other public ltd company	Nil	Nil	1. Radford Global Ltd
Chairmanship/Membership of Committees across other public ltd Company	Nil	Nil	Nil
Relationship between Directors inter-se	Father of Mr. Shyantanu Chokhani	Not Related to any director of the Company	Not Related to any director of the Company
Number of Equity Shares of ` 10 each held in the company by himself or for any other person on a beneficial basis	15,33,587 (20.81%)	Nil	Nil

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

By Order of the Board of Directors  
For Sudal Industries Limited

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Sudarshan Chokhani  
Managing Director



## Boards' Report

TO THE SHAREHOLDERS,

Your Directors have pleasure in presenting the Thirty Sixth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2015.

### I FINANCIAL RESULTS

The Company's performance during the year ended 31<sup>st</sup> March, 2015 as compared to the previous financial year, is summarized below :

( ` in Lacs)

Particulars	For the financial year ended 31 <sup>st</sup> March, 2015	For the financial year ended 31 <sup>st</sup> March, 2014
Total Revenue from Operations	8075.54	7638.32
Earnings before interest, depreciation and tax	331.36	775.20
Less: Interest and Finance Charges	1023.89	515.18
Less: Depreciation	142.69	168.05
Profit/(Loss) Before Taxation	(835.22)	91.97
Less: Provisions for Current Tax	-	0.89
Less: Provision for Deferred Tax	2.97	49.99
Profit/(Loss) after Tax	(838.19)	41.09
Surplus brought forward from previous year	818.91	777.82
Surplus / Loss Carried Forward to Next Year	(19.28)	818.91

### OPERATIONS AND RESULTS

The Company continues to be engaged in the activities pertaining to manufacturing of wide range of Aluminum Extrusions for its various end user industries.

The year under review has been a challenging one for your Company and the Metal Industry as a whole, with several macro headwinds at play. Though the seeds for much needed sustainable economic stability were sown, with a Government enjoying clear majority coming to power at the center, taking various steps for economic revival and the future to be seen with a certain degree of optimism, the Financial Year 2014-15 proved to be a tumultuous one, particularly in the background of;

- Subdued manufacturing growth leading to overall depressed demand;
- High input cost;
- Frequent changes in the prices at London Metal Exchange affecting the local price charging system of primary producers in the country;
- Regulatory uncertainties in captive mining operations.

For the first time since the Financial Year 2003-04 your Company incurred a loss of ` 838.19 Lakhs in the current Financial Year (2014-15) as compared to a profit of ` 41.09 lakhs in the previous Financial Year (2013-14). EBITD fell to ` 331.36 Lakhs as compared to ` 775.20 in the previous Financial Year. However the Company recorded an increase in revenue from operations of ` 8075.54 Lakhs in the current Financial Year (2014-15) from ` 7638.32 Lakhs in the previous Financial Year (2013-14).

The Financial Year 2014 -15 got off to a jittery start with the first half of the year witnessing a muted consumer demand and production cuts, given the backdrop of slow economic growth. Further high indirect input and

finance cost made the operating environment a challenging one.

In the second half of the year under review, the third quarter faced a financial crunch which nearly doubled the working capital requirement of your company. Further lower margin and lower EBIDT impacted interest coverage, thereby increasing the finance cost.

The last quarter of the financial year saw business sentiments improving in the energy sector (which constitutes almost 40% of the user segment in India) and automobile sector, which improved the demand and production margins, thereby the Company witnessed an overall increase in volume as compared to the previous Financial Year. However considering the above factors, the profitability of the company got severely affected.

## II DIVIDEND

Considering the loss in the current financial year, your Directors have not recommended any dividend.

## III TRANSFER TO RESERVES

In view of loss incurred during the year, the Board of Directors has not recommended transfer of any amount to reserves.

## IV REVISION OF FINANCIAL STATEMENT

There was no revision of the financial statements during the year.

## V REPORT ON PERFORMANCE OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

During the year, your Company did not have any subsidiary, associate and joint venture company.

## VI DEPOSITS

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, details of deposits which are not in compliance with the Chapter V of the Act is not required to be furnished.

## VII DISCLOSURES UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013

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

## VIII INTERNAL FINANCIAL CONTROLS

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

## IX SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL

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

## X RELATED PARTY TRANSACTIONS

The details of transactions/contracts/arrangements entered by the Company with related party / parties as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the year, are furnished in Annexure I and forms part of this Report.

## XI PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Full particulars of loans, guarantees, investments and securities provided during the year along with the purposes for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof, has been furnished in Annexure II which forms part of this report.



XII DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

XIII DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013

The Company has not issued any sweat equity shares during the year and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

XIV DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013

The Company has not issued any equity shares under Employees Stock Option Scheme during the year and hence no information as per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

XV DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

During the year there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

XVI MANAGEMENT DISCUSSION AND ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT

Since as per the Audited Accounts of your Company as at 31<sup>st</sup> March, 2014, the paid-up Equity Capital and Net worth of your Company, does not exceed the prescribed limits as stipulated under the Listing Agreement, the Company is not required to furnish Management Discussion and Analysis Report and Corporate Governance Report.

XVII MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year the following appointments were made :

Mr. Jal Thanawal (DIN 06912221) and Mrs. Kamlini Maniar (DIN 06926167) were appointed as Additional Directors categorized as Independent Directors w.e.f 22<sup>nd</sup> July, 2014. Thereafter at the Thirty Fifth Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014, the members of the Company approved the appointment of the said directors as Independent Directors under the Companies Act, 2013, for a period of five years w.e.f. 27<sup>th</sup> September, 2014.

At the said Annual General Meeting held on 27<sup>th</sup> September, 2014, the members also approved appointment of Mr. Manoj Shah (DIN 00453634) as Independent Director, for a period of 5 years w.e.f. 27<sup>th</sup> September, 2014.

Mr. Shyantanu Chokhani, (DIN 02444142) resigned from the office of Joint Managing Director of the Company w.e.f 27<sup>th</sup> September, 2014, and continued as a Non – Executive Director.

As per the recommendation of the Nomination and Remuneration Committee, appointed Mr. Mukesh Ashar, Chief Financial Officer (CFO) of the Company as an additional director of the Company w.e.f 8th December, 2014, and also as Whole -Time Director of the Company with effect from said date

The Board of Directors appointed Mr. Ketan Shirwadkar, an Associate Member of the Institute of Company Secretaries of India (ACS No A37829), as Company Secretary of the Company w.e.f 1st January, 2015, designated as Key Managerial Personnel under section 203 of the Companies Act, 2013 and Rule 8 of the Companies (Management and Administration) Rules, 2014.

As per the provisions of Section 149 of the Companies Act and Clause 49 of the Listing Agreement, the Company needs to have atleast one women director on the Board. In order to comply with these requirements, the Board of Directors appointed Miss. Dimple Nayak (DIN 07140233) as an additional director and women director of the Company, categorized as Independent Director w.e.f. 31<sup>st</sup> March, 2015 and the who shall hold the office till the date of this Annual General Meeting.

The Company has received a notice from a member proposing the candidature of Miss. Dimple Nayak as the Director of the Company. Necessary resolution for appointment of Miss. Dimple Nayak as Director of the Company is included in the Notice of Annual General Meeting. Your Board recommends her appointment.

During the year the following Directors vacated / resigned from their office :

Mr. Chaitan Maniar, (DIN 00034121) Chairman and Non Executive Director, passed away and left for heavenly abode on 29<sup>th</sup> June, 2014. The Board places on record its sincere condolences to Mr. Chaitan Maniar and appreciate the contributions received during his association with the Company.

Mr. Deokinandan Ajitsaria (DIN 00244412) resigned from the office of Non -Executive Director w.e.f. 10<sup>th</sup> July, 2014, due to his poor health. The Board places on record its appreciation for the contributions made by Mr. Deokinandan Ajitsaria.

Mrs. Kamlini Maniar, Independent Director, resigned from the office w.e.f. 6<sup>th</sup> November, 2014 due to her personal reasons.

#### DECLARATIONS BY INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

### XVIII DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

#### BOARD MEETINGS

The Board of Directors met 8 times during the financial year ended 31<sup>st</sup> March 2015 in accordance with the provisions of the Companies Act, 2013 and rules made there under.

The dates on which the Board of Directors met during the financial year are as under :

- Ø 30<sup>th</sup> May, 2014
- Ø 22<sup>nd</sup> July, 2014
- Ø 9<sup>th</sup> August, 2014
- Ø 14<sup>th</sup> August, 2014
- Ø 17<sup>th</sup> October, 2014
- Ø 14<sup>th</sup> November, 2014
- Ø 23<sup>rd</sup> December, 2014
- Ø 14<sup>th</sup> February, 2015

#### DIRECTOR'S RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31<sup>st</sup> March, 2015, the Board of Directors hereby confirms that :

- Ø in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- Ø such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the loss of the Company for that year;
- Ø proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- Ø the annual accounts of the Company have been prepared on a going concern basis;
- Ø internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- Ø proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

#### NOMINATION AND REMUNERATION COMMITTEE

The Remuneration Committee constituted under the provisions of Clause 49 of the Listing Agreement was renamed as Nomination and Remuneration Committee of Directors reconstituted in accordance with the provisions of Section 178 of the Act.



The composition of the said Committee is as under :

Sr. No.	Name of Director	Category
1.	Mr. Jal Thanawala	Independent – N.E.D* (Chairman)
2.	Mr. Manoj Shah	Independent – N.E.D (Member)
3.	Mr. Sudarshan Chokhani	Managing Director (Member)
4.	Mrs. Kamlini Maniar (upto 6th November, 2014)	Independent- N.E.D (Member)
5.	Mr. Shyantanu Chokhani (w.e.f. 14th November, 2014)	Non –Executive Director

\* N.E.D : Non –Executive Director

The Board has in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the policy framed for appointment of and payment of remuneration to the Directors of the Company, are as under :

- Minimum Qualification
- Positive Attributes
- Independence
- Experience

#### AUDIT COMMITTEE

The Audit Committee of Directors constituted under the provisions of Companies Act, 1956 and Listing Agreement confirms the compliance of the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section. The Audit Committee comprises of :

Sr. No.	Name of Director	Category
1.	Mr. Manoj Shah	Independent – N.E.D* (Chairman)
2.	Mr. Jal Thanawala	Independent – N.E.D (Member)
3.	Mr. Sudarshan Chokhani	Managing Director (Member)

\* N.E.D : Non – Executive Director

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Audit Committee.

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company constituted the Stakeholder's Relationship Committee, comprising of :

Sr. No.	Name of Director	Category
1.	Mr. Jal Thanwala	Independent – N.E.D* (Chairman)
2.	Mr. Manoj Shah	Independent – N.E.D (Member)
3.	Mr. Sudarshan Chokhani	Managing Director (Member)

\* N.E.D : Non – Executive Director

The Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

## SHARE TRANSFER COMMITTEE

During the year under review, pursuant to Section 178 of the Companies Act, 2013, the Board of Directors of the Company constituted the Share Transfer Committee, comprising of :

Sr. No.	Name of Director	Category
1.	Mr. Sudarshan Chokhani	Managing Director (Chairman)
2.	Mr. Manoj Shah	Independent – N.E.D* (Member)
3.	Mr. Jal Thanawala	Independent – N.E.D (Member)

\* N.E.D : Non – Executive Director

The Company Secretary acts as the Secretary of the Share Transfer Committee.

## XIX VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy " for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

## XX BUSINESS RISK MANAGEMENT

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual / strategic business plans and in periodic management reviews.

## XXI ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually, as well as the evaluation of all Committees. The manner in which evaluation has been carried out is detailed in Annexure III, which forms part of this Report.

## XXII INTERNAL CONTROL SYSTEMS

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

## XXIII DISCLOSURE UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 AND OTHER DISCLOSURES AS PER RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company during the year has been furnished and marked as Annexure IV.

## XXIV AUDITORS AND REPORTS

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

### OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2015

The observations made by the Statutory Auditors in their report for the financial year ended 31<sup>st</sup> March 2015 read with



the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

#### SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH 2015

As per the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the Company has obtained Secretarial Audit Report from M/s Rathi and Associates, Company Secretaries for the financial year 2014-15 which forms part of this Report (Annexure V). The explanation of the Board under Section 134 (3) of the Companies Act, 2013 for the Comments mentioned in the Secretarial Audit Report are as under :

##### 1) Secretarial Auditors' Comment

The Company has filed certain intimations, to the Stock Exchanges under the Listing Agreement, related to appointment / cessation / change in designation of directors after the stipulated time period.

##### Management Response

Due to inadvertent errors there have been delays in submitting necessary compliance to the Stock Exchanges under the Listing Agreement. Now proper system is in place to ensure timely compliances.

##### 2) Secretarial Auditors' Comment

Certificate under Clause 47(c) of the Listing Agreement for the six months period ended 31<sup>st</sup> March 2014, was submitted to stock exchange after the stipulated time period.

##### Management Response

Due to inadvertent errors there have been delay in submitting necessary compliance to the Stock Exchanges under the Listing Agreement. Now proper system is in place to ensure timely compliances.

##### 3. Secretarial Auditors' Comment

The Audit Committee Chairman did not remain present in the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014.

