

REPORT ON CORPORATE GOVERNANCE

The company is in compliance with the requirements stipulated under regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Hind Aluminium Industries Ltd. believes in conducting its affairs in a fair, transparent and professional manner and maintaining the good ethical standards in its dealing with all its constituents.

BOARD OF DIRECTORS

❖ Composition of the Board :

As on 31st March, 2016, the Company has seven directors. The Composition of the board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The composition of the Board and category of the Directors are as follows;

Name of Directors	Category	No. of other Directorship(s)*	No. of membership(s)/ chairmanship(s) of Board Committee in other Companies **
Shri Lalit Kumar Daga	Chairman/ Non-Executive	19	-
Shri Shailesh Daga	Managing Director	15	-
CA. Sudhir Goel	Whole-Time Director	6	-
Shri Navin Shah	Independent Director	1	-
Shri Sundeep Mohta	Independent Director	5	-
Shri Narayan Das Mundhra	Independent Director	1	-
Mrs. Renu Somani	Independent Director	1	-

*The Directorship held by Directors as mentioned above, do not include directorship in foreign companies.

*The Membership/Chairmanships in other public Companies excluding Hind Aluminium Industries Limited have been considered.

❖ Board and Committee meetings

During 2015-2016, the board of Directors met 7 times. The details of Board meeting are given

Directors	No. of Board Meeting held	No. of Board Meeting Attended	Attended last AGM
Shri Lalit Kumar Daga	7	7	Yes
Shri Shailesh Daga	7	7	Yes
C.A. Sudhir Goel	7	7	Yes
Shri Navin Shah	7	2	Yes
Shri Sundeep Mohta	7	6	No
Shri Narayan Das Mundhra	7	6	No
Mrs. Renu Somani	7	7	No

Seven Board Meeting were held during the year and the dates on which the said meetings were held:- April 01, 2015, April 20, 2015, May 30, 2015, June 17, 2015, August 14, 2015, November 14, 2015 and February 13, 2016.

During the year Meeting of the independent director were held on 13th February, 2016. The Independent Directors inter-alia, reviewed the performance of non-independent directors, chairman of the company and the Board as a whole. The necessary quorum was present for all the meetings.

During the year 2015-16, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration includes:

- Annual operating plans, budget and any updates.
- Capital budgets and any updates.
- Quarterly financial results
- Minutes of meetings of Audit Committee, and other committees of the board of directors.
- Information on recruitment and remuneration of senior officers just below the Board level.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any materially relevant default in financial obligations to and by the Company, or substantial nonpayment
- Issue which involves possible public or product liability claims of a substantial nature.
- Significant development on the human resources and industrial relations front
- Quarterly details of foreign exchange exposure and steps taken by the management to limit the risk of adverse exchange rate movement.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in etc.

HIND ALUMINIUM INDUSTRIES LTD.

The Board of Directors of your Company is routinely presented with all information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board Meetings or are tabled in course of the Board meeting or are tabled before the appropriate committee of the Board.

Details of equity shares of the Company held by the Directors as on March 31, 2016 are given below:

Name	Category	Number of equity Shares
Shri Lalit Kumar Daga	Chairman/Non-Executive Director	5,95,616
Shri Shailesh Daga	Managing Director	2,50,982
CA. Sudhir Goel	Whole-Time Director	3,000

AUDIT COMMITTEE

Your Company has an Audit Committee. The composition, procedure, role/function of the committee complies with the requirements of section 177 of Companies Act, 2013 as well as in accordance with Regulation 18 of the SEBI Listing Regulation.

❖ Composition of Committee, meetings held & attended

During the year, Audit Committee met four times.

Name of Member	Category	No. of Meeting held	No. of Meeting Attended
Shri Navin Shah Chairman - Audit Committee	(Independent Director)	4	4
Shri Sundeep Mohta	(Independent Director)	4	2
CA. Sudhir Goel	Whole-Time (Director)	4	4

The terms of reference if the audit committee are broadly as under:

Power of the Audit Committee

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

Role of the Audit Committee, inter alia include the following:

- 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.
- Recommending the appointment, remuneration and terms of appointment of statutory auditors including cost auditors of the Company.
- Approving payment to statutory auditors, including cost auditors, for any other services rendered by them.
- Reviewing with the management, the management, the annual financial statement and auditor's report thereon before submission the Board for approval. .
- To review the functioning of the Whistle Blower mechanism;

