

SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541

38th Annual Report 2017



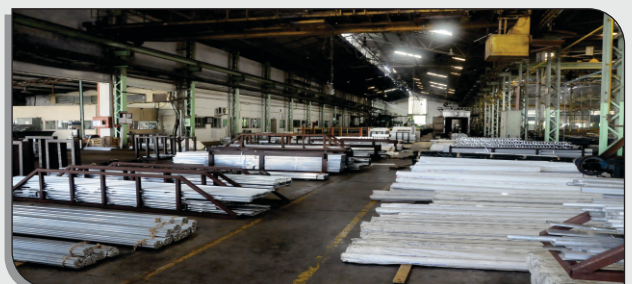
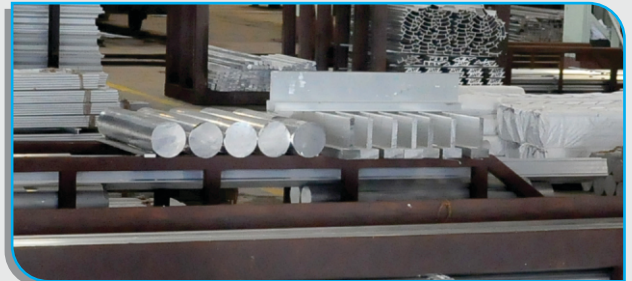
TÜV

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



SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



Corporate Information

FOUNDER AND PROMOTER DIRECTOR

Late Shri. Shriram Chokhani [1924-2010]

BOARD OF DIRECTORS

Shri. Sudarshan S Chokhani

[Managing Director]

Shri. Shyantanu S Chokhani

[Non- Executive Director]

Shri. Mukesh V Ashar

[Whole Time Director & CFO]

Shri. Jal S Thanawala

[Independent Director]

Shri. Manoj O Shah

[Independent Director]

Miss Vedika G Gupta

[Independent Director, Resigned W.e.f. 25th April, 2017]

Miss Chaitali V Salgaonkar

[Additional Director, Appointed w.e.f. 25th May, 2017]

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Pooja R Bangera

CORPORATE MANAGEMENT TEAM

Shri. Shrikant Kulkarni [Works Manager]

Shri. Rajendra Shah [Chief Marketing Officer]

Shri. Kishore Dulla [Commercial Manager]

REGISTERED OFFICE & PLANT

A-5, MIDC, Ambad Industrial Estate,

Mumbai – Nashik Highway,

Nashik – 422010, Maharashtra

Tel No. : 91-253-6636200/201

E-mail : nashik@sudal.co.in

CORPORATE OFFICE

26A, Nariman Bhavan,

227, Nariman Point, Mumbai – 400 021

Tel No. : 91-22-61577100/177

E-mail : cs@sudal.co.in / mumbai@sudal.co.in

REGISTRAR & SHARE TRANSFER AGENT

Link Intime India Private Limited

C 101, 247 Park, L B S Marg

Vikhroli West, Mumbai - 400 083

Tel No. 91-22-49186000

Fax No. 91- 022-49186060

E-mail : Mumbai@linkintime.co.in

Website: www.linkintime.co.in

STATUTORY AUDITORS

Lodha & Co.

Chartered Accountants

Karim Chambers,

40, Ambalal Doshi Marg,

Mumbai - 400 023

BANKERS

Syndicate Bank, Mumbai

SOLICITORS & ADVOCATES

India Law Alliance

Surya Mahal, 1st Floor,

5 Burjorji Bharucha Marg,

Fort, Mumbai - 400 023

38th ANNUAL GENERAL MEETING

On Sunday, 24th September, 2017 at 03.00 P.M.

AT Hotel Hi 5 Plot No P-5

MIDC Mumbai Nashik Highway,

Nashik-422010

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Managing Director's Statement - 2016-17

Dear Shareholders,

It is indeed an honor to address the 38th Annual General Meeting of our Company. I am glad to extend a warm welcome to all of you on behalf of the Board of Directors, Management and the Employees of the Company.

Your motivation, support and belief in our Company has kept us going through all the ups and downs in the Market and otherwise and I believe that this shall definitely take the Company to achieve new heights and success in the Long run of the Company.

ECONOMIC OUTLOOK

The surprise announcement of Demonetization of the higher currency notes by the government had a tremendous impact on the Business Environment. The World Bank has predicted that Demonetization of high value currency notes last year and the upcoming roll out of the goods and services tax (GST), will increase the formalization of the Indian economy in particular will result in saving of expenses like LBT and availability of input credit on purchases from out of state and make the Company more competitive.

Aluminium offers a rare combination of valuable properties. It is three times lighter than Iron but is almost as strong as steel, extremely flexible and corrosion resistant due to thin surface layer of aluminum oxide. Aluminum has been continuously finding new applications due to rising price competence, superior weight to strength ratio, corrosion resistance, formability, dampness etc.

Aluminum has emerged as the best performing industrial metal of 2017. It has much outpaced base metals like zinc and copper. The performance of Aluminum was quite poor in the Year 2015-2016, however the Industry performed quite satisfactory and has emerged as one of the good industries in the year 2016-2017

It is believed that the Indian Aluminum Industry is rising high and is forecasting Future Growth in the coming years. It is observed that the beneficial market conditions can enable the Indian Producers to expand the capacities and are gearing up to adopt state of the art technology & latest equipments to meet quality challenges. However being a commodity, customers enjoy relatively high bargaining power, as prices are determined on demand and supply.

COMPANY PERFORMANCE

During the year the Company has achieved higher growth both in terms of quantum and value due to increased price trend and higher production which enabled the Company to earn higher profits before interest and depreciation of Rs. 655.69 Lacs against meager of Rs. 30.08 Lacs in last financial year.

FUTURE OUTLOOK

The world aluminium industry struggled through 2012, except for the final quarter with some good macro stories finally emerging from China and the US, and the European recession appearing to be less severe than before. It managed to negotiate volatile metal prices and global economic instability.

The aluminium consumption follows the GDP growth curve; hence these would also be growth drivers for the consumption of aluminium. The major sectors contributing to Indian aluminium consumption growth are Electrical (Power), Building and Construction, Packaging and Transportation. These sectors are expected to grow in double digits in the next decade, to reach a per capita consumption of approx. 10 kg. To be in line with China's per capita consumption in 2020, consumption in India has to reach 10 million tonnes. Thus with the expected growth in consumption for aluminium and aluminium products, the Company will strive to achieve higher capacity utilisation from present level of 30% to 60%-70% without compromising of its industrial and end users products.

The Company has also approached its banker for restructuring of its certain overdue loan & interest payment which will give reprieve in interest cost burden.

ACKNOWLEDGEMENT

Our Directors express their sincere appreciation to the active involvement and dedication of the officers, employees and workers of the Company at all levels to show the resilience in the performance of the Company

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

By Order of the Board of Directors
For Sudal Industries Limited

Sd/-

Place: Mumbai
Date: 22nd August, 2017

Sudarshan S Chokhani
Managing Director
DIN: 00243355



Notice

TO THE SHAREHOLDERS,

NOTICE is hereby given that the Thirty Eighth Annual General Meeting of the Members of the Company will be held on Sunday, 24th September, 2017 at 03.00 P.M. at Hotel Hi 5, Plot No P-5 Ambad, MIDC Mumbai Nashik Highway, Nashik-422010 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve, and adopt the Audited Balance Sheet as on 31st March, 2017, the Statement of Profit and Loss, and Cash Flow for the year ended on that date, and the Report of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Mukesh V Ashar (DIN 06929024), who retires by rotation, and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to provision of Section 152 of Companies Act 2013, Shri Mukesh V Ashar (DIN 06929024), who retires by rotation in this meeting and being eligible has offered himself for reappointment, be and is hereby appointed as Director of Company."

3. To approve appointment of statutory auditors and fix their remuneration. In this regard, to consider, and if thought fit to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), M/s Bagaria & Co. LLP, Chartered Accountants, (Firm Registration Number:113447W/W-100019) be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of 38th Annual General Meeting till the conclusion of the 43rd Annual General Meeting subject to ratification by the shareholders annually, at a remuneration to be decided by the Board of Directors in consultation with the Auditors and reimbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

SPECIAL BUSINESS :

4. Appointment of Ms. Chaitali Salgaonkar (DIN: 07762927) as an Independent Director

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

"RESOLVED THAT in accordance with the provisions of Section 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including and statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Ms. Chaitali Salgaonkar (DIN 07762927), who was appointed as an Additional Director pursuant to the provision of Section 161 of the Companies Act, 2013 to hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director along with requisite deposit be and is hereby appointed as an Independent Director of the Company to hold office for five consecutive years up to 23rd September, 2022 and that she shall not be liable to retire by rotation as stipulated under Section 149(13) of the Companies Act, 2013.

5. Re-Appointment of Mr. Mukesh V Ashar as Whole-Time Director

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modifications and re-enactment thereof for the time

being in force) read with Schedule V of the Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and, subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government in granting such approvals, sanctions and permissions, and pursuant to recommendation of the Nomination and Remuneration Committee of the Board, Mr. Mukesh V Ashar, who shall continue to be the Chief Financial Officer of the Company, in terms of the provisions of section 203(1) of the Act, be and is hereby appointed as the Whole –Time Director of the Company, with such remuneration as may be determined, for a period of Five years w.e.f. 8th December, 2017 to 7th December, 2022 on such terms and conditions, including remuneration to be set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Directors (herein after referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of the said appointment and / or the remuneration as it may deem fit and as may be acceptable to Mr. Mukesh V Ashar, subject to the condition that it shall not exceed the limits specified under Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof."

