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## Corporate Information

### Directors

Mr. Ajay Kumar Chakraborty - Chairman  
DIN: 00133604

Mr. Sunil Kumar Agrawal - Managing Director  
DIN: 00091784

Mr. Anirudha Agrawal  
DIN: 06537905

Mr. Basudeo Agrawal  
DIN: 00438754

Dr. Kali Kumar Chaudhuri  
DIN: 00206157

Mr. Mrinal Kanti Pal  
DIN: 00867865

Mrs. Smita Khaitan  
DIN: 01116869

Mr. Vineet Agrawal - Executive Director  
DIN: 00441223

### Company Secretary

Mr. Vivek Jain

### Chief Financial Officer

Mr. Deepak Chamaria

### Auditors

M/s. S. K. Agrawal & Co.

### Registrar & Share Transfer Agent

Link Intime India Pvt. Ltd.  
59C, Chowringhee Road  
Kolkata - 700 020

### Registered Office

8/1, Lal Bazar Street  
Bikaner Building, 3rd Floor  
Kolkata - 700 001

### Bankers

State Bank of India  
Bank of Baroda  
Allahabad Bank  
IDBI Bank Limited

**DIRECTORS' REPORT FOR THE FINANCIAL YEAR 2015-16****Dear Shareholders,**

Your Directors are pleased to present the Sixth Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31st March, 2016.

**FINANCIAL RESULTS:**

(₹ in Lacs)

Particulars	2015-16	2014-15
<b>Total Revenue</b>	<b>26569.11</b>	29805.59
<b>Profit Before Tax (PBT)</b>	<b>(639.67)</b>	(738.58)
Less: Provisions for Taxation	<b>(135.96)</b>	(114.47)
<b>Profit After Tax (PAT)</b>	<b>(503.71)</b>	(624.11)
Balance brought forward from previous year	<b>(376.02)</b>	248.09
<b>Surplus / (Deficit) Carried to Balance Sheet</b>	<b>(879.73)</b>	(376.02)

**STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK**

Kindly refer to 'Management Discussion and Analysis Report' which forms part of the Annual Report.

**CHANGES IN THE NATURE OF BUSINESS, IF ANY**

There has been no change in the nature of business of the Company during the financial year 2015-2016.

**DIVIDEND**

Since your Company has incurred loss the Board of Directors of your Company have not recommended any dividend for the financial year 2015-16.

**TRANSFER TO RESERVES**

During the year under review the Company has not transferred any amount to the General Reserve Account.

**CHANGES IN SHARE CAPITAL**

The paid-up Equity Share Capital of the Company as at 31<sup>st</sup> March, 2016 stood at ₹ 655.34 lacs. During the year under review, the Company has not issued any further shares.

**DETAILS PERTAINING TO SHARES IN SUSPENSE ACCOUNT**

Details of shares held in the demat suspense account as required under Regulation 39(4) read with Schedule VI of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") forms part of the Corporate Governance Report.

**OPERATIONS AND BUSINESS PERFORMANCE**

Kindly refer to Management Discussion and Analysis Report, which forms part of the Directors' Report.

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) read with Para B of Schedule V of the Listing Regulations forms part of this Annual Report.

**DETAILS RELATING TO MATERIAL VARIATIONS**

Since no prospectus or letter of offer has been issued during last 5(Five) years, there is no question of material variation.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT.**

There are no material changes and commitments affecting the financial position of the company during the year under review.

**EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as on 31<sup>st</sup> March, 2016 in the prescribed Form MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014 forms part of this Directors' Report and marked as **Annexure- "A"**.

**CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34 read with Para C of Schedule V of the Listing Regulations, Report on the Corporate Governance along with a certificate from the Auditors of the Company confirming compliance with the conditions of the Corporate Governance is annexed as **Annexure-"B"**.

**NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

The details of numbers of meeting of Board held during the year under review forms part of the Corporate Governance Report.

**DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) and 134(5) of the Companies Act, 2013:

- a) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2016, the applicable accounting standards had been followed along with proper explanations relating to material departures, if any;
- b) that the Directors had adopted such accounting policies and applied them consistently and made judgements and estimates in a reasonable and prudent manner so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year 2015-16 and of the loss of the Company for that period;
- c) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual accounts had been prepared on a going concern basis;
- e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and operating effectively;
- f) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS**

The Company has appointed Mr Ajay Kumar Chakraborty (DIN: 00133604), Dr Kali Kumar Chaudhuri (DIN:00206157) and Mrs Smita Khaitan (DIN:01116869) as Independent Director of the Company for a fixed term of 5 (Five) years in the Extra ordinary General Meeting of the Company held on 17<sup>th</sup> November, 2014.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the Listing Regulations.

**DIRECTORS & KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and the Article 87 of the Articles of Association of the Company, Mr. Sunil Kumar Agrawal (DIN: 00091784), Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

The brief Resume/Profile of the Directors recommended by the Board for appointment/re-appointment forms part of Notice convening the 6<sup>th</sup> Annual General Meeting.

**STATUTORY AUDITORS & AUDITORS' REPORT**

Messers SK Agrawal & Co, Chartered Accountants, (Firm Registration No. 306033E), had been appointed as statutory auditors of the Company at the 4<sup>th</sup> Annual General Meeting held on 10<sup>th</sup> September, 2014, to hold office from the conclusion of 4<sup>th</sup> Annual General Meeting till the conclusion of 9<sup>th</sup> Annual General Meeting, on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.

In accordance with Section 139(1) of the Companies Act, 2013, the Board recommends such appointment of M/s. SK Agrawal & Co for ratification by the members in the ensuing Annual General Meeting.

There are no observations (including any qualification, reservation, adverse remarks or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. The specific notes forming part of the accounts referred to in Auditor's Report are self explanatory and give complete information.

#### **SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company had appointed M/s Vinod Kothari & Company, Practising Company Secretaries, to conduct Secretarial Audit of the Company for the Financial Year 2015-16.

#### **SECRETARIAL AUDIT REPORT**

The Secretarial Audit Report in Form MR-3 as given by the secretarial auditor for the Financial Year ended 31st March, 2016, forms part of the Directors Report and annexed as **Annexure- "C"**.

The Secretarial Auditors Report addressed to the shareholders of the Company, does not contain any qualification, reservation, adverse remark or disclaimer.

#### **COST AUDITORS**

Pursuant to the requirement of Section 148 of the Companies Act, 2013 the cost audit is applicable on your Company for manufacturing items covered under Rule 3 of Companies (Cost Records and Audit) Rules, 2014. The Board of Directors of your Company on the recommendation of Audit Committee has appointed M/s B Mukhopadhyay & Company, Cost Accountant as Cost Auditors of the Company for the Financial Year 2015-16. As required under Companies Act, 2013 the remuneration payable to the Cost Auditor was ratified by the shareholders in the Annual General Meeting held on 25<sup>th</sup> September, 2015.

The due date for filing the Cost Audit Reports for Financial Year 2015-16 is 27<sup>th</sup> September, 2016 and the Cost Auditors are expected to file the reports with the Central Government within the said period.

The Board, pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records & Audit) Rules, 2014, has re-appointed M/s B Mukhopadhyay & Co, Cost Accountants, B-20, Amarabati, Sodepur, Kolkata - 700 110, as the Cost Auditors of the Company for the Financial Year 2016-17 and accordingly, a resolution for seeking Members ratification for the remuneration payable to the Cost Auditors in included at Item No 6 of the Notice Convening the Annual General Meeting.

#### **FRAUD REPORTING**

There was no fraud reported by the Auditors of the Company under section 143(12) of the Companies Act, 2013, to the Audit Committee or the Board of Directors during the year under review.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

The Company has not given any loans, made any investments or given any guarantee as stipulated under the provisions of Section 186 of Companies Act, 2013, during the financial year 2015-16.

#### **PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts/arrangements/transactions entered by the Company with related parties for the year under review were on arm's length basis and in the ordinary course of business and were reviewed by the Audit Committee, and that the provisions of Section 188(1) read with the Companies (Meetings of Board and its Powers) Rules, 2014 are not attracted. Further there are no materially significant related party transactions during the year under review made by the Company which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

All Related Party transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of un-foreseen in nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their noting on a quarterly basis.

During the year under review, the Company has not entered into any contract/ arrangement/ transaction with related parties which could be considered material in accordance with the Company's policy of Materiality of Related Party Transactions.

The policy on Related Party Transactions as approved by the Board of Directors of the Company may be accessed on the Company's website [www.manaksia.com](http://www.manaksia.com) and the weblink thereto is [http://www.manaksia.com/corp\\_policy\\_aluminium.php](http://www.manaksia.com/corp_policy_aluminium.php)

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

The details required pursuant to the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo forms part of this Directors Report and marked as **Annexure-“D”**.

### RISK MANAGEMENT SYSTEM

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realisation of opportunities.

The Company has structured Risk Management Policy, designed to safeguard the organization from various risks through adequate and timely actions. The Company manages, monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives.

The major risks have been identified by the Company and its mitigation process/measures have been formulated.

### AUDIT COMMITTEE

The Company pursuant to the requirement of the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the Listing Regulations has in place Audit Committee comprising of 4 (Four) Directors, Mr. Ajay Kumar Chakraborty (DIN: 00133604)– Independent Director (Chairman), Dr. Kali Kumar Chaudhuri (DIN: 00206157)- Independent Director, Mr. Sunil Kumar Agrawal (DIN: 00091784)- Executive Director and Mrs. Smita Khaitan (DIN: 01116869)- Independent Director. The detailed terms of reference of the Committee is provided in the Corporate Governance Report.

There were no such instances where in the Board had not accepted recommendation of the Audit Committee.

### NOMINATION & REMUNERATION COMMITTEE

The Company pursuant to the requirement of provisions of Section 178(1) of the Companies Act, 2013 read with Regulation 19 of the Listing Regulations has in place the Nomination & Remuneration Committee comprising of 4 (Four) members, Dr Kali Kumar Chaudhuri (DIN: 00206157) – Independent Director (Chairman), Mr. Ajay Kumar Chakraborty (DIN: 00133604) – Independent Director, Mr. Basudeo Agrawal (DIN: 00438754)– Non-executive Director and Mrs. Smita Khaitan (DIN: 01116869)– Independent Director. The detailed terms of reference of the Committee is provided in the Corporate Governance Report.

The Company pursuant to provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Para A of Part D of Schedule II, upon recommendation of Nomination & Remuneration committee has devised a policy on Remuneration of Directors and Key Managerial Personnel and other employees. The said policy forms part of the Directors Report and marked as **Annexure “E”**.

The Board of Directors of the Company pursuant to the requirement of provisions of the Companies Act, 2013 and Listing Regulations and on recommendation of Nomination & Remuneration Committee formed a questionnaire laying down several question dealing with several aspect of evaluation of performance of the individual directors, committees of board and the board itself which inter-alia included appropriate assistance in implementing corporate governance practices, participating actively in collective decision making, analysing the options for action and working towards consensus, their specific roles and responsibilities to be fulfilled as an Independent Director.

Familiarization programme undertaken for Independent Directors is provided at the following weblink: <http://www.manaksia.com/management-team-aluminium-co.php>

### STAKEHOLDERS RELATIONSHIP COMMITTEE

As required by the provisions of Section 178(5) of the Companies Act, 2013 read with Regulation 20 of the Listing Regulations, the Company has constituted the Stakeholders Relationship Committee comprising of 3 (Three) members, Dr Kali Kumar Chaudhuri (DIN: 00206157) – Independent Director (Chairman), Mr. Sunil Kumar Agrawal (DIN: 00091784)– Managing Director and Mr. Vineet Agrawal (DIN: 00441223) – Executive Director as members. The detailed terms of reference of the Committee is provided in the Corporate Governance Report.

### CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are not applicable to your Company.

### BOARD EVALUATION

Pursuant to the provisions of Companies Act, 2013 and the Listing Regulations, the Nomination & Remuneration Committee has laid down the criteria for performance evaluation, in a structured questionnaire form after taking into consideration various aspects of the Board functioning, composition of the Board and its Committees, culture, execution, diligence, integrity, awareness and performance of specific laws, duties, obligations and governance, on the basis of which, the Board has carried out evaluation of its own performance, the performance of Board Committee and of Directors individually.

The Independent Directors of the Company, without the participation of Non-Independent Directors and members of management, in their separate meeting have reviewed the performance of Non-Independent Directors and the Board as a whole and also the performance of the Chairman of the Company taking into account the views of executive directors and non executive directors. The Independent Directors further assessed the quality, quantity and timeliness of flow of information between the company management and the board that is necessary for the board to effectively and reasonably perform their duties..The review of performance of Non-Independent Directors was done, after discussing with them on various parameters, such as, skill, competence, experience, degree of engagement, ideas & planning etc. The Board performance was reviewed on various parameters, such as, adequacy of the composition of the Board, Board culture, appropriateness of qualification & expertise of Board members, process of identification and appointment of Independent Directors, inter-personal skills, ability to act proactively, managing conflicts, managing crisis situations, diversity in the knowledge and related industry expertise, roles and responsibilities of Board members, appropriate utilization of talents and skills of Board members etc. The evaluation of the Chairman of the Company was conducted on various parameters such as leadership quality, capability, availability, clarity of understanding, governance & Compliance and degree of contribution etc.

The Board of Directors of the Company expressed their satisfaction towards the process of review and evaluation of performance of Board, it's Committees and of individual directors.

### **DEPOSITS**

The Company has neither accepted nor renewed any deposits during the Financial Year 2015-16 in terms of Chapter V of the Companies Act, 2013.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS**

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which may impact its going concern status and Company's operations in future.

### **STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has in place adequate internal financial controls with reference to financial statements. Your Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively. To commensurate the internal financial control with its size, scale and complexities of its operations the Company on the recommendation of Audit Committee has appointed M/s Namita Kedia & Associates, Chartered Accountants, as Internal Auditor of the Company. During the year, subsequent to resignation of M/s Namita Kedia & Associates, M/s S Bhalotia & Associates, Chartered Accountants were appointed as Internal Auditors of the Company.

The Audit Committee reviews the report submitted by the Internal Auditors. The Audit Committee actively reviews the adequacy and effectiveness of the internal control systems, in this regard, your Board confirms the following:

1. Systems have been laid to ensure that all transactions are executed in accordance with management's general and specific authorization. There are well-laid manuals for such general or specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of financial statements in conformity with generally accepted accounting principles or any other criteria applicable to such statements, and to maintain accountability for aspects and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified/checked at reasonable intervals and appropriate action is taken with respect to any differences, if any.

Proper systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's policies.

### **WHISTLE BLOWER POLICY/ VIGIL MECHANISM**

In Compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Listing Regulations, the Company has framed a Whistle Blower Policy to establish a vigil mechanism for Directors and employees to report genuine concerns about actual or suspected unethical behaviour, mal practice, wrongful conduct, discrimination, sexual harassment, fraud, violation of the Company policies including Code of Conduct without fear of reprisal/retaliation. The Whistle Blower Policy/Vigil Mechanism has also been uploaded on Company's website [www.manaksia.com](http://www.manaksia.com).

**DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

There has been no such case filed/pending during the year under review.

**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The disclosure pertaining to remuneration and other details as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of the Directors Report and marked as **Annexure - "F"**.

During the period under review, no employee of the Company drew remuneration in excess of the limits specified under the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and hence no disclosure is required to be made in the Annual Report.

**ACKNOWLEDGEMENT**

Your Company continues its relentless focus on strengthening competition in all its businesses. It is the endeavour of your Company to deploy resources in a balanced manner so as to secure the interest of the shareholders in the best possible manner in the short, medium and long terms.

Your Directors convey their grateful appreciation for the valuable patronage and co-operation received and goodwill enjoyed by the Company from its esteemed customers, commercial associates, banks, financial institutions, Government Authorities, other stakeholders and the media.

Your Directors also wish to place on record their deep sense of appreciation to all the employees at all levels for their commendable teamwork, professionalism and enthusiastic contribution towards the working of the Company during the year under review.

Your Directors look forward to the future with hope and conviction.