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

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

NOMINATION & REMUNERATION COMMITTEE AND STAKEHOLDERS RELATIONSHIP COMMITTEE

The Committee's constitution and terms of reference are in compliance with provisions Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

The broad terms of reference of the Nomination & Remuneration Committee and Stakeholders Relationship Committee are as under;

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- 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 of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Composition of Members of Nomination & Remuneration Committee and Stakeholders Relationship Committee & details of meetings attended are given below;

Name of Member	Category	No. of Meetings Held	Attended
Shri Navin Shah	Chairman of the Committee Independent Director	2	2
Shri Narayan Das Mundhra	Independent Director	2	1
Shri Lalit Kumar Daga	Non-Executive Director /Chairman	2	2

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement.

Remuneration Policy:

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its managing director and the executive directors. Annual increments are decided by the nomination and remuneration committee (NRC) within the salary scale approved by the members of the Company and are effective April 1 each year. NRC decides on the commission payable to the managing director and the executive director out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as managing director and executive director of the Company. Except for sitting fees for attending board as well as committee meetings the company does not pay any remuneration to its non-executive directors.

Remuneration & Sitting fee paid to Directors for the year 2015-2016 is given below:

Name of Directors	Relationship with other Directors	Sitting Fees for Board Meeting as well as various committees meetings (₹)	Salary and Perquisites (₹)
Shri Lalit Kumar Daga	Father of Shri Shailesh Daga	16,500/-	NIL
Shri Shailesh Daga	Son of Shri Lalit Kumar Daga	16,500/-	21,00,000/-
CA. Sudhir Goel	-	22,500/-	16,80,000/-
Shri Navin Shah	-	15,000/-	NIL
Shri Sundeep Mohta	-	13,500/-	NIL
Shri Narayan Das Mundhra	-	13,500/-	NIL
Mrs Renu Somani	-	10,500/-	NIL

a) The Company does not have any scheme for grant of stock options to its Directors or Employees.

b) Shri Navin Shah, Independent director is heading the stakeholders' grievance committee.

c) Details of Investor complaints received and redressed during the year 2015-2016 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	2	2	0

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition of the Committee are given below:

Name of Member	Category	No. of Meeting Held	Attended
Shri Lalit Kumar Daga	Non-Executive Director Chairman	2	2
CA. Sudhir Goel	Whole-Time Director	2	2
Shri Navin Shah	Independent Director	2	2

Terms of Reference of the Committee, inter alia, including the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities
- To be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder
- To recommend the amount of expenditure to be incurred on the CSR activities
- To monitor the implementation of the CSR Policy of the Company from time to time
- To approve the Corporate Sustainability Reports and oversee the implementation of sustainability activities
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties.

GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings held

Year	Location	Date	Time
2014-2015	Maheshwari Pragati Mandal, Mumbai – 400 002	27th August, 2015	11.00 a.m
2013-2014	Maheshwari Pragati Mandal, Mumbai – 400 002	28th August, 2014	10.30 a.m.
2012-2013	Maheshwari Pragati Mandal, Mumbai – 400 002	23rd August, 2013	11.00 a.m.

Whether special resolutions passed in the previous 3 AGMs. – Yes,

At AGM dated 23.08.2013, a Special resolution has passed/ approved for appointment of CA.Sudhir Goel as a Whole-Time Director from Non-Executive Director of the Company for a period of 5 years i.e. from 01.04.2013 to 31.03.2018.

OTHER DISCLOSURES

- i. There is no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- ii. Details of non-compliance by the Company, penalties, structures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2013-14, 2014-15 and 2015-16 respectively: Nil.
- iii. The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as define under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee.
- iv. The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:
 - a. The auditors' report on statutory financial statements of the Company are unqualified.
 - b. Shri Lalit Kumar Daga is the Chairman of the Company and Shri Shailesh Daga is the Managing Director of the Company. The Company has complied with the requirement of having separate persons to the post Chairman and Managing Director
 - c. Internal auditors of the Company, make presentations to the audit committee on their reports.
- v. Reconciliation of share capital audit: A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.
- vi. Code of Conduct
The member of the board and senior management personnel have affirmed the compliance with Code applicable to them during the year ended March 31, 2016. The annual report of the Company contains a certificate by the Managing Director and CFO in terms of SEBI Listing Regulations on the compliance declarations received from Board of Directors and Senior Management. The Corporate Governance Report forms part of the Annual Report. Your Company has complied with all the mandatory requirements of regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub regulation(2) of regulation 46 of SEBI Listing Regulations.