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

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

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

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modifications and re-enactment thereof for the time being in force) read with Schedule V of the Act and, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and, subject to such approvals, permissions and sanctions as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any authorities, including the Central Government in granting such approvals, sanctions and permissions, approval of the Company, be and is hereby accorded to re-appoint Mr. Sudarshan S Chokhani(DIN 00243355), as the Managing Director of the Company for a period of five years w.e.f. 1st September, 2018 to 31st August, 2023, on such terms and conditions, including remuneration to be set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board of Director (herein after referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board), to alter and vary the terms and conditions of the said re-appointment and / or the remuneration as it may deem fit and as may be acceptable to Mr. Sudarshan S Chokhani, subject to the condition that it shall not exceed the limits specified under Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment(s) thereof.

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

Registered Office

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

By Order of the Board of Directors
For Sudal Industries Limited

Sd/-

Place: Mumbai

Date: 22nd August, 2017

Sudarshan S Chokhani
Managing Director
DIN: 00243355

**NOTES:**

- 1) The explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, relating to items of special business to be transacted at the Annual General Meeting (the "Meeting") is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER/S AS THE CASE MAY BE. THE INSTRUMENT APPOINTING THE PROXY DULY COMPLETED AND SIGNED SHOULD, HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A REQUISITION FOR INSPECTING PROXY MAY BE MADE BY ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING AND SUCH REQUISITION SHALL BE MADE IN WRITING AND DEPOSITED WITH THE COMPANY ATLEAST 3 DAYS BEFORE THE COMMENCEMENT OF THE MEETING. SUCH INSPECTION SHALL BE PROVIDED DURING 24 HOURS BEFORE THE COMMENCEMENT OF THE MEETING AND SHALL CONTINUE TILL THE CONCLUSION OF THE MEETING. INSPECTION SHALL BE ALLOWED BETWEEN 9.00 A.M. to 6.00 P.M. DURING SUCH PERIOD. IN CASE OF MEETING BEING ADJOURNED A FRESH REQUISITION SHALL BE LODGED WITH THE COMPANY WHERE ANY MEMBER DESIRES TO INSPECT THE PROXIES FOR SUCH ADJOURNED MEETING.
- 3) A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. A member holding more than ten per cent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
- 4) The Register of Members and the Share Transfer Books of the Company shall remain closed from 19th September, 2017 to 24th September, 2017(both days inclusive).
- 5) Members are requested to notify immediately any change in their address to their depository participants (DPs) in respect of shares held in Demat form; and to the Registrar and Transfer Agent of the Company, Link Intime (India) Private Limited at C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083 in respect of shares held in physical form, quoting their folio numbers.
- 6) As members are aware, equity shares of the Company are traded mandatorily in electronic form for all shareholders. Members who still hold share in physical form may dematerialize the same. ISIN – allotted to the Company for this purpose is INE618D01015.
- 7) As per SEBI Circular No. MRD / DOP / Cir -05 / 2009 dated 20th May, 2009, it is mandatory to quote PAN No. for transfer of shares in physical form. Therefore the transferee(s) is required to submit the self attested PAN CARD copy to the Registrar and Share Transfer Agent of the Company for registration of transfer of shares.
- 8) Members desirous of availing the facility of nomination in respect of shares held by them may send their nomination in the prescribed Form No. SH-13 duly filled in, to the Company's Registrar and Share Transfer Agent, quoting their respective folio number/s, and giving details of share certificate number/s and distinctive number of shares. The form can be obtained from the Registrars and Share Transfer Agents or from the Company.
- 9) Members desirous of getting any information in relation to the Company's Annual Report 2016-17 are requested to address their query(ies) well in advance i.e. at least 10 days before the Meeting to the Company at Registered office to facilitate clarifications during the Meeting.
- 10) Unclaimed Dividend :

The shareholders who have not encashed their dividend warrants for the years 2009-10* onwards are requested to correspond with Link Intime India Private Limited (the Registrar and Transfer Agents) or Ms. Pooja R. Bangera, Company Secretary and Compliance Officer at the Company's Registered Office. As per Section 125 of the Companies Act, 2013, any money transferred by the Company to the Unpaid Dividend Account and remaining unclaimed for a period of seven years from the date of such transfer shall be transferred to a fund called 'The Investor Education and Protection Fund' (IEPF) set up by the Central Government. No claims shall lie against the fund or the Company in respect of amount so transferred.

*Note: Members are requested to claim the unclaimed dividend by 24th September, 2017 for the year 2009-10.

11) The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 21st September, 2017 on 9.00 A.M. and ends on 23rd September, 2017 on 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for



voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

SECTION C – COMMENCEMENT OF e - VOTING PERIOD AND OTHER e – VOTING INSTRUCTIONS:

1. The voting period begins on 21st September, 2017 on 9.00 A.M. and ends on 23rd September, 2017 on 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 18th September, 2017 may cast their vote electronically..The e-voting module shall be disabled by CDSL for voting thereafter.
2. The voting rights of Shareholders shall be in proportion in their Shares of the paid-up Equity Share Capital of the Company.
3. A person whose name appears in the register of Members/Beneficial Owners as on the cut-off date i.e. 18th September, 2017, only shall be entitled to avail the facility of e-voting as well as voting at the meeting.
4. Members who cast their vote by e-voting may attend the meeting but shall not be entitled to cast their vote again.
5. Shri Jayesh M. Shah, Practicing Company Secretary (Membership No : F5637) has been appointed as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

6. Copy of the notice has been placed on the website of the Company viz., www.sudal.in and the website of CDSL at www.evotingindia.com.
7. If you are holding Shares in Demat Form and had logged on to www.evotingindia.com and casted your vote earlier for EVSN of any company, then your existing login ID and password are to be used.
8. For Shareholders holding shares in physical form, the password and default number can be used only for e-voting on the resolutions given in the Notice.
9. If Demat Account holder has forgotten his password, then enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system.

10. FOR INSTITUTIONAL SHAREHOLDERS

- Institutional Shareholders (i.e., other than Individuals, HUF, NRI etc.,) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com
 - After receiving the login details, they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the System for the scrutinizer to verify the same.
11. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending communication (s) regarding CDSL e-voting system in future. The same may be used in case the Shareholder forgets the password and the same needs to be reset.
 12. The results of the e-voting will be announced by the Chairman of the Meeting on or after the 38th Annual General Meeting to be held on 24th September, 2017, The result of the Voting will be communicated to the Stock Exchange and will be placed on the website of the Company www.sudal.co.in
 13. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (FAQ) and e-voting manual available at www.evotingindia.com under help section or write an e-mail to helpdesk.evoting@cdslindia.com

**CONTACT DETAILS**

Company	:	Sudal Industries Limited Corporate office 26A , Nariman Bhavan 227, Nariman Point, Mumbai – 400 021 Tel No. 91-22-61577100 / 177 Email : cs@sudal.co.in Website: sudal.co.in
Registrar & Share	:	Ms. Sharmila Amin Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai - 400 083. Tel No. 91-22-49186000 Fax No. 91- 22-49186060 E-mail : rnt.helpdesk@linkintime.co.in
e-Voting Agency	:	Central Depository Services (India) Ltd 17th Floor, Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001 Email-helpdesk.evoting@cdslindia.com
Scrutinizer	:	Mr. Jayesh M. Shah, Practicing Company Secretary (Membership No. F5637) A-303, Prathmesh, 3rd Floor, Raghuvanshi Mill Compound, 11-12, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Registered Office

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

By Order of the Board of Directors
For Sudal Industries Limited

Sd/-

Place: Mumbai

Date: 22nd August, 2017

Sudarshan S Chokhani
Managing Director
DIN: 00243355

Annexure to Notice

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

Item No. 4 :

As per the provisions of Section 149(4) of the Companies Act, 2013 the Board of Directors of every listed Company shall have atleast one third of the total number of directors as Independent Directors and an Independent Director can hold office for a term of upto five consecutive years. In the opinion of the Board, Ms. Chaitali Salgaonkar (DIN 07762927), who was appointed as Additional (Independent) Director, fulfills the conditions for 'Independence' specified under the Companies Act, 2013 for such appointment. She is a member of the Institute of Company Secretaries of India and has experience in the field of Legal and Secretarial matters.

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

Pursuant to the provisions of the above referred Section it would be necessary to seek the approval of members for appointment of Independent Director.

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

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

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

Item No. 5 :

The Members at the Thirty Sixth Annual General Meeting held on 26th September, 2015, had approved the appointment of Mr. Mukesh V Ashar as Whole-Time Director of the Company for a period of five years w.e.f. 08th December, 2014 to 07th December, 2017.

The term of 3 years of Mr. Mukesh V Ashar is expiring on 7th December, 2017. Considering the capabilities possessed by Mr. Mukesh V Ashar to handle the responsibilities of the Whole-Time Director, the Board of Directors of the Company at its meeting held on 22nd August, 2017, has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved re-appointment of Mr. Mukesh V Ashar as the Whole-Time Director for a period of Five years w.e.f 8th December, 2017 to 7th December, 2022.

The Whole-Time Director shall also be a Key Managerial Personnel under the provisions of section 203(1) of the Act.

Mr. Mukesh V Ashar is presently the Chief Financial Officer of the Company and is associated with the Company since last 30 Years. He is a member of the Institute of Chartered Accountant of India and possesses sound knowledge of Accounting, Taxation, Banking, as well as other domain, such as marketing and business development. The Board of Directors of your Company, after considering his Qualifications, experience and overall industry exposure, and responsibilities to be undertaken by him, including acting as the Occupier of the Company's factory, in terms of the provision of Section 2(n) of the Factories Act, 1948, it is thought fit to appoint Mr. Mukesh V Ashar as Whole Time Director of the Company for a period of five years 8th December, 2017 to 7th December, 2022 and who shall continue to be the Chief Financial Officer of the Company.