##### Management Response

Due to sad demise of father of the Chairman of the Company he could not attend the said Annual General Meeting. However, Audit Committee considering the said fact, authorized a person to reply to the queries on the Accounts, if any.

##### 4. Secretarial Auditors' Comment

The Company is in process of updation of its website with the documents required to be uploaded thereon as per the provisions of the Companies Act, 2013 and Listing Agreement.

##### Management Response

Due to technical errors the website of the Company was not operational for some time. However the said problem was since resolved and efforts are being made to make the website fully functional and keep it up to date with the documents required to be uploaded thereon as per the provisions of the Companies Act, 2013 and Listing Agreement.

#### RATIFICATION OF APPOINTMENT OF AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Lodha & Co, Chartered Accountants, (Firm Registration No. 301051E) the Statutory Auditors of the Company have been appointed for a term of 3 Years. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

## COST AUDITORS

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, (including any amendments thereof), as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 31<sup>st</sup> July, 2015 appointed M/s Hemant Shah & Associates, Cost Accountants (Firm Reg No. 000394), as the Cost Auditors of the Company for the Financial Year Ending 31st March, 2016 on a remuneration of ₹ 60,000 (Rupees Sixty Thousand Only) for the applicable Product Groups. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members ratification for remuneration payable to M/s Hemant Shah & Associates, Cost Auditors is included in the Notice convening the Annual General Meeting.

## XXV OTHER DISCLOSURES

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

### EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31<sup>st</sup> March 2015 made under the provisions of Section 92(3) of the Act is attached as Annexure VI which forms part of this Report.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in Annexure VII which forms part of this Report.



## XXVI CORPORATE GOVERNANCE : (Applicable to Companies giving remuneration as per Section II of Schedule V):

PARTICULARS	Mr. Sudarshan Chokhani (Managing Director)	Mr. Shyantanu Chokhani (Jt. Managing Director ) *	Mr. Mukesh Ashar (Whole Time Director) **
A) Elements of Remuneration Package			
Salary	30.00	15.00	2.05
Benefits	-	-	0.12
Bonuses	-	-	0.095
Stock Option	-	-	-
Pension	-	-	-
Total	30.00	15.00	2.265
B) Fixed and Variable Components			
Fixed Component	30.00	15.00	2.265
Performance Linked Incentives	-	-	-
C) Terms of Appointment Service Contract	Appointed for 3 years w.e.f 01/09/2012 to 31/08/2015	Appointed for 3 years w.e.f. 1/11/2013 to 31/10/2016	Appointed for 3 years w.e.f. 08/12/2014 to 07/12/2017
Notice Period	3 months in writing	3 months in writing	3 months in writing
Severance Fees	Monthly Salary calculated for such no. of years or pay for such no. of months by which the notice falls short of the required no. of months	Monthly Salary calculated for such no. of years or pay for such no. of months by which the notice falls short of the required no. of months	Monthly Salary calculated for such no. of years or pay for such no. of months by which the notice falls short of the required no. of months
D) Stock Option Details if Any	-	-	-

\* Mr. Shyantanu Chokhani resigned from the office of Joint Managing Director w.e.f. 27<sup>th</sup> September, 2014

\*\* Mr. Mukesh Ashar appointed as a Whole Time Director w.e.f. 8<sup>th</sup> December, 2014

## XXIX ACKNOWLEDGMENTS AND APPRECIATION

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

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

By Order of the Board of Directors  
For Sudal Industries Limited

Sudarshan Chokhani  
Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Mukesh V. Ashar  
CFO and Director

ANNEXURE I  
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

During the year under review all the material contracts/arrangements/ transactions were on arm's length basis.

1. Details of material contracts or arrangement or transactions at arm's length basis :

Name(s) of the related party and nature of relationship	M/s Sudarshan Chokhani & Co. (Partnership Firm)	M/s Shriram Chokhani & Co. (Partnership Firm)	M/s Sudarshan Chokhani & Co. (Partnership Firm)	M/s Shriram Chokhani & Co. (Partnership Firm)	Mr. Shyantanu Chokhani (Non- Executive Director )
Nature of contracts/ arrangements/ transactions	Contract to purchase raw materials (i.e., billets, ingots and Scrap) under section 188 (1)(a)	Contract to purchase raw materials (i.e., billets, ingots and Scrap) under section 188(1)(a)	Contract to lease Commercial Premises Being Office Space under Section 188(1)(c)	Contract to lease Commercial Premises Being Office Space under Section 188(1)(c)	Appointment of Related Party to office or Place of Profit under Section 188(1)(f)
Duration of the contracts / arrangements/ transactions	Five years w.e.f. 1 <sup>st</sup> April, 2014	Five years w.e.f. 1 <sup>st</sup> April, 2014	One year w.e.f. 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015 and which shall be subject to renewal on fresh terms and conditions on year to year basis	One year w.e.f. 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015 and which shall be subject to renewal on fresh terms and conditions on year to year basis	Three Years w.e.f. 1 <sup>st</sup> January, 2015
Salient terms of the contracts or arrangements or transactions including the value, if any	For each financial year Transaction value shall not be more than 10% of the gross turnover as on the last date of the previous financial year	For each financial year transaction value shall not be more than 10% of the gross turnover as on the last date of the previous financial year.	The Company shall pay a Lease Deposit in Lieu of Rent, at the commencement date of the lease i.e. 1 <sup>st</sup> April, 2015, which shall be receivable at the time of expiry / termination of the lease period.	The Company shall pay a Lease Deposit in Lieu of Rent, at the commencement date of the lease i.e. 1 <sup>st</sup> April, 2015, which shall be receivable at the time of expiry / termination of the lease period.	Appointment of Mr. Shyantanu Chokhani – Non Executive Director (Son of Mr. Sudarshan Chokhani – Managing Director of the Company) as Advisor Marketing and Business Development.
Date(s) of approval by the Board, if any	At the meeting of the Board, held on 30 <sup>th</sup> May, 2014	At the meeting of the Board, held on 30 <sup>th</sup> May, 2014	At the meeting of the Board held on 30 <sup>th</sup> May, 2014	At the meeting of the Board held on 30 <sup>th</sup> May, 2014	At the meeting of the Board, held on 14 <sup>th</sup> February, 2015
Amount paid as advances, if any	-	-	-	-	-

Registered Office  
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Mumbai Nashik Highway, Nashik-422 010

By Order of the Board of Directors  
For Sudal Industries Limited

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Sudarshan Chokhani      Mukesh V. Ashar  
Managing Director      CFO and Director



## ANNEXURE II

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details for loans & investments :

(Amount In `)

Name of the party	Nature & Purpose of transactions	Amount at the beginning of the year	Transactions during the year	Balance at the end of the year
The Nashik Merchants Co. Op Bank Limited	Purchase of Equity Shares of the Bank for availing cash credit limit (Trade Investment)	-	4000	4000

During the year under review the Company did not give any loans or guarantees.

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By Order of the Board of Directors  
For Sudal Industries Limited

Sudarshan Chokhani  
Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Mukesh V. Ashar  
CFO and Director

ANNEXURE III

STATEMENT ON MANNER OF EVALUATION OF BOARD OF DIRECTORS, COMMITTEE AND INDIVIDUAL DIRECTORS :

Pursuant to the provisions of the Companies Act, 2013, the Board carried out the annual performance evaluation of its own performance, all the directors individually, as well as the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Share Transfer Committee of the Board. A Policy named as "Nomination, Remuneration and Performance Evaluation Policy" with structured questionnaire was prepared after taking into consideration inputs received from directors. (Policy is uploaded on the website of the Company [www.sudal.co.in](http://www.sudal.co.in)).

A separate exercise was carried out to evaluate the performance of individual directors on the parameters set out in the policy. The performance evaluation of Independent Directors was carried out by the entire Board based on parameters such as qualification, skills and knowledge, leadership qualities, compliance with ethical standards and code of conduct of the Company etc.

The independent directors at a separate meeting carried out the performance evaluation of Non-Executive Directors, Board as a whole and the Audit, Nomination & Remuneration, Stakeholders Relationship and Share Transfer Committees of the Board. The quality, quantity and timeliness of flow of information between the Company management and Board were also evaluated.

Performance of Non – Executive Directors was evaluated on parameters such as Qualification, leadership skills, steps initiated towards business development, steps initiated towards branding of the Company, exercising duties diligently, etc.

Performance of the Board as a whole was evaluated on parameters such as composition with right mix of skills and knowledge, whether the board receives regular updates on production, marketing and financials and takes all necessary steps to ensure that the operations of the organization are sound and reviews the organizations performance in carrying out a stated mission on a regular basis, whether Board Meetings are conducted in a manner that encourages open communication, meaningful discussions and timely resolution of issues, members of the Board meets applicable independence requirement, etc.

Performance of the Committees of the Board were evaluated on parameters such as efficiency and effectiveness of the systems in the Company, consideration of matters and concerns raised by the members in the meeting, committees accomplishments with respect to performance objectives, redressal of complaints and grievances, co-ordination with other Committees and Board, adherence to companies policies and internal procedures etc.

On a whole, all the directors expressed their satisfaction with the evaluation process.

Registered Office  
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Mumbai Nashik Highway, Nashik-422 010

By Order of the Board of Directors  
For Sudal Industries Limited

Sudarshan Chokhani  
Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Mukesh V. Ashar  
CFO and Director



## ANNEXURE IV

DISCLOSURE FOR RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND OTHER DETAILS AS PER RULE 5 OF THE COMPANIES (APPOINTMENT & REMUNERATION) RULES, 2014

I. Median Remuneration : ` 3,00,000/- Per Annum

II. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the Financial Year 2014-15, the percentage increase in remuneration of Chief Financial Officer and other Executive Director and Company Secretary during the Financial Year 2014-15 :

Sr. No.	Name of Director /KMP	Designation	Ration of Remuneration of each Director to median remuneration of Employees	Percentage Increase in Remuneration
1.	Mr. Sudarshan Chokhani	Managing Director	10:1	NIL
2.	Mr. Shyantanu Chokhani *	Joint – Managing Director	10:1	NIL
3.	Mr. Mukesh Ashar**	Whole – time Director and CFO	2.26:1	NIL
4.	Mr. Ketan R. Shirwadkar	Company Secretary	N. A.	NIL

\* Mr. Shyantanu Chokhani resigned from the office of Joint Managing Director w.e.f. 27<sup>th</sup> September, 2014

\*\* Mr. Mukesh Ashar was appointed as Whole – Time Director w.e.f. 8<sup>th</sup> December, 2014

Note:

- The Non Executive Directors of the Company are entitled to receive sitting fees in accordance with the limit specified. The details of remuneration of Non-Executive directors are provided in the Extract of Annual Return forming part of the Board Report. The Ratio of remuneration and percentage increase for the Non Executive Directors Remuneration is therefore not considered for the above purpose.
- Employee for the above purpose includes all employees excluding employees covered under collective bargaining.

III. The percentage increase in the median remuneration of employees in the financial year :  
During the year there was no increase in the median remuneration of employees.

IV. The Company has 62 permanent Employees on the rolls of Company as on 31<sup>st</sup> March, 2015.

V. Explanation on the relationship between average increase in remuneration and the Company's performance : Not Applicable (During the year there was no increase in remuneration of Employees and Executive Directors)

VI. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company : The increase in remuneration of the Key Managerial Personnel is decided on the parameters set out in the Nomination, Remuneration and Performance Evaluation Policy of the Company, which is directly linked to individual performances as well as the performance of the Business. Even though the Key Managerial Personnel performing satisfactorily during the year, the poor performance of the Company resulting in decrease in EBIDT to ( ` 331.36 Lakhs) as compared to the previous Financial Year ( ` 775.20 Lakhs) and the company recording a loss of ` 833.19 Lakhs for the first time since the Financial year 2003-04, there was no increase in the remuneration of the Key Managerial Personnel.

VII. The market capitalization of the Company as on 31<sup>st</sup> March, 2015 was Rs. 736.78 Lakhs as compared to ` 844.06 Lakhs as on 31<sup>st</sup> March, 2014. The price earning ratio of the Company was (0.84) as at 31<sup>st</sup> March, 2015 and was 15.87 at 31<sup>st</sup> March, 2014. The closing share price of the Company at BSE limited as on 31<sup>st</sup> March, 2015 being ` 10 per equity share of face value of ` 10/- each which has been on par since the last public offer made in the year 1995 (Right issue at Par to the Existing Shareholders).

VIII. 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 : Not applicable (There was no increase in the salaries of employees during the year).

IX. The key parameters for variable component of remuneration availed by the directors : Nil

X. 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 : Not Applicable

It is hereby affirmed that the remuneration for the year is as per the remuneration policy of the Company :

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

By Order of the Board of Directors  
For Sudal Industries Limited

Sudarshan Chokhani  
Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Mukesh V. Ashar  
CFO and Director



## ANNEXURE - V

Form No. MR-3

## SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To  
The Members,  
Sudal Industries Limited  
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sudal 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.

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 the 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 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder *except as stated otherwise*, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sudal Industries Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2015 as given in the Annexure I, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came into effect from 12<sup>th</sup> September, 2013 and sections and Rules notified and came into effect from 1<sup>st</sup> April, 2014;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period);
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during the Audit period);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the Audit period);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the Audit period);
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and (Not applicable to the Company during the Audit period);
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit period);

We have relied on the representation made by the Company and its Officers for systems and mechanism devised by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure II.