For and on behalf of the Board of Directors

Place : Kolkata  
Date : 16<sup>th</sup> May, 2016

**Sunil Kumar Agrawal**  
Managing Director  
DIN: 00091784

**Mrinal Kanti Pal**  
Director  
DIN: 00867865



## FORM NO. MGT 9

## EXTRACT OF ANNUAL RETURN

As on Financial Year ended 31.03.2016

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

## I. REGISTRATION &amp; OTHER DETAILS:

1	CIN	L27100WB2010PLC144405
2	Registration Date	25 <sup>th</sup> March 2010
3	Name of the Company	Manaksia Aluminium Company Limited
4	Category/Sub-category of the Company	Public Company Limited by Shares / Indian Non-Government Company
5	Address of the Registered office & contact details	Bikaner Building, 3rd Floor, 8/1, Lal Bazar Street, Kolkata - 700 001 Tel: +91-33-2231 0050   Fax: +91-33-2230 0336
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar and Share Transfer Agent, if any.	Link Intime India Private Limited 59C, Chowringhee Road, 3rd Floor, Room No.5, Kolkata - 700 020 Tel: +91-33-2289 0540 Fax: +91-33-2289 0539

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Aluminium Sheet Coil	24202	99.53%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : Not Applicable

## IV. SHARE HOLDING 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	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	41255940	-	41255940	62.953	42277940		42277940	64.513	1.560
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(1)	41255940	-	41255940	62.953	42277940		42277940	64.513	1.560



**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (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	
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Others - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total A(2)	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A) =(A)(1) + (A)(2)</b>	<b>41255940</b>	<b>-</b>	<b>41255940</b>	<b>62.953</b>	<b>42277940</b>	<b>-</b>	<b>42277940</b>	<b>64.513</b>	<b>1.560</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	19208	-	19208	0.029	19208	-	19208	0.029	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	62290	-	62290	0.095	31147	-	31147	0.048	(0.047)
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	<b>81498</b>	<b>-</b>	<b>81498</b>	<b>0.124</b>	<b>50355</b>	<b>-</b>	<b>50355</b>	<b>0.077</b>	<b>(0.047)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	17289783	-	17289783	26.383	15333074	-	15333074	23.397	(2.986)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	5808740	1313	5810053	8.866	6319876	1470	6321346	9.646	0.760
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	979500	-	979500	1.495	1409715	-	1409715	2.151	0.656
c) Others (specify)									
Non Resident Indians(Rep)	33703	-	33703	0.051	47998	-	47998	0.073	0.022
Non Resident Indians(Non-Rep)	13514	-	13514	0.021	27579	-	27579	0.042	0.021
Clearing Members	70059	-	70059	0.107	66044	-	66044	0.101	(0.006)
<b>Sub-total (B)(2):-</b>	<b>24195299</b>	<b>1313</b>	<b>24196612</b>	<b>36.923</b>	<b>23204285</b>	<b>1470</b>	<b>23205755</b>	<b>35.410</b>	<b>(1.512)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>24276797</b>	<b>1313</b>	<b>24278110</b>	<b>37.048</b>	<b>23254640</b>	<b>1470</b>	<b>23256110</b>	<b>35.487</b>	<b>(1.560)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>65532737</b>	<b>1313</b>	<b>65534050</b>	<b>100</b>	<b>65532580</b>	<b>1470</b>	<b>65534050</b>	<b>100</b>	<b>-</b>

**B) Shareholding of Promoters-**

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	Basudeo Agrawal	9500115	14.496	-	10348615	15.791	-	1.295
2	Suresh Kumar Agrawal	9402740	14.348	-	-	-	-	(14.348)
3	Mahabir Prasad Agrawal	5448245	8.314	-	5959245	9.093	-	0.779
4	Varun Agrawal	2766930	4.222	-	-	-	-	(4.222)
5	Vineet Agrawal	2416245	3.687	-	8954735	13.664	-	9.977
6	Karan Agrawal	1797185	2.742	-	1797185	2.742	-	-
7	Sunil Kumar Agrawal	1616060	2.466	-	4861368	7.418	-	4.952
8	Shobha Devi Agrawal	1305560	1.992	-	1305560	1.992	-	-
9	Chandrakala Agrawal	1244810	1.899	-	-	-	-	(1.899)
10	Sushil Kumar Agrawal	852875	1.301	-	4483557	6.842	-	5.541
11	Shailaja Agrawal	497810	0.760	-	497810	0.760	-	-
12	Manju Agrawal	487125	0.743	-	487125	0.743	-	-
13	Kanta Devi Agrawal	482060	0.736	-	482060	0.736	-	-
14	Basudeo Agrawal (HUF)	464060	0.708	-	464060	0.708	-	-
15	Mahabir Prasad Agrawal (HUF)	464060	0.708	-	464060	0.708	-	-
16	Sunil Kumar Agrawal (HUF)	393750	0.601	-	393750	0.601	-	-
17	Anirudha Agrawal	1374560	2.097	-	1374560	2.097	-	-
18	Sushil Kumar Agrawal (HUF)	338250	0.516	-	338250	0.516	-	-
19	Suresh Kumar Agrawal (HUF)	337500	0.515	-	-	-	-	(0.515)
20	Anuradha Agrawal	66000	0.101	-	66000	0.101	-	-

**C) Change in Promoters' Shareholding**

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
1	Basudeo Agrawal	9500115	14.496	01.04.2015			
				16.10.2015	337500*	9837615	15.011
				25.02.2016	511000**	10348615	15.791
				31.03.2016		10348615	15.791
2	Suresh Kumar Agrawal	9402740	14.348	01.04.2015			
				14.07.2015	4011740*	13414480	20.469
				22.07.2015	(13414480)*	-	-
3	Mahabir Prasad Agrawal	5448245	8.314	01.04.2015			
				25.02.2016	511000**	5959245	9.093
				31.03.2016		5959245	9.093

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
4	Varun Agrawal	2766930	4.222	01.04.2015 14.07.2015	(2766930)*	-	-
5	Vineet Agrawal	2416245	3.687	01.04.2015 22.07.2015 31.03.2016	6538490*	8954737 8954737	13.664 13.664
6	Karan Agrawal	1797185	2.742	01.04.2015 31.03.2016		1797185	2.742
7	Sunil Kumar Agrawal	1616060	2.466	01.04.2015 22.07.2015 31.03.2016	3245308*	4861368 4861368	7.418 7.418
8	Shobha Devi Agrawal	1305560	1.992	01.04.2015 31.03.2016		1305560	1.992
9	Chandrakala Agrawal	1244810	1.899	01.04.2015 14.07.2015	(1244810)*	-	-
10	Sushil Kumar Agrawal	852875	1.301	01.04.2015 22.07.2015 31.03.2016	3630682*	4483557 4483557	6.842 6.842
11	Shailaja Agrawal	497810	0.760	01.04.2015 31.03.2016		497810	0.760
12	Manju Agrawal	487125	0.743	01.04.2015 31.03.2016		487125	0.743
13	Kanta Devi Agrawal	482060	0.736	01.04.2015 31.03.2016		482060	0.736
14	Basudeo Agrawal (HUF)	464060	0.708	01.04.2015 31.03.2016		464060	0.708
15	Mahabir Prasad Agrawal (HUF)	464060	0.708	01.04.2015 31.03.2016		464060	0.708
16	Sunil Kumar Agrawal (HUF)	393750	0.601	01.04.2015 31.03.2016		393750	0.601
17	Anirudha Agrawal	1374560	2.097	01.04.2015 31.03.2016		1374560	2.097
18	Sushil Kumar Agrawal (HUF)	338250	0.516	01.04.2015 31.03.2016		338250	0.516
19	Suresh Kumar Agrawal (HUF)	337500	0.515	01.04.2015 16.10.2015	(337500)*	-	-
20	Anuradha Agrawal	66000	0.101	01.04.2015 31.03.2016		66000	0.101

Notes: \* Inter se Transfer

\*\* Purchase of shares through Market

**D) Shareholding Pattern of top ten Shareholders:**

**(Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
1	Accolade Traders Private Limited	3264875	4.982	01.04.2015 31.03.2016		3264875	4.982
2	Attractive Vinimay Private Limited	1816250	2.771	01.04.2015 31.03.2016		1816250	2.771
3	Kalitara Glass Moulding Works Private Limited	1913658	2.920	01.04.2015 31.03.2016		1913658	2.920
4	Palash Machineries Private Limited	1514155	2.310	01.04.2015 31.03.2016		1514155	2.310
5	Aradhana Properties Private Limited	1467000	2.239	01.04.2015 31.03.2016		1467000	2.239
6	B B Constructions Limited	1026250	1.566	01.04.2015 31.03.2016		1026250	1.566
7	Globe Capital Market Limited	1184358	1.807	01.04.2015 01.05.2015 15.05.2015 22.05.2015 29.05.2015 30.06.2015 04.09.2015 11.09.2015 18.09.2015 25.09.2015 30.09.2015 09.10.2015 16.10.2015 23.10.2015 30.10.2015 26.02.2016 31.03.2016	8000* 24100* 8000* 3838* 5000* 6675* 8147* 10927* 4469* 17892* 2048* 20393* 142* 18339* 659*	1192358 1216458 1224458 1228296 1233296 1239971 1248118 1259045 1263514 1281406 1283454 1303847 1303989 1322328 1322987 1322987	1.819 1.856 1.868 1.874 1.882 1.892 1.905 1.921 1.928 1.955 1.958 1.990 1.990 2.018 2.019 2.019
8	SAK Dealers Private Limited	600000	0.916	01.04.2015 03.07.2015 (ceased to be in top 10 shareholder)	(600000)*	-	-
9	Mrs. Sudha Gupta	375000	0.572	01.04.2015 31.03.2016		375000	0.572

**D) Shareholding Pattern of top ten Shareholders: (Contd.)**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
10	N B Dealers Private Limited	350000	0.532	01.04.2015 03.07.2015 (ceased to be in top 10 shareholder)	(350000)*	-	-
11	Stuti Hardware Dealers Private Limited	-	-	03.07.2015 (entered in top 10 shareholder) 27.11.2015 26.02.2016 (ceased to be in top 10 shareholder)	950000*  72000* (1022000)*	950000  1022000  -	1.450  1.559
12	Consortium Capital Private Limited	-	-	03.07.2015 (entered in top 10 shareholder) 07.08.2015 (ceased to be in top 10 shareholder) 25.09.2015 (entered in top 10 shareholder) 30.09.2015 (ceased to be in top 10 shareholder)	     (310000)*	310000  310000  310000  -	0.473  0.473  0.473
13	Aristo Capital Markets Limited	-	-	07.08.2015 (entered in top 10 shareholder) 14.08.2015 25.09.2015 (ceased to be in top 10 shareholder)	173034*  29936* (328232)*	358022  387958  59726	0.546  0.592  0.091

**D) Shareholding Pattern of top ten Shareholders: (Contd.)**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
14	Welquin Suppliers Private Limited	-	-	30.09.2015 (entered in top 10 shareholder)	310000*	316000	0.482
				18.12.2015 (ceased to be in top 10 shareholder)	(300000)*	16000	0.024
15	Linton Consultants Private Limited	-	-	18.12.2015 (entered in top 10 shareholder)		231088	0.353
				19.02.2016 (ceased to be in top 10 shareholder)		231088	0.353
				26.02.2016 (entered in top 10 shareholder)		231088	0.353
				31.03.2016		231088	0.353
16	Balkrishan Poddar	-	-	19.02.2016 (entered in top 10 shareholder)	90000*	241908	0.369
				11.03.2016 (ceased to be in top 10 shareholder)	(240000)*	1908	0.003
17	Jai Salasar Balaji Industries Private Limited	-	-	11.03.2016 (entered in top 10 shareholder)		225000	0.343
				31.03.2016		225000	0.343

\* Shares transfer

Note: The above information is based on the weekly beneficiary position received from Depositories.

**E) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding at the beginning of the year		Date	Increase/ (Decrease) in Shareholding	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company			No. of Shares	% of total shares of the Company
<b>DIRECTORS</b>							
1	Mr Ajay Kumar Chakraborty	-	-	01.04.2015 31.03.2016	-	-	-
2	Dr Kali Kumar Chaudhuri	-	-	01.04.2015 31.03.2016	-	-	-
3	Basudeo Agrawal	9500115	14.497	01.04.2015 16.10.2015 25.02.2016 31.03.2016	337500* 511000**	9837615 10348615 10348615	15.011 15.791 15.791
4	Mrs Smita Khaitan	-	-	01.04.2015 31.03.2016	-	-	-
5	Mr Sunil Kumar Agrawal	1616060	2.466	01.04.2015 22.07.2015 31.03.2016	3245308*	4861368 4861368	7.418 7.418
6	Mr Vineet Agrawal	2416245	3.687	01.04.2015 22.07.2015 31.03.2016	6538490*	8954737 8954737	13.664 13.664
7	Mr Anirudha Agrawal	1374560	2.097	01.04.2015 31.03.2016		1374560	2.097
8	Mrinal Kanti Pal	396	0	01.04.2015 31.03.2016		396	0.00
<b>KEY MANAGERIAL PERSONNEL</b>							
1	Vivek Jain	-	-	01.04.2015 31.03.2016	-	-	-
2	Deepak Chamaria	20	0.00	01.04.2015 31.03.2016		20	0.00

\* Inter se Transfer

\*\* Creeping Acquisition through Market

**V) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(₹ in Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	10123.30	-	-	10123.30
ii) Interest due but not paid	22.48	-	-	22.48
iii) Interest accrued but not due	12.42	-	-	12.42
<b>Total (i+ii+iii)</b>	<b>10158.20</b>	-	-	<b>10158.20</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	581.56	-	-	581.56
<b>Net Change</b>	<b>(581.56)</b>	-	-	<b>(581.56)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	9533.00	-	-	9533.00
ii) Interest due but not paid	14.34	-	-	14.34
iii) Interest accrued but not due	29.30	-	-	29.30
<b>Total (i+ii+iii)</b>	<b>9576.64</b>	-	-	<b>9576.64</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		MD	WTD	
		Sunil Kumar Agrawal	Vineet Agrawal	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	45.00	42.00	87.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	--	-
	- others, specify	-	--	-
5	Others, please specify			
	<b>Total (A)</b>	<b>45.00</b>	<b>42.00</b>	<b>87.00</b>
	<b>Ceiling as per the Act*</b>	<b>120.00</b>	<b>120.00</b>	<b>240.00</b>

\*The Ceiling as per the Act has been calculated as per Schedule V

**B. Remuneration to other directors**

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Ajay Kumar Chakraborty	Dr. Kali Kumar Chaudhuri	Mrs. Smita Khaitan	
1	<b>Independent Directors</b>				
	Fee for attending board committee meetings	0.11	0.13	0.16	0.40
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>0.11</b>	<b>0.13</b>	<b>0.16</b>	<b>0.40</b>
2	<b>Other Non-Executive Directors</b>	<b>Basudeo Agrawal</b>	<b>Mrinal Kanti Pal</b>	<b>Anirudha Agrawal</b>	
	Fee for attending board committee meetings	0.07	0.05	0.05	0.17
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>	<b>0.07</b>	<b>0.05</b>	<b>0.05</b>	<b>0.17</b>
	<b>Total (B)=(1+2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.57</b>
	<b>Total Managerial Remuneration*</b>				<b>87.57</b>
	<b>Overall Ceiling as per the Act</b>				<b>240.00</b>

\* Total Remuneration to Managing Director, Whole Time Director & other Directors (being the total of A & B)

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		CS	CFO	
		Vivek Jain	Deepak Chamaria	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3.54	15.44	18.98
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	<b>Total</b>	<b>3.54</b>	<b>15.44</b>	<b>18.98</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty			-NONE-		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			-NONE-		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			-NONE-		
Punishment					
Compounding					

## CORPORATE GOVERNANCE REPORT

As required under Regulation 34(3) read with Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") the details of compliance by the Company with the norms of Corporate Governance are as under:

### Philosophy of the Company on Corporate Governance:

The Company's philosophy on Corporate Governance is to ensure adoption of high standard of ethics, sound business decisions, prudent financial management practices, professionalism in decision making and conducting the business and Compliance with regulatory guidelines on governance. The Company has adopted the principles of good Corporate Governance and is committed to adopt best relevant practices for governance to achieve the highest levels of transparency and accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. As such, the Company aims at always remaining progressive, competent and trustworthy, creating and enhancing value of stakeholders and customers to their complete satisfaction. The Company continues to focus its resources, strengths and strategies to achieve the core values of Quality, Trust, Leadership and Excellence.

The Company is in compliance with all the requirements of the Corporate Governance code as stipulated in Part C of the Schedule V of the SEBI Listing Regulations.

### BOARD OF DIRECTORS

#### Composition of the Board:

As on 31<sup>st</sup> March, 2016, the Board of Directors of the Company comprised of 8 (Eight) Directors, of whom 3 (Three) are Independent Directors including the Chairman, 2 (Two) are Executive Directors including the Managing Director and 3 (Three) are Non-Executive Directors. The composition of the Board of Directors is in conformity with Companies Act, 2013 (hereinafter referred to as "Act") and Listing Regulations. The Board of Directors of the Company has a woman director. The details of directorships held in Indian public companies and Chairmanship and/or Membership of the Committees held as on 31<sup>st</sup> March, 2016 by each Director in other Companies are as under:

Name and DIN of the Directors	Category	*No. of Directorship(s) held in Indian public Limited Companies (including this Company)		#No. of Committee(s) of which he/she is a Member/Chairman (including this Company)	
		Chairman	Director	Chairman	Member
Mr. Ajay Kumar Chakraborty DIN: 00133604	NEI/ Chairman	4	6	5	6
Mr. Anirudha Agrawal DIN: 06537905	PD/NE	None	2	None	None
Mr. Basudeo Agrawal DIN: 00438754	PD/NE	None	3	None	None
Dr. Kali Kumar Chaudhuri DIN: 00206157	NEI	None	6	4	9
Mr Mrinal Kanti Pal DIN: 00867865	NE	None	2	None	None
Mrs Smita Khaitan DIN: 01116869	NEI	None	5	2	7
Mr. Sunil Kumar Agrawal DIN: 00091784	PD/MD/ED	None	3	None	4
Mr. Vineet Agrawal DIN: 00441223	PD/WTD/ED	None	7	None	2

PD: Promoter Director; MD: Managing Director; NEI: Non Executive Independent Director; NE: Non Executive Director; WTD: Whole Time Director ED: Executive Director

\*Number of Directorship includes Chairmanship.

#Number of Membership includes Chairmanship.

The above mentioned directorships exclude directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

As mandated by Regulation 26(1) of the Listing Regulations, none of the Directors on the Board is a member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees, across all the public limited companies in which he/she is a Director. For assessment of these criteria, the limit under Regulation 26(1), the membership / chairmanship of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered. In compliance with Regulation 25(1) of the Listing Regulations, the Directors on the Board of the Company does not serve as Independent Directors in more than 7 (Seven) listed Companies.

Mr. Basudeo Agrawal, Mr. Vineet Agrawal, Mr. Sunil Kumar Agrawal and Mr. Anirudha Agrawal are relatives within the meaning of section 2(77) of the Act.