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



PARTICULARS	AMOUNT
Gross Salary	657352 Per Annum
LTA	33913 Per Annum
Medical	16956 Per Annum
Bonus	11400 Per annum
Total	709621 Per Annum

Other Perquisites

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

Other Terms

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

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

Your Directors recommend the Resolution at Item No. 5 as special Resolution for approval of members.

Apart from Mr. Mukesh V Ashar, Whole Time Director, who would be interested in his appointment and remuneration, none of the Directors and Key Managerial Personnel of the Company and their relatives is, in any way, deemed to be concerned or interested in Resolution No. 5 of the Notice.

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

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

I. GENERAL INFORMATION

1. Nature of Business : The Company is engaged in the business of Manufacturing and Supply of Sophisticated Aluminum Extrusions since past 38 years.
2. Date of Commencement of Commercial Production : The Company started commercial production from May, 1980.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
4. Financial Performance based on given indicators – as per the audited financial results for the year ended 31st March, 2017 :

PARTICULARS	Rs. In Lakhs
Total Revenue from Operations	8414.70
Net Profit / (Loss) as per Profit and Loss Account (after tax)	(692.49)
Net Worth	168.42
Effective Capital as per Part II Section II of Schedule V to the Companies Act, 2013	629.33

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

II. INFORMATION ABOUT THE APPOINTEE

- Background details : Mr. Mukesh V Ashar, age 63 years is a member of the Institute of Chartered Accountants of India and is presently the Chief Financial Officer of the Company. He joined the organization as Finance Manager on 1 January 1987. With his hard work, dedication, drive to achieve goals he was rewarded by the management with a promotion and was designated as the Vice –President Corporate Affairs w.e.f 1 November, 1994. Looking at his sound knowledge, commitment, experience, and over all industrial exposure the management considered him as an asset to the organization and thereby appointed him as the Chief Financial Officer of the Company w.e.f. 1st January, 2009. Mr. Mukesh V Ashar is associated with the Organization for more than 30 years. He has vast experience in the field of Accounting, Taxation, Banking and Finance as well as in the field of marketing and business development.
- Date of First Appointment on the Board : 8th December, 2014.
- Past Remuneration : Salary paid for the period 1st April, 2016 to 31st March, 2017 – 6.83 Lakhs
- Shareholding in the Company : 15,23,087 Equity Shares (20.67%)
- No. of Meeting of the Board Attended for the F.Y. 2016-17 : The Board of Directors of the Company met on four occasions and he was present for all the meetings of the Board.
- Recognition or awards : None
- Job Profile and his suitability : Mr. Mukesh V Ashar looks after the entire domain of Accounting, taxation and Banking & Finance. He also assists the marketing and business development team in taking key strategic and marketing decision. He will also be involved in taking key business decisions with the Senior Management of the Company. Taking into account his qualification and expertise in the domain of Accounting, Taxation and Banking & Finance, he is best suited for the aforementioned role.
- Remuneration proposed : Rs. 53,946 per month plus perquisites and allowances as set above.
- Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the organization, the profile of Mr. Mukesh V Ashar, the responsibilities shouldered by him and the Industry Benchmark, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level counterparts in other Companies.
- Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Besides the remuneration proposed to be paid to him, there is no pecuniary relationship of Mr. Mukesh V Ashar or any of his relative.

III. OTHER INFORMATION

- Reason of Loss or inadequate profits :

Following are the reasons for loss for the F.Y. 2016 -17:-

- Uncertainty in demand



- Increase in Finance Cost
- Steep increase in electricity and fuel prices.
- High volatility in price of raw materials.
- Higher working Capital requirement.

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

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

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

Productivity is expected to reach about 5500 MT* approx. and profitability is expected to be Rs. 2.00 cr* approx.

* The expected productivity and profitability is subject to economic conditions and price volatility.

Item No. 6 :

The Members at the Thirty Sixth Annual General Meeting held on 26th September, 2015, had approved the appointment of Mr. Sudarshan S Chokhani as Managing Director of the Company for a period of three years w.e.f. 1st September, 2015 to 31st August, 2018. The term of 3 years of Mr. Sudarshan S Chokhani is expiring on 31 August, 2018. Considering the growth in the operations of the Company, the ambitious growth plans for the future, the industry standards and the responsibilities borne by the Managing Director, the Board of Directors of the Company at its meeting held on 22nd August, 2017, has pursuant to the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved re-appointment of Mr. Sudarshan S Chokhani as the Managing Director for a period of Five years w.e.f. 1st September, 2018 to 31st August, 2023. The Managing Director shall also be a Key Managerial Personnel under the provisions of section 203(1) of the Act.

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

Period	1 September, 2018 to 31 August, 2023
Salary	Up to 3,50,000 / - Per Month
Commission	Such amount which together with the Annual Salary and perquisites, will not exceed 5% of the Net Profit as computed under Section 198 of the Act at the end of each financial year during the tenure of the Managing Director.

Other Perquisites

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

Other Terms

1. The Managing Director shall not be entitled to receive the Directors Sitting Fees for attending the meetings of the Board of Directors or any Committee thereof as appointed by the Board or any statute.
2. If at any time the Managing Director ceases to be a Director of the Company due to any reason or cause, he shall cease to be the Managing Director in terms of the agreement.
3. The either party can terminate the arrangement by giving the other party notice of three months. Pursuant to the provisions of Section 196, 197 and 203 of the Companies Act, 2013 ("the Act"), including Schedule V to the Act, the Remuneration payable to Mr. Sudarshan S Chokhani, Managing Director of the Company is placed before the members in the Thirty Eighth Annual General Meeting of the Company .

Your Directors recommend the Resolution at Item No. 6 as special resolution for the approval of the members.

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

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

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

I. GENERAL INFORMATION

1. Nature of Business : The Company is engaged in the business of Manufacturing and Supply of Sophisticated Aluminum Extrusions since past 38 years.
2. Date of Commencement of Commercial Production : The Company started commercial production from May, 1980.
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus : Not Applicable
4. Financial Performance based on given indicators - as per the audited financial results for the year ended 31st March, 2017 :

PARTICULARS	In Lakhs
Total Revenue from Operations	8414.70
Net Profit / (Loss) as per Profit and Loss Account (after tax)	(692.49)
Net Worth	168.42
Effective Capital as per Part II Section II of Schedule V to the Companies Act, 2013	629.33

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

II. INFORMATION ABOUT THE APPOINTEE

1. Background details : Mr. Sudarshan S Chokhani age 63 years is a Bachelor in Commerce and completed further studies in EDP from Mumbai University. He is associated with the Company, right from its incorporation in August 1979 and has played an instrumental role in all phases, since the time of setting up of the project of manufacturing aluminum extrusions, till date. He possesses sound knowledge and rich experience of more than 38 years in the field of Aluminum.



2. Date of First Appointment on the Board : 8th August, 1979
3. Past Remuneration for the Year 2016-17 : 42 Lakhs (3.50 Lakhs Per Month)
4. Shareholding in the Company : 15,23,087 Equity Shares (20.67%)
5. No. of Meeting of the Board Attended for the F.Y. 2016-17 : During the year the Board of Directors of the Company met on four occasions and Mr. Sudarshan S Chokhani was present for three meetings of the Board.
6. Recognition or awards : None
7. Job Profile and his suitability : Mr. Sudarshan S Chokhani, Managing Director is responsible for day to day management of the Company, subject to overall superintendence, control and supervision of the Board of Directors. Taking into consideration his qualification, expertise, sound knowledge and rich experience of more than 38 years in the field of aluminum, the Managing Director is best suited for the responsibilities of current assigned role.
8. Remuneration proposed : 3.50 Lakhs per month, (42 Lakhs Per Annum) plus perquisites and allowances as set above.
9. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person : Taking into consideration the Size of the Company, the profile of Mr. Sudarshan S Chokhani, the responsibilities shouldered by him and the industry benchmark, the remuneration proposed to be paid is in commensurate with the remuneration packages paid to similar senior level counterpart(s) in other Companies.
10. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel if any : Mr. Sudarshan S Chokhani is also the Promoter of the Company. He is the father of Mr. Shyantanu S Chokhani (Non-Executive Director). Besides the remuneration proposed to be paid to him, the pecuniary relationship of the Managing Director is to the extent of the transactions carried out with related parties, in the ordinary course of business.

III. OTHER INFORMATION

1. Reason of Loss or inadequate profits :
Following are the reasons for loss for the F.Y. 2016-17 :
 - Uncertainty in Demand
 - Increase in Finance Cost
 - Steep increase in electricity and fuel prices.
 - High volatility in price of raw materials.
 - Higher working Capital requirement.
2. Steps taken or proposed to be taken for improvement :
 - To minimize the impact of increasing input cost, your company has launched a number of containment actions and cost reduction drives to enhance internal efficiencies and improve operational excellence.
 - Your company has taken conscious decisions to improve its EBDIT margins and not chase top line growth.
3. Expected increase in productivity and profits in measurable terms :
Productivity is expected to reach about 5500 MT* approx. and profitability is expected to be Rs. 2.00 cr* approx.
* The expected productivity and profitability is subject to economic conditions and price volatility.