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the remarks and observations viz.

- 1. The Company has filed certain intimations, to the Stock Exchanges under the Listing Agreement, related to appointment / cessation / change in designation of directors after the stipulated time period.
- 2. Certificate under Clause 47(c) of the Listing Agreement for the six months period ended 31<sup>st</sup> March 2014, was submitted to stock exchange after the lapse stipulated time period.
- 3. The Audit Committee Chairman did not remain present in the Annual General Meeting of the Company held on 27<sup>th</sup> September, 2014.
- 4. The Company is in process of updation of its website with the documents required to be uploaded thereon as per the provisions of the Companies Act, 2013 and Listing Agreement.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that 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, rules, regulations and guidelines.

We further report that during the year under report, the Company has not undertaken any event/action which would have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For RATHI & ASSOCIATES  
COMPANY SECRETARIES

JAYESH SHAH  
PARTNER  
FCS No. 5637  
C.P. No.2535

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

ANNEXURE VI

## MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2015

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

## I REGISTRATION AND OTHER DETAILS

CIN	:	L21541MH1979PLC021541
Registration Date	:	08/08/1979
Name of the Company	:	Sudal Industries Limited
Category / Sub-Category of the Company	:	Public Limited Company
Address of the Registered office and contact details	:	A-5, MIDC, Ambad Industrial Area, Mumbai – Nashik Highway, Nashik – 422 010, Maharashtra
Contact No.	:	2382396/65
Whether listed company	:	Yes
Name, Address and Contact Details Of Registrar And Transfer Agent, If Any:	:	Sharepro Services (India) Private Limited 13AB, Samitha Warehousing Complex, 2 <sup>nd</sup> Floor, Saki Naka Tel. Exchange Road, Saki Naka, Andheri (east), Mumbai – 400 072 Tel No. -91-22-67720300/67720400 Fax No: 91-22-28591568 Email- Sharepro@shareproservices.com

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
1	Aluminum Extrusions	27203	92.57%

## III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

During the year your Company did not have any Holding, Subsidiary and Associate Companies.

## IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(A) 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	2992512	0	2992512	45.98	3852512	0	3852512	52.29	6.31
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	790488	0	790488	12.15	790488	0	790488	10.73	(1.42)
e) Banks / FI									
f) Any other									
Sub-total(A)(1):	3783000	0	3783000	58.13	4643000	0	4643000	63.02	4.89
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0.00
b) Other – Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks / FI	0	0	0	0	0	0	0	0	0.00
e) Any other	0	0	0	0	0	0	0	0	0.00
Sub-total (A)(2):	0	0	0	0	0	0	0	0	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	3783000	0	3783000	58.13	4643000	0	4643000	63.02	4.89
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	50	50	0.00	0	50	50	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):	0	50	50	0.00	0	50	50	0.00	0.00



## (A) CATEGORY-WISE SHARE HOLDING: (CONTD.)

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) Non-Institutions									
a) Bodies Corp.									
i) Indian	312358	8872	321230	4.94	318498	8872	327370	4.44	(0.50)
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	925243	613408	1538651	23.64	980780	599517	1580297	21.45	(2.19)
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	501391	11200	512591	7.88	452498	11200	463698	6.29	(1.59)
c) Others (specify)									
Foreign Body Corporate	325300	0	325300	5.00	325300	0	325300	4.42	(0.58)
Non Residential Individual	26421	575	26996	0.41	27528	575	28103	0.38	(0.03)
Any other									
(Non Domestic Cos.)	0	0	0	0	0	0	0	0	0
Sub-total(B)(2):	2090713	634055	2724768	41.87	2104604	620164	2724768	36.98	(4.89)
Total Public Shareholding (B)=(B)(1)+(B)(2)	2090713	634105	2724818	41.87	2104604	620214	2724818	36.98	(4.89)
C. Shares held by									
Custodian for									
GDRs & ADRs	0	0	0	0	0	0	0	0	
Grand Total (A+B+C)	5873713	634105	6507818	100.00	6747604	620214	7367818	100.00	0.00

Note: On 9<sup>th</sup> August, 2014, the Company allotted 860,000 shares to Mrs. Renu Chokhani (Promoter) by conversion of 860,000 warrants issued on preferential basis. Post allotment the paid -up capital of the Company increased to 7367818 from 6507818. Hence the difference in % of total shares of Company.

(B) SHAREHOLDING OF PROMOTER

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mr. Sudarshan Chokhani	1533587	23.57%	0.00	1533587	20.81%	0.00	(2.76%)
2	Mr. Shyantanu Chokhani	1218200	18.72%	0.00	1218200	16.53%	0.00	(2.19%)
3	Mrs. Renu Chokhani	240725	3.70%	0.00	1100725	14.94%	0.00	11.24%
4	Sudal Enterprises Pvt. Ltd	790488	12.15%	0.00	790488	10.73%	0.00	(1.42%)
	Total	3783000	58.13%	0.00	4643000	63.02%	0.00	4.89%

Note: On 9<sup>th</sup> August, 2014, the Company allotted 860,000 shares to Mrs. Renu Chokhani (Promoter) by conversion of 860,000 warrants issued on preferential basis. Post allotment the paid -up capital of the Company increased to 7367818 from 6507818. Hence the difference in % of total shares of Company.

V CHANGE IN PROMOTERS SHARE HOLDING

Sl No.	Particulars	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.	Mrs. RENU CHOKHANI At the beginning of the year Allotment of 8,60,000 Equity Shares on 9th August 2014 by conversion of warrants issued on preferential basis At the End of the year	240725 860000 1100725	3.70%  14.94%	240725 1100725 1100725	3.70% 14.94% 14.94%
2.	Mr. SUDARSHAN CHOKHANI At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) At the End of the year	1533587  No Change 1533587	23.57  20.81	1533587  1533587	23.57  20.81
3.	Mr. SHYANTANU CHOKHANI At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) At the End of the year	1218200  No Change 1218200	18.72  16.53	1218200  1218200	18.72  16.53
4.	SUDAL ENTERPRISES PRIVATE LIMITED At the beginning of the year Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc) At the End of the year	790488  No Change 790488	12.15  10.73	790488  790488	12.15  10.73

Note: On 9<sup>th</sup> August, 2014, the Company allotted 860,000 shares to Mrs. Renu Chokhani (Promoter) by conversion of 860,000 warrants issued on preferential basis. Post allotment the paid -up capital of the Company increased to 7367818 from 6507818. Hence the difference in % of total shares of Company.



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

SI No.	Particulars of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	REYNOLDS INTERNATIONAL INC				
	At the beginning of the year	325300	5.00	325300	5.00
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year ( or on the date of separation, if separated during the year)	325300	4.42	325300	4.42
2	MADHUMILAN CREDIT CAPITAL PVT. LTD				
	At the beginning of the year	135100	2.08	135100	2.08
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year ( or on the date of separation, if separated during the year)	135100	1.83	135100	1.83
3	SUMAN VINOD GOYANKA				
	At the beginning of the year	89244	1.37	89244	1.37
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year ( or on the date of separation, if separated during the year)	89244	1.21	89244	1.21
4	MAHENDRA GIRDHARILAL				
	At the beginning of the year	26571	0.41	26571	0.41
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shares Purchased 04/04/2014 – 74 11/04/2014 – 600 18/04/2014 – 1695 12/09/2014 – 1000 09/01/2015 – 3690 16/01/2015 – 300 06/02/2015 – 1000 20/02/2015 – 2000 06/03/2015 – 128 13/03/2015 – 4222 20/03/2015 – 10689 27/03/2015 – 9245 31/03/2015 – 2000 Shares Sold Nil	0.001 0.009 0.026 0.014 0.05 0.004 0.014 0.027 0.002 0.057 0.15 0.13 0.027	26645 27245 28940 29940 33630 33930 34930 36930 37058 41280 51969 61214 63214	0.41 0.42 0.44 0.41 0.46 0.46 0.47 0.5 0.5 0.56 0.71 0.83 0.86
	At the End of the year ( or on the date of separation, if separated during the year)	63214	0.86	63214	0.86

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

SI No.	Particulars of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
5	SUSHIL FINANCIAL SERVICES PVT. LTD (BEN A/C)				
	At the beginning of the year	39761	0.61	39761	0.61
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shares Purchased 25/04/2014 – 850 16/05/2014 – 542 23/05/2014 – 200 30/05/2014 – 1667 20/06/2014 – 706 30/06/2014 – 1014 Shares Sold Nil	0.013 0.008 0.003 0.026 0.011 0.016	40611 41153 41353 43020 43726 44740	0.62 0.63 0.64 0.66 0.67 0.69
	At the End of the year ( or on the date of separation, if separated during the year)	44740	0.61	44740	0.61
6	SUNIL KUMAR GUPTA				
	At the beginning of the year	52000	0.80	52000	0.80
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shares Purchased Nil Shares Sold 30/05/2014 – (5000) 06/06/2014 – (2000) 13/06/2014 – (2500) 05/12/2014 – (50) 19/12/2014 – (150) 13/02/2015 – (755)	0.08 0.03 0.04 0 0.002 0.01	47000 45000 42500 42450 42300 41545	0.72 0.69 0.65 0.58 0.57 0.56
	At the End of the year ( or on the date of separation, if separated during the year)	41545	0.56	41545	0.56
7	DHARMENDRA RATILAL DOSHI				
	At the beginning of the year	4420	0.07	4420	0.07
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shares Purchase 11/04/2014 – 121 18/04/2014 – 134 25/04/2014 – 880 02/05/2014 – 965 30/06/2014 – 18551 01/08/2014 – 401 31/03/2015 – 14528 Shares Sold Nil	0.002 0.002 0.012 0.015 0.29 0.006 0.20	4541 4675 5555 6520 25071 25472 40000	0.07 0.07 0.09 0.10 0.39 0.39 0.54
	At the End of the year ( or on the date of separation, if separated during the year)	40000	0.54	40000	0.54



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

Sl No.	Particulars of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
8	NINJA SECURITIES PRIVATE LIMITED				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shares Purchased 09/01/2015 – 27605 06/02/2015 – 5554 27/02/2015 – 505 13/03/2015 – 2733 27/03/2015 – 1 Shares Sold Nil	0.37 0.08 0.07 0.037 0	27605 33159 33664 36397 36398	0.37 0.45 0.46 0.49 0.49
	At the End of the year ( or on the date of separation, if separated during the year)	36398	0.49	36398	0.49
9	TAPAN MAHARISHI				
	At the beginning of the year	32900	0.51	32900	0.51
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year ( or on the date of separation, if separated during the year)	32900	0.45	32900	0.45
10	MUKESH N BHAYANI				
	At the beginning of the year	23550	0.36	23550	0.36
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year ( or on the date of separation, if separated during the year)	23550	0.32	23550	0.32
11	DEEPINDER SINGH POONIAN*				
	At the beginning of the year	110831	1.70	110831	1.70
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	Shares Purchased 23/05/2014 – 10906 Shares Sold 09/01/2015 – (121737)	0.17 1.65	121737 0	1.87 0
	At the End of the year ( or on the date of separation, if separated during the year)	0	0	0	0

\* Not in the list of Top 10 shareholders as on 31-03-2015. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2014.

Note: On 9<sup>th</sup> August, 2014, the Company allotted 860,000 shares to Mrs. Renu Chokhani (Promoter) by conversion of 860,000 warrants issued on preferential basis. Post allotment the paid -up capital of the Company increased to 7367818 from 6507818. Hence the difference in % of total shares of Company.

## VII SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, apart from Mr. Sudarshan Chokhani, Promoter of the Company & Managing Director, Designated as Key Managerial Personnel and Mr. Shyantanu Chokhani, Promoter of the Company & Non Executive Director (Related), whose shareholding details are given above, none of the Directors and Key Managerial Personnel holds any shares in the Company.

## VIII INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(` In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3606.28	-	394.40	4000.68
ii) Interest due but not paid	20.91	-	-	20.91
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	3627.19	-	394.40	4021.59
Change in Indebtedness during the financial year				
Addition	1907.20	-	406.00	2313.20
Reduction	1133.28	-	58.26	1191.54
Net Change	773.92	-	347.74	1121.66
Indebtedness at the end of the financial year				
i) Principal Amount	4284.00	-	735.22	5019.22
ii) Interest due but not paid	117.11	-	35.10	152.21
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	4401.11	0	770.32	5171.43



## IX REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER

(` In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		SUDARSHAN CHOKHANI (MANAGING DIRECTOR)	SHYANTANU CHOKHANI (JOINT MANAGING DIRECTOR UPTO 27.09.2014 )	MUKESH ASHAR (WHOLE TIME DIRECTOR w.e.f. 08.12.2014)	
1	Gross salary	30.00	15.00	2.26	47.26
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	30.00	15.00	2.26	47.26
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	30.00	15.00	2.26	47.26
	Ceiling as per the Act	30.00	30.00	42.00	

Note: The Appointment and Remuneration of Mr. Sudarshan Chokhani, Managing Director and Mr. Shyantanu Chokhani, Joint Managing Director, for a period of three years was approved at the 33<sup>rd</sup> Annual General Meeting and 34<sup>th</sup> Annual General Meeting, respectively, in accordance with the provisions of Part II, Section II of Schedule XIII of the Companies Act, 1956. Since the existing tenure of Mr. Sudarshan Chokhani and Mr. Shyantanu Chokhani was falling in the year 2014-15, and considering the inadequate profit the remuneration paid to them was as per the provisions of schedule XIII of the Companies Act, 1956.