The number of Shares held by Non Executive Directors as on 31.03.2016 is as follows:

<b>Name of Non- Executive Directors</b>	<b>No of Shares Held</b>
Basudeo Agrawal	10348615
Anirudha Agrawal	1374560
Mrinal Kanti Pal	396

#### **Independent Directors**

The Company has appointed Independent Directors and a woman director on its Board for a term of Five years w.e.f. 17<sup>th</sup> November, 2014, who shall hold office upto the conclusion of Annual General Meeting to be held in the calendar year 2019. The Company ensured that the persons, who have been appointed as Independent Directors of the Company, have the requisite qualifications and experience which they would continue to contribute and would be beneficial to the Company. In terms of requirement of Section 149(7) of the Companies Act, 2013 read with rules made thereunder and Listing Regulations, all Independent Directors have given declaration in the Board meeting held on 16<sup>th</sup> May, 2016 that they meet the criteria of independence as stated in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

#### **Formal letter of Appointment**

A formal letter of appointment to Independent Directors has been issued at the time of appointment. The terms and conditions of their appointment is disclosed on the website of the Company, [www.manaksia.com](http://www.manaksia.com)

#### **Performance Evaluation of Independent Directors**

The Board of Directors of the Company pursuant to the requirement of provisions of the Act and Listing Regulations and on recommendation of Nomination & Remuneration Committee has formed a questionnaire format for evaluation of its own performance as well as evaluation of the performance of its committees respectively. A questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. Performance evaluation of Independent Directors was done by the entire Board of Directors excluding the director being evaluated. On the basis of that evaluation the performance of the Independent Directors has been found satisfactory and they would be beneficial for the Board of Directors of the Company.

#### **Separate Meeting of the Independent Directors**

During the Financial Year 2015-16, as per the requirement of Schedule IV of the Companies Act, 2013 and the SEBI Listing Regulations, 1 (One) separate meeting of Independent Directors was held on 8<sup>th</sup> November, 2015 without the presence of the Non-Independent Directors and the members of the management, to discuss the following:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairman of the Company;
- To assess the quality, quantity and timeliness of flow of information.

All the Independent Directors were present throughout the meeting. They expressed their satisfaction about effective strategy, performance Management and towards the best practices in governance and compliance. They also expressed their satisfaction towards transparency and the freedom to express views on the business transacted at the meetings and the openness with which the management discuss various subject matters on the agenda of the meeting.

#### **Familiarization Programme for the Independent Directors**

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter-alia explains their roles, functions, duties and responsibilities as the Director of the Company. The Director is also explained in detail the compliance to be made by him/her under the Act, Listing Regulations and other relevant regulations and affirmation taken with respect to the same. The Managing Director of the Company also have one to one discussion with the newly appointed Director to familiarise him/her with the Company's operations.

During the financial year 2015-16, no new Independent Director was appointed on the Board of the Company. However, on an ongoing basis as a part of Agenda of Board/ Committee Meetings Independent Directors regularly discuss on various matters inter-alia covering the Company's businesses & operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters (familiarization programme). Familiarization programme for Independent Directors is provided at the following weblink: <http://www.manaksia.com/management-team-aluminium-co.php>

#### Board Agenda

The meetings of the Board are governed by a structured agenda. The Agenda for the Board Meeting covers items set out as per the requirements of Act and Listing Regulations to the extent these are relevant and applicable. All agenda items are supported by relevant information and documents to enable the Board to take informed decisions. The Board members in consultation with the Chairman may bring upon other matters for consideration at the Board Meeting. Members of the Senior Management are occasionally present in the meeting as a special invitee as and when required. The Notice and Agenda of each Board Meeting is given in advance to all Directors.

#### Information placed before the Board

Necessary information as required under statute and as per the guidelines on Corporate Governance are placed before the Board, from time to time. The Board periodically reviews compliances of various laws applicable to the Company and the items required to be placed before it. Draft Minutes are circulated within the period stipulated in the Secretarial Standards amongst the Directors for their comments. The minutes of the proceedings of the meetings are entered in the Minutes Book and thereafter signed by the Chairman.

#### Number of Board Meetings held and attended by Directors

During the financial year 2015-2016, 5(Five) meetings of the Board of Directors were held and gap between any two consecutive meetings did not exceed 120 days. In case of business exigencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. The dates on which the Board meetings were held are 30<sup>th</sup> May, 2015, 3<sup>rd</sup> August, 2015, 13<sup>th</sup> August, 2015, 8<sup>th</sup> November, 2015, and 10<sup>th</sup> February, 2016. The attendance record of each of the directors at the Board Meetings held during the year ended 31<sup>st</sup> March, 2016 and of the last Annual General Meeting is as under:

Name of Directors	No. of Board Meetings during the year 2015-16		Attendance at the last AGM held on September 25, 2015
	Held	Attended	Yes/No
Mr. Ajay Kumar Chakraborty	5	4	Yes
Mr. Anirudha Agrawal	5	4	Yes
Mr. Basudeo Agrawal	5	4	Yes
Dr. Kali Kumar Chaudhuri	5	3	Yes
Mr. Mrinal Kanti Pal	5	5	Yes
Mrs. Smita Khaitan	5	5	Yes
Mr. Sunil Kumar Agrawal	5	5	Yes
Mr. Vineet Agrawal	5	4	Yes

#### Code of Conduct

The Company has adopted "Code of Conduct" for Board Members and Senior Management of the Company. The code anchors ethical and legal behaviour within the organisation. The Code is available on the Company's website, '[www.manaksia.com](http://www.manaksia.com)'.

All Board members and senior management executives have affirmed compliance with the Code of Conduct. A declaration signed by the Managing Director to this effect is enclosed at the end of the Report.

Pursuant to the provisions of Section 149(8) of the Act, the Independent Directors shall abide by the provisions specified in Schedule IV to the Act, which laid down a code for Independent Directors. The said Schedule forms part of the appointment letter of the Independent Director, which has been placed on the website of the Company.

#### WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. No personnel have been denied access to the Audit Committee. The Whistle Blower Policy of the Company is available on the Company's website, '[www.manaksia.com](http://www.manaksia.com)'.

## BOARD COMMITTEES

The Board of Directors of the Company play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The minutes of the meetings of all committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate. Manaksia Aluminium Company Limited has three Board level committees:

- (a) Audit Committee
- (b) Nomination & Remuneration Committee
- (c) Stakeholders' Relationship Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms and reference for members of various committees. The minutes of all the Board and Committee meetings are placed before the Board and noted by the Directors present at the meetings. The role and composition of the Committees including the number of meeting(s) held and the related attendance during financial year 2015-16 are as follows :

### AUDIT COMMITTEE

The Company has in place a qualified and Independent Audit Committee. The terms of reference of the Audit Committee includes the powers as laid down in Regulation 18(2)(c) and role as stipulated in Regulation 18(3) of the Listing Regulations read with Section 177 of the Act. The Audit Committee also reviews the information as per the requirement of Regulation 18(3) of the Listing Regulations read with Section 177 of the Act.

The brief description of terms of reference of the Audit Committee includes the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to :
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Act.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency for monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

#### Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

#### Composition

The composition of the Audit Committee is in accordance with the requirement of Regulation 18 of the Listing Regulations and Section 177 of the Act. All members of the Audit Committee have the ability to read and understand the financial statement.

As on 31<sup>st</sup> March, 2016, the Committee comprised of 3 (Three) Independent Directors and 1 (One) Executive Director. The Chairman of the Committee is an Independent Director. The composition consists of Mr. Ajay Kumar Chakraborty (Chairman of the Committee), Dr. Kali Kumar Chaudhuri, Mrs. Smita Khaitan and Mr. Sunil Kumar Agrawal are members of the Committee. The Company Secretary, Mr. Vivek Jain acts as Secretary to the Committee.

The Audit Committee meetings are also attended by Chief Financial Officer (CFO), representatives of Statutory Auditors, representatives of Internal Auditors and Senior Executives of the Company, if required.

#### Meetings and Attendance

Five Audit Committee meetings were held during the year. The dates on which the Audit Committee meetings were held are 30<sup>th</sup> May, 2015, 3<sup>rd</sup> August, 2015, 13<sup>th</sup> August, 2015, 8<sup>th</sup> November, 2015, and 10<sup>th</sup> February, 2016. The details of attendance of members are as under:

Name of the Member	No. of meetings during the year 2015-16	
	Held	Attended
Mr. Ajay Kumar Chakraborty	5	4
Dr. Kali Kumar Chaudhuri	5	3
Mrs. Smita Khaitan	5	5
Mr. Sunil Kumar Agrawal	5	5

#### NOMINATION & REMUNERATION COMMITTEE

Pursuant to the requirement of provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Company has in place the Nomination & Remuneration Committee. The terms of reference, inter-alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.



### Composition

As on 31st March, 2016, the Committee comprised of 3 (Three) Independent Directors and 1 (One) Non-Executive Director. The Chairman of the Committee is an Independent Director. Dr. Kali Kumar Chaudhuri (Chairman), Mr. Basudeo Agrawal, Mr. Ajay Kumar Chakraborty and Mrs Smita Khaitan are members of the Committee. The Company Secretary, Mr Vivek Jain acts as Secretary to the Committee.

The composition of the Committee is in line with the requirement given in Section 178 of the Act and Regulation 19 of the Listing Regulations.

### Meetings and Attendance

Three Nomination & Remuneration Committee meetings were held during the year. The dates on which the Nomination & Remuneration Committee meetings were held are 30<sup>th</sup> May, 2015, 3<sup>rd</sup> August, 2015 and 10<sup>th</sup> February, 2016. The details of attendance of members are as under:

Name of the Member	No. of meetings during the year 2015-16	
	Held	Attended
Dr. Kali Kumar Chaudhuri	3	2
Mr. Ajay Kumar Chakraborty	3	2
Mr. Basudeo Agrawal	3	2
Mrs. Smita Khaitan	3	3

### Performance evaluation criteria for Independent Directors

Details of the performance evaluation criteria for Independent Directors of the Company is provided in the Directors' Report forming part of the Annual Report of the Company.

### Remuneration Policy

The payment of remuneration to Managing Director/Whole time Director is in accordance with the approval of the shareholders in the Annual General Meeting of the Company held on 25<sup>th</sup> September, 2015. The Managing Director has been appointed for a period of 3 years with effect from 23<sup>rd</sup> November, 2014. The Whole Time Director has been appointed for a period of 3 years with effect from 17<sup>th</sup> November, 2014. The Agreement with the Managing Director/Whole-time Director may be terminated at any time by either party by giving not less than three months notice in writing. The Agreement does not provide for payment of any severance fees. The Remuneration Policy of the Company forms part of the Directors Report. The Directors are not entitled to any other benefits, bonuses, pension etc. and are also not entitled to performance linked incentives. The Company does not have any Employee Stock Option Scheme.

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board and Committees thereof as per the prescribed limit. The sitting fees paid to the Non-Executive Directors for attending the meetings of the Board and Committees is ₹ 1000/- per meeting. The remuneration paid to the Executive Directors is within the limits approved by the Shareholders of the Company.

### Details of Remuneration paid to Executive Directors

Name of the Director	Salary & Perquisites (₹ in Lacs)	Sitting Fees (₹ in Lacs)
Mr. Sunil Kumar Agrawal	45.00	-
Mr. Vineet Agrawal	42.00	-

The agreements entered into with the Managing Director/Whole-time Director(s) are for a period of 3 years from the respective dates of appointment/re-appointment.

There was no pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company, which may affect the independence of the Directors.

The criteria for making payment to Non-Executive Directors is part of the Remuneration Policy which is disclosed on the website of the Company [www.manaksia.com](http://www.manaksia.com) and weblink thereto is [http://www.manaksia.com/corp\\_policy\\_aluminium.php](http://www.manaksia.com/corp_policy_aluminium.php).

#### Details of Sitting Fees paid to Non-Executive Directors

During the year, the Company has not made any payments to Non-Executive Directors except sitting fees as detailed hereunder :

Name of the Director	Sitting Fees (₹ in Lacs)
Mr. Ajay Kumar Chakraborty	0.11
Mr. Anirudha Agrawal	0.05
Mr. Basudeo Agrawal	0.07
Dr. Kali Kumar Chaudhuri	0.13
Mr. Mrinal Kanti Pal	0.05
Mrs. Smita Khaitan	0.16

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, the Company has in place the Stakeholders Relationship Committee. The terms of reference of the Committee inter-alia includes the following:

1. Redressal of shareholder and investor complaints like transfer of shares, allotment of shares, non-receipts of the refund orders, right entitlement, non-receipt of Annual Reports and other entitlements, non-receipt of declared dividends, interests etc;
2. Reference to statutory and regulatory authorities regarding investor grievances;
3. To ensure proper and timely attendance and redressal of investor queries and grievances;
4. Oversee the performance of Registrar and Share Transfer Agent;
5. To approve the request for transfer, transmission, etc. of shares;
6. To approve the dematerialization of shares and rematerialisation of shares, splitting and consolidation of Equity Shares and other securities issued by the Company;
7. Review of cases for refusal of transfer / transmission of shares and/or any other securities as may be issued by the Company from time to time, if any;
8. To review from time to time overall working of the secretarial department of the Company;
9. Relating to the shares of our Company and functioning of the share transfer agent and other related matters;
10. To consider and approve issue of duplicate / split / consolidated share certificates;
11. To issue duplicate certificates and new certificates on split/consolidation/renewal etc.;
12. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by the committee.

#### Composition

As on 31<sup>st</sup> March, 2016, the Committee comprised of 1 (One) Independent Director and 2 (Two) Executive Directors. Dr. Kali Kumar Chaudhuri (Chairman), Mr. Sunil Kumar Agrawal and Mr. Vineet Agrawal are members of the Committee. Mr. Vivek Jain, Company Secretary of the Company acts as Secretary to the Committee.

#### Meetings and Attendance

Three Stakeholder Relationship Committee meetings were held during the year ended 31<sup>st</sup> March, 2016. The dates on which the Stakeholder Relationship Committee meetings were held are 15<sup>th</sup> May, 2015, 3<sup>rd</sup> August, 2015 and 10<sup>th</sup> February, 2016. The details of attendance of members are as under:

Name of the Member	No. of meetings during the year 2015-16	
	Held	Attended
Dr. Kali Kumar Chaudhuri	3	2
Mr. Sunil Kumar Agrawal	3	3
Mr. Vineet Agrawal	3	2

**Investor's Complaints**

Details of Investors Complaints received and redressed during the Financial Year 2015-16:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
Nil	12	12	Nil

It is the endeavour of the Company to attend investors' complaints and other correspondence within 15 days except where constrained by disputes or legal impediments. In terms of SEBI circular the Company has obtained necessary SCORES (SEBI Complaints Redressal System) authentication. This has facilitated the investors to view online status of the action taken against the complaints made by logging on to SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in). Mr Vivek Jain, Company Secretary of the Company has been designated as Compliance Officer for speedy redressal of the Investor complaints. As on date of the Report, the Company affirms that no shareholder's complaint was lying pending under SCORES.

**GENERAL BODY MEETINGS****A) Annual General Meetings :**

The location and time of last three AGMs held is as under:

No.	Financial Year / Time	Date	Venue	Special Resolutions passed
5 <sup>th</sup> AGM	2014-15 02.00 P.M	25.09.2015	Bhasha Bhawan, National Library Auditorium, Near Alipore Zoo, Bevedere Road, Kolkata- 700 027	1. Appointment of Mr. Sunil Kumar Agrawal as Managing Director. 2. Increase in remuneration of Mr. Vineet Agrawal, Whole-time Director. 3. Amendment in Articles of Association. 4. Approval under Section 94 of the Companies Act, 2013.
4 <sup>th</sup> AGM	2013-14 10.30 A.M	10.09.2014	Bikaner Building, 8/1, Lal Bazar Street, 3rd Floor, Kolkata - 700 001	1. Substitution of Articles of Association of the Company. 2. Limit of ₹ 1000 Crores u/s 180(1)(c) of the Companies Act, 2013. 3. Limit of ₹ 1000 Crores u/s 180(1)(a) of the Companies Act, 2013. 4. Increase in Authorised Capital.
3 <sup>rd</sup> AGM	2012-13 11.00 A.M	30.09.2013	Bikaner Building, 8/1, Lal Bazar Street, 3rd Floor, Kolkata - 700 001	-

**(B) Extra-Ordinary General Meeting**

During the financial year 2015-16, no Extra Ordinary General Meeting of the Company was held.

**(C) Special resolution through Postal Ballot**

No Special Resolution was passed through the postal ballot during financial year 2015-16. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing of special resolution through postal ballot.

**(D) Procedure for Postal Ballot**

Prescribed procedure under the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, shall be complied as and when necessary.

**SECRETARIAL AUDIT REPORT**

The Company has undertaken Secretarial Audit for the financial year 2015-16 which, inter-alia, includes audit of compliance with the Companies Act, 2013, and the Rules made thereunder, the revised Listing Agreement, Listing Regulations and Guidelines prescribed by the Securities and Exchange Board of India, Foreign Exchange Management Act, 1999 and other applicable laws, if any. The Secretarial Audit Report is part of this Annual Report.

**MEANS OF COMMUNICATION**

The Board of Directors of the Company approves and takes on record the quarterly, half-yearly and yearly financial results in the proforma prescribed under Regulation 33 of the Listing Regulations.

The Company sends such approved financial results to the BSE Limited and National Stock Exchange of India Limited. These results are also been published in leading newspapers like Financial Express/ Business Standard (English) and Ek Din/ Dainik Statesman (Bengali), etc.

