

## REPORT ON CORPORATE GOVERNANCE

In accordance with Clause 49 of the Listing Agreement with The Bombay Stock Exchange Ltd., the report containing the details of corporate governance system is as follows;

### 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, 2015, the Company has seven directors. The Composition of the board is in conformity with clause 49 of the Listing Agreements entered into with the Bombay Stock Exchange. 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 Director	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.

\* In accordance with Clause 49 of the Listing Agreement, Membership/Chairmanships in other public Companies excluding Hind Aluminium Industries Limited, have been considered.

#### ❖ Code of Conduct

The Board of Directors has adopted Code of Conduct for all the board members and senior management of the Company and all the board members and senior management personnel have affirmed compliance with the Code of Conduct for the current year.

#### ❖ Board and Committee meetings

During 2014-2015, the board of Directors met 8 times. The details of Board meeting are given below;

Directors	No. of Board Meeting held	No. of Board Meeting Attended	Attended last AGM
Shri Lalit Kumar Daga	8	8	Yes
Shri Shailesh Daga	8	8	Yes
C.A. Sudhir Goel	8	8	Yes
Shri Navin Shah	8	2	Yes
Shri Sundeep Mohta	8	4	No
Shri Narayan Das Mundhra	8	4	No

Eight Board Meeting were held during the year and the dates on which the said meetings were held :- May 30, 2014, August 14, 2014, September 10, 2014, November 14, 2014, January 12, 2015, January 1, 2015, February 13, 2015 and March 23, 2015.

The information placed before the Board includes :

- Annual operating plans, capital budgets thereof.
- Quarterly financial results
- Minutes of meetings of Audit Committee, Investors Grievance Committee and other committees of the Board.
- 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 non-payment
- 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.

### 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 Clause 49 of the Listing Agreement.

#### ❖ Composition of Committee, meetings held & attended

During the year, Audit Committee met four times.

Name of Member		No. of Meeting held	No. of Meeting Attended
Shri Navin Shah – Chairman	(Independent Director)	4	4
Shri Sundeep Mohta	(Independent Director)	4	2
Shri Narayan Das Mundhra	(Independent Director)	4	2
CA. Sudhir Goel	Whole-Time (Director)	4	4

#### 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 to 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 of the Companies Act, 2013 & Clause 49 of the Listing Agreement.

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

Terms of reference of the committee, inter alia, including;

To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down;

To carry out evaluation of every Directors performance including independent Directors;

To devise policy on the Board diversity;

To recommend / review remuneration of Managing Director & Whole-Time Director based on their performance;

To expedite the Share transfer in physical segment, necessary authority has been delegated by your Board of Directors of your Company to approve transfer/transmission of shares. Details of the transfer/transmission approved by the committee placed before the Board.

To carry out any other function as is mandated by the Board from time to time.

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

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

Details of Investor complaints received and redressed during the year 2014-2015 are as follows:

Opening Balance	Receive during the year	Resolved during the year	Closing Balance
0	3	3	0

**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.

Remuneration & Sitting fee paid to Directors for the year 2014-2015 are 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 Son of Shri Lalit Kumar Daga	18,500/-	-
Shri Shailesh Daga	-	18,000/-	18,00,000/-
CA. Sudhir Goel	-	24,500/-	14,11,200/-
Shri Navin Shah	-	15,000/-	-
Shri Sundeep Mohta	-	10,500/-	-
Shri Narayan Das Mundhra	-	10,500/-	-

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

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Composition of the Committee are given below :

Name of Member	Category	No. of Meetings Held	Attended
Shri Navin Shah (Chairman of the Committee)	Independent Director	2	2
Shri Shailesh Daga	Managing Director	2	2
CA. Sudhir Goel	Whole-Time Director	2	2

The Corporate Social Responsibility (CSR) Committee constituted by the Board on 30th May,2014 considering requirements of Section 135 of the Companies Act,2013.

**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.

**RISK MANAGEMENT COMMITTEE**

Composition of the Committee are given below:

Name of Member	Category	No. of Meeting Held	Attended
Lalit Kumar Daga	Non-Executive Director /Chairman	2	2
Shailesh Daga	Managing Director	2	2
Sudhir Goel	Whole-Time Director	2	2

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of the Company. The Committee's constitution meets with requirements of Clause 49 of the Listing Agreement.

**Role and Responsibilities of the Committee includes the following:**

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk Minimisation
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed

Performing such other functions as may be necessary or appropriate for the performance of its oversight function.

# HIND ALUMINIUM INDUSTRIES LTD.

## SUBSIDIARY COMPANY

1. Hind Power Products Pvt.Ltd. incorporated under the Companies Act, 1956

## DISCLOSURES

Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large. Particulars of related party transactions are listed out in Note No29 of the Balance Sheet forming part of the Annual Report.