Details of Directors seeking Appointment/Re-Appointment at the Thirty Eighth Annual General Meeting:

Name of the Director	Mukesh V Ashar	Ms. Chaitali Salgonkar	Sudarshan S Chokhani
Date of Birth	07.06.1954	19.11.1991	22.06.1954
Date of Appointment	08.12.2014	25.05.2017	08.08.1979
DIN/PAN No.	06929024	07762927	00243355
Qualification	B.com, Member of institute of Chartered Accountant of India	B.com, Member of Institute of Company Secretaries of India and LLB	B.Com, EDP
Expertise in specific functional area	Accounting & Finance	Corporate Secretarial Compliance	Business
Directorship held in other public Ltd. Company	Nil	Nil	Nil
Relationship between Directors inter-se	Nil	Not related to any Director of the Company	Father of Mr. Shyantanu S Chokhani
Number of Equity Shares of Rs 10 each held in the Company by himself/ herself or for any other person on a beneficial basis	Nil	Nil	15,23,087 (20.67%)



Boards' Report

**To
The Members,
Sudal Industries Limited**

Your Directors have pleasure in presenting the Thirty Eighth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2017

I. FINANCIAL RESULTS

The Company's performance during the year ended 31st March, 2017 as compared to the previous financial year, is summarized below:

Particulars	For the financial year ended 31st March, 2017	For the financial year ended 31st March, 2016
Total Revenue	8415.15	6972.11
Earnings before interest, depreciation and tax	655.70	30.09
Less: Interest and Finance Charges	1232.79	1177.04
Less: Depreciation	115.40	121.95
Profit/(Loss) Before Taxation	(692.49)	(1268.90)
Less: Provisions for Current Tax	0	0
Less: Provision for Deferred Tax	0	(637.71)
Profit/(Loss) after Tax	(692.49)	(631.19)
Surplus brought forward from previous year	(655.72)	(24.53)
Adjustment for depreciation on revaluation reserve for earlier years	0	0
Surplus / (Loss) Carried Forward to Next Year	(1348.21)	(655.72)

OPERATIONS AND RESULTS:

During the year under review price trend was upward due to increase in price at London Metal Exchange along with improved demand for Aluminium products enabled the Company to achieve increased performance both in respect of quantity and the value thereby has substantially earned higher operational profits. However, the loss mainly due to higher finance cost on fund based borrowings.

II. DIVIDEND:

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

III. TRANSFER TO RESERVES:

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

IV. REVISION OF FINANCIAL STATEMENT:

There was no revision of the financial statements for the year under review.

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

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

VI. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

VII. DISCLOSURES UNDER SECTION 134(3)(i) OF THE COMPANIES ACT, 2013:

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

VIII. INTERNAL FINANCIAL CONTROLS:

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

IX. SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:

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

X. RELATED PARTY TRANSACTIONS:

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

XI. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Full particulars of loans, guarantees, investments and securities provided during the financial year under review along with the purposes for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof, has been furnished in Note No. 11 and 13 which are forming part of the Financial Statements for the year ended at 31 March, 2017.

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

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

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

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

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

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



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

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

XVI. MANAGEMENT DISCUSSION AND ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT:

The Management Discussion and Analysis forms an Integral Part of this Annual Report.

XVII. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL: BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

During the year under review there were no changes in the Board of Directors and Key Managerial Personnel of the Company.

However, on 25th April, 2017, Ms. Vedika Gupta, Independent Director had tendered her resignation with immediate effect.

Further, on 25th May, 2017 Ms. Chaitali Salgaonkar has been appointed as an Additional (Independent) Director of the Company.

XVIII. DECLARATIONS BY INDEPENDENT DIRECTORS:

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

XIX. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

■ BOARD MEETINGS:

The Board of Directors met 4 times during the financial year ended 31st March 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

14 th May, 2016	9 th August, 2016	25 th October, 2016	27 th January, 2017
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■ DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31 March, 2017, the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March, 2017 and of the loss of the Company for the year;
- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

■ NOMINATION AND REMUNERATION COMMITTEE:

Nomination and Remuneration Committee of Directors reconstituted in accordance with the provisions of Section 178 of the Act.

The composition of the said Committee is as under:

Sr. No	Particulars	Members
1	Mr. Jal Thanawala	Independent – N.E.D* (Chairman)
2	Mr. Manoj Shah	Independent – N.E.D (Member)
3	Mr. Sudarshan Chokhani	Managing Director (Member)
4	Ms. Vedika Gupta	Independent- N.E.D (Member)

*N.E.D: Non - Executive Director

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

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

- Minimum Qualification
- Positive Attributes
- Independence
- Experience

■ AUDIT COMMITTEE:

The Audit Committee of Directors constituted under the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 confirms the compliance of the provisions of Section 177 of the Companies Act, 2013. The composition of the Audit Committee is in conformity with the provisions of the said section.

The Audit Committee comprises of:

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

* N.E.D : Non – Executive Director

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

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

■ STAKEHOLDERS RELATIONSHIP COMMITTEE:

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



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

* N.E.D : Non – Executive Director

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

■ **SHARE TRANSFER COMMITTEE:**

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

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

* N.E.D : Non – Executive Director

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

However, considering the feasibility in decision making process and the powers and duties of the Share Transfer Committee are being merged in the Stakeholders Relationship Committee. Therefore dissolving the Share Transfer Committee.

XX. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

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

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

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

XXI. BUSINESS RISK MANAGEMENT

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

XXII. ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:

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

XXIII. INTERNAL CONTROL SYSTEMS:

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

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

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been furnished and marked as Annexure III

XXV. AUDITORS AND REPORTS

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

○ OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2017:

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2017 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

○ Appointment of Statutory Auditors

M/s Lodha & Co., Chartered Accountants, have been the Statutory Auditors of the Company since many years and thus their tenure as Statutory Auditors of the Company will expire with the conclusion of this ensuing Annual General Meeting, in accordance with Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The Board places on record, its appreciation for the contribution of M/s Lodha & Co., Chartered Accountants during their tenure as the Statutory Auditors of the Company.

Your Directors now, therefore propose the appointment of M/s Bagaria & Co. LLP, Chartered Accountants, (Firm Registration Number 113447W/W-100019), as Statutory Auditors of the Company from the conclusion of 38th AGM to be held on 24th September 2017 till the conclusion of the 43rd AGM, subject to ratification of their appointment by the shareholders of the Company at every AGM held thereafter.

The Company has received written consent(s) and certificate(s) of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued there under (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from M/s Bagaria & Co. LLP, Chartered Accountants, (Firm Registration Number: 113447W/W-100019). Further, the said Chartered Accountants, have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India as required under the Listing Regulations.

○ FRAUD REPORTING

During the year under review, there were no instances of material or fraud falling under rule 13(1) of the Companies (Audit and Auditors) rule, 2014, by officers or employees reported by the Statutory Auditors of the Company during the course of the Audit conducted.

○ SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31st MARCH, 2017:

As per the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the Company has obtained Secretarial Audit Report from M/s Rathi & Associates, Company Secretaries for the financial year 2016-17 which forms part of the Report (Annexure IV).

**XXVI. OTHER DISCLOSURES:**

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

○ EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2017 made under the provisions of Section 92(3) of the Act is attached as Annexure V which forms part of this Report.

○ CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

○ DISCLOSURE RELATED TO PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE:

The Directors further state that pursuant to the provisions of sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, no case pertaining to sexual harassment at work place has been reported to Company during the F.Y. 2016-17

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

(Rs in lacs)

Particulars	Mr. Sudarshan S Chokhani (Managing Director)	Mr. Mukesh V Ashar (Whole Time Director)
A) Element of Remuneration Package		
Salary	42.00	6.22
Benefits	-	0.61
Bonus	-	-
Stock Option	-	-
Pension	-	-
Total	42.00	6.83
B) Fixed and variable Components		
Fixed Components	42.00	6.83
Performance Linked Incentives	0	0
C) Terms Appointment		
Service Contract	Appointed for 3 years w.e.f 01/09/2015 to 31/08/2018	Appointed for 3 years w.e.f 08/12/2014 to 07/12/2017
Notice Period	3 Months in Writing	3 Month in writing
Severance Fees	Monthly salary calculated for such number of years or pay for such number of months by which the notice falls short of the required number of months	Monthly salary calculated for such number of years or pay for such number of months by which the notice falls short of the required number of months

XXVII ACKNOWLEDGMENTS AND APPRECIATION :

Our Directors take this opportunity to thank the Customers, Shareholders, Suppliers, bankers, Business partners/ Associates, Financial Institutions and State Governments for their consistent support and encouragement to the Company.