MEANS OF COMMUNICATION

The quarterly, half yearly and annual results are published in daily English news paper "The Free Press Journal" and Marathi daily news paper "Navshakti" in its Mumbai editions and also available on the company's website i.e www.associatedgroup.com/hail/investors.htm

EQUITY SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, no share of the company is in suspense account. There are no material transactions with related parties that may have potential conflict with the interests of the Company. As per Accounting Standard 18, relevant disclosures are made in the financial statement for the year.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from the Statutory Auditors confirming compliance with all the conditions of corporate governance as stipulated in Paragraph E of Schedule V of the SEBI Listing Regulations is annexed to the Report and form part of the Annual Report.

SHAREHOLDER INFORMATION

1. The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs(MCA) is CIN: L28920MH1987PLC043472
2. Annual General Meeting
Date and Time : Monday, 22nd August, 2016 at 11.00 a.m.
Venue : Maheshwari Pragati Mandal-Mumbai'
1st Floor, Maheshwari Bhavan,
603, Jagannath Shankar Sheth Marg,
Chira Bazar, Marine Lines (E),
Mumbai – 400 002.3.
3. Financial Calendar
Fin. reporting for the quarter ending Jun. 30, 2016 : By 13th August, 2016
Fin. reporting for the half year ending Sep.30, 2016 : By 14th November, 2016
Fin. reporting for the quarter ending Dec. 31, 2016 : By 13th February, 2017
Fin. reporting for the year ending Mar.31, 2017 : By 30th May, 2017
4. Dates of Book Closure : 20th August, 2016 to 22nd August, 2016
(Both days inclusive)5
5. Dividend payment date : On or after 27th August, 2016
6. Registered Office : Hind Aluminium Industries Ltd.
CIN: L28920MH1987PLC043472
B-1, Tulsi Vihar, Dr.A.B. Road,
Worli Naka, Mumbai – 400 018.
Tel.: (022) 40457100
Fax: (022) 4936888
Email: hind@associatedgroup.com

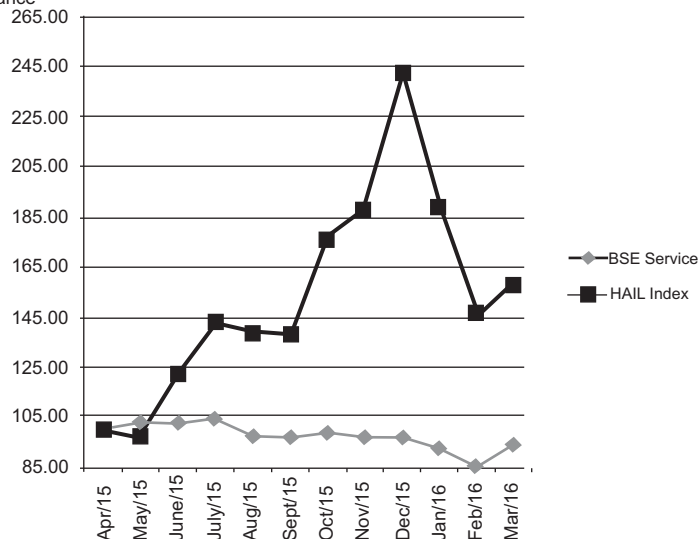
7. Listing Details : BSE Ltd.
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai –400 001.
8. Stock Code : 531979
9. ISIN allotted to Equity Shares : INE227B01019

Note: Listing fees for the year 2016-2017 has been paid to BSE Ltd.

10. Stock market price data for the year at BSE Ltd.

Month	Open Price ₹	High Price ₹	Low Price ₹	Close Price ₹	No. of Shares
Apr-15	44.00	51.00	43.00	46.25	11,334
May-15	48.00	49.70	40.00	45.00	9,804
Jun-15	54.00	66.25	51.00	56.25	1,19,180
Jul-15	55.00	72.00	53.75	66.25	60,151
Aug-15	67.00	92.00	62.50	64.15	1,47,920
Sep-15	51.35	74.40	50.10	63.60	63,116
Oct-15	65.95	94.90	60.00	81.50	1,30,430
Nov-15	87.40	94.00	73.15	87.10	1,25,427
Dec-15	89.50	121.25	85.00	112.20	1,99,934
Jan-16	117.40	117.50	72.20	87.40	74,894
Feb-16	88.50	90.95	56.00	68.00	65,645
Mar-16	72.50	80.55	67.75	73.00	44,566

11. Stock Performance



12. Registrar and Transfer Agents (RTA) : Bigshares Services Pvt Ltd.
E-2 Ansa Industrial Estate ,
Sakivihar Road, Saki Naka,
Andheri (East), Mumbai - 400 072
Tel.022-40430200, Fax No.022-28475207
Email : investor@bigshareonline.com

13. Share Transfer System : Share transfer in physical form are dispatched
Within the prescribed time limit, if documents
are clear in all respect.