The financial results and the official news releases of the Company are displayed on the website of the Company at [www.manaksia.com](http://www.manaksia.com).

The quarterly financial results are published in the press and are also posted on the website of the Company.

As mandated by Ministry of Corporate Affairs (MCA), the Company will send Annual Report, Notices, etc to the shareholders at their email address registered with their Depository Participants and /or Company's Registrar and Share Transfer Agent. To continue its support to the GREEN INITIATIVES measures of MCA, the Company during the financial year 2015-2016, through its various communications has requested shareholders to register and/or update their email address with the Company's RTA, in case shares held in physical mode and with their respective Depository Participants, in case of shares held in dematerialized mode.

The Company has not made any presentation to the institutional investors /analysts during the year.

In compliance with the requirement of the Listing Regulations the official website of the Company contains information about its business, shareholding pattern, compliance with corporate governance, contact information of the compliance officer, etc. and the same are updated at any given point of time.

## **RISK MANAGEMENT**

The Company has a Risk Management Policy, designed to safeguard the organization from various risks through adequate and timely actions. The Company manages, monitors and reports on its risks and uncertainties that can impact its ability to achieve its objectives. The major risks have been identified by the Company and its mitigation process/measures have been formulated.

## **DISCLOSURES**

### **Related Party Transaction**

The transactions entered into with related parties during the financial year 2015-16 were on arm's length basis and in the ordinary course of business pursuant to the provisions of Section 188 read with the Companies (Meetings of Board and its Powers) Rules, 2014. Further there are no materially significant related party transactions during the financial year 2015-16 which may have a potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee and also to the Board for approval.

The Company has not entered into any material Related Party Transaction during the year. In line with the requirement of the Companies Act, 2013 and the Listing Agreement/Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available at Company's website [www.manaksia.com](http://www.manaksia.com) and the weblink thereto is [http://www.manaksia.com/corp\\_policy\\_aluminium.php](http://www.manaksia.com/corp_policy_aluminium.php). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

The details of the significant related party transactions have been disclosed by way of Note No. 31 of Financial Statements 2015-16.

### **Details of Non Compliance by the Company**

The Company has complied with all the requirements of regulatory authorities. There were no non-compliances by the Company and no instances of penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority during the last three years.

### **Compliance with Mandatory Requirements**

The Company has complied with all applicable mandatory requirements of the Clause 49 of the Listing Agreement and Regulations 17 to 27 and clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of Listing Regulations.

### **Accounting Treatment**

In preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI).

### **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report forms part of this Annual Report.

### **Disclosure regarding Appointment/Re-appointment of the Directors**

The brief resume and other information required to be disclosed under this Section is provided in the Notice of the Annual General Meeting.

### **Subsidiary**

The Company does not have any subsidiaries.

### **Foreign Exchange Risk**

The Company does not speculate in foreign exchange. The Company's policy is to actively manage its foreign exchange risk within the framework laid down by the Company's risk management policy approved by the Board.

### **Proceeds from Public Issue**

During the year under review the Company has not accepted any proceeds from Public issue.

### **Managing Director/ CFO Certification**

The Managing Director and Chief Financial Officer of the Company have given a certificate to the Board of Directors of the Company under Regulation 17(8) of the Listing Regulations for the year ended 31<sup>st</sup> March, 2016. Pursuant to Regulation 33 of the Listing Regulations, the Managing Director and Chief Financial Officer also give quarterly certification on financial results while placing the same before the Board.

**Compliance Certificate of the Auditors**

Certificate from the Company's Auditor M/s. S K Agrawal & Company confirming compliance with conditions of Corporate Governance as stipulated in the Listing Regulations is attached and forms part of the Annual Report.

**Code for Prevention of Insider Trading Practices**

The Company has instituted mechanism to avoid Insider Trading and abusive self-dealing. In accordance with the SEBI Regulations as amended, the Company has established systems and procedures to restrict insider trading activity and has framed a Code for Prohibition of Insider Trading. The said Code prohibits the Directors, KMPs and other connected person of the Company from dealing in the securities of the Company on the basis of any unpublished price sensitive information, available to them by virtue of their position in the Company.

The objective of this Code is to prevent misuse of any unpublished price sensitive information and prohibit any insider trading activity, in order to protect the interest of the shareholders at large. The Board of Directors of the Company through circular resolution passed on 15<sup>th</sup> May 2015 has adopted a new Prohibition of Insider Trading code and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in line with the new SEBI (Prohibition of Insider Trading) Regulations, 2015.

The details of dealing in Company's shares by Directors, Designated Persons, Officers and connected persons are placed before the Board at its next meeting. The Code also prescribes sanction framework and any instance of breach of code is dealt with in accordance with the same. A copy of the said Code is made available to all employees of the Company and compliance of the same is ensured. The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company [www.manaksia.com](http://www.manaksia.com) and the weblink thereto is [http://www.manaksia.com/corp\\_policy\\_aluminium.php](http://www.manaksia.com/corp_policy_aluminium.php).

**AFFIRMATION AND DISCLOSURE**

There were no materially financial or commercial transaction, between the Company and members of the Management that may have a potential conflict with the interest of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

**GENERAL SHAREHOLDER INFORMATION**

- a) **Annual General Meeting:**

<b>Date :</b>	}	As mentioned in the notice convening the Annual General Meeting for the Financial Year 2015-16
<b>Time :</b>		
<b>Venue :</b>		

Financial year of the Company is from April 01 to March 31

- b) **Financial Calendar :** 1<sup>st</sup> April, 2016 – 31<sup>st</sup> March, 2017. The Financial results will be declared as per the following schedule:

Particulars	Schedule
Quarter ended 30 <sup>th</sup> June 2016	On or before 14 <sup>th</sup> August, 2016 (Tentative)
Quarter ending 30 <sup>th</sup> September 2016	On or before 14 <sup>th</sup> November, 2016 (Tentative)
Quarter ending 31 <sup>st</sup> December 2016	On or before 14 <sup>th</sup> February, 2017 (Tentative)
Annual Results of 2016-17	On or before 30 <sup>th</sup> May, 2017 (Tentative)

- c) **Dates of Book Closure :** As mentioned in the notice convening the Annual General Meeting for the Financial Year 2015-16.
- d) **Dividend Payment :** The Board of Directors of the Company do not recommend any dividend on Equity Shares for the financial year 2015-2016.
- e) **Listing on Stock Exchanges:**
  - (i) National Stock Exchange of India Limited (NSE)  
Exchange Plaza, C-1, Block "G", Bandra Kurla Complex, Bandra East, Mumbai - 400 051
  - (ii) BSE Limited (BSE)  
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001

*The annual listing fees have been paid to the Stock Exchanges for the year 2016-17.*
- f) **Custodial Fees to Depositories:** Annual Custody/Issuer fee for the financial year 2016-17 has been paid to NSDL and CDSL.

g) **Unclaimed shares lying in the Demat Suspense Account :**

The Company has opened a separate demat account in the name of “Manaksia Aluminium Company Limited-Suspense Account” in order to credit the unclaimed shares of the FPO of Manaksia Limited which could not be allotted to the rightful shareholders due to insufficient/incorrect information or for any other reason. The Voting rights in respect of said shares will be frozen till the time the rightful owner claims such shares. In terms of requirement of Listing Regulations, the details of shares lying in the aforesaid demat account are as:

Particulars	No. of Shares	No. of shareholders
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2015.	3348	38
Number of shareholders who approached Company for transfer of shares from suspense account during the year.	63	1
Number of shareholders to whom shares were transferred from suspense account during the year.	63	1
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2016	3285	37

Any corporate benefits in terms of securities accruing on such shares viz. bonus shares, split, etc., shall also be credited to aforesaid suspense account. Shareholders who have yet not claimed their shares are requested to immediately approach the Company/Registrar and Share Transfer Agent of the Company along with documentary evidence, if any.

- h) **Stock Code :** ISIN No. INE859Q01017  
National Stock Exchange of India Limited MANAKALUCO  
BSE Limited 539045

i) **Share Transfer System :**

99.99% of shares of the Company are held in electronic mode. Intimation about transfer/transmission of these shares to RTA is done through the depositories i.e. NSDL & CDSL with no involvement of the Company.

For transfer of shares in physical mode, the transfer documents should be sent to the office of the RTA. All share transfers are completed within the stipulated statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects. The Stakeholders Relationship Committee has been delegated with the authority to approve transfer and/or transmissions of shares and other related matters.

The half year Compliance Certificate pursuant to Clause 47(c) of erstwhile Listing Agreement for the half year ended 30<sup>th</sup> September, 2015 and pursuant to Regulation 40(9) of Listing Regulations for 31<sup>st</sup> March, 2016 from Practicing Company Secretary have been submitted to the Stock Exchanges within the stipulated time.

Pursuant to provisions of Regulation 55A of the SEBI (Depositories and Participants) Regulations, 1996 the Company has submitted Reconciliation of Share Capital Audit Report on quarterly basis to the Stock Exchanges within the stipulated time.

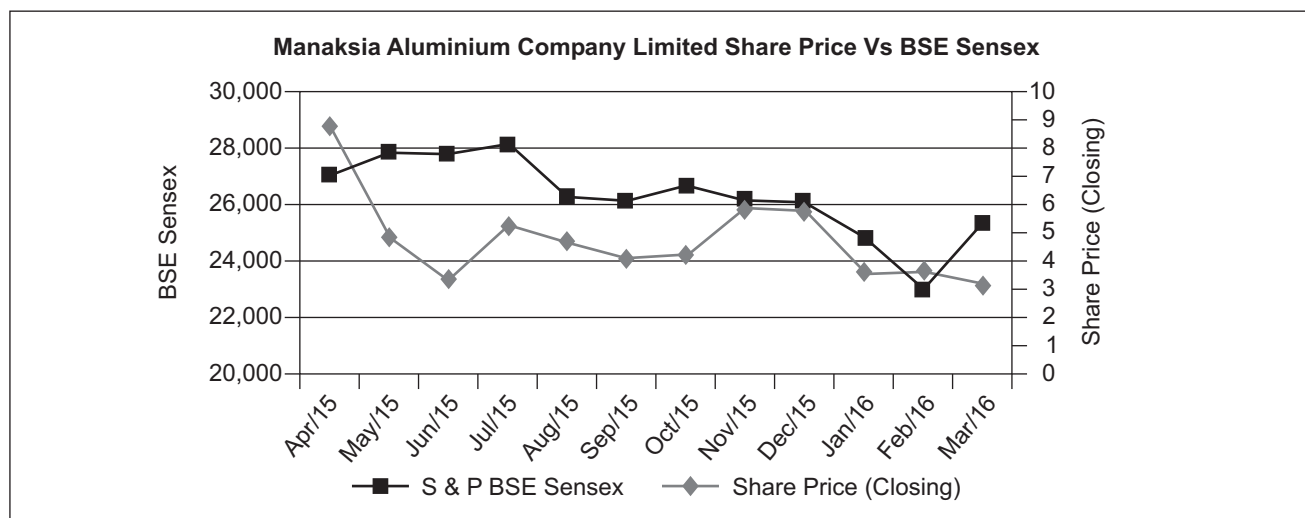
j) **Market Price Data**

The details of monthly high and low quotations of the equity shares of the Company traded at BSE and NSE during the financial year 2015-16 are given hereunder:

Month	BSE Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High ₹	Low ₹	Total Number of Shares Traded	High ₹	Low ₹	Total Number of Shares Traded
April, 2015	17.10	7.00	1,59,828	16.25	7.30	2,23,926
May, 2015	9.50	4.17	93,672	8.95	4.25	1,98,310
June, 2015	5.25	3.37	92,512	5.10	3.65	56,122
July, 2015	5.25	2.88	1,92,390	5.25	2.95	3,33,009
August, 2015	5.58	4.39	83,372	5.60	4.15	1,33,219
September, 2015	5.04	4.00	55,365	4.55	3.75	1,37,093
October, 2015	4.50	3.51	74,845	4.50	3.60	1,48,367
November, 2015	6.61	3.39	1,94,814	7.05	3.50	1,70,989
December, 2015	6.98	4.91	84,271	6.70	4.70	4,45,560
January, 2016	5.90	3.17	53,741	6.25	3.20	2,23,447
February, 2016	4.30	2.80	11,02,930	4.10	2.55	1,60,488
March, 2016	4.14	2.60	1,05,906	4.00	2.70	5,20,826



**Performance in comparison with BSE Sensex**



**k) Registrar and Share Transfer Agent (RTA) :**

Link Intime India Private Limited is acting as the Registrar and Share Transfer Agent of the Company.

The address of the Registrar is given hereunder:

Link Intime India Private Limited  
59C, Chowringhee Road, 3rd Floor,  
Room No.5, Kolkata – 700 020  
Ph: +91-33-2289 0540, Fax: +91-33-2289 0539  
Contact Person: Mr. S P Guha, Email id: kolkata@linkintime.co.in

**l) Distribution of Equity Shareholding as on March 31, 2016**

No. of Equity shares held	Shareholders		Shares		
	From – To	Number	% Total Holders	Number	% Total Capital
1 – 500		24956	94.60	2503002	3.82
501 – 1000		644	2.44	528811	0.81
1001 – 2000		321	1.22	493707	0.75
2001 – 3000		114	0.43	295704	0.45
3001 – 4000		62	0.24	220437	0.33
4001 – 10000		139	0.53	856385	1.31
10001 – And above		144	0.54	60636004	92.53
<b>TOTAL</b>		<b>26380</b>	<b>100</b>	<b>65534050</b>	<b>100</b>

**m) Categories of Equity Shareholders as on March 31, 2016**

Sl. No.	Category	No. of Shares	% of Shareholdings
1	Promoters Group	4,22,77,940	64.51
2	Mutual Funds & UTI	Nil	Nil
3	Financial Institutions / Banks	19,208	0.03
4	Central Government / State Government(s)	Nil	Nil
5	Venture Capital Fund	Nil	Nil
6	Foreign Institutional Investors	31,147	0.05
7	Foreign Venture Capital Investors	Nil	Nil
8	Bodies Corporate	1,53,99,118	23.49
9	Public	77,31,060	11.80
10	NRI's / OCB's / Foreign National	75,577	0.12
	<b>TOTAL</b>	<b>6,55,34,050</b>	<b>100</b>

The Non Promoter shareholding is in compliance with the Listing Regulations.



n) **Dematerialization of Equity Shares**

The shares of the Company are currently traded only in dematerialized form and the Company has entered into agreements with the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE859Q01017. As on 31st March 2016, 65532580 equity shares representing about 99.99% of the share capital are held in dematerialized form.

o) **Outstanding GDRs / ADRs / Warrants / Other Convertible instruments: Nil**

p) **Commodity Price Risk and Hedging Activities:**

The Company considers exposure to commodity price fluctuations to be an integral part of its business and its usual policy is to sell its products at prevailing market prices, and not to enter into price hedging arrangements. The Company's reputation for quality, products differentiation and service, coupled with existence of brand image with marketing network mitigates the impact of price risk on finished goods.

q) **Plants Locations (Manufacturing Units as on 31<sup>st</sup> March 2016)**

Haldia: Vill & PO: Bhuniraichak, Via Sutahata,  
Haldia, West Bengal - 721 635

Bankura: Plot No.: 471 Birsighapur,  
P.S. Barjora Bankura, West Bengal - 722 202

r) **Address for Correspondence :**

Manaksia Aluminium Company Limited  
Bikaner Building, 3rd Floor  
8/1, Lalbazar Street, Kolkata – 700 001  
Phone No.: +91-33-2231 0050  
Fax No.: +91-33-2230 0336  
Email: investorrelmalco@manaksia.com  
Website: www.manaksia.com

**COMPLIANCE WITH THE GOVERNANCE FRAMEWORK**

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of Listing Regulations.

The Company has complied with the applicable requirements specified in Regulations 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of Listing Regulations.

**COMPLIANCE OFFICER**

Mr Vivek Jain, Company Secretary of the Company has been designated as Compliance officer for complying with the requirements of Securities Laws and the Listing Agreement / Listing Regulations.

**DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LISTING REGULATIONS.**

The status of compliance with discretionary recommendations of Regulation 27 of the Listing Regulations are provided below:

- **Non-Executive Chairman's Office:** The Company maintains a separate office of Non-Executive Independent Chairman and provides for reimbursement of expenses incurred in performance of his duties.
- **Shareholders' Rights:** As the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website, the same are not being sent to the shareholders.
- **Modified Opinion in Auditors Report:** The Company's financial statement for the financial year 2015-16 does not contain any modified audit opinion.
- **Separate posts of Chairman:** The position of the Chairman is held by Mr Ajay Kumar Chakraborty and of the Managing Director is held by Mr. Sunil Kumar Agrawal.
- **Reporting of Internal Auditor:** The Internal Auditor of the Company directly reports to the Audit Committee on functional matters.

**CERTIFICATION OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY**

This is to confirm that the Company has received declarations affirming compliance of the Code of Conduct from the persons concerned for the Financial Year ended 31st March, 2016.