Considering the inadequate profit, remuneration paid to Mr. Mukesh Ashar was determined as per the provisions of Part II Section II of Schedule V of the Companies Act, 2013.

REMUNERATION TO OTHER DIRECTORS

(` In Lakhs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Manoj Shah (Independent Director)	Mr. Jal Thanawala (Independent Director)	Mr. Shyantanu Chokhani (Non Executive Director w.e.f 27th September, 2014)	
1.	Independent Directors				
	• Fee for attending board / committee meetings	0.42	0.345	-	0.765
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	0.42	0.345	-	0.765
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings-	-	-	0.135	0.135
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)-	-	-	0.135	0.135
	Total (B)=(1+2)	0.42	0.345	0.135	0.90
	Total Managerial Remuneration				47.26
	Overall Ceiling as per the Act	N.A.	N.A.	N.A	N.A.

Overall ceiling as per Section 198 of the Act is not applicable, since;

Due to inadequacy of profits the remuneration paid to Mr. Sudarshan Chokhani and Mr. Shyantanu Chokhani for the Financial Year 2014-15 was in accordance with the provisions of Section II Part II of Schedule XIII of the Companies Act, 1956, as explained above and in case of Mr. Mukesh Ashar it was paid on the basis of Section II Part II of Schedule V of the Companies Act, 2013.



## REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ In Lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Ketan Shirwadkar (Company Secretary w.e.f 1 <sup>st</sup> January, 2015)	Mr. Mukesh Ashar (Chief Financial Officer)	
1	Gross salary	1.05	4.51	5.56
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please			
	specify	-	-	-
	Total	1.05	4.51	5.56

\* Mr. Mukesh Ashar is appointed as an Whole – Timed Director w.e.f 8<sup>th</sup> December, 2014 and who shall continue to be the Chief Financial Officer of the Company in terms of the provisions of Section 203 of the Companies Act, 2013. Hence he has been paid remuneration as Chief Financial Officer designated as KMP for the first 8 Months of the Financial Year 2014-15 and thereafter for the remaining 4 Months the remuneration paid to him is in the capacity of Whole Time Director.

## X PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year under review there were no penalties, punishment or compounding of offences imposed against the Company, its directors and other officers.

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

By Order of the Board of Directors  
For Sudal Industries Limited

Sudarshan Chokhani  
Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Mukesh V. Ashar  
CFO and Director

ANNEXURE VII

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS), RULES 2014

(A) CONSERVATION OF ENERGY

(1) Measures taken to Conserve Energy

a)	Stop press v15 HP seal pump & drive seal pump on 200 HP motor second end shaft	To reduce electricity consumption
b)	Installed 100 HP VFD for press 2 second main pump	To reduce electricity consumption
c)	Use of CBFS (Carbon Black Feed Stock) in place of furnace oil	To reduce fuel cost
d)	Use of LNG (Liquified Natural Gas) in place of LPG	To reduce fuel cost
e)	Electrical power purchase through open access	To reduce cost of power per unit
f)	To buy maximum readymade billets of required extrusion alloys from primary producers	To reduce cost of production, energy conservation & recovery.

(2) Measures taken to Conserve Energy

a)	Installation of air control valve at air line of billet heating furnace V	To reduce LPG consumption
b)	Installation of ratio control valve to homogenizing furnace	To reduce LPG consumption
c)	Replace billet heater 3 existing 15 HP blower with 7.5 HP blower	To reduce electricity consumption
d)	Installation of 300 HP drive to press 5 second pump and 150 HP drive to press 3 second pump	To reduce electricity consumption



## FORM A

## Disclosure of particulars with respect to conservation of energy

Sr No.	Particulars	Current Year 2014-15	Previous Year 2013-14
A	Power and Fuel Consumption		
	1. Electricity		
	A) Purchased (Units)	31,70,512	30,06,312
	(Total Amount `)	2,51,57,874	2,36,46,654
	(Average rate/Unit-`)	7.93	7.87
	B) Own Generation		
	(i) Through Diesel Generator (Units)	--	--
	Units/litres of Diesel Oil	--	--
	(cost/Unit-`)	--	--
	(ii) Through Gas (Units- Kgs)		
	(Total Amount `)	--	--
	Cost per Kg	--	--
	2. Gas		
	Purchased units	3,61,360	3,24,355
	(Total Amount `)	2,13,51,150	2,21,84,896
	Cost per Kg	59.09	68.40
	3. Coal (Specify Quantity & where used)		
	Qty (Tons)	--	--
	(Total cost `)	--	--
	(Average Rate/Ton- `)	--	--
	4. Furnace Oil		
	(Quantity-Kg)	5,56,120	4,25,355
	Total Amount-`)	2,01,49,215	1,64,40,638
	(Average rate/Kg-`)	36.23	38.65
	5. Other (Internal Generation)		
	(Quantity)	--	--
	(Total Cost)	--	--
	(Average cost/Unit-`)	--	--
B	Consumption per ton of production		
	- Electricity		
	- Furnace Oil (Units)	759.97	760.16
	Aluminium Billets (For casting) (Kgs)	107.64	96.52
	Alloy		
	Coal		
	Others (Specify)		

(B) TECHNOLOGY ABSORPTION

Efforts made towards technology absorption	For the year under review no new efforts were made						
Benefits derived like product improvement, cost reduction, product development or import substitution	No benefits derived						
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):							
Details of technology imported	No technology imported						
Year of import	-						
Whether the technology has been fully absorbed	Technical assistance for extrusion die.						
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Design, manufacturing and correction. Extrusion ageing homogenizing etc., maintenance practices recommended by Reynolds, Germany have been put to practices as per the training to engineer of the Company.						
Expenditure incurred on Research and Development	<p style="text-align: right;">(` in Lacs)</p> <table> <tr> <td>Capital</td><td></td></tr> <tr> <td>Recurring</td><td style="text-align: right;">20.88</td></tr> <tr> <td>Total</td><td style="text-align: right;">20.88</td></tr> </table> <p>Total R &amp; D expenditure as a Percentage of Turnover 0.25% (Approx.)</p>	Capital		Recurring	20.88	Total	20.88
Capital							
Recurring	20.88						
Total	20.88						

(C) Foreign exchange earnings and Outgo:

The Company is exploring the possibility of export of its products. However, exports are not competitive with that of the domestic market.

The required information in respect of foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended 31st March, 2015

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

By Order of the Board of Directors  
For Sudal Industries Limited

Sudarshan Chokhani  
Managing Director

Place: Mumbai  
Date: 31<sup>st</sup> July, 2015

Mukesh V. Ashar  
CFO and Director



# Independent Auditors' Report

To  
The Members of Sudal Industries Limited

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Sudal Industries Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

## Management's Responsibility for the Standalone 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 standalone 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 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 standalone 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 thereunder.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 standalone financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31<sup>st</sup> March,

2015, and its loss and its cash flows for the year ended on that date.

#### Emphasis of Matter

Inventory of "Stores & Spares" includes specialized Dies of ₹ 26,99,10,000 as at 31<sup>st</sup> March, 2015 (Previous year ₹ 13,73,07,358). The Valuation of these dies is based on a report of the Registered Government Valuer and Chartered Engineer considering its residual useful life, and relied upon by us, being a technical matter.

Our opinion is not qualified in respect of aforesaid matter.

#### Report on Other Legal and Regulatory Requirements

- (i) As required by the Companies (Auditor's Report) Order, 2015 issued by the Central Government of India in terms of Section 143 (11) of the Companies Act, 2013 (hereinafter referred to as "the Act"), we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- (ii) 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 standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) 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 does not have any pending litigation which would impact its financial position ;
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For LODHA & CO.  
Chartered Accountants  
ICAI Firm Registration Number :301051E

R.P. Baradiya  
Partner  
Membership No. 44101

Mumbai  
26<sup>th</sup> May, 2015



## Annexure to the Independent Auditors' Report

Annexure referred to in paragraph "Report on Other Legal and Regulatory Requirements" of our report of even date on the Financial Statements as at and for the year ended March 31, 2015 of Sudal Industries Limited :

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All the fixed assets have been physically verified by the management in a phased periodical manner which is reasonable considering the size and nature of its business. No material discrepancies were noticed on such verification.
- (ii) (a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified by the management with reference to the confirmations received from them and/or subsequent receipt of goods.
- (b) The procedures for physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material considering the operations of the Company and have been properly dealt with in the books of accounts.
- (iii) During the year, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanations that some of the items of fixed assets are of special nature and suitable alternative source may not always exist for obtaining comparable quotations, *the internal control system needs to be strengthened in relation to Internal Audit* with regard to the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) No deposits within the meaning of directives issued by the Reserve Bank of India and Sections 73 to 76 or any other provisions of the Companies Act, 2013 and rules framed thereunder have been accepted by the Company.
- (vi) On the basis of records produced, we are of the opinion that, prima facie, the cost records and accounts prescribed by the Central Government under section 148(1) of the Act have been maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing undisputed statutory dues, including Provident Fund, employee's state insurance, income tax, sales tax, wealth tax, sales tax, service tax, Duty of customs, Duty of excise, value added tax, Cess and other material statutory dues applicable to the Company with the appropriate authorities during the year. There were no undisputed amount payable on account of the above dues, outstanding as on March 31, 2015 for a period of more than six months from the date they became payable except the following:

Nature of Due	Amount in `	
Local Body Tax (LBT)	8,18,975	Since Paid

- (b) According to information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, Duty of customs or Duty of Excise or value added tax or Cess, during the year which have not been deposited on account of any disputes.

- (c) There are no amounts required to be transferred, to the investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 and rules made thereunder.
- (viii) The Company has accumulated losses at the end of the financial year. The Company has incurred cash losses during the financial year but not in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has defaulted in repayment of dues to banks as per details given below:

- (a) There has been a continuing default as on the Balance Sheet date from September 2014 till March 2015 of loans and interest as under : (Amount in `)

Particulars	Principal	Interest
Term Loan	96,25,000	21,86,144
Working Capital Term Loan	-	1,15,80,349
Total	96,25,000	1,37,66,493

As explained, the Restructuring of the loans is under consideration.

- (b) During the year, the Company has defaulted in payment of Purchase Receivable Finance Scheme amounting to ` 9,22,10,133. The same has been regularized by the financial institution by converting it into Working Capital Term Loan.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xi) Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing standards in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For LODHA & CO.  
Chartered Accountants  
ICAI Firm Registration Number :301051E

R.P. Baradiya  
Partner  
Membership No. 44101

Mumbai  
26<sup>th</sup> May, 2015

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	Note No.	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
<b>I. EQUITY AND LIABILITIES</b>					
(1) Shareholders' funds:					
(a) Share capital	1	73,678,180		65,078,180	
(b) Reserves and surplus	2	108,317,225		209,651,480	
(c) Money received against share warrants		-		4,085,000	
			181,995,405		278,814,660
(2) Non-current liabilities:					
(a) Long-term borrowings	3	232,047,198		147,366,334	
(b) Deferred tax liabilities (Net)	4	46,984,656		46,687,365	
(c) Other Long-term liabilities	5	52,041,098		47,100,273	
			331,072,952		241,153,972
(3) Current liabilities:					
(a) Short-term borrowings	6	257,653,751		135,685,393	
(b) Trade payables	7	52,856,569		157,520,820	
(c) Other current liabilities	8	51,082,250		40,173,152	
(d) Short-term provisions	9	9,161,579		10,598,688	
			370,754,149		343,978,053
<b>Total</b>			<b>883,822,506</b>		<b>863,946,685</b>
<b>II. ASSETS</b>					
(1) Non-current assets:					
(a) Fixed Assets	10				
(i) Tangible assets		274,990,062		319,718,001	
(ii) Intangible assets		314,303		1,252,204	
(iii) Capital work-in-progress		23,640,629		20,813,483	
(b) Non-current investments	11	7,500		4,500	
(c) Long-term loans and advances	12	3,163,540		3,226,196	
			302,116,034		345,014,384
(2) Current assets:					
(a) Inventories	13	369,475,412		249,668,751	
(b) Trade receivables	14	100,953,631		185,412,931	
(c) Cash and Bank balances	15	17,206,763		1,447,217	
(d) Short-term loans and advances	16	20,493,282		23,253,467	
(e) Other current assets	17	73,577,384		59,149,935	
			581,706,472		518,932,301
<b>Total</b>			<b>883,822,506</b>		<b>863,946,685</b>
Significant Accounting Policies and accompanying notes forming integral part of the financial statements	A,B (1 to 42)				