### Disclosure of accounting treatment

Your Company has followed all relevant Accounting Standards while preparing the financial statements.

## Management

The Management Discussion and analysis form part of the Annual Report and is in accordance with the requirements laid down in Clause 49 of the Listing Agreement.

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.

## Whistle Blower policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a Vigil mechanism and Whistle blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. The reportable matters may be disclosed to the Ethics and Compliance Task Force which operates under the supervision of the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

## MD/CFO CERTIFICATION

A certificate from the Managing Director and CFO on the Financial Statements of the Company in terms of Clause 49 of Listing Agreement was placed before the Board, who took the same on record.

## REPORT ON CORPORATE GOVERNANCE

The Corporate Governance Report forms part of the Annual Report. Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from the Statutory Auditors confirming compliance with all the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement is annexed to the Report and form part of the Annual Report.

## GENERAL BODY MEETINGS

Location and time, where last 3 Annual General Meetings held

Year	Location	Date	Time
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.
2011-2012	Maheshwari Pragati Mandal, Mumbai – 400 002	31st August, 2012	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 of the Company for a period of 5 years i.e. from 01.04.2013 to 31.03.2018.

## 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

## SHAREHOLDER INFORMATION

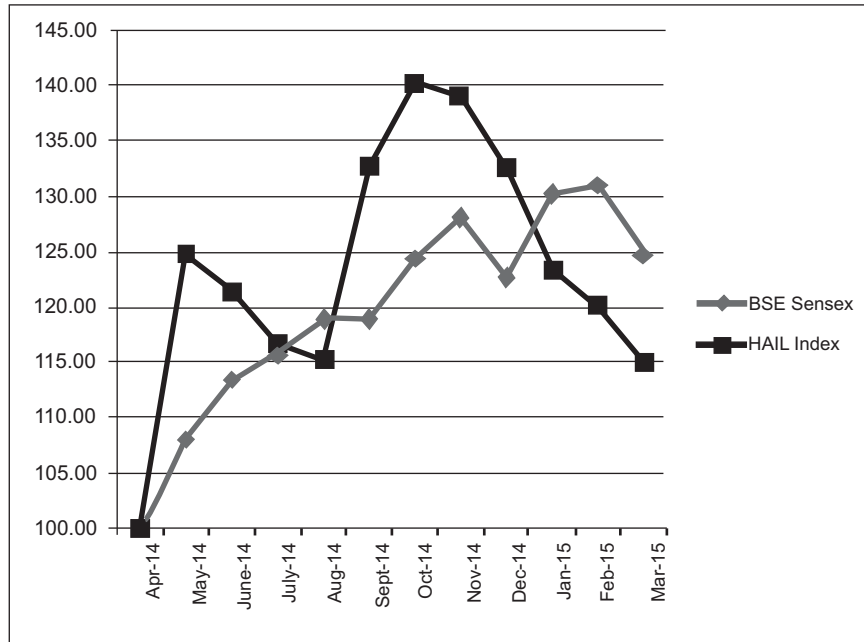
- The Company is registered in the State of Maharashtra, India. The Corporate Identification Number (CIN) allotted to the Company by the Ministry of Corporate Affairs(MCA) is CIN: L28920MH1987PLC043472
- Annual General Meeting  
Date and Time : Thursday, 27th August, 2015 at 11.00 a.m.  
Venue : Maheshwari Pragati Mandal-Mumbai  
1st Floor, Maheshwari Bhavan,  
603, Jagannath Shankar Sheth Marg,  
Cheera Bazar, Marine Lines (E),  
Mumbai – 400 002.
- Financial Calendar  
Fin. reporting for the quarter ending Jun. 30, 2015 : By 14th August, 2015  
Fin. reporting for the half year ending Sep. 30, 2015 : By 14th November, 2015  
Fin. reporting for the quarter ending Dec. 31, 2015 : By 13th February, 2016  
Fin. reporting for the year ending Mar.31, 2016 : By 30th May, 2016
- Dates of Book Closure : 25th August, 2015 to 27th August, 2015  
(Both days inclusive)
- Dividend payment date : On or after 1st September, 2015
- 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) 24936888  
Email: [hind@associatedgroup.com](mailto:hind@associatedgroup.com)
- Listing Details : The Bombay Stock Exchange Ltd  
Phiroze, Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001.
- Stock Code : Bombay Stock Exchange: 531979
- ISIN allotted to Equity Shares : INE227B01019

Note: Listing fees for the year 2015-2016 has been paid to Bombay Stock Exchange Ltd.