Place : Kolkata  
Date : 16<sup>th</sup> May, 2016

**Sunil Kumar Agrawal**  
Managing Director  
DIN: 00091784

**M.D / CFO CERTIFICATION****The Board of Directors  
Manaksia Aluminium Company Limited**

Dear Sirs

We have reviewed the financial statements and the cash flow statement of Manaksia Aluminium Company Limited ('the Company') for the financial year ended 31<sup>st</sup> March, 2016 and that to the best of our knowledge and belief, we state that:

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

For Manaksia Aluminium Company Limited

**Sunil Kumar Agrawal**  
(Managing Director)  
DIN: 00091784

**Deepak Chamaria**  
(Chief Financial Officer)

Place: Kolkata  
Date: 16<sup>th</sup> May, 2016

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of **Manaksia Aluminium Company Limited**

We have examined the compliance of conditions of Corporate Governance by Manaksia Aluminium Company Limited ('the Company'), for the year ended 31 March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1 April 2015 to 30 November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1 December 2015 to 31 March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement / Listing Regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For, **S. K. AGRAWAL & CO.**  
Chartered Accountants  
ICAI Firm Registration No-306033E

**Hemant Kumar Lakhotia**  
Partner  
Membership No: 068851

Place: Kolkata  
Dated: 16<sup>th</sup> May, 2016

Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE PERIOD FROM APRIL 1, 2015 TO MARCH 31, 2016***[Pursuant to section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
 The Members,  
**Manaksia Aluminium Company Limited**  
 Bikaner Building, 3rd Floor  
 8/1, Lal Bazar Street,  
 Kolkata - 700 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Manaksia Aluminium Company 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 (as per Annexure – A1, hereinafter referred to as "Books and Papers") 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 period covered by our audit, that is to say, from April 01, 2015 to March 31, 2016 (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the Books and Papers maintained by the Company for the Audit Period according to the provisions of:

1. The Companies Act, 2013 ("the Act") and the rules made thereunder;
2. Equity Listing Agreement with the Stock Exchange (s);
3. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
4. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
5. 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;
6. 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 (Listing Obligation and Disclosure Requirements) Regulations, 2015 ("LODR");
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - d. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - 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;
7. Secretarial Standards 1 and 2 as issued by the Institute of Company Secretaries of India;
8. Laws specifically applicable to the industry to which the Company belongs: We have been intimated by the Company that no specific laws are applicable to it.

**Management Responsibility:**

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit;

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

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above subject to the following recommendations:

**Recommendations as a matter of best practice:**

Since RPTs are focal point of current scenario of corporate governance, it is recommended that the minutes in this respect should be more exhaustive with respect to basis of approval of such transactions.

Additionally, during the course of our audit, we have made certain recommendations for good corporate practices, separately placed before the Board, for its necessary consideration and implementation by the Company.

**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 number of directors liable to retire by rotation is in compliance with provision of 152 (6) of Act, 2013 which provides that 2/3rd of the total directors (except independent directors) of the Company shall be such whose period of office will be liable to determination by retirement of directors by rotation.

There were no changes in the composition of the Board of Directors during the Audit Period.

Adequate notices were given to all directors to schedule the Board Meetings. However, detailed notes on agenda were sent to the board of directors prior to the meeting.

All decisions of the board were taken with the requisite majority and recorded as part of the minutes.

**We further report that** subject to above the company has complied with the conditions of Corporate Governance as stipulated in the Act and the Listing Regulations.

**We further report that** there are adequate systems and processes 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 Audit Period, the Company has not incurred any specific event/ action that can have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except as below:

**i. Alteration of the Articles of Association**

At the Annual General Meeting held on September 25, 2015, the members of the Company had approved resolution passed under section 14 of the Act to alter the Articles of Association of the Company by insertion of Clause 32A after the existing Article 32 in its existing Articles of Association, relating to transfer of shares.

For **Vinod Kothari & Company**  
Practising Company Secretaries

**Aditi Jhunjunwala**  
(Partner)

Membership No.: 26988  
C P No.: 10144

Place: Kolkata  
Date: 04.05.2016

**ANNEXURE – A1**

**List of Documents**

**1. Corporate Matters**

- 1.1 Minutes books of the following were provided:
  - 1.1.1 Board Meeting;
  - 1.1.2 Audit Committee;
  - 1.1.3 Nomination and Remuneration Committee;
  - 1.1.4 Stakeholders Relationship Committee;
  - 1.1.5 General Meeting.
- 1.2 Agenda papers for Board Meeting along with Notice;
- 1.3 Annual Report 2015;
- 1.4 Memorandum and Articles of Association;
- 1.5 Disclosures under Act, 2013 and Rules made thereunder;
- 1.6 Forms and returns filed with the ROC & RBI;
- 1.7 Documents under SEBI (Prohibition of Insider Trading) Regulations, 2015;
- 1.8 FDI file;
- 1.9 Documents under SEBI (Substantial Acquisition of Shares And Takeovers) Regulations, 2015;
- 1.10 Registers maintained under Companies Act, 2013.

**A. CONSERVATION OF ENERGY:**

- i) The steps taken or impact on conservation of energy:

Energy conservation receives priority attention on an on-going basis throughout the Company, and continuous efforts are made to conserve and optimize use of energy with continuous monitoring, regular maintenance and improved operating techniques. Some specific steps taken include:

- Maintenance of near unity Power Factor; Installation of capacitors to improve PF
- Optimization of loading efficiency of Furnace.
- Use of natural lighting, wherever feasible; replacing of conventional lamps with energy efficient lighting
- System validation and optimization of blower speeds in AHU units;
- Conducting training programmes at various factories for conservation of energy.

- ii) The steps taken by the Company for utilizing alternate sources of energy:

Company has Coal Gasifier installed at the factory as an alternative source of energy.

- iii) The capital investment on energy conservation equipment: NIL

**B. TECHNOLOGY ABSORPTION:**

- i) The efforts made towards technology absorption:

- Improvement in manufacturing process
- Increasing of Automation of production side
- Installing upgraded pollution control equipments for Air/water.

- ii) The benefits derived include:

- Improvement in Market Share
- Improvement in Productivity
- Energy conservation
- Increase in in-house capability.

- iii) No fresh technology has been imported during the year;

- iv) The expenditure on Research & Development: - NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

During the year under review foreign exchange earnings were ₹ 21,374.21 Lakhs (Previous year ₹ 21,436.26 Lakhs) and foreign exchange outgo was ₹ 20,813.15 Lakhs (Previous year ₹ 25,528.76 Lakhs)

**REMUNERATION POLICY  
OF  
MANAKSIA ALUMINIUM COMPANY LIMITED**

**FRAMED UNDER SECTION 178(3) OF COMPANIES ACT, 2013 READ WITH SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

**I. INTERPRETATION CLAUSES**

For the purposes of this Policy references to the following shall be construed as:

<b>“Applicable Law”</b>	:	shall mean the Companies Act, 2013 and allied rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes any other statute, law, standards, regulations or other governmental instruction as may be applicable to the Company from time to time.
<b>“Company”</b>	:	refers to Manaksia Aluminium Company Limited.
<b>“Board”</b>	:	refers to the Board of Directors of the Company.
<b>“Committee”</b>	:	refers to Nomination & Remuneration Committee of Board of Directors of the Company.
<b>“Directors”</b>	:	refers to the Chairperson and all Whole-time Directors.
<b>“Executives”</b>	:	refers to the Directors, Key Managerial Personnel and Senior Management.
<b>“Key Managerial personnel”</b>	:	refers to the Managing Director, Manager, Chief Executive Officer, Chief Financial Officer, Company Secretary and any such other officer as may be prescribed under Applicable Law.
<b>“Policy” or “this Policy”</b>	:	shall mean the contents herein including any amendments made by the Board of Directors of the Company.
<b>“Senior Management”</b>	:	means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads.

All terms not defined herein shall take their meaning from the Applicable Law.

**II. EFFECTIVE DATE**

This Policy shall become effective from the date of its adoption by the Board.

**III. SCOPE**

- a) This Policy applies to all the “Executives” of the Company.
- b) In addition, this Policy also extends to the remuneration of non-executive Directors, including principles of selection of the Independent Directors of the Company.
- c) The Board of Directors has adopted the remuneration Policy at the recommendation of the Committee. This Policy shall be valid for all employment agreements entered into after the approval of the Policy and for changes made to existing employment agreements thereafter.
- d) In order to comply with local regulations, the Company may have remuneration policies and guidelines which shall apply in addition to this policy.

The Board of Directors of the Company may deviate from this Policy if there are explicit reasons to do so in individual case(s). Any deviations on elements of this remuneration policy under extraordinary circumstances, when deemed necessary in the interests of the Company, shall be reasoned and recorded in the Board’s minutes and shall be disclosed in the Annual Report or, in case of an appointment, in good time prior to the appointment of the individual.



**IV. PURPOSE**

This Policy reflects the Company's objectives for good corporate governance as well as sustained and long-term value creation for stakeholders. This Policy will also help the Company to attain optimal Board diversity and create a basis for succession planning. In addition, it is intended to ensure that –

- a) the Company is able to attract, develop and retain high-performing and motivated Executives in a competitive international market;
- b) the Executives are offered a competitive and market aligned remuneration package, with fixed salaries being a significant remuneration component, as permissible under the Applicable Law;
- c) remuneration of the Executives are aligned with the Company's business strategies, values, key priorities and goals.

**V. GUIDING PRINCIPLES FOR REMUNERATION AND OTHER TERMS OF EMPLOYMENT**

The guiding principle is that the remuneration and the other terms of employment for the Executives shall be competitive in order to ensure that the Company may attract and retain competent Executives. In determining the remuneration policy, the Committee ensures that a competitive remuneration package for all Executives is maintained and is also benchmarked with other multinational companies operating in national and global markets.

**VI. RESPONSIBILITIES AND POWERS OF THE COMMITTEE**

The Committee, in addition to the functions and powers as endued by its terms of reference, would also be responsible for –

- a) preparing the Board's decisions on issues concerning principles for remunerations (including pension and severance pay) and other terms of employment of Executives and Non-Executive Directors;
- b) formulating criteria of qualifications and positive attributes to assist the Company in identifying the eligible individuals for the office of Executives;
- c) monitoring and evaluating programs for variable remuneration, if any, both ongoing and those that have ended during the year, for Executives and Non-Executive Directors;
- d) monitoring and evaluating the application of this Policy;
- e) monitoring and evaluating current remuneration structures and levels in the Company.

**VII. PRINCIPLES FOR SELECTION OF INDEPENDENT DIRECTORS**

The nomination of the independent Directors of the Company shall be in accordance with the principles as stated hereunder and other relevant provisions of Applicable Law:

- (a) is a person of integrity and possesses relevant expertise and experience;
- (b) is or was not a promoter of the Company or its holding, subsidiary or associate company and not related to promoters or Directors in the Company, its holding, subsidiary or associate company;
- (c) has or had no pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, during the two immediately preceding financial years or during the current financial year;
- (d) none of whose relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or Directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- (e) neither himself nor any of his relatives—
  - (i) holds or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of (a) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or (b) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent or more of the total voting power of the Company; or
  - (iv) is a chief executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the Company, any of its promoters, Directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the Company;

- f) shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.

#### VIII. OVERALL CRITERIA FOR SELECTION OF EXECUTIVES

The assessment for Senior Management will be done on the basis of below parameters by the concerned interview panel of the Company -

**a) Competencies:**

- Necessary skills ( Leadership skill, Communication skills, Managerial skills etc )
- Experiences & education to successfully complete the tasks.
- Positive background reference check.

**b) Capabilities:**

- Suitable or fit for the task or role.
- Potential for growth and the ability and willingness to take on more responsibility.
- Intelligent & fast learner, Good Leader, Organiser & Administrator, Good Analytical skills Creative & Innovative.

**c) Compatibility:**

- Can this person get along with colleagues, existing and potential clients and partners.
- Strong Interpersonal Skills.
- Flexible & Adaptable.

**d) Commitment:**

- Candidate's seriousness about working for the long term
- Vision & Aim

**e) Character:**

- Ethical, honest, team player

**f) Culture:**

- Fits with the Company's culture (Every business has a culture or a way that people behave and interact with each other. Culture is based on certain values, expectations, policies and procedures that influence the behavior of a leader and employees. Employees who don't reflect a company's culture tend to be disruptive and difficult).
- Presentable & should be known for good social & corporate culture.

#### IX. GENERAL POLICIES FOR REMUNERATION

The various remuneration components would be combined to ensure an appropriate and balanced remuneration package.

1. **A fixed base salary** - Set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. **Perquisites** – In the form of house rent allowance/ accommodation, furnishing allowance, reimbursement of medical expenses, conveyance, telephone, leave travel, etc.
3. **Retirement benefits** - Contribution to Provident Fund, superannuation, gratuity, etc as per Company Rules, subject to Applicable Law.
4. **Motivation/ Reward** - A performance appraisal to be carried out annually and promotions/ increments/ rewards are to be decided by Managing Director based on the appraisal and recommendation of the concerned Head of Departments, where applicable.
5. **Severance payments** - In accordance with terms of employment, and applicable statutory requirements, if any.

Any remuneration payable to the Executives of the Company shall abide by the following norms -

- i. The base salary shall be competitive and based on the individual Executive's key responsibilities and performance;
- ii. Base salaries would be based on a function-related salary system and be in line with the market developments shown by the benchmark research and additional market studies. The annual review date for the base salary would be April 1 or any other date as may be determined by the Committee from time to time, subject to the Company's Policy;

- iii. The Executives will be entitled to customary non-monetary benefits such as Company cars, phone and such other fixed entitled benefits;
- iv. Pension contributions shall be made in accordance with applicable laws and employment agreements;
- v. The Executives resident outside India or resident in India but having a material connection to or having been resident in a country other than India, may be offered pension benefits that are competitive in the country where the Executives are or have been resident or to which the Executives have a material connection, preferably defined-contribution plans;
- vi. A Director may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;
- vii. If any Director draws or receives, directly or indirectly, by way of remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law, such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
- viii. A Director who is in receipt of any commission from the Company and who is a managing or whole-time director of the Company shall not be disqualified from receiving any remuneration or commission from any holding or subsidiary company of the Company, subject to its disclosure by the Company in the Board's report.
  - A. Any fee/ remuneration payable to the Non-Executive Directors of the Company shall abide by the following norms –
    - i. If any such Director draws or receives, directly or indirectly, by way of fee/ remuneration any such sums in excess of the limit as prescribed or without the prior sanction, where it is required, under the Applicable law such remuneration shall be refunded to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of any sum refundable to it;
    - ii. Such Director(s) may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose whatsoever as may be decided by the Board, as permissible under Applicable law;.
    - iii. An Independent Director shall not be entitled to any stock option and may receive remuneration only by way of fees and reimbursement of expenses for participation in meetings of the Board or committee thereof and profit related commission, as may be permissible under the Applicable law.

#### **X. NOTICE OF TERMINATION AND SEVERANCE PAY POLICY**

The notice of Termination and Severance pay shall be as per the terms of appointment as mentioned in the Employment Agreement or Letter of Appointment.

#### **XI. DISCLOSURE AND DISSEMINATION**

- i. The Policy shall be disclosed in the Board's report to shareholders of the Company.
- ii. The annual report of the Company would specify the details of remuneration paid to Directors.
- iii. The Company is required to publish its criteria of making payments to Non-Executive Directors in its annual report. Alternatively, this may also be put up on the Company's website and reference be drawn in the annual report.

#### **Notes:**

1. Based on the recommendation of the Nomination & Remuneration Committee at its meeting held on 30<sup>th</sup> May, 2015, the policy was approved and adopted by the Board of Directors of the Company at its meeting held on 30<sup>th</sup> May, 2015.
2. The Policy was amended in order to align the same with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Nomination & Remuneration Committee at its meeting held on 10<sup>th</sup> February, 2016 and recommended to the Board of Directors for their approval. The Board of Directors of the Company at its meeting held on 10<sup>th</sup> February, 2016 approved the amended policy.

**Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Rule	Particulars					
(i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16	a	Mr. Sunil Kumar Agrawal, Managing Director	38.66:1		
		b	Mr. Vineet Agrawal, Whole-time Director	36.08:1		
		c	Mr. Ajay Kumar Chakraborty, Independent Director	0.09:1		
		d	Dr. Kali Kumar Chaudhuri, Independent Director	0.11:1		
		e	Mrs. Smita Khaitan, Independent Director	0.14:1		
		f	Mr. Anirudha Agrawal, Non-executive Director	0.04:1		
		g	Mr. Basudeo Agrawal, Non-executive Director	0.06:1		
		h	Mr. Mrinal Kanti Pal, Non-executive Director	0.04:1		
(ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2015-16	a	Mr. Sunil Kumar Agrawal, Managing Director	100		
		b	Mr. Vineet Agrawal, Whole-time Director	80		
		c	Mr. Ajay Kumar Chakraborty, Independent Director	0*		
		d	Dr. Kali Kumar Chaudhuri, Independent Director	0*		
		e	Mrs. Smita Khaitan, Independent Director	0*		
		f	Mr. Anirudha Agrawal, Non-executive Director	0*		
		g	Mr. Basudeo Agrawal, Non-executive Director	0*		
		h	Mr. Mrinal Kanti Pal, Non-executive Director	0*		
		i	Mr. Deepak Chamaria, Chief Financial Officer	0		
		j	Mr. Vivek Jain, Company Secretary	0		
	* Independent Directors and Non-executive Directors are only entitled to sitting fees					
(iii)	The percentage increase in the median remuneration of employees in the financial year 2015-16		6.50%			
(iv)	The number of permanent employees on the rolls of the company.		215			
(v)	The explanation on the relationship between average increase in remuneration and company performance.	During the year the Company achieved a total income of ₹ 26569.11 lakhs against ₹ 29805.59 lakhs of last year. The net loss of the Company reduced to ₹ 503.71 lakhs during the year 2015-16 as against a net loss of ₹ 624.11 lakhs in the year 2014-15. Managerial remuneration was increased in line with comparable market rates; the financial performance of the company is dependent on prevailing macro and industry circumstances, which is expected to be transient.				
(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	a	Total Revenue (₹ in Lakhs)	26569.11		
		b	Aggregate Remuneration of Key Managerial Personnel (KMP) in F.Y. 2015-16 (₹ in Lakhs)	105.98		
		c	Remuneration of KMPs (as a % of revenue)	0.40%		
(vii)	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	<b>Financial year ended</b>	<b>Name of the Stock Exchange</b>	<b>Closing share Price</b>	<b>Market capitalization (₹ in Lacs)</b>	<b>Price Earning Ratio</b>
		31.03.2016	NSE	₹ 3.00	1966.02	-3.9
		31.03.2015	NSE	₹ 17.10	11206.32	-18
		31.03.2016	BSE	₹ 3.09	2025.00	-4.01
		31.03.2015	BSE	₹ 17.95	11763.36	-18.89
The Company has not come out with any Public Offer.						