As per our attached report of even date

For and on behalf of the Board of Directors

For Lodha & Co.  
Chartered Accountants  
ICAI Firm Registration No. 301051E

Sudarshan S. Chokhani  
Managing Director

R.P. Baradiya  
Partner

Ketan R. Shirwadkar  
Company Secretary

Mukesh V. Ashar  
CFO and Director

Mumbai : 26<sup>th</sup> May, 2015Mumbai : 26<sup>th</sup> May, 2015

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	Note No.	For the year ended 31 <sup>st</sup> MARCH, 2015		For the year ended 31 <sup>st</sup> March, 2014	
I Revenue From Operation (Gross)	18	906,195,027		847,005,626	
Less: Excise Duty		98,655,851		83,455,986	
Revenue From Operation (Net)			807,539,176		763,549,640
II Other Income	19		14,744		281,879
III Total Revenue (I+II)			807,553,920		763,831,519
IV Expenses:					
Cost of Materials Consumed	20	636,195,156		565,604,302	
Changes in Inventories of Finished Goods, Work in Progress and stock-in-trade	21	(1,082,911)		(19,917,887)	
Employee benefits expense	22	37,862,874		39,302,557	
Finance costs	23	102,389,253		51,517,850	
Depreciation and amortization expense	24	14,269,123		16,804,838	
Other expenses	25	101,442,471		101,323,024	
Total Expenses			891,075,966		754,634,684
V Profit before tax (III-IV)			(83,522,046)		9,196,835
VI Tax Expenses:					
Current tax			-		1,840,956
Deferred tax			297,291		4,999,665
MAT Credit			-		(1,752,457)
VII Profit for the year (V -VI)			(83,819,337)		4,108,671
VIII Earnings per share of face value of ` 10 each:					
Basic			(11.87)		0.63
Diluted			(11.87)		0.63
Significant Accounting Policies and accompanying notes forming integral part of the financial statements	A,B (1 to 42)				

As per our attached report of even date

For Lodha & Co.  
Chartered Accountants  
ICAI Firm Registration No. 301051E

R.P. Baradiya  
Partner

Mumbai : 26<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

Sudarshan S. Chokhani  
Managing Director

Ketan R. Shirwadkar  
Company Secretary

Mukesh V. Ashar  
CFO and Director

Mumbai : 26<sup>th</sup> May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	For the year ended 31 <sup>st</sup> MARCH, 2015		For the year ended 31 <sup>st</sup> March, 2014	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before exceptional items and tax		(83,522,046)		9,196,835
Adjusted for:				
Depreciation	14,269,123		16,804,838	
Interest Expenditure	102,389,253		51,517,850	
(Profit)/Loss on Sale of Fixed Assets	(14,744)	116,643,632	(13,465)	68,309,223
Operating profit before working capital changes		33,121,586		77,506,058
Adjustments for:				
Trade and Other Receivables	84,459,300		(45,930,852)	
Trade Payables including Advance received from customers	(93,348,275)		(47,419,884)	
Loans & Advances	(3,062,741)		4,474,791	
Inventories	(119,806,661)		(47,112,624)	
		(131,758,377)		(135,988,569)
Cash generated from operations		(98,636,791)		(58,482,511)
Direct Taxes Paid (Net)		(1,221,832)		184,965
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>(99,858,623)</b>		<b>(58,297,546)</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Purchase of Fixed Assets including CWIP & Pre-operative Expenses		(5,318,232)		(10,546,105)
Investments made		(3,000)		-
Sale of Fixed Assets		111,445		82,666
<b>NET CASH USED IN INVESTING ACTIVITIES</b>		<b>(5,209,787)</b>		<b>(10,463,439)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of share capital		12,255,000		-
Borrowings Increase/ (Decrease) [Net]		212,225,205		127,892,903
Interest Paid		(103,646,566)		(51,380,985)
Dividend Paid (includes tax on dividend)		-		(7,563,549)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>120,833,639</b>		<b>68,948,369</b>
<b>NET INCREASE / DECREASE (-) IN CASH AND CASH EQUIVALENTS (A+B+C)</b>		<b>15,765,229</b>		<b>187,384</b>
<b>CASH AND CASH EQUIVALENTS - OPENING BALANCE</b>		<b>397,595</b>		<b>210,211</b>
		<b>397,595</b>		<b>210,211</b>
<b>CASH AND CASH EQUIVALENTS - CLOSING BALANCE</b>		<b>16,162,824</b>		<b>397,595</b>

## Notes:

1. The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3.
2. Cash and cash equivalents represent cash and bank balances, excludes fixed deposit and dividend account (Refer Note 15).
3. Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For Lodha &amp; Co.

Chartered Accountants

ICAI Firm Registration No. 301051E

R.P. Baradiya

Partner

Mumbai : 26<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

Sudarshan S. Chokhani

Managing Director

Ketan R. Shirwadkar  
Company SecretaryMukesh V. Ashar  
CFO and DirectorMumbai : 26<sup>th</sup> May, 2015

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### OVERVIEW :

Incorporated in the state of Maharashtra in 1979, the Company was originally named Sudarshan Aluminium Industries Limited. In April, 1994, the name of the company was changed to Sudal Industries Limited.

The Company is in the business of manufacturing of Aluminium Extrusions, Aluminium Alloys, Down Stream Products.

### A. SIGNIFICANT ACCOUNTING POLICIES

#### 1. GENERAL :

- (a) The financial statements are prepared on the basis of historical cost convention, and on the accounting principles of a going concern.
- (b) Accounting Policies not specifically referred to otherwise are consistent and in consonance with the applicable Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 to the extent applicable.
- (c) All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

#### 2. USE OF ESTIMATES :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

#### 3. FIXED ASSETS :

- (a) Leasehold Land, Buildings, Plant and Machinery and Electrical Installations are stated at revalued amounts less depreciation.
- (b) Other Assets are stated at cost less depreciation.
- (c) The Company capitalizes intangible asset where it is reasonably estimated that the asset has an enduring useful life.

#### 4. IMPAIRMENT OF ASSETS :

In accordance with AS-28 on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each Balance Sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of such assets exceeds its recoverable amount. Impairment loss is recognized in the Profit and Loss Account.

#### 5. INVESTMENTS :

Long term investments are stated at cost.



## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### 6. VALUATION OF INVENTORIES :

- (a) Inventories are valued at the lower of the cost and net realizable value. Cost is assigned on FIFO basis. Obsolete, defective and unserviceable stocks are provided for.
- (b) Finished goods and work-in-process include cost of conversion and other costs incurred in bringing the inventories to their present location and condition excluding aluminium scrap which is valued at estimated cost.
- (c) Dies being a specialised item (included in stores & spares inventories) are valued on the basis of valuation of such stocks at the year end carried out by a government approved valuer considering its residual useful life and replacement value.

### 7. DEPRECIATION/ AMORTIZATION :

- (a) Value of Leasehold Land is amortized over the period of lease.
- (b) On vehicles, Furniture & Fixtures and Office Equipments, depreciation is provided on written down value method as per the life specified in Schedule II to Companies Act, 2013.
- (c) On Buildings, depreciation is provided on straight line method at the useful life specified in Schedule II to the Companies Act, 2013.
- (d) On plant and equipment, the depreciation is provided as per the life specified for continuous Industrial unit in Schedule II to Companies Act, 2013.
- (e) In respect of addition made by way of revaluation to certain fixed assets, the depreciation is provided on the basis of future estimated life to these assets.
- (f) Intangible assets are amortized over their useful life.

### 8. ACCOUNTING FOR TAXES ON INCOME :

- (a) Provision for Income Tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.
- (b) Deferred tax resulting from timing difference between book and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to reverse. Deferred tax assets are recognised and carried forward only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Credit Entitlement in respect of Minimum Alternate Tax (MAT) is considered on management estimation of regular taxation in future.

### 9. SALES AND OTHER OPERATING INCOME :

Revenue from sale of goods is recognized when significant risks and rewards of ownership are transferred to the customers. Sales are inclusive of packing charges recovered. Conversion job income is accounted for on the completion of the job.

### 10. TRANSLATION OF FOREIGN CURRENCY :

- (a) Transactions in foreign currency are recorded at the rate of exchange in force at the date of transaction.

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

- (b) Foreign currency assets and liabilities except those for acquisition of fixed assets as at the end of the year are translated at the exchange rates prevailing at the date of the Balance Sheet and resultant gains/ losses are recognised in the Statement Profit and Loss.
- (c) Foreign currency liability relating to acquisition of fixed assets is stated at the prevailing rate of exchange at the year end and the resultant gains/ losses are adjusted to the cost of assets.

### 11. EMPLOYEE BENEFITS :

Contributions towards provident fund are made under defined contribution retirement benefit plans for qualifying employees. The provident fund plan is operated by the Regional Provident Fund Commissioner. The contributions are charged to Statement of Profit and Loss in the respective year.

Gratuity liability under the Payment of Gratuity Act, 1972 is a defined benefit obligation which is not funded and is provided for on the basis of the actuarial valuation made at the end of each financial year.

Short term compensated absences are provided for based on estimates. Long Term compensated absences are provided for based on actuarial valuation made at the end of each financial year.

Actuarial gains / losses are immediately taken to Statement of profit and loss and are not deferred.

### 12. BORROWING COSTS :

Borrowing costs attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to Statement of Profit and Loss.

### 13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS :

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that made, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation that the likelihood of outflow resources is remote, no provision or disclosure is made.

### 14. GOVERNMENT GRANTS :

Grants and subsidies from the government are recognized if the following conditions are satisfied:

- There is reasonable assurance that the Company will comply with the conditions attached to it.
- Such benefits are earned and reasonable certainty exists of the collection.

Government grants or subsidies given with reference to the total investment in an undertaking or setting up of new industrial undertaking is treated as capital receipt and credited to capital reserve. The said capital reserve will not be available for distribution of dividend nor is considered as deferred income.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### B. NOTES ON ACCOUNTS :

(Amount in `)

Particulars		As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
NOTE : 1 SHARE CAPITAL					
Authorised: 7,500,000 Equity Shares of ` 10 each		75,000,000		75,000,000	
Issued: 7,470,012 (Previous Year 6,610,012) Equity Shares of ` 10 each		74,700,120		66,100,120	
Subscribed and paid-up: 7,367,818 (Previous Year 6,507,818) Equity Shares of ` 10 each, fully paid up		73,678,180		65,078,180	
Total		73,678,180		65,078,180	
Particulars	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014		
	No.of Shares	% held	No.of Shares	% held	
a) Details of shareholding more than 5%:					
1 Sudarshan Shriram Chokhani	1,533,587	20.91	1,533,587	23.57	
2 Shyantanu Sudarshan Chokhani	1,218,200	16.53	1,218,200	18.72	
3 Renu Sudarshan Chokhani	1,100,725	14.94	240,725	3.70	
4 Sudal Enterprises Private Limited	790,488	10.73	790,488	12.15	
5 Reynolds International Inc.	325,300	4.42	325,300	5.00	
b) Terms/rights attached to equity shares :					
i) The Company has only one class of equity shares having a par value of ` 10 each. Each holder of equity shares is entitled to one vote per share.					
ii) The Company has not issued any aggregate number and class of shares as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.					
iii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exist currently.					
c) The proceeds of preferential issue have been utilised for meeting working capital requirements.					
d) The reconciliation of the number of shares outstanding at beginning of the year and at the end for the period of five years immediately preceding the Balance Sheet date :					
Particulars	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
	No. of Shares	No.of Shares	No. of Shares	No. of Shares	No. of Shares
Balance as at the beginning of the year	6,507,818	6,507,818	5,817,818	5,467,818	5,017,818
i) Shares issued pursuant to a contract without payment being received in cash	-	-	-	-	-
ii) Shares issued as fully paid up bonus shares	-	-	-	-	-
iii) Allotment on conversion of Optionally Fully Convertible Warrants	860,000	-	690,000	350,000	450,000
(iv) Shares bought back	-	-	-	-	-
Balance as at the end of the year	7,367,818	6,507,818	6,507,818	5,817,818	5,467,818

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

e) Issue of Convertible Warrants and conversion into Shares:

The Company has pursuant to the approval of the shareholders in the Extra Ordinary General Meeting held on 30<sup>th</sup> January, 2013, had issued 15,50,000 Optionally Fully Convertible Warrants ("OFC") of ₹ 19.00 each to director and their relatives on 14<sup>th</sup> February, 2013. The Company had converted 6,90,000 OFC warrants into 6,90,000 equity shares of ₹ 10 each at a premium of ₹ 9.00 each on 6<sup>th</sup> March, 2013 and 8,60,000 OFC Warrants into 8,60,000 equity shares of ₹ 10 each at premium of ₹ 9.00 each on 9<sup>th</sup> August, 2014 in accordance with provisions of Chapter XIII of SEBI (Disclosure and investor protection) Guidelines 2000 issued by Securities and Exchange Board of India.