The trading in the Company's share are permitted
Only in the dematerialized segment

14. Investors Service : Complaints received during the year is mentioned in
Corporate Governance report.

HIND ALUMINIUM INDUSTRIES LTD.

15. Distribution of Shareholding as on 31st March, 2016

No. of Equity shares held	No. of Share holders	% of Share holders	No. of shares held	% of Share holding
1- 5000	2562	84.53	4,23,373	6.72
5001-10000	222	7.32	1,75,776	2.79
10001-20000	110	3.62	1,68,845	2.68
20001-30000	46	1.52	1,22,854	1.95
30001-40000	17	0.56	59,852	0.95
40001-50000	16	0.53	75,602	1.20
50001-100000	21	0.70	1,42,385	2.26
100001 and above	37	1.22	51,31,513	81.45
	<u>3,031</u>	<u>100.00</u>	<u>63,00,200</u>	<u>100.00</u>

16. Categories of Equity Shareholding as on 31st March, 2016

Category	No. of Shares Holders	% of Share Holders	No. of Shares Held	% Share Holding
Indian Promoters	14	0.46	39,13,952	62.12
Corporate Bodies	61	2.01	4,50,631	7.15
NRIs/OCBs	34	1.12	31,501	0.50
Indian Public	2922	96.41	19,04,116	30.23
	<u>3031</u>	<u>100.00</u>	<u>63,00,200</u>	<u>100.00</u>

17. Dematerialisation of Shares and Liquidity : 96.88% Equity shares of your company have been Dematerialized upto 31st March, 2016

18. Plant Locations :
Aluminium Wire Rod & Conductors : Survey No.1/1 & 1/2, Village Khutali, Khanvel-Doodhani Road, Silvassa – 396230 (UT of DNH)

19. Investor correspondence :
For shares held in physical form
Bigshares Services Pvt Ltd,
CIN: U99999MH1994PTC076534
E-2 Ansa Industrial Estate ,
Sakivihar Road, Saki Naka
Andheri (East) Mumbai - 400 072
Tel.022-40430200
Fax.022-28475207
email: investors@bigshareonline.com
For shares held in demat form
Your Depository Participant (DP)
Any other queries
Hind Aluminium Industries Ltd..
B-1, Tulsi Vihar, Dr.A.B.Road, Worli Naka,
Mumbai – 400 018
Tel.: (022)-40457100
email : deepak@associatedgroup.com

MD/ CFO CERTIFICATE

To,
The Board of Directors
Hind Aluminium Industries Limited

- We have reviewed financial statements and the cash flow statement of Hind Aluminium Industries Limited for the year ended 31st March, 2016 and to the best of our knowledge and belief:
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 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.
- 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.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
- We have indicated to the Auditors and the Audit Committee:
 - that there are no significant changes in internal control over financial reporting during the year;
 - that there are no significant changes in accounting policies during the year; and
 - that there are no instances of significant fraud of which we have become aware.

Shailesh Daga
Managing Director

Mahendra Kumar Jain
Chief Financial Officer

Place: Mumbai
Date: 6th June, 2016

Auditor's Certificate on Corporate Governance

To the members of Hind Aluminium Industries Ltd.

We have examined the compliances of the conditions of corporate governance by Hind Aluminium Industries Ltd. for the year ended 31st March, 2016 as stipulated in Regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation 46 of SEBI Listing Regulation.

The compliance of conditions of the corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with conditions of the certificate of corporate governance as stipulated in the said Regulation. It is neither an audit nor an expression of the opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us and the representations made by the Directors and the Management, save appointment of whole time Company Secretary, we certify that the Company has complied with the conditions of corporate governance as stipulated in Regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation 46 of SEBI Listing Regulation.

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

FOR MOTILAL & ASSOCIATES
CHARTERED ACCOUNTANTS

(CA. M.P. MODY)
PARTNER
Membership No. 042975

Place: Mumbai
Dated : 6th June, 2016.