Rule	Particulars			
(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.	There is 6.50% increase in Average percentile in the salaries of employees other than managerial personnel in the last financial year as compared to an average increase of 90% in the managerial remuneration. Managerial remuneration was increased in line with comparable market rate.		
(ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company.	Name of the KMP	Remuneration of KMP per annum (₹ in Lakhs)	Remuneration as % of revenue (Total Revenue = ₹ 26569.11 Lakhs)
		a	Mr. Sunil Kumar Agrawal, Managing Director	45.00
		b	Mr. Vineet Agrawal, Whole-time Director	42.00
		c	Mr. Deepak Chamaria, Chief Financial Officer	15.44
		d	Mr. Vivek Jain, Company Secretary	3.54
(x)	The key parameters for any variable component of remuneration availed by the Directors.	There is no variable component availed by any Director.		
(xi)	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year	None		
(xii)	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.			

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Economic Overview

Global economic recovery is facing various challenges and is progressing at a subdued pace – as a result, an uncertain and financially turbulent picture is emerging around the world. The US demonstrated buoyancy among developed economies in FY 2015; and growth in the country is projected to continue at a reasonable pace. The recovery in the Euro Area during 2015-16 was restrained and is projected to continue in the backdrop of supportive financial conditions, a modest fiscal expansion and low energy prices. However, latent growth is expected to remain fragile, resulting from low investment, high private and public debt and receding skills due to an ageing population and increasing unemployment.

The scenario for developing economies and emerging markets is varying. The commodity exports of Brazil and Russia have been adversely affected by a fall in prices and due to the rebalancing act of China which had a cascading effect on the overall global trade. The economic performance of several African countries was also discouraging. Resource-intensive countries in Africa suffered a setback, caused by tighter global financing conditions which adversely affected their markets and a fall in the commodity prices.

India's GDP grew by 7.6% in FY 2015-16, making it one of the fastest growing key economies in the world. During the fourth quarter, the GDP displayed brilliant performance, growing at 7.9%. The policy initiatives taken up by the government, low interest rates, declining fiscal deficit and moderate inflation have helped the Indian economy stay on a viable growth path. The growth rate is expected to touch 8% in FY 2016-17 if the monsoon is favourable.

The government's Make in India campaign is also helping India come forward as a production hub for key global manufacturers, encouraging domestic entrepreneurship, boosting employment through skill development and attracting more FDI into the country.

India's long-term growth potential continues to be robust with a focus on improving manufacturing and farm output, faster infrastructure creation, increasing urbanization, expanding the services sector and stronger regulatory framework for banking and financial services.

### Industry Structure and Developments

World aluminum prices fell by 41 per cent from USD 2,662 per MT in April 2011 to USD 1,570 per MT in August 2015 and USD 1,500 per MT in January this year. During this period in India, imports as a proportion of total demand have increased substantially from 39.8 per cent in 2011-12 to 56.5 per cent in 2015-16.

Aluminium is traded on the LME. Producers charge a regional premium in addition to the base price determined on the LME to reflect the cost of obtaining alumina from an alternative source.

India, the world's second largest aluminum producer after China and the third largest aluminum consuming country with a consumption lower only to that of China and the US. The country's share in world aluminum consumption has increased from 3 per cent in 2008-09 to 7 per cent levels recently.

The principal user segment for aluminium in India continues to be electrical & electronics sector followed by the automotive & transportation, building & construction, packaging, consumer durables, industrial and other applications including defence.

Capacity utilisation of Indian aluminum industry has fallen drastically in the last one and a half years as global prices have declined. The cost of production in India is higher than the international prices. Huge capacity has been created in China and world growth has slowed down. Indian aluminum industry will continue to face difficulty unless world prices increase, because in the short-run it is almost impossible to reduce production cost. It is also feared that imposition of additional duties to reduce import of aluminum may erode the competitiveness of downstream sectors like power, transport and construction.

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

### Business

Your Company manufactures two major products:

- Aluminium rolled products in coil and sheet form.
- Aluminium Alloy Ingots

Your Company has vertically integrated certain parts of our operations across its product range. This has resulted in a reduction in manufacturing costs, greater control on quality and an expansion in the range of products.

### Overview of Operations

The overall market scenario in the Aluminum Industry has not been favorable during the financial year under review. The parity between movement in prices of Raw Material and Finished Products has been adverse during the period. Continuous fall in aluminum prices on LME coupled with adverse currency fluctuation and overall decline in demand in the economy, have contributed to the negative bottom line. Voluminous imports of aluminum from China have at cheap prices have negatively impacted the domestic Aluminum Industry to large extent.

### Results

During the year under review, the revenue of your Company stood at ₹ 26551.54 lacs, as compared to ₹ 29743.18 lacs during the year ended on March 31, 2015. However, due to reasons stated above, the loss of the Company during the year reduced to ₹ 503.71 lacs as compared to a loss of ₹ 624.11 lacs during the year ended on March 31, 2015.

### Risks and Concerns

Your Company is actively though cautiously considering, growth opportunities and new markets for its products. The Company is exposed to a number of inherent market risks from its normal business activities. These risks include changes in raw material prices, foreign currency exchange rate, interest rate which may adversely impact the Company's financial assets, liabilities and/or future cash flows. The Company is trying to mitigate these risks by carefully planning an optimum sales mix, product diversification, innovation and penetration of domestic and international markets and active treasury management,. Further cost saving measures across all segments of the Company, would help in improving the margins in an otherwise difficult market.

### Opportunities and Threats

A considerably wide geographical presence and reach, both domestic and international, have helped the Company to attempt de-risking its business and meet the risks with suitable precaution. The Company is focused on enhancing value added products. Improvement in safety performance is of utmost priority, for which the Company has constantly been initiating measures to avert accidents. The Company has sales and technical servicing offices at Mumbai, Delhi, Bangalore, Hyderabad, Guwahati and Bhopal.

### Projection for the Financial Year 2016-2017

The company continues to follow the various steps initiated in the previous financial year, for improving the profitability in the future years. These steps include:

- Increasing its marketing base and exposure to markets in various countries like USA, UAE and Saudi Arabia. Appointing marketing agents in Ethiopia, USA, Peru, UAE and in the domestic market. This is helping in increasing off take and yield better margins.
- Undertaking major overhauling and revamping of Plant & Machineries to reduce cost of conversion.
- Initiating steps for cost reduction by curtailing certain costs like power & fuel, manpower, administration and scheduled repair & maintenance. Rationalizing contractual and also own employees to reduce manpower cost. Shifting from Coal Gasifier to Furnace Oil fuel to en cash upon the benefit of reducing fuel prices compared to coal. Renegotiating on the major cost elements for reducing administration cost.
- Initiating steps for improving quality of Finished Products, to help in increasing the top line and customer satisfaction, leading to improved margins.
- Focusing on value added products by marketing color coated Aluminium Sheets /Coils.
- Trying to develop new suppliers in USA, Australia, UK, Spain and other European countries for taking advantage of competitive rates and improved raw material quality.

### Internal Control System

The Company has an efficient system of internal controls which helps it to maintain both internal controls and procedures to ensure all transactions are authorized, recorded and reported correctly and also ensures proper disclosure and protection of physical and intellectual property. A firm of Chartered Accountants has been appointed by your Company as Internal Auditors for independently evaluating the adequacy of the internal controls on a regular basis. For effectiveness and transparency, the management duly considers and takes appropriate action on the recommendations made by Statutory Auditors, Internal Auditors and by Management



Committee / Audit Committee of the Board of Directors. The company is operating on SAP Platform in order to have proper internal control procedure with the necessary authorization and “maker and checker” concept. This helps in correct recording of transactions and timely elimination and rectification of errors. The Company has appointed consultants/ professionals to conduct Cost Audit and Secretarial Audit and observations made, if any, are reviewed by the Management periodically and remedial actions initiated.

#### **Human Resources**

Employee relations continued to be cordial throughout the year and recruitments were made commensurate with the needs of business. The Company employs about 220 people in all its facilities.

#### **Finance Cost**

Finance Cost, during the year under review stood at ₹ 686.46 lacs, as compared to ₹ 635.90 lacs during the period ended on March 31, 2015. This increase is on account of extended credit period granted to customers per the market scenario.

#### **Cautionary Statement**

Statements in the Management Discussion and Analysis, describing the company’s objectives, outlook and expectation, may constitute “Forward Looking Statements” within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied expectations, projections etc. Several factors make a significant difference to the company’s operations, including climatic conditions, economic scenario affecting demand and supply, Government regulations, taxation, natural calamity and other such factors over which the company does not have any direct control.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANAKSIA ALUMINIUM COMPANY LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of **MANAKSIA ALUMINIUM COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss and 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 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cashflows 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 financial statements based on our audit.

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

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2016, and its loss and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 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 accounts 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the Directors as on 31<sup>st</sup> March, 2016 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its Financial Position in its financial statements (Refer Note 26 and 35 to the financial statements).
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, **S. K. AGRAWAL & CO.**  
*Chartered Accountants*  
Firms Registration No- 306033E

**(Hemant Kumar Lakhotia)**  
*Partner*  
Membership No: 068851

Place: Kolkata  
Dated: May 16, 2016

## Annexure - A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditor's Report to the members of **MANAKSIA ALUMINIUM COMPANY LIMITED** (the Company') on the financial statements for the year ended on 31st March 2016. We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to information and explanations given to us and on the basis of our examination of the records of produced before us, the title deeds of immovable properties are held in the name of the Company.
- ii. (a) The inventories have been physically verified during the year by the management at regular intervals. . In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order is not applicable to the Company.
- iv. The company has not given any loan or gave any guarantee or provide any security on behalf of others or acquired any security of any other body corporate, hence compliance of section 185 or 186 of the act is not applicable.
- v. The Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. According to the information and explanations given to us in respect of statutory and other dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees State Insurance, Income Tax, Service Tax, Sales Tax, Value Added Tax, duty of Custom, duty of Excise, Cess and other statutory dues with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable except the following:-

Name of the Statute	Nature of the Dues	Amount (Rs)	Period to which the Amount Relates	Due Date	Date of Payment
Income tax Act 1961	TDS	737	June 2015	7 <sup>th</sup> July 2015	29 <sup>th</sup> April 2016

- (b) According to the information and explanations given to us, there are no material dues of duty of income tax, sales tax, value added tax and service tax which have not been deposited with the appropriate authorities on account of any dispute, However, according to information and explanations given to us, the following dues of excise and customs, have not been deposited by the Company on account of disputes:-

Name of the Statute	Nature of Dues	Amount under dispute not yet deposited (Rs in Lacs)	Financial year to which the amount relates	Forum where the dispute is pending
The Central Excise Act 1944	Excise	4.7	2010-2011	Commissioner Appeals
		2.92	2005-06 To 2014-15	CESTAT, Chennai
		1.71	2010-11 To 2014-15	Jurisdictional AO
		36.6	2012-13	Addl.Comm, Central Excise
The Customs Act 1962	Custom Duty	0.86	2005-06	CESTAT, Kolkata
		9.41	2003-04 & 2006-7	Jurisdictional AO

- viii. In our opinion and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institution, banks, government and debenture holders, if any.

- ix. To the best of our knowledge and belief and according to the information and explanations given to us the term loans were availed by the Company and were applied by the company for the purposes for which the loans were obtained. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. To the best of our knowledge and belief and according to the information and explanations given to us, managerial remunerations has been paid/provided in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For, **S. K. AGRAWAL & CO.**  
*Chartered Accountants*  
Firms Registration No- 306033E

**(Hemant Kumar Lakhotia)**  
*Partner*  
Membership No: 068851

Place: Kolkata  
Dated: May 16, 2016

## ANNEXURE B TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **MANAKSIA ALUMINIUM COMPANY LIMITED** ("the Company"), to the extent records available with us in conjunction with our audit of the financial statements of the company as of and for the year ended 31<sup>st</sup> March 2016.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company.

For, **S. K. AGRAWAL & CO.**  
Chartered Accountants  
Firms Registration No- 306033E

(**Hemant Kumar Lakhotia**)  
Partner  
Membership No: 068851

Place: Kolkata  
Dated: May 16, 2016

**BALANCE SHEET**

(₹ in Lacs)

Particulars	Notes	As at March 31, 2016	As at March 31, 2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share capital	2	655.34	655.34
(b) Reserves and surplus	3	9,577.40	10,081.11
		<b>10,232.74</b>	10,736.45
<b>2. Non-current liabilities</b>			
(a) Long term borrowings	4	600.00	1,400.00
(b) Deferred tax liabilities (net)	5	1,448.19	1,584.12
(c) Long term provisions	6	47.74	47.43
		<b>2,095.93</b>	3,031.55
<b>3. Current liabilities</b>			
(a) Short term borrowings	7	8,133.00	7,923.30
(b) Trade payables	8	738.62	1,178.21
(c) Other current liabilities	9	1,135.11	1,282.87
(d) Short term provisions	10	126.66	102.37
		<b>10,133.39</b>	10,486.75
<b>TOTAL</b>		<b>22,462.06</b>	24,254.75
<b>II. ASSETS</b>			
<b>1. Non current assets</b>			
(a) Fixed assets	11		
Tangible assets		9,287.71	9,799.94
Capital work-in-progress		591.87	594.21
(b) Non-current investments	12	0.10	0.10
(c) Long term loans and advances	13	29.90	29.60
(d) Other Non Current Assets	14	0.89	0.89
		<b>9,910.47</b>	10,424.74
<b>2. Current assets</b>			
(a) Inventories	15	6,084.05	7,331.29
(b) Trade receivables	16	3,432.38	2,778.96
(c) Cash and Cash equivalents	17	5.21	494.68
(d) Short term loans and advances	18	3,029.95	3,225.08
		<b>12,551.59</b>	13,830.01
<b>TOTAL</b>		<b>22,462.06</b>	24,254.75
Summary of Significant Accounting Policies	1		
Notes to the Financial Statements	2-36		

As per our Report attached of even date

**For S K Agrawal & Co.**  
Chartered Accountants  
Firm Regn. No. 306033E

**Hemant Kumar Lakhotia**  
(Partner)  
Membership No. 068851

Kolkata  
16th day of May, 2016

For and on Behalf of the Board of Directors

**Sunil Kumar Agrawal**  
(Managing Director)  
DIN No.: 00091784

**Mrinal Kanti Pal**  
(Director)  
DIN No.: 00867865

**Deepak Chamaria**  
(CFO)

**Vivek Jain**  
(Company Secretary)



## STATEMENT OF PROFIT AND LOSS

(₹ in Lacs)

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>I. Income</b>			
Revenue from operations	19	26,551.54	29,743.18
Other income	20	17.57	62.41
<b>Total revenue</b>		<b>26,569.11</b>	<b>29,805.59</b>
<b>II. Expenses</b>			
Cost of materials consumed (including trading goods)	21	21,911.38	25,818.25
Changes in Inventories of finished goods, Work-in-progress and stock-in-trade	22	152.42	(774.33)
Employee benefits expense	23	597.12	563.51
Finance costs	24	686.46	635.90
Depreciation and amortization expense	11	533.73	604.06
Other expenses	25	3,327.67	3,696.78
<b>Total Expenses</b>		<b>27,208.78</b>	<b>30,544.17</b>
<b>III. Loss before tax</b>		<b>(639.67)</b>	<b>(738.58)</b>
<b>IV. Tax expenses</b>			
Current tax		-	-
Deferred tax		(135.96)	(114.47)
<b>Total tax expenses</b>		<b>(135.96)</b>	<b>(114.47)</b>
<b>V. Loss for the Period</b>		<b>(503.71)</b>	<b>(624.11)</b>
<b>VI. Basic and diluted Earnings per equity share of face value of ₹ 1/- each</b>			
	27	<b>Rs. (0.77)</b>	<b>Rs. (0.95)</b>
Summary of Significant Accounting Policies	1		
Notes to the Financial Statements	2-36		

As per our Report attached of even date

**For S K Agrawal & Co.**  
Chartered Accountants  
Firm Regn. No. 306033E

**Hemant Kumar Lakhota**  
(Partner)  
Membership No. 068851

Kolkata  
16th day of May, 2016

For and on Behalf of the Board of Directors

**Sunil Kumar Agrawal**  
(Managing Director)  
DIN No.: 00091784

**Mrinal Kanti Pal**  
(Director)  
DIN No.: 00867865

**Deepak Chamaria**  
(CFO)

**Vivek Jain**  
(Company Secretary)

**CASH FLOW STATEMENT**

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Loss before tax	(639.67)	(738.58)
<b>Adjustment for:</b>		
Depreciation/ Amortisation	533.73	604.06
Loss on sale of fixed assets	1.79	
Finance Cost	686.46	610.39
Interest Income	(0.37)	
Dividend from Mutual Fund	-	(1.86)
<b>Operating Profit before Working Capital Changes</b>	<b>581.94</b>	<b>474.01</b>
<b>Adjustment for:</b>		
(Increase)/Decrease in Trade Receivables	(653.42)	2,777.65
(Increase)/Decrease in Other Receivables	195.83	1,063.70
(Increase)/Decrease in Inventories	1,247.25	(1,730.64)
Increase/(Decrease) in Trade Payables	(439.58)	(3,618.04)
Increase/(Decrease) in Other Payables	(131.90)	222.11
<b>Cash Generated from Operations</b>	<b>800.12</b>	<b>(811.21)</b>
Direct Taxes Paid	(0.99)	(31.97)
<b>Net Cash Flow from Operating Activities</b>	<b>799.13</b>	<b>(843.18)</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase of Fixed Assets and change in Capital work in progress	(54.74)	(355.81)
Sale of Fixed Assets	33.79	-
Investment in Fixed Deposits	-	(0.78)
Interest Received	0.37	25.51
Dividend Received from Mutual Fund	-	1.86
<b>Net Cash Flow from/(Used in) Investing Activities</b>	<b>(20.58)</b>	<b>(329.22)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>		
(Repayment of )/Proceeds from Long Term Borrowings	(800.00)	(800.00)
(Repayment of )/ Proceeds from Short Term Borrowings (Net)	209.70	3,062.51
Interest etc. Paid	(677.72)	(646.29)
<b>Net Cash Flow From/(Used in ) Financing Activities</b>	<b>(1,268.02)</b>	<b>1,616.22</b>
<b>D: Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(489.47)</b>	<b>443.82</b>
<b>Opening Cash and Cash Equivalents</b>	<b>494.68</b>	<b>50.86</b>
<b>Closing Cash and Cash Equivalents</b>	<b>5.21</b>	<b>494.68</b>
Note: Previous year's figures have been rearranged and regrouped wherever necessary.		