9. Stock market price data for the year at Bombay Stock Exchange Ltd.

Month	Open Price ₹	High Price ₹	Low Price ₹	Close Price ₹	No. of Shares
Apr-14	40.45	44.00	39.10	39.95	14,968
May-14	39.15	56.00	36.30	49.85	51,490
Jun-14	48.85	56.00	44.60	48.45	53,483
Jul-14	46.50	51.50	42.55	46.60	51,840
Aug-14	48.00	51.00	43.00	46.00	24,868
Sep-14	46.50	63.00	45.15	53.05	98,775
Oct-14	52.50	64.75	52.05	56.00	41,572
Nov-14	55.05	61.70	51.65	55.55	26,904
Dec-14	56.10	64.50	48.50	52.90	26,840
Jan-15	52.40	56.00	49.15	49.25	23,107
Feb-15	51.10	55.50	46.00	48.00	11,471
Mar-15	50.20	54.00	40.40	45.90	10,235

10. Stock Performance



11. 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](mailto:investor@bigshareonline.com)
12. 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
13. Investors Service : Complaints received during the year is mentioned in  
page no. 20 of Corporate Governance report.

# HIND ALUMINIUM INDUSTRIES LTD.

## 14. Distribution of Shareholding as on 31<sup>st</sup> March, 2015

No. of Equity shares held	No. of Share holders	% of Share holders	No. of shares held	% of Share holding
1- 5000	2410	84.68	4,06,771	6.46
5001-10000	205	7.20	1,64,693	2.61
10001-20000	103	3.62	1,62,958	2.59
20001-30000	38	1.34	1,03,182	1.64
30001-40000	16	0.56	55,454	0.88
40001-50000	16	0.56	76,469	1.21
50001-100000	18	0.63	1,20,479	1.91
100001 and above	40	1.41	52,10,194	82.70
	<u>2,846</u>	<u>100.00</u>	<u>63,00,200</u>	<u>100.00</u>

## 15. Categories of Shareholding as per Listing Clause 35, as on 31st March, 2015

Category	No. of Shares Holders	% of Share Holders	No. of Shares Held	% Share Holding
Indian Promoters	14	0.49	39,13,952	62.12
Corporate Bodies	62	2.18	4,71,066	7.48
NRIs/OCBs	21	0.74	16,969	0.27
Indian Public	<u>2749</u>	<u>96.59</u>	<u>18,98,213</u>	<u>30.13</u>
	<u>2846</u>	<u>100.00</u>	<u>63,00,200</u>	<u>100.00</u>

16. Dematerialisation of Shares and Liquidity : 96.75% Equity shares of your company have been Dematerialized upto 31st March, 2015.

### 17. Plant Locations

#### i. Aluminium Wire Rod & Conductors

Survey No. 1/1 & 1/2, Village Khutali, Khanvel-Doodhani Road, Silvassa – 396230 (UT of DNH)

#### ii. Wind Turbine Generators

i) Gut No.59-1/A, Village; Akhatwade, Dist.; Nandurbar (Maharashtra)  
ii) Location No. 275, Survey No.818 of Village Narasewadi, Taluka; Tasgaon, Dist.; Sangli

#### iii. Solar Power Plants

(I) SKF India Ltd., Chinchwad, Pune – 411033  
(II) SKF India Ltd., Plot No.2, Bommasandra Industrial Area, Hosur Road, Bangluru - 560099

#### iv. Minerals Division

C-302, Aishwara Chambers G.E.Road, Raipur-492001 (Chattisgarh)

#### 18. 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](mailto: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](mailto:deepak@associatedgroup.com)

## MD/ CFO CERTIFICATE UNDER CLAUSE 49 (IX)

To,  
The Board of Directors  
Hind Aluminium Industries Limited

1. We have reviewed financial statements and the cash flow statement of Hind Aluminium Industries Limited for the year ended 31st March, 2015 and to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;  
(ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

2. 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.

3. 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.

4. We have indicated to the Auditors and the Audit Committee:

(i) that there are no significant changes in internal control over financial reporting during the year;

(ii) that there are no significant changes in accounting policies during the year; and

(iii) that there are no instances of significant fraud of which we have become aware

Date: May 30, 2015  
Place: Mumbai

**Shailesh Daga**  
Managing Director

**Mahendra Kumar Jain**  
Chief Financial Officer

### **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, 2015 as stipulated in Clause 49 of the Listing Agreement of the Bombay Stock Exchange Ltd.

The compliance of conditions of the corporate governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof, adopted by the Company for ensuring the compliance with conditions of the certificate of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of the opinion of the financial statement 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 management, save appointment of whole time Company Secretary, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that while the Stakeholder Relationship Committee has not maintained record to show the investors grievances pending for a period of one month against the Company. The Registrar and Share Transfer Agent of the Company have maintained the records of investors grievance and certified that as at 31st March, 2015 there was no investor grievance remaining unattended/ pending for more than 30 days.

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

**For M/s. Motilal & Associates**  
Chartered Accountants

**CA. M.P.Mody**  
**Partner**

Membership No FCA 042975

Place: Mumbai

Dated: 30th May, 2015