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
NOTE : 2				
RESERVES AND SURPLUS				
Revaluation Reserve:				
Balance as at the beginning of the year	60,742,981		67,242,946	
Less: Amount transferred to Statement of Profit and Loss as reduction from depreciation	-		(6,499,965)	
Less: Transferred to Deficit in respect of Transitional Depreciation (Refer Note 41)	(33,265,875)		-	
Balance as at the end of the year		27,477,106		60,742,981
Capital Reserve:				
Balance as at the beginning of the year	42,257,274		34,881,950	
Add: State government subsidy for expansion of capacity - Octroi Duty refunded/ refundable Refer: Significant Accounting Policies No.14)	8,536,184		7,375,324	
		50,793,458		42,257,274
Securities Premium Account:				
Balance as at the beginning of the year	24,760,000		24,760,000	
Add: Received during the year	7,740,000		-	
Balance as at the end of the year		32,500,000		24,760,000
Profit and Loss:				
Balance as at the beginning of the year	81,891,225		77,782,554	
Add: Profit/ (Loss) during the year	(83,819,337)		4,108,671	
	(1,928,112)		81,891,225	
Add: Depreciation charge due to change in useful life	(33,791,102)		-	
Add: Transfer from Revaluation Reserve (Refer Note 41)	33,265,875		-	
Balance as at the end of the year		(2,453,339)		81,891,225
Total		108,317,225		209,651,480



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
NOTE : 3 LONG-TERM BORROWINGS				
Secured :				
From Banks				
Working Capital Term Loan	136,615,742		126,671,232	
Other Term Loan	2,182,643		18,289,980	
Vehicle Loan	-		209,328	
From Financial Institution :				
Working Capital Term Loan	92,210,133		-	
From Others :				
Vehicle Loans	716,148		1,181,977	
		231,724,666		146,352,517
Unsecured :				
Intercompany Deposits	322,532		1,013,817	
		322,532		1,013,817
Total		232,047,198		147,366,334
(For terms and conditions - Refer Note No.28)				
NOTE : 4 DEFERRED TAX LIABILITIES (Net)				
Deferred Tax Liabilities :				
Depreciation	51,715,879		51,177,485	
Total Deferred Tax Liabilities		51,715,879		51,177,485
Deferred Tax Assets :				
Gratuity	3,784,709		3,552,123	
Others	946,514		937,997	
Total Deferred Tax Assets		4,731,223		4,490,120
Total		46,984,656		46,687,365
NOTE : 5 OTHER LONG-TERM LIABILITIES				
Suppliers credit from Associates		37,444,635		33,327,393
Employee related payable		14,596,463		13,772,880
Total		52,041,098		47,100,273
NOTE : 6 SHORT-TERM BORROWINGS				
Secured :				
From Banks				
Working Capital Limits		180,942,853		97,259,366
Unsecured :				
Inter Corporate Deposits		76,710,898		38,426,027
Total		257,653,751		135,685,393
(For terms and conditions - Refer Note No.28)				

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in ` )

Particulars	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
NOTE : 7				
TRADE PAYABLES				
Acceptances		-		99,979,842
Others		52,856,569		57,540,978
Total		52,856,569		157,520,820
(Refer note no.37 for dues to micro, small and medium enterprises)				
NOTE : 8				
OTHER CURRENT LIABILITIES				
Current maturities of Long-Term debts				
a) Term Loan from Banks	26,125,000		16,681,998	
b) Vehicle Loans	1,320,850		2,449,956	
c) Inter corporate Deposits	990,318		3,728,231	
		28,436,168		22,860,185
Interest accrued but not due		-		1,257,313
Unpaid Dividends#		1,042,939		1,048,622
Advance From Customers		-		649,297
Statutory dues		8,647,024		2,815,219
Employee Benefits Expenses		6,584,875		5,193,095
Others		6,371,244		6,349,421
Total		51,082,250		40,173,152
#No amount is due to be credited to investor education & protection fund.				
NOTE : 9				
SHORT TERM PROVISIONS				
Gratuity Payable	2,243,978		2,586,114	
Leave Entitlement	628,096		501,237	
		2,872,074		3,087,351
Others :				
Provision for Income Tax		6,289,505		7,511,337
Total		9,161,579		10,598,688



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### NOTE : 10 FIXED ASSETS

(Amount in `)

Description	Gross Block				Depreciation / Amortisation				Net Block	
	Balance As at 1 <sup>st</sup> April, 2014	Additions	Deductions/ Adjustments	Balance As at 31 <sup>st</sup> March, 2015	Balance As at 1 <sup>st</sup> April, 2014	Adjustments on account of change in law	For the year	Deductions/ Adjustments	Balance As at 31 <sup>st</sup> March, 2015	Balance As at 31 <sup>st</sup> March, 2014
(a) Tangible Assets										
Leasehold Land	36,538,822	-	-	36,538,822	2,974,090	-	444,204	-	3,418,294	33,120,528
Freehold land*	3,725,565	145,000	-	3,870,565	-	-	-	-	3,870,565	3,725,565
Buildings	107,071,165	576,504	-	107,647,669	21,196,078	-	3,205,236	-	24,401,314	85,875,087
Plant and equipment	512,509,347	-	-	512,509,347	322,178,518	33,274,111	6,758,050	-	362,210,679	150,298,668
Furniture and Fixtures	3,122,376	-	-	3,122,376	2,435,537	12,031	177,273	-	2,624,841	497,535
Vehicles**	9,567,324	1,472,682	315,571	10,724,435	6,439,902	33,946	1,283,693	218,870	7,538,671	3,185,764
Office Equipment	12,767,318	296,900	-	13,064,218	10,359,791	471,014	1,462,766	-	12,293,571	770,647
Total (a)	685,301,917	2,491,086	315,571	687,477,432	365,583,916	33,791,102	13,331,222	218,870	412,487,370	274,990,062
(b) Intangible Assets										
Software	3,478,343	-	-	3,478,343	2,226,139	-	937,901	-	3,164,040	314,303
Total (b)	3,478,343	-	-	3,478,343	2,226,139	-	937,901	-	3,164,040	314,303
Total (a+b)	688,780,260	2,491,086	315,571	690,955,775	367,810,055	33,791,102	14,269,123	218,870	415,651,410	275,304,365

Description	Gross Block				Depreciation / Amortisation				Net Block	
	Balance As at 1 <sup>st</sup> April, 2013	Additions	Deductions/ Adjustments	Balance As at 31 <sup>st</sup> March, 2014	Balance As at 1 <sup>st</sup> April, 2013	For the year	Deductions/ Adjustments	Balance As at 31 <sup>st</sup> March, 2014	Balance As at 31 <sup>st</sup> March, 2014	Balance As at 31 <sup>st</sup> March, 2013
(a) Tangible Assets										
Leasehold Land	36,338,100	200,722	-	36,538,822	2,676,681	297,409	-	2,974,090	33,564,732	33,661,419
Freehold land	3,200,753	524,812	-	3,725,565	-	-	-	-	3,725,565	3,200,753
Buildings	104,653,313	2,417,852	-	107,071,165	17,972,996	3,223,082	-	21,196,078	85,875,087	86,680,317
Plant and equipment	510,568,887	1,940,460	-	512,509,347	305,454,799	16,723,719	-	322,178,518	190,330,829	205,114,088
Furniture and Fixtures	3,122,376	-	-	3,122,376	2,287,837	147,700	-	2,435,537	686,839	834,539
Vehicles	10,120,072	-	552,748	9,567,324	5,821,681	1,101,768	483,547	6,439,902	3,127,422	4,298,391
Office Equipment	12,282,924	484,394	-	12,767,318	9,383,468	976,323	-	10,359,791	2,407,527	2,899,456
Total (a)	680,286,425	5,568,240	552,748	685,301,917	343,597,462	22,470,001	483,547	365,583,916	319,718,001	336,688,963
(b) Intangible Assets										
Software	3,478,343	-	-	3,478,343	1,391,337	834,802	-	2,226,139	1,252,204	2,087,006
Total (b)	3,478,343	-	-	3,478,343	1,391,337	834,802	-	2,226,139	1,252,204	2,087,006
Total (a+b)	683,764,768	5,568,240	552,748	688,780,260	344,988,799	23,304,803	483,547	367,810,055	320,970,205	338,775,969

\*Free Hold Land of ` 897,500 acquired in the year 2011-2012 is in the process of being transferred in the name of the Company.

\*\*Note: Gross Block of Vehicles include, Gross Block ` 1,01,72,046 [ previous year ` 86,99,364]; Accumulated depreciation ` 69,96,032 [ Previous year ` 57,79,062] ;

Net Block ` 31,76,014 [ Previous year ` 29,20,302] purchased on hire purchase basis. These vehicles are held in the name of the directors/ employees on behalf of the Company.

(Amount in `)

	As at 31 <sup>st</sup> MARCH, 2015	As at 31 <sup>st</sup> March, 2014
Capital Work in Progress :		
Assets under installation/ construction		
(a) Building Under Construction	-	52,354
(b) Mega Project- Land development and other expenses:		
-Legal & Professional Charges	6,138,236	5,093,236
-Salaries & Remuneration	9,984,306	8,149,806
-Travelling Expenses	3,852,875	3,852,875
-Others	3,665,212	3,665,212
Total	23,640,629	20,813,483

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
NOTE : 11 NON CURRENT INVESTMENTS Equity Instruments (Long term Unquoted and valued at cost)				
20 Shares of The Thane Janata Sahakari Bank Limited @ ` 50 each		-		1,000
100 Shares of The Jankalyan Sahakari Bank Limited @ ` 10 each		1,000		1,000
400 Shares of Nashik Merchants Co.op.Bank Limited @ ` 10 each		4,000		-
250 Shares of The Kalyan Janata Sahakari Bank Limited @ ` 10 each		2,500		2,500
Aggregate cost of Unquoted Investments      Total		7,500		4,500
NOTE : 12 LONG TERM LOANS AND ADVANCES Unsecured, considered good				
Capital Advance		1,354,654		1,344,983
Deposit with Government/ Semi-Government Authorities		238,910		238,910
Advances to staff		1,211,909		1,284,236
Other deposits		358,067		358,067
Total		3,163,540		3,226,196
NOTE : 13 INVENTORIES (As taken, valued and certified by the Management)				
Raw Materials [including in transit ` Nil ; Previous year ` 1,00,21,402]		24,957,800		37,773,284
Work-in-process		60,857,787		56,883,081
Finished goods		3,200,798		6,150,970
Stores and spares [including in transit ` Nil; Previous year ` 29,586]		280,459,027		148,861,416
Total		369,475,412		249,668,751
NOTE : 14 TRADE RECEIVABLES Unsecured, considered good				
Outstanding for a period exceeding six months from the due date (Refer Note No.31)		8,479,085		7,983,743
Others		92,474,546		177,429,188
Total		100,953,631		185,412,931



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	As at 31 <sup>st</sup> MARCH, 2015		As at 31 <sup>st</sup> March, 2014	
NOTE : 15 CASH AND BANK BALANCES Cash and Cash Equivalents: Balances with Banks: In Current Accounts Cash on hand	16,114,310 48,514	16,162,824	393,338 4,257	397,595
Others: Unpaid Dividend Accounts Fixed Deposits(Lodged with Central Excise Dept., Nashik)	1,042,939 1,000		1,048,622 1,000	
Total		1,043,939 17,206,763		1,049,622 1,447,217
NOTE : 16 SHORT-TERM LOANS AND ADVANCES Unsecured, considered good Deposits for premises to associates Others		17,802,100 2,691,182		17,802,100 5,451,367
Total		20,493,282		23,253,467
NOTE : 17 OTHER CURRENT ASSETS VAT Receivable MAT Credit Grant in respect of Octroi Duty Receivable Others		29,964,726 15,980,779 27,539,458 92,421		21,570,005 15,980,779 19,003,274 2,595,877
Total		73,577,384		59,149,935
Particulars	For the year ended 31 <sup>st</sup> March, 2015		For the year ended 31 <sup>st</sup> March, 2014	
NOTE : 18 REVENUE FROM OPERATIONS Sale of Products Aluminium Extrusion Aluminium Alloys Less: Excise Duty	845,502,554 12,964,304 (97,885,523)	760,581,335	823,935,876 15,207,988 (82,882,330)	756,261,534
Sales - Traded Goods	37,251,217		-	
Sale of Services	3,474,197	37,251,217	2,646,876	-
Other Operating Income Sale of Scrap Less: Excise Duty	7,002,755 (770,328)	3,474,197	5,214,886 (573,656)	2,646,876
Total		6,232,427 807,539,176		4,641,230 763,549,640

# NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in `)

Particulars	For the year ended 31 <sup>st</sup> March, 2015		For the year ended 31 <sup>st</sup> March, 2014	
NOTE : 19				
OTHER INCOME				
Profit on Sale of Fixed Assets		14,744		13,465
Others		-		268,414
Total		14,744		281,879
NOTE : 20				
COST OF MATERIALS CONSUMED				
Consumption of raw materials and components		589,548,528		552,398,651
Purchases of Stock-in-trade		37,242,077		-
Stores and spare parts consumed		9,404,551		13,205,651
Total		636,195,156		565,604,302
NOTE : 21				
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE				
Opening Stock [As on 1 <sup>st</sup> April,2014]				
Finished goods	6,150,970		3,021,472	
Work-in-process	56,883,081		39,989,696	
		63,034,051		43,011,168
Closing Stock [As on 31 <sup>st</sup> March,2015]				
Finished goods	3,200,798		6,150,970	
Work-in-process	60,857,787		56,883,081	
		64,058,585		63,034,051
		(1,024,534)		(20,022,883)
Adjustment for Provision for Excise duty on closing stock		(58,377)		104,996
Total		(1,082,911)		(19,917,887)
NOTE : 22				
EMPLOYEE BENEFITS EXPENSE				
Salaries, Wages and Bonus		31,015,723		32,963,322
Contribution to Provident fund and other funds		3,049,796		3,253,970
Gratuity		1,818,963		1,036,509
Staff Welfare expenses		1,978,392		2,048,756
Total		37,862,874		39,302,557
NOTE : 23				
FINANCE COSTS				
Interest expenses		98,228,947		43,136,273
Other borrowing costs		4,160,306		8,381,577
Total		102,389,253		51,517,850
NOTE : 24				
DEPRECIATION AND AMORTIZATION EXPENSE				
Depreciation and amortization		14,269,123		23,304,803
Less: Transferred from revaluation reserve (Refer Note No.30)		-		6,499,965
Total		14,269,123		16,804,838