As per our Report attached of even date

**For S K Agrawal & Co.**  
Chartered Accountants  
Firm Regn. No. 306033E

**Hemant Kumar Lakhotia**  
(Partner)  
Membership No. 068851

Kolkata  
16th day of May, 2016

For and on Behalf of the Board of Directors

**Sunil Kumar Agrawal**  
(Managing Director)  
DIN No.: 00091784

**Mrinal Kanti Pal**  
(Director)  
DIN No.: 00867865

**Deepak Chamaria**  
(CFO)

**Vivek Jain**  
(Company Secretary)

## Note 1: SIGNIFICANT ACCOUNTING POLICIES

(Annexed to and forming part of the financial statements for the year ended 31<sup>st</sup> March, 2016)

### I) Basis of preparation of Financial Statement

The financial statements have been prepared under the Historical cost convention in accordance with the Generally Accepted Accounting Principles and the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of Companies (Accounts) Rules, 2014 and other provisions of the Act, to the extent applicable.

### II) Revenue Recognition

Revenue from sale of goods in the course of ordinary activities is recognised when all significant risks and rewards of their ownership are transferred to the customer as per the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. Sales are net of trade discounts and other rebates. Revenue from services are recognised on rendering of services to customers. Dividend income is recognised when the right to receive payment is established. All other income are recognised on accrual basis.

### III) Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of duties (net of CENVAT/VAT), taxes, borrowing costs directly attributable to acquisition, incidental expenses and erection/ commissioning etc., up to the date, the asset is ready for its intended use.

### IV) Depreciation

- a) Depreciation on tangible assets is provided on the straight line method over the estimated useful lives of assets and is in line with the requirements of Part C of Schedule II of the Companies Act, 2013.
- b) Depreciation includes amortisation of leasehold land over the period of lease.
- c) The residual value of assets has been considered as five percent of the original cost of the assets as per Schedule II of the Act.
- d) In case of impairment, if any, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- e) Software costs are amortised using the Straight Line Method over estimated useful life of 3 years.

### V) Impairment of Assets

The carrying amount of assets are reviewed at each balance sheet date to determine if there is any indication of impairment based on external/internal factor. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount which represents the greater of the net selling price and value in use of the assets. The estimated cash flows considered for determining the value in use, are discounted to the present value at weighted average cost of capital.

### VI) Foreign currency transaction

#### a) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

#### b) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

#### c) Exchange Differences

Exchange differences arising on the settlement/conversion of monetary items are recognized as income or expenses in the year in which they arise.

**d) Forward Contract**

The premium or discount arising at the inception of forward exchange contracts is amortised as expenses or income over the life of the respective contracts. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

**VII) Investments**

Long term Investments are stated at Cost less provisions recorded to recognise any decline, other than temporary, in the carrying value of each investment. Investments in foreign companies are considered at the exchange rates prevailing on the date of their acquisition. Current investments are carried at lower of cost or fair value of each investment. Short term Investments in liquid fund scheme of mutual funds have been stated at their NAV on year end date or purchase price whichever is less.

**VIII) Inventories**

Inventories are valued as follows:

- a) The Raw materials, Finished goods, Stock in trade and Work in progress, Packing materials and stores & spares are valued at cost or net realizable value whichever is lower. The cost of Closing Stock is calculated on the basis of Weighted Average method.
- b) Saleable scraps, whose cost is not identifiable, are valued at estimated realisable value.

**IX) Research & Development**

Research and development expenditure of revenue nature are charged to Statement of Profit and Loss Account, while capital expenditure are added to the cost of fixed assets in the year in which these are incurred.

**X) Employee Benefits**

- a) Short term employee benefits are charged off at the undiscounted amount in the year in which the related services are rendered.
- b) Post employment and other long term employee benefits are charged off in the year in which the employee has rendered services. The amount charged off is recognised at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Statement of Profit and Loss.

**XI) Earnings Per Share**

Basic earnings per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**XII) Excise Duty and Custom Duty**

Excise duty on finished goods stock lying at factories is accounted for at the point of manufacture of goods and accordingly is considered for valuation of finished goods as on the Balance Sheet date. Custom duty on imported material in transit / lying in bonded warehouse is accounted for at the time, the same are released from Customs/ Bonded warehouse.

**XIII) Financial Derivatives and Commodity Hedging Transactions**

In respect of derivative contracts, premium paid, gains/losses on settlement and provision for losses for cash flow hedges and restatement on Balance Sheet date are recognised in the Statement of Profit and Loss Account, except in case where they relate to borrowing costs that are attributable to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

**XIV) Borrowing Costs**

Borrowing Costs relating to acquisition / construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

**XV) Taxation**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income for the year and reversal of timing differences of earlier years.

The deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as on the Balance Sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. If the company has carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only to the extent there is virtual certainty supported by convincing evidence that sufficient taxable income will be available against which such deferred tax asset can be realized.

**XVI) Segment Reporting**

As the Company's business activity falls within a single primary business segment, viz. "Metals", the disclosure requirements of Accounting Standard-17 "Segment Reporting" is not applicable. The analysis of geographical segments is based on the areas in which the customers of the company are located.

**XVII) Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
<b>2. Share capital</b>				
<b>a) Authorised:</b>				
7,50,00,000 (7,50,00,000) Equity Shares of ₹ 1/- each	<b>750.00</b>		750.00	
	<b>750.00</b>		750.00	
<b>b) Issued, Subscribed and fully paid-up Shares:</b>				
6,55,34,050 (6,55,34,050) Equity Shares of ₹ 1/- each fully paid up (Refer Note No. 33)	<b>655.34</b>		655.34	
	<b>655.34</b>		655.34	
<b>c) Details of shareholders holding more than 5% shares in the Company</b>				
<b>Name of Shareholders</b>	<b>As at March 31, 2016</b>		<b>As at March 31, 2015</b>	
	<b>No. of shares</b>	<b>% holding</b>	<b>No. of shares</b>	<b>% holding</b>
Basudeo Agrawal	<b>10,348,615</b>	<b>15.79</b>	9,500,115	14.50
Suresh Agrawal	-	-	9,402,740	14.35
Vineet Agrawal	<b>8,954,735</b>	<b>13.66</b>	2,416,245	3.69
Mahabir Prasad Agrawal	<b>5,959,245</b>	<b>9.09</b>	5,448,245	8.31
Sunil Kumar Agrawal	<b>4,861,368</b>	<b>7.42</b>	1,616,060	2.47
Sushil Kumar Agrawal	<b>4,483,557</b>	<b>6.84</b>	852,875	1.30
<b>d) Reconciliation of the shares outstanding is set out below:</b>				
<b>Particulars</b>	<b>March 31, 2016 No. of shares</b>		<b>March 31, 2015 No. of shares</b>	
<b>Equity Shares (Refer Note No. 33)</b>				
At the beginning of the period	<b>65,534,050</b>		500,000	
Add: Shares Issued pursuant to the Scheme of Demerger	-		65,534,050	
Less: Shares Cancelled pursuant to the Scheme of Demerger	-		500,000	
<b>Outstanding at the end of the period</b>	<b>65,534,050</b>		65,534,050	
<b>e) Terms/rights attached to each class of shares</b>				
<b>Equity Shares:</b>				
The Company has only one class of equity shares having a par value of ₹1/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.				
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.				

**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lacs)

Particulars	As at March 31, 2016		As at March 31, 2015	
<b>3. Reserves and surplus</b>				
<b>A. Securities Premium</b>				
As per last Balance Sheet	<b>4,014.79</b>		4,014.79	
Balance as at the end of the period		<b>4,014.79</b>		4,014.79
<b>B. General reserve</b>				
As per last Balance Sheet	<b>6,437.34</b>		6,494.38	
Less : Depreciation (Refer Note No.28)	-		57.04	
Balance as at the end of the period		<b>6,437.34</b>		6,437.34
<b>C. Capital Reserve</b>				
As per last Balance Sheet	<b>5.00</b>		-	
Add : Shares Cancelled pursuant to scheme of Demerger (Refer Note No. 33)	-		5.00	
Balance as at the end of the period		<b>5.00</b>		5.00
<b>D. Surplus/(Deficit) in the statement of profit and loss</b>				
As per last Balance Sheet	<b>(376.02)</b>		248.09	
Add : Loss for the period	<b>(503.71)</b>		(624.11)	
Balance as at the end of the period		<b>(879.73)</b>		(376.02)
		<b>9,577.40</b>		10,081.11
<b>4. Long term borrowings</b>	<b>Non Current</b>	<b>Current</b>	<b>Non Current</b>	<b>Current</b>
<b>Secured</b>				
Term Loans:				
From Banks				
Rupee Loan	<b>600.00</b>	<b>800.00</b>	1,400.00	800.00
<b>Total</b>	<b>600.00</b>	<b>800.00</b>	1,400.00	800.00

**Note:**

**4.1** The Current part of Long Term Borrowings, as above, have been shown under Other Current Liabilities (Note No.9), as Current Maturities of long term debt.

**4.2** Rupee Term Loan:

The above loan is secured by First Charge on all Fixed Asset (Movable and Immovable) and is further secured by second charge on current assets of the Company. The loan is repayable in 11 quarterly installments of ₹ 200 Lakhs each. The Current Rate of Interest on the Rupee Term Loan is 10.60% p.a.



**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
<b>5. Deferred tax liabilities (net)</b>		
<b>a) Deferred Tax Liability</b>		
Timing difference in depreciable assets	1,594.96	1,719.74
<b>b) Deferred Tax Assets</b>		
Expenses allowable against taxable income in future years	146.77	135.62
<b>Net Deferred tax Liability (a-b)</b>	<b>1,448.19</b>	<b>1,584.12</b>
<b>6. Long term provisions</b>		
Provision for Gratuity( Refer Note No. 34 )	47.74	47.43
<b>Total</b>	<b>47.74</b>	<b>47.43</b>
<b>7. Short term borrowings</b>		
<b>Secured</b>		
a) Loans repayable on Demand		
From Banks		
Rupee Loan	3,421.41	2,957.52
b) Foreign Currency Term Loan	-	530.07
c) Buyers Credit	4,711.59	4,435.71
<b>Total</b>	<b>8,133.00</b>	<b>7,923.30</b>
<b>Note:</b>		
<b>7.1</b> The Company's Working Capital facilities are secured by First Charge on the current assets and second charge on Immovable Fixed Assets ranking pari passu with the respective Working Capital Bankers.		
<b>8. Trade payables</b>		
Micro, Small and Medium Enterprises*	-	-
Others	738.62	1,178.21
<b>Total</b>	<b>738.62</b>	<b>1,178.21</b>
*Disclosure of payables to MSME vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.		
There are no overdue principal amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payments made during the year or brought forward from previous years.		
<b>9. Other current liabilities</b>		
Current Maturities of Long Term Debt		
Term Loans	800.00	800.00
Interest accrued but not due on borrowings	29.30	12.42
Interest accrued and due on borrowings	14.34	22.48
Other Payables *	291.47	447.97
<b>Total</b>	<b>1,135.11</b>	<b>1,282.87</b>
* Other Payables include Statutory Dues, Advances from Customers & Overdrawn Balances from banks.		
<b>10. Short term provisions</b>		
Provision for Gratuity ( Refer Note No. 34)	8.15	6.10
Others *	118.51	96.27
<b>Total</b>	<b>126.66</b>	<b>102.37</b>
* Indicates Liabilities for excise duty on closing stock of Finished Goods.		

## NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2016

## 11. FIXED ASSETS

(₹ in Lacs)

Particulars	GROSS BLOCK				Depreciation / Amortisation					NET BLOCK	
	As at 1st April 2015	Addition	Deletion/ Adjustment	As at 31st March 2016	As at 1st April 2015	Deductions/ Adjustments	For the Year	Short / (Excess) Depreciation Provision for earlier years	Up to 31st March 2016	As at 31st March 2016	As at 31st March 2015
<b>Tangible Assets :</b>											
a) Land	13.70	-	-	13.70	-	-	-	-	-	13.70	13.70
b) Leasehold Land	91.33	-	-	91.33	11.17	-	1.01	-	12.18	79.15	80.16
c) Building	2,786.75	-	-	2,786.75	774.72	-	86.26	-	860.98	1,925.77	2,012.03
d) Plant & Equipment	12,715.22	52.44	66.33	12,701.33	5,072.40	(30.75)	432.27	-	5,473.92	7,227.41	7,642.82
e) Computers	26.10	1.81	-	27.91	23.98	-	1.09	-	25.07	2.84	2.12
f) Office Equipment	22.72	2.70	-	25.42	17.12	-	1.41	-	18.53	6.89	5.60
g) Furniture & Fixtures	69.41	0.13	-	69.54	51.95	-	7.24	-	59.19	10.35	17.46
h) Vehicles	84.75	-	-	84.75	58.70	-	4.45	-	63.15	21.60	26.05
<b>Total Tangible Fixed Assets</b>	<b>15,809.98</b>	<b>57.08</b>	<b>66.33</b>	<b>15,800.73</b>	<b>6,010.04</b>	<b>(30.75)</b>	<b>533.73</b>	<b>-</b>	<b>6,513.02</b>	<b>9,287.71</b>	<b>9,799.94</b>
Capital Work in Progress	594.21	38.73	41.07	591.87	-	-	-	-	-	591.87	594.21

**NOTES TO FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2015**

**11. FIXED ASSETS**

(₹ in Lacs)

Particulars	GROSS BLOCK				Depreciation / Amortisation					NET BLOCK	
	As at 1st April 2014	Addition	Deletion/ Adjustment	As at 31st March 2015	As at 1st April 2014	Deductions/ Adjustments	For the Year	Short / (Excess) Depreciation Provision for earlier years	Up to 31st March 2015	As at 31st March 2015	As at 31st March 2014
<b>Tangible Assets :</b>											
a) Land	13.70	-	-	13.70	-	-	-	-	-	13.70	13.70
b) Leasehold Land	91.33	-	-	91.33	10.15	-	1.02	-	11.17	80.16	81.18
c) Building	2,356.63	430.12	-	2,786.75	702.08	-	72.64	-	774.72	2,012.03	1,654.55
d) Plant & Equipment	12,208.93	506.29	-	12,715.22	4,519.20	-	509.82	43.38	5,072.40	7,642.82	7,689.73
e) Computers	25.87	0.23	-	26.10	19.58	-	2.71	1.69	23.98	2.12	6.29
f) Office Equipment	20.51	2.21	-	22.72	6.98	-	1.52	8.62	17.12	5.60	13.53
g) Furniture & Fixtures	68.69	0.72	-	69.41	36.81	-	12.45	2.69	51.95	17.46	31.88
h) Vehicles	74.69	10.06	-	84.75	54.14	-	3.90	0.66	58.70	26.05	20.55
<b>Total Tangible Fixed Assets</b>	<b>14,860.35</b>	<b>949.63</b>	<b>-</b>	<b>15,809.98</b>	<b>5,348.94</b>	<b>-</b>	<b>604.06</b>	<b>57.04</b>	<b>6,010.04</b>	<b>9,799.94</b>	<b>9,511.41</b>
<b>Capital Work in Progress</b>	<b>1,188.02</b>	<b>52.44</b>	<b>646.25</b>	<b>594.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>594.21</b>	<b>1,188.02</b>

## NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

Particulars	As at March 31, 2016	As at March 31, 2015
<b>12. Non - current investment</b>		
<b>Investment in Government or Trust securities</b>		
<b>Unquoted &amp; Fully Paid Up</b>		
6 Years National Savings Certificates	0.10	0.10
	0.10	0.10
Aggregate book value of unquoted investment	0.10	0.10
<b>13. Long term loans and advances</b>		
(Unsecured, considered good)		
Security Deposit	29.90	29.60
<b>Total</b>	29.90	29.60
<b>14 Other Non Current Assets</b>		
Fixed Deposits	0.89	0.89
( Pledged with Govt. Authorities)	0.89	0.89
<b>15. Inventories</b>		
At Lower of Cost or Net Realisable Value		
Raw Materials	1,399.69	2,472.17
Work-in-Process	2,650.14	2,649.51
Finished Goods	1,078.01	1,140.15
Stores & Spares	931.68	954.02
At Estimated Realisable Value		
Scraps	24.53	115.44
<b>Total</b>	6,084.05	7,331.29
<b>16. Trade receivables</b>		
Unsecured		
Considered Doubtful provided for :		
Outstanding over six months	15.83	15.83
Less : Provision for Doubtful Debts	15.83	15.83
	-	-
Considered Good :		
Outstanding over six months	439.07	314.21
Other Debts	2,993.31	2,464.75
<b>Total</b>	3,432.38	2,778.96
<b>17. Cash and Cash equivalents</b>		
Balances with Banks	0.60	107.63
Cheque in Hand	-	373.55
Cash in Hand	4.61	13.50
<b>Total</b>	5.21	494.68
<b>18. Short term loans and advances</b>		
(Unsecured, considered good)		
Balances with Statutory Authorities	576.65	904.17
Advance Income Tax (Net of Provision)	13.40	12.41
Others*	2,439.90	2,308.50
<b>Total</b>	3,029.95	3,225.08

\* Includes primarily Prepaid Expenses, Advance to Creditors &amp; Advance to Staff

**NOTES TO FINANCIAL STATEMENTS**

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>19. Total revenue</b>		
Sale of products	26,896.66	30,419.78
Other Operating Income	195.86	238.52
	<b>27,092.52</b>	30,658.30
Less : Excise Duty	540.98	915.12
<b>Total</b>	<b>26,551.54</b>	29,743.18
<b>19.1 Particulars of sale of products</b>		
Metal Products	26,769.78	29,853.34
Others	126.88	566.44
	<b>26,896.66</b>	30,419.78
<b>20. Other income</b>		
Income from Current Investment :		
Tax Free Dividends From Mutual Funds	-	1.86
Interest Income	0.37	25.51
Miscellaneous Income	17.20	35.04
<b>Total</b>	<b>17.57</b>	62.41
<b>21. Cost of materials consumed (including trading goods)</b>		
Opening Stock	2,472.17	1,420.57
Add : Purchases including procurement expenses	20,838.90	26,869.85
Less : Closing Stock	1,399.69	2,472.17
	<b>21,911.38</b>	25,818.25
<b>Particulars of Materials Consumed</b>		
Metals	21,867.69	25,508.30
Others	43.69	309.95
	<b>21,911.38</b>	25,818.25
<b>Particulars of Closing Stock of WIP</b>		
Metal Products	2,191.47	2,180.07
Others	458.67	469.44
	<b>2,650.14</b>	2,649.51
<b>22. Changes in Inventories of finished goods, Work-in-progress and stock-in-trade</b>		
Opening Stock		
Finished Goods	1,140.15	635.81
Work in Progress	2,649.51	2,438.61
Scrap	115.44	56.35
	<b>3,905.10</b>	3,130.77
<b>Closing Stock</b>		
Finished Goods	1,078.01	1,140.15
Work in Progress	2,650.14	2,649.51
Scrap	24.53	115.44
	<b>3,752.68</b>	3,905.10
	<b>152.42</b>	(774.33)

## NOTES TO FINANCIAL STATEMENTS

(₹ in Lacs)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>23. Employee benefits expense</b>		
Salaries, Wages and Bonus	415.87	354.52
Contribution to provident & other funds	35.90	40.77
Staff Welfare Expenses	145.35	168.22
<b>Total</b>	<b>597.12</b>	<b>563.51</b>
<b>24. Finance costs</b>		
Interest Expenses		
On Fixed Loans	206.81	303.96
On Others	384.44	247.70
Other Borrowing Cost	95.21	84.24
<b>Total</b>	<b>686.46</b>	<b>635.90</b>
<b>25. Other expenses</b>		
Consumption of Stores and Consumables		
Indigenous	150.28	204.27
Imported	91.35	70.92
Power & Fuel	1,250.67	1,230.69
Processing Charges	228.68	271.57
Clearing Charges	13.49	13.04
Carriage Inward	39.82	85.11
Repairs to:		
Building	14.49	17.49
Machinery	240.58	188.34
Others	9.35	10.59
Other Manufacturing Expenses	217.99	199.27
Rent	13.27	13.87
Insurance	22.26	17.87
Rates & Taxes	108.44	152.57
Excise Duty on Stocks *	(96.27)	41.19
Packing Expenses	76.73	90.70
Freight, Forwarding and Handling Expenses	237.87	337.05
Communication Expenses	16.78	13.25
Travelling & Conveyance	91.06	77.41
Auditors' Remuneration		
Audit Fees	6.00	6.00
Tax Audit Fees	0.50	1.00
Certification Fees	0.10	4.26
Donations	-	0.10
Commission	32.15	20.83
Net Loss on Exchange Fluctuation	134.20	155.30
Other Miscellaneous Expenses	427.88	474.09
	<b>3,327.67</b>	<b>3,696.78</b>

\*Excise duty on stocks represents differential excise duty on opening and closing stock of Finished Goods.

## ADDITIONAL NOTES ON FINANCIAL STATEMENTS

### 26) Contingent Liabilities & Commitments:

#### a) Contingent Liability

Claims against the company/disputed liabilities not acknowledged as Debts

(₹ in Lacs)

Sl. No	Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
1	<b>Cases Pending Against the company</b>		
	Excise	45.93	9.33
	Custom	10.27	10.27
2	<b>Lease Rent</b>	18.68	18.68

### 27) Earnings per share (EPS)

(₹ in Lacs)

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Profit as per Statement of Profit & Loss	(503.71)	(624.11)
Weighted Average number of Equity Shares	6,55,34,050	6,55,34,050
Nominal value per Equity Share (₹)	1	1
Basic and Diluted Earnings per share (EPS)	(0.77)	(0.95)

- 28) Effective from 1<sup>st</sup> April 2014, the company had charged depreciation based on the revised remaining useful lives of the assets as per the requirement of Schedule II to the Companies Act 2013. Due to above an amount of ₹ 57.04 Lakhs (net of deferred tax) has been recognized in the opening balance of retained earnings for the Financial year 2014-15, for the assets where remaining useful life as per Schedule II is Nil.

### 29) Financial & Derivative Instruments:-

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
a. Derivative contracts entered into by the company and outstanding as on For hedging commodity related risks in Metals Futures • In quantity	1375 MT	375 MT
b. Foreign currency payables that are not hedged	2276.91	2534.68
c. Foreign Currency Payables that are hedged	1597.59	2713.17
d. Foreign currency Receivables that are not hedged	3549.32	3336.83

### 30) Information pursuant to the provisions of Clause viii of the General Instructions for preparation of statement of profit and loss of the Schedule III to the Companies Act, 2013.

#### a. CIF Value of Import:

(₹ in Lacs)

Particulars	2015- 2016	2014- 2015
Capital goods	NIL	Nil
Raw materials and other purchases	20,649.16	25,302.92
Spares parts and chemicals	54.28	134.17

#### b. Expenditure in foreign currencies:

(₹ in Lacs)

Particulars	2015-2016	2014- 2015
Interest on Loans From Banks & Financial Institutions	61.98	65.41
Others	47.73	26.26



## ADDITIONAL NOTES ON FINANCIAL STATEMENTS

### c. Value of Raw materials and spare parts consumed: (₹ in Lacs)

Raw Materials:	2015-2016		2014- 2015	
	Amount	%	Amount	%
Indigenous	749.23	3.42	2797.94	11.00
Imported	21162.15	96.58	23020.31	89.00
<b>TOTAL</b>	<b>21,911.38</b>	<b>100.00</b>	25818.25	100.00
<b>Stores &amp; Spares:</b>				
Indigenous	150.28	62.19	204.27	74.00
Imported	91.35	37.81	70.92	26.00
<b>TOTAL</b>	<b>241.63</b>	<b>100.00</b>	275.19	100.00

### d. Earnings in foreign exchange: (₹ in Lacs)

Particulars	2015-2016	2014-2015
Export of Goods & Services (F.O.B. Value Including Freight Realised)	21,374.21	21,436.26

### 31) Related Party Disclosure:-

#### a) Name & Relationship of the Related Parties

Particulars	Relationship
Manaksia Coated Metals & Industries Ltd Manaksia Steels Ltd. ( Till 21.07.2015 ) Manaksia Limited.	Entities where KMP and relatives have Significant influence
Mr. Sunil Kumar Agrawal- Managing Director Mr. Vineet Agarwal-Whole Time Director Mr. Deepak Chamaria-Chief Financial Officer Mr. Vivek Jain-Company Secretary	Key Management Personnel
Mr Ajay Kumar Chakraborty Dr Kali Kumar Chaudhury Mr Mrinal Kanti Pal Mr Basudeo Agrawal Mr Anirudha Agrawal Mrs Smita Khaitan	Directors

#### b. Transactions with Related Parties (₹ in Lacs)

Sl. No.	Nature of Transactions	2015-2016	2014-2015
1	<b>Purchase of Goods/Services</b>		
	Manaksia Coated Metals and Industries Ltd	151.07	136.68
	Manaksia Steels Ltd	4.78	253.55
	Manaksia Limited	103.57	Nil
	<b>Total</b>	<b>259.42</b>	390.23
2	<b>Fixed Asset Purchased</b>		
	Manaksia Coated Metals and Industries Ltd	Nil	15.15
3	<b>Sale of Goods/Services</b>		
	Manaksia Steels Ltd	14.36	30.79
	<b>Total</b>	<b>14.36</b>	30.79

## ADDITIONAL NOTES ON FINANCIAL STATEMENTS

### b. Transactions with Related Parties

(₹ in Lacs)

Sl. No.	Nature of Transactions	2015-2016	2014-2015
4	<b>Interest Income</b>		
	Manaksia Limited	Nil	14.66
	Manaksia Steels Ltd	Nil	9.94
	<b>Total</b>	<b>Nil</b>	<b>24.6</b>
5	<b>Interest Expense</b>		
	Manaksia Coated Metals and Industries Ltd	11.52	13.68
	Manaksia Steels Ltd	5.44	
	<b>Total</b>	<b>16.96</b>	<b>13.68</b>
6.	<b>Salary Paid to KMP</b>		
	Mr. Sunil Kumar Agrawal	45.00	10.67
	Mr. Vineet Agarwal	42.00	11.17
	Mr. Deepak Chamaria	15.44	5.04
	Mr. Vivek Jain	3.54	1.00
7.	<b>Meeting Fees</b>		
	Mr Ajay Kumar Chakraborty	0.11	0.02
	Dr Kali Kumar Chaudhury	0.13	0.02
	Mr Mrinal Kanti Pal	0.05	0.01
	Mr Anirudha Agrawal	0.05	0.02
	Mr Basudeo Agrawal	0.07	0.02
	Mrs Smita Khaitan	0.16	0.02

### 32) Segment Reporting

- Business Segment - As the Company's business activity falls within a single primary business segment, viz "Metal", the disclosure requirements of Accounting Standard-17 "Segment Reporting" is not applicable.
- Geographical Segment - The company primarily operates in India and therefore the analysis of geographical segments is demarcated into its Indian and overseas operations as under:

(₹ in Lacs)

Geographical Segments	REVENUE FROM OPERATIONS	
	2015-2016	2014-2015
India	4,513.81	7,812.8
Overseas	22,037.73	21,930.38
<b>Total</b>	<b>26,551.54</b>	<b>29,743.18</b>

The carrying amount of segment assets and additions to segment fixed assets by geographical area to which the assets are attributable

Geographical Segments	Carrying Amount of Segment Assets		Additions to Fixed Assets including CWIP	
	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
India	18,912.74	22,239.49	54.74	355.81
Overseas	3,549.32	4469.75	Nil	Nil
<b>Total</b>	<b>22,462.06</b>	<b>24,254.75</b>	<b>54.74</b>	<b>355.81</b>

## ADDITIONAL NOTES ON FINANCIAL STATEMENTS

33) In terms of the scheme of arrangement under section 391 to 394 of the Companies Act, 1956 ("the Scheme") between Manaksia Limited, Manaksia Aluminium Company Limited ("the Company") and other three transferee Companies, Manaksia Limited had demerged its business and undertakings namely; Aluminium Undertaking, Steel Undertaking, CMMC Undertaking and Packaging Undertaking to four separate transferee Companies. Pursuant to the Scheme as approved by Hon'ble High Court of Calcutta vide order dated 24<sup>th</sup> March 2014, received on 19<sup>th</sup> November 2014, the Aluminium undertaking of Manaksia Limited has been demerged into the company on a going concern basis with effect from 1st October 2013 being the appointed date.

In terms of the Scheme 65,534,050 equity shares of ₹ 1/- each, fully paid-up, of the Company have been issued to the holders of equity shares of Manaksia Limited, whose names were registered in the register of members on the record date, without payment being received in cash, in the ratio of 1 (one) fully paid-up equity share of ₹ 1/- each of the Company for every equity share held in Manaksia Limited. Further, in terms of the Scheme, Share Capital of ₹ 5 lacs prior to allotment of the above shares, has been transferred to Capital Reserve Account.

34) **Disclosure as per Accounting Standard 15 "Employee Benefits"** (₹ in Lacs)

Particulars	For the Year ended 31 <sup>st</sup> March, 2016	For the Year ended 31 <sup>st</sup> March, 2015
<b>Provision for Employee Benefits</b>	<b>55.90</b>	53.53
<b>Employee Benefits :</b>		
<b>i) Defined contribution Plan</b>	<b>35.90</b>	40.77
Contribution to defined contribution plan recognized are charged of during the year as follows :		
Employers' contribution to Provident Fund and ESI		
<b>ii) Defined benefit plan</b>		
Gratuity is paid to employees under the Payment of Gratuity Act 1972 through unfunded scheme. The present value of obligation is determined based on actuarial valuation using projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.		
<b>a) Reconciliation of opening and closing balances of defined obligation:</b>		
1) Defined benefit obligation at the beginning of the period	<b>53.53</b>	46.54
2) Current service cost	<b>7.45</b>	6.24
3) Interest cost	<b>4.15</b>	4.19
4) Acquisitions	<b>0</b>	0.00
5) Actuarial (gain) / loss	<b>(.26)</b>	4.05
6) Benefit paid	<b>(8.97)</b>	(7.49)
7) Defined benefit obligation at the end of the period	<b>55.90</b>	53.53
<b>b) Reconciliation of fair value assets and obligations:</b>		
1) Fair value of plan assets as at the end of the period	<b>0.00</b>	0.00
2) Present value of obligations as at end of the period	<b>(55.90)</b>	(53.53)
3) Amount recognized in balance sheet	<b>(55.90)</b>	(53.53)
<b>c) Expenses recognized during the year (under the Note "Employee Benefits Expense")</b>		
1) Current service cost	<b>7.45</b>	6.24
2) Interest cost	<b>4.15</b>	4.19
3) Actuarial (gain) / Loss	<b>(0.26)</b>	4.05
4) Net amount	<b>11.34</b>	14.48
<b>d) Actuarial assumptions</b>		
1) Mortality table	<b>IALM 06-08 ultimate</b>	IALM 06-08 ultimate
2) Discount rate (per annum)	<b>7.75 %</b>	7.75 %
3) Rate of escalation in salary (per annum)	<b>5.00 %</b>	5.00 %
4) Expected average remaining working lives of employees(years)	<b>19.29</b>	20.17

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors. The above information has been certified by the actuaries.

## ADDITIONAL NOTES ON FINANCIAL STATEMENTS

### Assets and Liability (Balance Sheet Position)

(₹ in Lacs)

Particulars	As on		
	31/03/2016	31/03/2015	31/03/2014
Present value of Obligation	(55.90)	(53.53)	(46.54)
Fair Value of Plan Assets	0	0	0
Unrecognized Past Service Cost	0	0	0
Effects of Asset Celling	0	0	0
<b>Net Asset / (Liability)</b>	<b>(55.90)</b>	<b>(53.53)</b>	<b>(46.54)</b>

### Experience adjustments on Present Value of Benifit Obligation and Plan Assets

(₹ in Lacs)

Particulars	As on		
	31/03/2016	31/03/2015	31/03/2014
(Gain) / Loss on Plan Liabilities	(0.26)	(4.05)	0
Gain / (Loss) on Plan Assets	0	0	0

- 35) The Company has made a provision of ₹ 73.64 Lacs (Previous Year ₹ 108.62 Lacs) towards Entry Tax in relation to matter under litigation/dispute as shown below:

(₹ in Lacs)

Particulars	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
Opening Balance	329.63	221.01
Provisions made during the Year	73.64	108.62
<b>Closing Balance</b>	<b>403.27</b>	<b>329.63</b>

- 36) Corresponding comparative figures for the previous year have been regrouped and readjusted wherever considered necessary to confirm to the current year presentation.

As per our Report attached of even date

**For S K Agrawal & Co.**  
Chartered Accountants  
Firm Regn. No. 306033E

**Hemant Kumar Lakhotia**  
(Partner)  
Membership No. 068851

Kolkata  
16<sup>th</sup> day of May, 2016

For and on Behalf of the Board of Directors

**Sunil Kumar Agrawal**  
(Managing Director)  
DIN No.: 00091784

**Mrinal Kanti Pal**  
(Director)  
DIN No.: 00867865

**Deepak Chamaria**  
(CFO)

**Vivek Jain**  
(Company Secretary)