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(Amount in ` )

Particulars	For the year ended 31 <sup>st</sup> March, 2015		For the year ended 31 <sup>st</sup> March, 2014	
NOTE : 25				
OTHER EXPENSES				
Power and Fuel		66,784,132		62,525,908
Labour Charges		4,224,384		4,514,560
Repairs and Maintenance Expenses:				
Repairs to building	224,322		98,283	
Repairs to machinery	228,691		158,650	
Repairs - Others	1,154,966		1,553,534	
		1,607,979		1,810,467
Packing Charges		6,003,014		5,485,584
Insurance		534,746		511,874
Telephone and Postage		1,766,313		1,968,028
Travelling and Conveyance		1,480,526		1,919,826
Rebate and Discount		2,014,184		5,035,781
Commission and Brokerage		2,517,919		828,824
Directors' Sitting Fees		90,000		66,000
Legal and Professional Charges		3,800,145		4,627,776
Auditors' Remuneration		1,184,280		919,790
Rates and Taxes		1,101,597		1,279,137
Transportation		1,038,079		1,293,857
Retainership Charges		1,625,219		1,414,329
Sundry Balance Written off		117,638		-
Miscellaneous Expenses		5,552,316		7,121,283
Total		101,442,471		101,323,024
NOTE : 26				
Contingent liabilities not provided in respect of :				
Bills/Cheques discounted with bank, since realisation		-		23,595,438
NOTE : 27				
Capital and other commitments:				
Estimate amount of contracts remaining to be executed on capital account and not provided for (net of advances of ` 13,54,654; Previous year ` 13,44,983)		-		3,841,580

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### 28. Secured Loans :

- (a) Term Loan of ` 283.09 Lakhs (Previous year ` 347.90) (Interest @ Base rate plus 3.50% p.a.; previous year @ Base rate plus 3.50% p.a.) are secured by way of equitable mortgage of all immovable properties and hypothecation of all movable assets which is equally repayable in 36 monthly installments after moratorium period of 3 months and is also personally guaranteed by two directors of the Company.
- (b) Non fund based limit utilised 100 Lakhs (Previous year ` 1040 Lakhs) and Cash Credit (Interest @ Base rate plus 3.25% per p.a.; previous year @ Base rate plus 3.25% p.a.) are secured by hypothecation of stocks and book debts and is also personally guaranteed by two directors of the Company.
- (c) Vehicle Loan of ` 20.37 Lakhs (Previous year ` 38.41 Lakhs) (Interest @ 8.75%/10.25% ; previous year @ 8.75% ) are repayable over a period of 3 years and secured by hypothecation of Vehicle purchased their against.
- (d) Working Capital Term Loan(WCTL) ` 1366.16 Lakhs (Previous year ` 1250 Lakhs), Interest @ 15.25% floating, secured by way of hypothecation of all stocks at factory/ consignment agents and book debts (residual value after meeting the DP for ODBD limits) and secured by 1<sup>st</sup> charge of mortagage of factory land and building and hypothecation of other fixed assets of the company unit at MIDC, Ambad, Nashik and is also personally guaranteed by the two directors of the company. Loan repayable in 36 equal monthly instalment after moratorium of 24 months. Interest to be paid on monthly basis from the day one.
- (e) Working Capital Term Loan of ` 922.10 Lakhs (Previous year Nil), Interest @ 13.50%, secured by 2<sup>nd</sup> Charge of Mortgage of immoveable properties and 2<sup>nd</sup> Charge on hypothecation of all Moveable Fixed Assets, and all other Curent Assets of the Company. The same is Personally Guranteed by the Managing Director of the Company. The loan is repayable in 60 monthly installments after moratarium of 18 months. Interest is payable on monthly basis from January 2015.
- (f) There has been a continuing default as on the Balance Sheet date from September 2014 till March 2015 of loans and interest as under:

(Amount in `)

Particulars	Principal	Interest
Term Loan (Refer Note 28(a))	9,625,000	2,186,144
Working Capital Term Loan (Refer Note 28(b))	-	11,580,349
Total	9,625,000	13,766,493

The request of the company for Restructuring of the same is under consideration.

- (g) During the year, the Company has defaulted in payment of Purchase Receivable Finance Scheme amounting to ` 9,22,10,133. The same has been regularized by the financial institution by converting it into Working Capital Term Loan. (Refer Note 28(e)).

### Unsecured Loans :

Interest rate range between 15% to 18% (Previous year 15% to 18%) and are repayable within 1 to 3 years (Previous year 1 to 3 years).

29. (a) In the opinion of the Board, assets other than fixed assets and non current investment have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- (b) The accounts of trade receivable and payable and Loans and Advances are subject to formal confirmations/ reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

30. Land, Building, Plant & Machinery and Electrical Installations were revalued in the accounts on April 1, 1994. The same have again been revalued on March 31, 2004 on the basis of reports of approved valuer/ replacement cost basis using standards indices. The following revalued amount (net of withdrawals) remain substituted for the historical cost in the gross block of fixed assets.

(Amount in `)

Particulars	As at March 31, 2015	As at March 31, 2014
Land	21,120,000	21,120,000
Building	27,453,375	27,453,375
Plant and Machinery	295,523,547	295,523,547
Electrical Installation	7,635,020	7,635,020

31. Debtors outstanding for a period exceeding six months includes ` 20,91,180 from two customers due for more than one year. The management is confident of recovery.

32. Auditors' Remuneration include :

(Amount in `)

Particulars	2014-2015	2013-2014
As Audit Fees	250,000	250,000
For Tax Audit	125,000	125,000
For Taxation matters	125,000	125,000
For Management Services	300,000	100,000
For Certification	315,590	256,180
Out of Pocket Expenses (excluding service tax)	68,690	63,610
	1,184,280	919,790

33. Earning Per Share :

(Amount in `)

Particulars	2014-2015	2013-2014
Profit as per Profit and Loss Account	(83,819,337)	4,108,671
Basic and Diluted weighted average number of Equity Shares outstanding during the year (Nos.)	7,061,517	6,507,818
Nominal value per Equity Shares	10	10
Basic earnings per share (`)	(11.87)	0.63
Diluted earning per share (`)	(11.87)	0.63

34. Research and Development Expenditure :

(Amount in `)

Particulars	2014-2015	2013-2014
Profit and Loss Account (Debited to respective expenses heads in the Profit and Loss Account)	2,087,906	1,820,675

35. Value of Imports on CIF basis :

(Amount in `)

Particulars	2014-2015	2013-2014
Components and Spare Parts	1,162,044	769,287

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

### 36. Cost of Raw material consumed :

Particulars	2014-2015		2013-2014	
	%	(Amount in `)	%	(Amount in `)
(a) Raw Material				
Imported Material	-	-	-	-
Indigenous Material	100.00	589,548,528	100.00	552,398,651
	100.00	589,548,528	100.00	552,398,651
(b) Spare parts and Components				
Imported Material	13.21	1,240,971	5.84	771,221
Indigenous Material	86.79	8,152,025	94.16	12,434,430
	100.00	9,392,996	100.00	13,205,651

37. The Company has not received any intimation from suppliers regarding their status under the Micro, Small and Medium Enterprises Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been given.

38. The Company is primarily engaged in the business of Manufacturing of Aluminium Extrusions and down stream/ value added products. All of Company's operations are located in India and are subject to the same risks and returns. Therefore, no separate segment reporting is provided in terms of Accounting Standard "Segment Reporting".

### 39. Disclosure as required by Accounting Standard -15 (Revised) on Employee Benefits:

In respect of gratuity and compensated absences, defined benefit schemes (based on Actuarial Valuation)

Amount in `

	<b>Gratuity as on 31<sup>st</sup> March, 2015</b>	Gratuity as on 31 <sup>st</sup> March, 2014	<b>Leave Encashment as on 31<sup>st</sup> March, 2015</b>	Leave Encashment as on 31 <sup>st</sup> March, 2014
<b>A. Expense recognised in the statement of Profit and Loss for the year ended 31st March, 2015</b>				
- Current Service Cost	782,035	718,782	411,062	377,814
- Interest Cost	1,057,732	1,048,194	290,125	173,886
- Past Service Cost	-	-	-	-
- Net actuarial (gain)/ loss recognised during the year	(20,804)	(730,467)	245,291	1,070,102
- Net expenses charged to Statement of Profit & Loss	1,818,963	1,036,509	946,478	1,621,802
<b>B. Actual return on plan assets</b>	-	-	-	-
- Expected return on plan assets	-	-	-	-
- Actuarial (gain)/ loss on plan assets	-	-	-	-
- Actual return of plan assets	-	-	-	-
<b>C. Net Asset/(Liability) recognised in the Balance Sheet</b>				
- Present value of obligation	-	-	-	-
- Fair value of plan assets	-	-	-	-
- Funded status surplus/(deficit)	-	-	-	-
- Net asset/(Liability) recognised in the Balance Sheet	-	-	-	-



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

Amount in `

	<b>Gratuity as on 31<sup>st</sup> March, 2015</b>	Gratuity as on 31 <sup>st</sup> March, 2014	<b>Leave Encashment as on 31<sup>st</sup> March, 2015</b>	Leave Encashment as on 31 <sup>st</sup> March, 2014
D. Change in present value of obligation during the year ended 31 <sup>st</sup> March, 2015				
- Present value of obligation as at 1 <sup>st</sup> April, 2014	13,312,743	14,093,432	3,547,488	2,448,811
- Current Service Cost	782,035	718,782	411,062	377,814
- Interest Cost	1,057,732	1,048,194	290,125	173,886
- Benefits paid/ Payable	(1,441,728)	(1,817,198)	(715,407)	(523,125)
- Actuarial (gain)/ loss on obligation	(20,804)	(730,467)	245,291	1,070,102
- Present value of obligation as at 31 <sup>st</sup> March, 2015	13,689,978	13,312,743	3,778,559	3,547,488
E. Change in Assets during the year ended 31 <sup>st</sup> March, 2015				
- Fair value of plan assets as at 1 <sup>st</sup> April, 2014	-	-	-	-
- Expected return on plan assets	-	-	-	-
- Contributions made	-	-	-	-
- Benefits paid	-	-	-	-
- Actuarial (gain)/ loss on plan assets	-	-	-	-
- Fair value of plan assets as at 31 <sup>st</sup> March, 2015	-	-	-	-
F. Major categories of plan assets as a percentages of total plan	-	-	-	-
G. Actuarial Assumptions				
- Discount rate	7.70 %	8.80%	7.70 %	8.80%
- Expected rate of return on assets				
- Mortality Rate	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)
- Future salary increases considering inflation, seniority, promotion and other relevant factors	6.00 %	6.00 %	6.00 %	6.00 %

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

40. Disclosures as required by Accounting Standard -18, on "Related Party Disclosure" are given below :

(i) Associates with whom transactions have been entered during the year in the ordinary course of the business :

Sudarshan Chokhani and Company  
Shriram Chokhani and Company

(ii) Key Management Personnel:

Shri Sudarshan S Chokhani  
Shri Mukesh V. Ashar  
Shri Ketan R. Shirwadkar

(iii) Relatives of Key Managerial Personnel:

Shri Shyantanu S. Chokhani

(a) Transactions during the year:

(Amount in `)

Particulars	Associates / Group Companies / Firms	Key Management Personnel / Relatives of Key Managerial Personnel	Total
Purchase of goods			
Sudarshan Chokhani and Company	70,057,472	-	70,057,472
	(52,456,199)	-	(52,456,199)
Shriram Chokhani and Company	57,067,698	-	57,067,698
	(65,032,392)	-	(65,032,392)
Finance Charges			
Sudarshan Chokhani and Company	21,943,770	-	21,943,770
	(-)	-	(-)
Shriram Chokhani and Company	4,633,764	-	4,633,764
	(-)	-	(-)
Advisory Fees	-	225,000	225,000
Shri Shyantanu S. Chokhani	(-)	(-)	(-)
Managerial Remuneration			
Shri Sudarshan S. Chokhani	-	3,000,000	3,000,000
	-	(3,000,000)	(3,000,000)
Shri Shyantanu S. Chokhani	-	1,500,000	1,500,000
	-	(3,000,000)	(3,000,000)
Shri Mukesh V.Ashar	-	212,865	212,865
	-	(-)	(-)
Counter Guarantee given to Bank by the two directors, being jointly and severally liable	-	508,210,133 (350,000,000)	508,210,133 (350,000,000)



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2015

(b) Balances with Related Parties as on 31.03.2015

(Amount in `)

Particulars	Associates / Group Companies / Firms	Key Management Personnel / Relatives of Key Managerial Personnel	Total
<b>Payables</b>			
Sudarshan Chokhani and Company	23,576,670	-	23,576,670
	(21,983,502)	-	(21,983,502)
Shriram Chokhani and Company	13,867,964	-	13,867,964
	(11,343,892)	-	(11,343,892)
<b>Receivables</b>			
Sudarshan Chokhani and Company	17,762,500	-	17,762,500
	(17,762,500)	-	(17,762,500)
Shriram Chokhani and Company	39,600	-	39,600
	(39,600)	-	(39,600)
Counter Guarantee given to Bank by the two directors, being jointly and severally liable	-	508,210,133	508,210,133
	-	(350,000,000)	(350,000,000)

Note:

1. No amount pertaining to related parties has been provided for as doubtful. Also no amount has been written off/ back.
2. The related parties are as identified by the Company and relied upon by the Auditors.

41. Pursuant to enactment of the Companies Act 2013 (the Act), the company has, effective 1<sup>st</sup> April, 2014, reviewed and revised the estimated useful life of certain fixed assets, in accordance with Schedule II to the Act. Accordingly, the company has given impact of ` 5,25,227 on account of assets whose useful life already exhausted on 1<sup>st</sup> April 2014 to Retained Earnings and ` 3,32,65,875 in respect of revalued Assets acquired prior to 31<sup>st</sup> March, 2004, whose cost has been fully written off, the revalued amount for the same has been transferred to Revaluation Reserve. If the company had continued with the previously assessed useful lives, charge for depreciation for the year would have been lower by ` 21,65,687.
  42. The previous year figures have been regrouped/ rearranged/ reclassified, wherever necessary to conform to the current year presentation.  
Figures in brackets pertain to previous year.
- Signatures to Notes 1 to 42 which form an integral part of the financial statements.

For and on behalf of the Board of Directors

Sudarshan S. Chokhani  
Managing Director

Place : Mumbai  
Date : 26<sup>th</sup> May, 2015

Ketan R. Shirwadkar  
Company Secretary

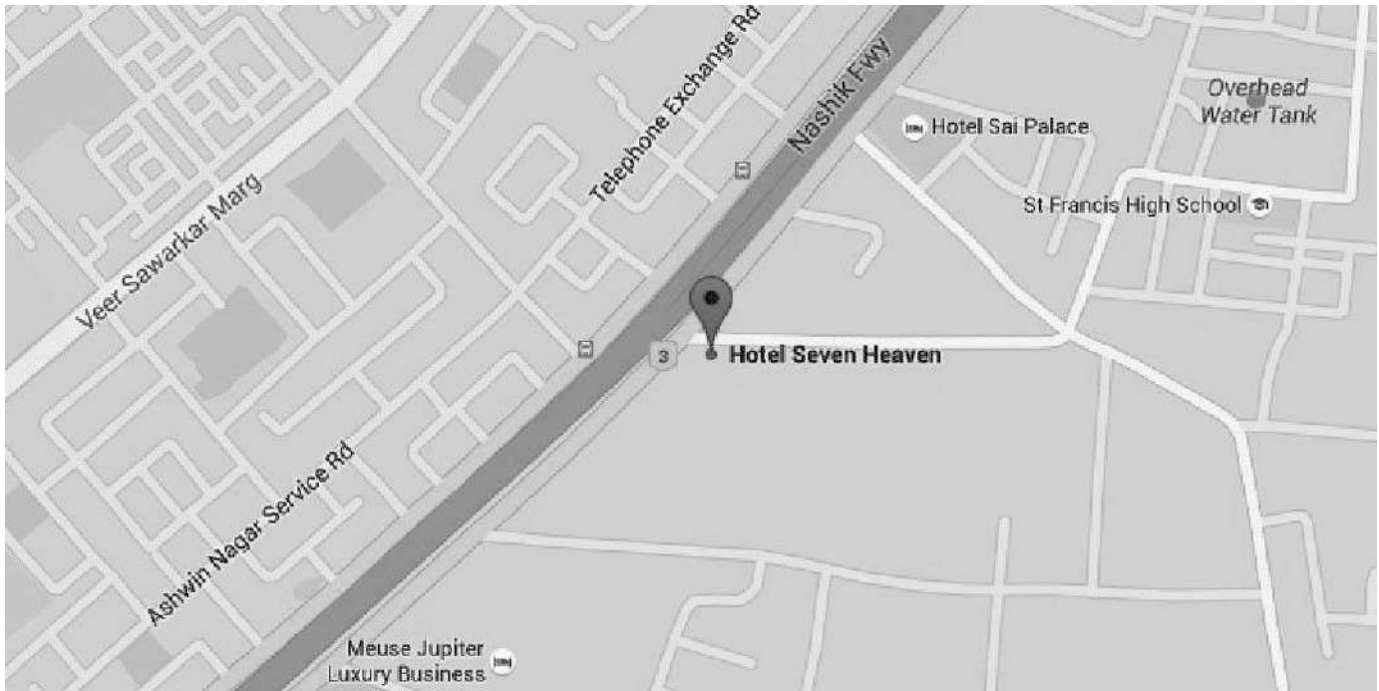
Mukesh V. Ashar  
CFO and Director

## NOTES

[illegible]



## AGM, Route Map, Hotel Seven heaven, Nashik





# Sudal Industries Limited

(CIN : L21541MH1979PLC021541)

Registered Office : A - 5, MIDC, Ambad Industrial Area, Mumbai Nashik Highway, Nashik – 422 010 Maharashtra

## PROXY FORM No. MGT-11

Name of the Member			
Registered Address			
Folio No / Client ID		DP ID	
No of Shares		E Mail ID	

I/ We, being the member (s) of .....shares of the above mentioned Company, hereby appoint.

1. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him
2. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him
3. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

as my/our proxy to attend and vote (on a poll) for me / us and on my/our behalf at the Thirty Sixth Annual General Meeting / Extraordinary General Meeting of the Company, to be held on Saturday 26<sup>th</sup> September, 2015, at 3.00 P.M. at Hotel Seven Heaven, Mumbai Agra Highway, Opposite Mahindra House, Pathardi Phatha, Nashik – 422010, Maharashtra, and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above proxy to vote in the manner as indicated in the box below

Sr. No.	Resolutions	For	Against	Abstain
1.	Adoption of Audited Balance Sheets as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow for the year ended on that date and the Report of the Board of Directors and Auditors thereon.			
2.	Re-appointment of Mr. Sudarshan Chokhani (DIN 00243355), as a Director of the Company			
3.	Ratification of Appointment of Statutory Auditors			
4.	Appointment of Miss. Dimple Nayak (DIN 07140233) as an Independent Director of the Company			
5.	Appointment of Mr. Mukesh Ashar (DIN 06929024) as a Director of the Company			
6.	Appointment of Mr. Mukesh Ashar (DIN 06929024) as a Whole Time Director of the Company			
7.	Re-appointment of Mr. Sudarshan Chokhani (DIN 00243355) as Managing Director of the Company.			
8.	To create charge over the assets of the Company U/s 180(1)(a) of the Companies Act, 2013 (Special Resolution)			
9.	Approval of limits of borrowing U/s 180(1)(c) of the Companies Act, 2013 (Special Resolution)			
10.	Approval of Remuneration of Cost Auditors			

Signed this.....day of .....2015

AFFIX Re. I  
REVENUE STAMP  
AND SIGN  
ACROSS  
THE STAMP

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy Holder(s)

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A Proxy need not be a member.
3. A person can act as a proxy on behalf of member/s not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. \*\*This is only optional. Please put a " " in the appropriate column against the resolution/s indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all the resolution/s, your proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. In case of Joint holders, the signature of any one holder will be sufficient, but names of all joint holders should be stated.



# Sudal Industries Limited

(CIN : L21541MH1979PLC021541)

Registered Office : A - 5, MIDC, Ambad Industrial Area, Mumbai Nashik Highway, Nashik – 422 010 Maharashtra

## BALLOT FORM NO. MGT – 12

Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1)(C) of the Companies (Management and Administration) Rules, 2014

Serial No.: \_\_\_\_\_

- (1) Name and Registered address of :  
the sole / first named Member/  
Beneficial Owner
- (2) Name(s) of the Joint holder(s) :  
if any
- (3) Registered Folio No. / :  
DPID No./Client ID No.\*  
(\*applicable to Members holding  
Shares in dematerialized form)
- (4) No. of Equity Shares held :
- (5) I/We hereby exercise my/our vote in respect of the Resolution(s) to be passed for the businesses as stated in the Notice of the Company dated July 31<sup>st</sup>, 2015, convening the 36<sup>th</sup> Annual General Meeting of the Company to be held on September 26, 2015 by sending my/our assent or dissent to the said Resolution(s) by placing tick (✓) mark at the appropriate box below. (Tick in both the boxes would render your Ballot invalid)

Item No.	Resolution	Type of Resolution	Number of Shares	For	Against
1	Adoption of Audited Balance Sheet as at 31 <sup>st</sup> March, 2015, the Statement of Profit & Loss and Cash flow for the year ended on that date together with the Report of the Board of Directors and the Auditors thereon	Ordinary			
2	Re-appointment of Mr. Sudarshan Chokhani, (DIN 00243355) as a Director of the Company.	Ordinary			
3	Ratification of Appointment of Statutory Auditors	Ordinary			
4	Appointment of Miss. Dimple Nayak (DIN 07140233) as an Independent Director of the Company	Ordinary			
5	Appointment of Mr. Mukesh Ashar (DIN 06929024) as a Director of the Company.	Ordinary			
6	Appointment of Mr. Mukesh Ashar (DIN 06929024) as Whole Time Director of the Company.	Ordinary			
7.	Re-appointment of Mr. Sudarshan Chokhani (DIN 00243355) as Managing Director of the Company	Ordinary			
8	To create charge over the assets of the Company u/s 180(1)(a) of the Companies Act, 2013	Special			
9	Approval of Limits of Borrowing u/s 180 (1) (c) of the Companies Act, 2013	Special			
10	Approval of Remuneration of Cost Auditors	Ordinary			

Place: \_\_\_\_\_

Date : \_\_\_\_\_

\_\_\_\_\_  
(Signature of Member/Proxy)

Note: Please read the instructions mentioned overleaf before casting your vote.

#### INSTRUCTIONS :

1. This Ballot Form is provided for the benefit of Members who do not have access to Remote e-voting facilities.
2. A Member can opt for only one mode of voting i.e. either through Remote e-voting or by Ballot. If a member casts votes by both modes, then voting done through Remote e-voting shall prevail and Ballot shall be treated as invalid.
3. For detailed instructions on Remote e-voting, please refer to notes appended to the Notice of the AGM.
4. The Scrutinizer will collate the votes for each of the Resolution/s forming part of the Notice of the AGM.

Proceed and manner for Members opting to vote by using the Ballot Form :

1. Please complete and sign the Ballot form [No other form or photocopy thereof is permitted] and send it to the Scrutinizer appointed by the Board of Directors of the Company. Mr Jayesh M Shah, practicing Company Secretary, (C P No. F5637), at the Registered Office of the Company.
2. The Form should be signed by the Member as per the specimen signature registered with the Company/Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the Registration Number of the POA registered with the Company or enclosing an attested copy of the POA. (Exercise of vote by Ballot is not permitted through proxy)
3. In case the shares are held by companies, trusts, societies, etc the duly completed Ballot form should be accompanied by a certified true copy of the relevant Board Resolution / Authorisation.
4. Votes should be cast in case of each resolution, either in favour or against by putting the tick ( ) mark in the column provided in the Ballot.
5. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 19<sup>th</sup> September 2015 as per the Register of Members of the Company.
6. Duly Completed Ballot Form should reach the Scrutinizer not later than Friday, 25<sup>th</sup> September, 2015 (5.00 p.m IST) Ballot Form received after 25<sup>th</sup> September, 2015 will be strictly treated as if the reply from the Members has not been Received.
7. A Member may request for a duplicate Ballot Form, if so required. However, duly filled and signed duplicate form should reach the scrutinizer not later than the date and time specified in serial no 6 above.
8. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected If it is received torn, defaced, or mutilated to an extent makes it difficult for the scrutinizer to identify the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
9. The decision of the scrutinizer of the validity of the Ballot Form and any other related matter shall be final.
10. The results declared along with the scrutinizer's Report shall be placed on the company's website [www.sudal.co.in](http://www.sudal.co.in) and on the website of the CDSL within three days of the passing of the Resolutions at the AGM of the Company on 26<sup>th</sup> September, 2015 and also communicated to the BSE Limited where the shares of the company are listed.

## MISSION

To work together and achieve continuous improvement which will result in the profitable growth and financial strength of our Company.

## VISION

To make Sudal one of the premier Aluminium Extruders and preferred supplier of Quality Extrusions exceeding customer expectations in respect of Quality, Customer Service and Competitiveness in India and abroad.

## QUALITY

Dedicated to exceed customers expectation and devoted to customers delight SUDAL's business strategy is SERVICE, QUALITY and CUSTOMER RELATIONSHIP MANAGEMENT [CRM].

**SUDAL INDUSTRIES LIMITED**

CIN : L21541MH1979PLC021541



# **SUDAL INDUSTRIES LIMITED**

CIN : L21541MH1979PLC021541

Corporate Office :

26 A, Nariman Bhavan, 227, Nariman Point, Mumbai – 400 021 • Tel No : +91-22-61577100 / 177

E- mail : [mumbai@sudal.co.in](mailto:mumbai@sudal.co.in)