Registered Office

A-5 MIDC Ambad Industrial Area,
Mumbai Nashi Highway, Nashik -422010

**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

**Sudarshan S Chokhani
Managing Director
DIN: 00243355**

Sd/-

**Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024**

Place: Mumbai

Date: 22nd August, 2017

**ANNEXURE I****Form No. AOC-2**

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

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

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

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

Name(s) of the related party and nature of relationship	M/s Sudarshan S Chokhani & Co. (Partnership Firm)	M/s Shriram Chokhani & Co. (Partnership Firm)	M/s Sudarshan S Chokhani & Co. (Partnership Firm)	M/s Shriram Chokhani & Co. (Partnership Firm)	Mr. Shyantanu S Chokhani (Non- Executive Director)
Nature of contracts/ arrangements/ transactions	Contract to purchase raw materials (i.e., billets, ingots and Scrap) under section 188 (1)(a)	Contract to purchase raw materials (i.e., billets, ingots and Scrap) under section 188(1)(a)	Contract to lease Commercial Premises Being Office Space under Section 188(1)(c)	Contract to lease Commercial Premises Being Office Space under Section 188(1)(c)	Appointment of Related Party to office or Place of Profit under Section 188(1)(f)
Duration of the contracts / arrangements/ transactions	Five years w.e.f. 1 st April, 2014	Five years w.e.f. 1 st April, 2014	Five year w.e.f. 1 st April, 2015 to 31 st March, 2020 and which shall be subject to renewal on fresh terms and conditions on year to year basis	Five year w.e.f. 1 st April, 2015 to 31 st March, 2020 and which shall be subject to renewal on fresh terms and conditions on year to year basis	Three Years w.e.f. 1 st January, 2015
Salient terms of the contracts or arrangements or transactions including the value, if any	For each financial year Transaction value shall not be more than 10% of the gross turnover as on the last date of the previous financial year	For each financial year transaction value shall not be more than 10% of the gross turnover as on the last date of the previous financial year.	The Company shall pay a Lease Deposit in Lieu of Rent, at the commencement date of the lease i.e. 1 st April, 2015, which shall be receivable at the time of expiry/ termination of the lease period.	The Company shall pay a Lease Deposit in Lieu of Rent, at the commencement date of the lease i.e. 1 st April, 2015, which shall be receivable at the time of expiry / termination of the lease period.	Appointment of Mr. Shyantanu Chokhani - Non Executive Director (Son of Mr. Sudarshan S Chokhani - Managing Director of the Company) as Advisor Marketing and Business Development.
Date(s) of approval by the Board, if any	At the meeting of the Board, held on 26 th May, 2015	At the meeting of the Board, held on 26 th May, 2015	At the meeting of the Board held on 26 th May, 2015	At the meeting of the Board held on 26 th May, 2015	At the meeting of the Board, held on 14 th February, 2015
Amount paid as advances, if any					

Registered Office

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**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

Sd/-

Place: Mumbai

Date: 22nd August, 2017

**Sudarshan S Chokhani
Managing Director
DIN: 00243355**

**Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024**

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

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

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

The independent directors at a separate meeting carried out the performance evaluation of Non-Executive Directors, Board as a whole and the Audit, Nomination & Remuneration, Stakeholders Relationship and Share Transfer Committees of the Board. The quality, quantity and timeliness of flow of information between the Company management and Board were also evaluated. Performance of Non – Executive Directors was evaluated on parameters such as Qualification, leadership skills, steps initiated towards business development, steps initiated towards branding of the Company, exercising duties diligently, etc.

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

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

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

Registered Office

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**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

**Sudarshan S Chokhani
Managing Director
DIN: 00243355**

Sd/-

**Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024**

Place: Mumbai

Date: 22nd August, 2017

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

I. Median Remuneration: ₹ 2,09,780/- Per Annum

II. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the Financial Year 2016-17, the percentage increase in remuneration of Chief Financial Officer and other Executive Director and Company Secretary during the Financial Year 2016-17 .

Sr. No.	Name of Director /KMP	Designation	Ratio of Remuneration of each Director to median remuneration of Employees	Percentage Increase in Remuneration
1.	Mr.Sudarshan S Chokhani	Managing Director	20.02:1	13.51%
2.	Mr. Mukesh V Ashar	Whole-time Director and CFO	3.26:1	3.33%

- For the purpose of Calculation of median only remuneration pertaining to the employees being part of the Company for the entire financial year were considered
- Further the Ratio of Remuneration of the currently designated Company Secretary and Compliance Officer is 2.05:1

Note:

- The Non-Executive Directors of the Company are entitled to receive sitting fees in accordance with the limit specified. The details of remuneration of Non-Executive directors are provided in the Extract of Annual Return forming part of the Board Report. The Ratio of remuneration and percentage increase for the Non-Executive Directors Remuneration is therefore not considered for the purpose above.
 - Employee for the above purpose includes all employees excluding employees covered under collective bargaining.
- III. The percentage increase in the median remuneration of employees in the financial year:
During the F.Y. 2016-17 there was an increase in the median remuneration of employees by 9.52%..
- IV. The Company has 117 permanent Employees on the rolls of Company as on 31st March, 2017.
- V. Increase in remuneration depends upon factors like Company performance, benchmarking, talent availability and turnover apart from the individual performance of employees
- VI. The increase in remuneration of the Key Managerial Personnel is decided on the parameters set out in the Nomination, Remuneration and Performance Evaluation Policy of the Company, which is directly linked to individual performances as well as the performance of the Business.
- VII. The market capitalization of the Company as on 31st March, 2017 was 689.62 Lacs as compared to 816.35 Lacs as on 31st March, 2016. The price-earning ratio of the Company was (-0.93) as at 31st March, 2017 and was (0.77) at 31st March, 2016. The closing share price of the Company at BSE limited as on 31st March, 2017 being Rs. 9.36 per equity share of face value of Rs. 10/- each.
- VIII. There is an increase in the salaries of employees/director's in the financial year.
- IX. The key parameters for variable component of remuneration availed by the directors: Nil
- X. None of the employee received remuneration in excess of the highest paid Director.

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

Registered Office

A-5 MIDC Ambad Industrial Area,
Mumbai Nashi Highway, Nashik -422010

**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

Sd/-

Place: Mumbai

Date: 22nd August, 2017

Sudarshan S Chokhani
Managing Director
DIN: 00243355

Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024

ANNEXURE IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

To
The Members,
Sudal Industries Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Sudal Industries Limited** (hereinafter called "**the Company**"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Sudal Industries Limited** ("the Company") for the financial year ended on 31st March, 2017 as given in the **Annexure I**, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made there under to the extent applicable;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
2. Provisions of 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 and Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the Financial Year under report:-
 - (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (ii) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (iv) 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;



- (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in **Annexure II**.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations");

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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 for the financial year under report. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Ms. Vedika Gupta, Director of the Company resigned with effect from 25th April, 2017 (after the Reporting period) and the Company is in process of appointing a new Woman Director on the Board as per the second proviso to Section 149(1) of the Companies Act, 2013.

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

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**For RATHI & ASSOCIATES
COMPANY SECRETARIES**

Sd/-

**JAYESH SHAH
PARTNER
FCS No.: 5637
COP No.: 2535**

**Place: Mumbai
Date: 22nd August, 2017**

ANNEXURE - I**List of documents verified:-**

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March 2016.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders' Relationship Committee, Share Transfer Committee, as well as Minutes of the meeting of Independent Directors held during the financial years under report alongwith respective Attendance Registers.
4. Minutes of General Body Meetings held during the financial year under report.
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee Meetings.
6. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards.
7. Policies framed by the Company viz.
 - Policy on Related Party Transactions
 - Risk Management Policy
 - Whistle Blower Policy
 - Policy on Material Subsidiaries
 - Nomination and Remuneration Policy
 - Archival Policy
 - Policy For Determination of Material Events
8. Statutory Registers viz.
 - Register of Directors & KMP and their Shareholding
 - Register of Employee Stock Options
 - Register of loans, guarantees and security and acquisition made by the Company (Form No. MBP-2)
 - Register of Charge (Form No. CHG-7)
 - Register of Contracts with related party and contracts and Bodies etc. in which directors are interested (Form No. MBP-4)
 - Register of Investments (Form No. MBP-3)
9. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation, if any.
10. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013.
11. Intimations received from directors under the prohibition of Insider Trading Code.
12. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
13. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement and the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015 during the financial year under report.
14. Compliance Certificate placed before the Board of Directors from time to time.
15. Details of Related Party Transactions entered into by the Company during the financial year under report.
16. Intimation given to employees of the Company for closure of trading window from time to time.
17. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.

**ANNEXURE – II****List of applicable laws to the Company:-**

1. Central and State Sales Tax Acts
2. Central Sales Tax Act, 1956
3. Companies Act, 1956
4. Customs Act, 1962
5. Electricity Act, 1958
6. Employee Welfare or Labour Legislations governing the Company and its establishments.
7. Employees Provident Funds and Miscellaneous Provisions Act, 1952
8. Employees State Insurance Act, 1948
9. Factories Act, 1948
10. Income-tax Act, 1961
11. Indian and State Stamp Acts and the Rules
12. Indian Contract Act, 1972
13. Industrial Disputes Act, 1947
14. Industries (Development and Regulation) Act, 1951
15. Minimum Wages Act, 1948
16. Payment of Gratuity Act, 1972
17. Payment of Wages Act, 1936
18. Sale of Goods Act, 1930
19. Securities and Exchange Board of India Act, 1992
20. Wealth Tax Act, 1957

ANNEXURE V

MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March, 2017

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L21541MH1979PLC021541
Registration Date	:	08/08/1979
Name of the Company	:	SUDAL INDUSTRIES LIMITED
Category / Sub-Category of the Company	:	Public Limited Company
Address of the Registered office	:	A-5, MIDC, Ambad Industrial Area, Mumbai – Nashik Highway, Nashik – 422 010 Maharashtra
Contact No.	:	+253-238296/65
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai – 400 083. Tel No. - 02225946970 Fax No: 02225946969 Email- dematremat@linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SR. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	ALUMINUM EXTRUSIONS & ALLOYS	24202	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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


IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):
(A) CATEGORY-WISE SHARE HOLDING

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2016				Shareholding at the end of the year - 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	3852512	0	3852512	52.2884	3852512	0	3852512	52.2884	0.0000
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	790488	0	790488	10.7289	790488	0	790488	10.7289	0.0000
	Sub Total (A)(1)	4643000	0	4643000	63.0173	4643000	0	4643000	63.0173	0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Government	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	4643000	0	4643000	63.0173	4643000	0	4643000	63.0173	0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	0.0000	0	0	0	0.0000	0.0000
(b)	Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
(f)	Financial Institutions / Banks	0	50	50	0.0007	0	50	50	0.0007	0.0000
(g)	Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	50	50	0.0007	0	50	50	0.0007	0.0000

(A) CATEGORY-WISE SHARE HOLDING (Contd..)

Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2016				Shareholding at the end of the year - 2017				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
[2]	Central Government/ State Government(s)/ President of India									
	Sub Total (B)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	866890	595236	1462126	19.8448	881951	586702	1468653	19.9334	0.0886
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	492744	11200	503944	6.8398	568173	11200	579373	7.8636	1.0238
(b)	NBFCs registered with RBI	0	0		0.0000	0	0	0	0.0000	0.0000
(c)	Employee Trusts	0	0	0	0.0000	0	0	0	0.0000	0.0000
(d)	Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0.0000	0.0000
(e)	Any Other (Specify)									
	Hindu Undivided Family	83054	0	83054	1.1273	78787	0	78787	1.0693	0.0580
	Foreign Companies	325300	0	325300	4.4151	325300	0	325300	4.4151	0.0000
	Non Resident Indians (Non Repat)	7541	475	8016	0.1088	8543	475	9018	0.1224	0.0136
	Non Resident Indians (Repat)	18387	100	18487	0.2509	20352	100	20452	0.2776	0.0267
	Clearing Member	49243	0	49243	0.6684	5977	0	5977	0.0811	0.5873
	Bodies Corporate	274598	0	274598	3.7270	237208	0	237208	3.2195	0.5075
	Sub Total (B)(3)	2117757	607011	2724768	36.9820	2126291	598477	2724768	36.9820	0.0000
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)	2117757	607061	2724818	36.9827	2126291	598527	2724818	36.9827	0.0000
	Total (A)+(B)	6760757	607061	7367818	100.0000	6769291	598527	7367818	100.0000	0.0000
(C)	Non Promoter - Non Public									
[1]	Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
	Total (A)+(B)+(C)	6760757	607061	7367818	100.0000	6769291	598527	7367818	100.0000	

**B. Shareholding of Promoter**

Sr No	Shareholder's Name	Shareholding at the beginning of the year - 2016			Shareholding at the end of the year - 2017			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	SUDARSHAN SHRIRAM CHOKHANI	1523087	20.6722	1.3573	1523087	20.6722	1.3573	0.0000
2	SHYANTANU SUDARSHAN CHOKHANI	1218200	16.5341	0.0000	1218200	16.5341	0.0000	0.0000
3	RENU SUDARSHAN CHOKHANI	1100725	14.9396	0.0000	1100725	14.9396	0.0000	0.0000
4	SUDAL ENTERPRISES PRIVATE LIMITED	790488	10.7289	0.0000	790488	10.7289	0.0000	0.0000
5	SUDARSHAN SHRIRAM CHOKHANI HUF	10500	0.1425	0.0000	10500	0.1425	0.0000	0.0000
	Total	4643000	63.0173	1.3573	4643000	63.0173	1.3573	0.0000

V. Change in promoters shareholding:

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Mrs. RENU S CHOKHANI				
	At the beginning of the year	1100725	14.94	1100725	14.94
	Allotment of 8,60,000 Equity Shares on 9th August 2014 by				
	conversion of warrants issued on preferential basis	No Change			
	At the End of the year	1100725	14.94	1100725	14.94
2.	Mr. SUDARSHAN S CHOKHANI				
	At the beginning of the year	1523087	20.67	1523087	20.67
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year	1523087	20.67	1523087	20.67
3.	Mr. SHYANTANU S CHOKHANI				
	At the beginning of the year	1218200	16.53	1218200	16.53
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year	1218200	16.53	1218200	16.53
4.	SUDAL ENTERPRISES PRIVATE LIMITED				
	At the beginning of the year	790488	10.73	790488	10.73
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year	790488	10.73	790488	10.73
5.	SUDARSHAN SHRIRAM CHOKHANI HUF				
	At the beginning of the year	10,500	0.14	10,500	0.14
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	No Change			
	At the End of the year	10,500	0.14	10,500	0.14


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

Shareholding Pattern of Top Ten Shareholders							
Sr No.		Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	REYNOLDS INTERNATIONAL INC	325300	4.4151			325300	4.4151
	AT THE END OF THE YEAR					325300	4.4151
2	MADHUMILAN CREDIT CAPITAL PRIVATE LIMITED	135100	1.8337			135100	1.8337
	AT THE END OF THE YEAR					135100	1.8337
3	SUMAN VINOD GOYANKA	89244	1.2113			89244	1.2113
	AT THE END OF THE YEAR					89244	1.2113
4	MAHENDRA GIRDHARILAL	80330	1.0903			80330	1.0903
	AT THE END OF THE YEAR					80330	1.0903
5	DHARMENDRA RATILAL DOSHI	40000	0.5429			40000	0.5429
	AT THE END OF THE YEAR					40000	0.5429
6	SUSHIL NARENDRA SHAH	0	0.0000			0	0.0000
	Transfer			17 Feb 2017	25628	25628	0.3478
	Transfer			24 Feb 2017	13440	39068	0.5303
	AT THE END OF THE YEAR					39068	0.5303
7	MANISHKUMAR SUMATILAL MEHTA	0	0.0000			0	0.0000
	Transfer			10 Mar 2017	36920	36920	0.5011
	Transfer			17 Mar 2017	1909	38829	0.5270
	AT THE END OF THE YEAR					38829	0.5270
8	TAPAN MAHARISHI	32900	0.4465			32900	0.4465
	AT THE END OF THE YEAR					32900	0.4465
9	MUKESH NAGINDAS BHAYANI	23550	0.3196			23550	0.3196
	AT THE END OF THE YEAR					23550	0.3196
10	NAYAN SITARAM GARODIA	23306	0.3163			23306	0.3163
	AT THE END OF THE YEAR					23306	0.3163
11	NINJA SECURTIES PRAVITE LIMITED	36413	0.4942			36413	0.4942
	Transfer			24 Jun 2016	(2725)	33688	0.4572
	Transfer			02 Sep 2016	5918	39606	0.5376
	Transfer			25 Nov 2016	(4010)	35596	0.4831
	Transfer			13 Jan 2017	20	35616	0.4834
	Transfer			20 Jan 2017	1785	37401	0.5076
	Transfer			17 Feb 2017	1336	38737	0.5258
	Transfer			03 Mar 2017	5	38742	0.5258
	Transfer			10 Mar 2017	(34646)	4096	0.0556
	Transfer			24 Mar 2017	20	4116	0.0559
	AT THE END OF THE YEAR					4116	0.0559
12	SUSHIL FINANCIAL SERVICES PRIVATE LTD (BEN A/C)	44740	0.6072			44740	0.6072
	Transfer			10 Feb 2017	(2700)	42040	0.5706
	Transfer			17 Feb 2017	(28600)	13440	0.1824
	Transfer			24 Feb 2017	(13440)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

VII SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

VIII INDEBTEDNESS

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

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	4965.03	0	817.85	5782.88
ii) Interest due but not paid	403.66	0	63.15	466.81
iii) Interest accrued but not due				
Total (i+ii+iii)	5368.69	0	881	6249.69
Change in Indebtedness during the financial year				
• Addition	0	0	158.51	158.51
• Reduction	204.80	0	0	204.80
Net Change	(204.80)	0	158.51	46.29
Indebtedness at the end of the financial year				
i) Principal Amount	4446.50	0	817.85	5264.35
ii) Interest due but not paid	717.39		221.66	939.05
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	5163.89	0	1039.51	6203.40



IX REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total No. Amount
		SUDARSHAN S. CHOKHANI (MANAGING DIRECTOR)	MUKESH V ASHAR (WHOLE TIME DIRECTOR & CFO)	
1	Gross salary	42.00	6.83	48.83
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42.00	6.83	48.83
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option			
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	- as % of profit	0.00	0.00	0.00
	- others, specify	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	Total (A)	42.00	6.83	48.83
	Ceiling as per the Act	42.00	42.00	

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

REMUNERATION TO OTHER DIRECTORS

(₹)

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Manoj Shah (Independent Director)	Mr. Jal Thanawala (Independent Director)	Mr. Shyantanu Chokhani (Non Executive Director)	Ms. Vedika Gupta (Independent Director)	
1.	Independent Directors					
	• Fee for attending board / committee meetings	33000	33000	9000	15000	90000
	• Commission	0.00	0.00	-	-	0.00
	• Others, please specify	0.00	0.00	-	-	0.00
	Total (1)	33000	33000	9000	15000	90000
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	0.00	0.00	0.00	0.00	0.00
	• Others, please specify	0.00	0.00	0.00	0.00	0.00
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	33000	33000	9000	15000	90000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act	N.A.	N.A.	N.A.	N.A.	N.A.

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

(₹ In Lacs)

SI. No.	Particulars of Remuneration	Key Managerial Personnel Ms. Pooja Bangera From 25 th May, 2016 to 31 st March, 2017	Total Amount
1	Gross salary	4.30	4.30
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0.00	0.00
	b) Value of perquisites u/s 7(2) Income-tax Act, 1961	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0.00	0.00
2	Stock Option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission	0.00	0.00
	- as % of profit	0.00	0.00
	- others, specify	0.00	0.00
5	Others, please specify	0.00	0.00
	Total	4.30	4.30

- Mr. Mukesh V. Ashar is appointed as an Whole-Time Director w.e.f 8th December, 2014, and who shall continue to be the Chief Financial Officer of the Company in terms of the provisions of Section 203 of the Companies Act, 2013. He has been paid in the capacity of Whole-Time Director.

- PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

Registered Office

A-5 MIDC Ambad Industrial Area,
Mumbai Nashi Highway, Nashik -422010

**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

**Sudarshan S Chokhani
Managing Director
DIN: 00243355**

Sd/-

**Place: Mumbai
Date: 22nd August, 2017**

**Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024**

ANNEXURE VI

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

(A) CONSERVATION OF ENERGY

(1) Measures taken to Conserve Energy

a)	Stop 40 Hp Aux Pump motor & replace with 7.5 Hp pump motor.	To reduce electricity consumption
b)	Install 5 Hp Vfd To Press 3 Cooling Tower Fan	To reduce electricity consumption
c)	Replace existing 200 w light with 60 w LED lamp	To reduce electricity consumption
d)	Press 5 hydraulic manifold to replace with New design manifold	To reduce electricity consumption
e)	Use Tyre pyrolysis oil in place of furnace oil	To reduce Fuel Cost
f)	To buy maximum readymade billets of required extrusion alloys from primary Producers	To reduce cost of production, energy conservation & recovery.

(2) Additional Investments Proposed

Grid connected Solar PV Power Plant costing Rs 3.80 Cr Appx.

(III) Impact of (I) and (II) above :

Will reduce the power consumption, minimum demand and improve efficiency.

Reduce the cost and improve the recovery and quality of the finished products.

**FORM A****Disclosure of particulars with respect to conservation of energy**

Sr No.	Particulars	Current Year 2016-17	Previous Year 2015-16
A	Power and Fuel Consumption		
1.	Electricity		
A)	Purchased (Units)	3208850	2873660
	(Total Amount `)	26007540	23818640
	(Average rate/Unit-`)	8.10	8.29
B)	Own Generation		
(i)	Through Diesel Generator (Units)	--	--
	Units/litres of Diesel Oil	--	--
	(cost/Unit-`)	--	--
(ii)	Through Gas (Units- Kgs)		
	(Total Amount `)	--	--
	Cost per Kg	--	--
2.	Gas Purchased units	406950	337930
	(Total Amount `)	14498058	13469176
	Cost per Kg	35.63	39.86
3.	Coal (Specify Quantity & where used) Qty (Tons)	--	--
	(Total cost `)	--	--
	(Average Rate/Ton- `)	--	--
	Furnace Oil (Quantity-Kg)	599113	519262
	Total Amount-`)	14311979	11989198
	(Average rate/Kg-`)	23.89	23.09
	Other (Internal Generation) (Quantity)	--	--
	(Total Cost)	--	--
	(Average cost/Unit-`)	--	--
B	Consumption per ton of production		
-	Electricity		
-	Furnace Oil (Units)	629.06	671.60
	Aluminium Billets (For casting) (Kgs)	95.02	98.29
	Alloy		
	Coal		
	Others (Specify)		

(B) TECHNOLOGY ABSORPTION

Efforts made towards technology absorption	For the year under review no new efforts were made						
Benefits derived like product improvement, cost reduction,	No benefits derived						
product development or import substitution							
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):							
Details of technology imported	No technology imported						
Year of import	-						
Whether the technology has been fully absorbed	Technical assistance for extrusion die.						
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Design, manufacturing and correction. Extrusion ageing homogenizing etc., maintenance practices recommended by Reynolds, Germany have been put to practices as per the training to engineer of the Company.						
Expenditure incurred on Research and Development	<div style="text-align: right;">(₹ in Lacs)</div> <table> <tr> <td>Capital</td><td>-</td></tr> <tr> <td>Recurring</td><td>20.20</td></tr> <tr> <td>Total</td><td><u>20.20</u></td></tr> </table> <p>Total R & D expenditure as a Percentage of Turnover 0.24% (Approx.)</p>	Capital	-	Recurring	20.20	Total	<u>20.20</u>
Capital	-						
Recurring	20.20						
Total	<u>20.20</u>						

(C) Foreign exchange earnings and Outgo:

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

Registered Office

A-5 MIDC Ambad Industrial Area,
Mumbai Nashi Highway, Nashik -422010

**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

**Sudarshan S Chokhani
Managing Director
DIN: 00243355**

Sd/-

**Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024**

Place: Mumbai

Date: 22nd August, 2017



Management and Discussion Analysis

Preface and Prospects:

The aluminium production process can be categorized into upstream and downstream activities. The upstream process involves mining and refining while the downstream process involves smelting and casting & fabricating. Downstream-fabricated products consist of rods, sheets, extrusions and foils.

The Indian aluminium demand is expected to remain robust following the steps taken by the government to boost the industrial production and infrastructure. The demand is also expected to get a boost following the focus for creating of smart cities across India and improving prospects of various infrastructures.

With rapid urbanization the country continues to develop towards a more consumer-focused economy, which should augment consumer-driven demand and will help in sustaining strong growth in aluminium demand into the next decade.

The Economy:

Demand for aluminium is estimated to grow at 6%-8% per annum in view of the low per capita consumption in India. Also, demand for the metal is expected to pick up as the scenario improves for user industries, like power, infrastructure and transportation's.

Bargaining Power of Suppliers: Most domestic players operate integrated plants. Bargaining power is thus limited in case of power purchase, as Government is the only supplier. However, increasing usage of captive power plants (CPP) will help to rationalize power costs to a certain extent in the long-term.

The Product:

The Company produces varied products ranging from Auto Components, Architectural, Construction, Conveyor Section, Ladder Section, Pneumatics, Structural, Transport, Heat Sink, Power transmission equipments. Despite adverse operational conditions prevailing in the country, we have barely managed to sustain in the economy. The overall capacity utilization of the Industry in the Country is marginally lower than the previous year. This is due to the sluggish demand from Electrical Equipment Manufacturing Sector which did not have adequate orders from Electric-Power Sector and infrastructural projects. Both Industrial & economic structure of the Industry remains affected due to high Cost of input, inflation, substantial volatility in Forex.

Opportunities and Threats:

Increasing global and indigenous demand of aluminium product segments is certainly a good growth indicator for Company but ever volatility in the price of principal raw materials is a worry in the future to come.

Human Resources / Industrial Relations:

Industrial relations during the year were generally cordial.

Initiatives:

Our main focus is on delivering utmost quality products to our diversified clientele; further to bring down our cost of production we are focusing mainly on increased capacity utilisation so as to bring more economies of scale.

To make the concept of "Make in India" a real success, competitiveness would be a key measure. This can be achieved only when we can provide the complete value chain of products and make ourselves competitive by developing manufacturing hubs for production of value added components / products in Aluminum like China, which would then, not only reduce import dependence but also offer export competitively to other markets in the World.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the company objectives, estimates and expectations may be Forward Looking statements within the meaning of applicable laws and regulations. Actual performance may differ substantially or materially from those expressed or implied

**By the order of Board of Director
For Sudal Industries Limited**

Sd/-

**Sudarshan S Chokhani
Managing Director
DIN: 00243355**

Sd/-

**Mukesh V Ashar
CFO & DIRECTOR
DIN: 06929024**

**Place: Mumbai
Date: 22nd August, 2017**



INDEPENDENT AUDITOR'S REPORT

To The Members of Sudal Industries Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **SUDAL INDUSTRIES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 31st March, 2017 and its loss and cash flows for the year ended on that date.

Emphasis of Matter:

Inventory of "Stores & Spares" includes specialized Dies of Rs. 28,59,78,900 as at 31st March, 2017 (Rs. 28,57,99,500

as on 31st March 2016 respectively). The Valuation of these dies is based on a report of the Registered Government Valuer and Chartered Engineer considering its residual useful life, and relied upon by us, being a technical matter. (Refer note no. 29 of the financial statements)

Our opinion is not qualified in respect of aforesaid matter.

Report on Other Legal and Regulatory Requirements

1. 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.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with the 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 No. 26 to the financial statements.
 - ii. The Company did not have material foreseeable losses on long term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in the financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016, on the basis of information available with the Company. Based on audit procedures, and relying upon management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management. Refer Note- 39

For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

Place: Mumbai
Date : 14th June, 2017

Sd/-
R. P. Baradiya
Partner
Membership No. 44101



“ANNEXURE A”

ANNEXURE REFERRED TO IN PARAGRAPH “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT TO THE MEMBERS OF SUDAL INDUSTRIES LIMITED FOR THE YEAR ENDED 31ST MARCH, 2017

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) All the fixed assets have been physically verified by the management in a phased manner which is considered reasonable having regard to the size of the Company and nature of its fixed assets. No material discrepancies were noticed on such verification.
- c) The title deeds of immovable properties are held in the name of the Company.
2. The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified by the management with reference to the confirmations received from them and/or subsequent receipt of goods. No material discrepancies were noticed on such verification.
3. During the year, 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 Act. Therefore, Para 3 (iii) of the Order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has not granted any loans or made investments or provided any guarantees or security under section 185 and 186 of the Act. Therefore, Para 3 (iv) of the Order is not applicable to the Company.
5. No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under have been accepted by the Company. Therefore, Para 3 (v) of the Order is not applicable to the Company.
6. We have broadly reviewed the cost records maintained by the Company pursuant to the order of the Central Government under sub section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed records have been made and maintained. We are, however, not required to make a detailed examination of the records with a view to determine whether they are accurate or complete.
7. a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to the Company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- b) According to the records of the Company, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute except income tax demand for Assessment Year 2013-14 & 2014-15 amounting to Rs. 2,22,28,640 & Rs.10,81,600 respectively and the matter is pending before Commissioner of Income-tax (Appeals), Mumbai.
8. According to the information and explanations given to us, the Company has defaulted in repayment of principal amount of Rs. 229,111,593 and interest amount of Rs.135, 090,769 from the period September, 2014 to March, 2017 to a bank.
9. During the year, the Company has not raised any money by way of initial public offer or further public offer during the year or in the recent past and has not taken any term loan and hence the provisions of Para 3 (ix) of the Order is not applicable.

10. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations give to us and based on our examination of the records, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion, the Company is not Nidhi Company. Therefore, Para 3 (xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us and based on our examination of the records, transactions with the related parties are in compliance with sections 177 and 188 of the Act and details of such transactions have been disclosed in the financial statements (Refer Note No.38) as required by the applicable accounting standards.
14. According to the information and explanations give 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.
15. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him in terms of Section 192 of the Act. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E

Place: Mumbai
Date : 14th June, 2017

Sd/-
R. P. Baradiya
Partner
Membership No. 44101



"ANNEXURE B"

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **SUDAL INDUSTRIES LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 March 31, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" ***except that the internal audit system needs to be strengthened in terms of its scope and extent of verification.***

**For LODHA & CO.
Chartered Accountants
Firm Registration No: 301051E**

**Place: Mumbai
Date : 14th June, 2017**

**Sd/-
R. P. Baradiya
Partner
Membership No. 44101**



BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds:			
(a) Share capital	1	7,36,78,180	7,36,78,180
(b) Reserves and surplus	2	(2,93,58,963)	3,98,90,114
		4,43,19,217	11,35,68,294
(2) Non-current liabilities:			
(a) Long-term borrowings	3	9,15,76,173	15,21,88,759
(b) Other Long-term liabilities	4	5,69,48,291	5,52,78,285
(c) Long-term provisions	5	1,33,29,010	1,23,63,550
		16,18,53,474	21,98,30,594
(3) CURRENT LIABILITIES:			
(a) Short-term borrowings	6	10,39,51,545	8,81,00,400
(b) Trade payables	7		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		7,89,37,471	5,48,16,770
(c) Other current liabilities	8	43,88,25,640	33,92,15,234
(d) Short-term provisions	9	60,04,183	49,91,448
		62,77,18,839	48,71,23,852
Total		83,38,91,530	82,05,22,740
II. ASSETS			
(1) Non-current assets:			
(a) Fixed Assets	10		
(i) Tangible assets		25,24,52,247	26,40,45,134
(ii) Capital work-in-progress		2,33,36,131	2,33,36,131
(b) Non-current investments	11	7,500	7,500
(c) Deferred tax assets (net)	12	1,67,86,476	1,67,86,475
(d) Long-term loans and advances	13	1,45,22,436	1,35,83,851
		30,71,04,790	31,77,59,091
(2) CURRENT ASSETS:			
(a) Inventories	14	36,81,22,343	34,98,82,199
(b) Trade Receivables	15	11,61,90,325	9,11,24,975
(c) Cash and Bank balances	16	17,38,581	1,82,01,929
(d) Short-term loans and advances	17	1,89,54,897	1,86,10,352
(e) Other current assets	18	2,17,80,594	2,49,44,194
		52,67,86,740	50,27,63,649
TOTAL		83,38,91,530	82,05,22,740
Significant Accounting Policies and accompanying notes forming integral part of the financial statements	A, B (1 to 40)		

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

ICAI Firm Registration No.301051E

R.P. Baradiya

Partner

Membership No.44101

Place: Mumbai

Date: 14th June, 2017

For and on behalf of the Board of Directors**Sudarshan S Chokhani**

Managing Director

DIN:00243355

Pooja Bangera

Company Secretary

Mem. No.: A38636

Mukesh V. Ashar

CFO and Director

DIN:06929024

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Note No.	For the year ended 31st March, 2017 Amount in ₹	For the year ended 31st March, 2016 Amount in ₹
I Revenue from operations (Gross)	19	93,96,58,240	78,11,97,526
Less: Excise Duty		9,81,87,656	8,41,43,845
Revenue from operations (Net)		84,14,70,584	69,70,53,681
II Other income	20	44,458	1,57,371
III Total Revenue (I+II)		84,15,15,042	69,72,11,052
IV Expenses:			
Cost of materials consumed	21	65,43,08,053	55,66,31,201
Changes in Inventories of Finished Goods, Work in Progress and stock-in-trade	22	(1,38,36,407)	1,37,66,454
Employee benefits expense	23	4,00,90,068	3,48,33,505
Finance costs	24	12,32,78,562	11,77,03,732
Depreciation and amortization expense	10	1,15,40,279	1,21,95,052
Other expenses	25	9,53,83,564	8,89,71,035
Total Expenses		91,07,64,119	82,41,00,979
V Profit before tax (III-IV)		(6,92,49,077)	(12,68,89,927)
VI Tax Expense:			
Current tax		-	-
Deferred tax		-	(6,37,71,131)
VII Profit for the year (V -VI)		(6,92,49,077)	(6,31,18,796)
VIII Earnings per equity share of face value of ₹10 each:			
Basic		(9.40)	(8.57)
Diluted		(9.40)	(8.57)
Significant Accounting Policies and accompanying notes forming integral part of the financial statements	A, B (1 to 40)		

As per our attached report of even date

For Lodha & Co.

Chartered Accountants

ICAI Firm Registration No.301051E

R.P. Baradiya

Partner

Membership No.44101

Place: Mumbai

Date: 14th June, 2017

For and on behalf of the Board of Directors**Sudarshan S Chokhani**

Managing Director

DIN:00243355

Pooja Bangera

Company Secretary

Mem. No.: A38636

Mukesh V. Ashar

CFO and Director

DIN:06929024



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

(Amount in ₹)

Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit before exceptional items and tax		(6,92,49,077)		(12,68,89,927)
Adjusted for:				
Depreciation	1,15,40,279		1,21,95,052	
Interest Expenditure	12,32,78,562		11,77,03,732	
(Profit)/Loss on Sale of Fixed Assets	(44,308)	13,47,74,533	38,762	12,99,37,546
Operating profit before working capital changes		6,55,25,456		30,47,619
Adjustments for:				
Trade and Other Receivables	(2,50,65,350)		98,28,656	
Trade Payables including Advance received from customers	3,03,48,774		1,05,40,694	
Loans & Advances	35,87,160		3,08,79,603	
Inventories	(1,82,40,144)		1,95,93,213	
		(93,69,560)		7,08,42,166
Cash generated from operations		5,61,55,896		7,38,89,785
Direct Taxes Paid (Net)		(17,06,690)		(25,00,000)
NET CASH FLOW FROM OPERATING ACTIVITIES		5,44,49,206		7,13,89,785
B. CASH FLOW FROM INVESTMENT ACTIVITIES				
Purchase of Fixed Assets including CWIP & Pre-operative Expenses		-		(6,93,196)
Sale of Fixed Assets		96,916		23,111
NET CASH USED IN INVESTING ACTIVITIES		96,916		(6,70,085)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Borrowings Increase/ (Decrease) [Net]		(2,25,42,989)		72,71,910
Interest Paid		(4,84,60,880)		(7,69,92,038)
NET CASH USED IN FINANCING ACTIVITIES		(7,10,03,869)		(6,97,20,128)
NET INCREASE / DECREASE (-) IN CASH AND CASH EQUIVALENTS (A+B+C)		(1,64,57,747)		9,99,571
CASH AND CASH EQUIVALENTS - OPENING BALANCE		1,71,62,395		1,61,62,824
		1,71,62,395		1,61,62,824
CASH AND CASH EQUIVALENTS - CLOSING BALANCE		7,04,648		1,71,62,395

Notes :

- The above cash flow statement has been prepared by using the indirect method as per Accounting Standard 3.
- Cash and cash equivalents represent cash and bank balances, excludes fixed deposit and dividend account (Refer Note 16).
- Previous year's figures have been regrouped / rearranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For Lodha & Co.Chartered Accountants
ICAI Firm Registration No.301051E**R.P. Baradiya**Partner
Membership No.44101Place: Mumbai
Date: 14th June, 2017**For and on behalf of the Board of Directors****Sudarshan S Chokhani**Managing Director
DIN:00243355**Pooja Bangera**Company Secretary
Mem. No.: A38636**Mukesh V. Ashar**CFO and Director
DIN:06929024

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

OVERVIEW:

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

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. GENERAL:

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

2. USE OF ESTIMATES:

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

3. FIXED ASSETS:

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

4. IMPAIRMENT OF ASSETS:

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

5. INVESTMENTS:

Long term investments are stated at cost less provision for diminution other than temporary.

6. VALUATION OF INVENTORIES:

- (a) Inventories are valued at the lower of the cost and net realizable value. Cost is assigned on FIFO basis. Obsolete, defective and unserviceable stocks are provided for.



SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- (b) Finished goods and work-in-process include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (c) Dies being a specialised item (included in stores & spares inventories) are valued on the basis of valuation of such stocks at the year end carried out by a government approved valuer considering its residual useful life and replacement value.

7. DEPRECIATION/ AMORTIZATION:

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

8. ACCOUNTING FOR TAXES ON INCOME:

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

9. SALES AND OTHER OPERATING INCOME:

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

10. TRANSLATION OF FOREIGN CURRENCY:

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

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

11. EMPLOYEE BENEFITS:

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

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

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

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

12. BORROWING COSTS:

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

13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

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

14. GOVERNMENT GRANTS:

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

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

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

B. NOTES ON ACCOUNTS:

NOTE: 1	As at 31st March, 2017	As at 31st March, 2016
SHARE CAPITAL	Amount in ₹	Amount in ₹
Authorised:		
7,500,000 (Previous Year 7,500,000) Equity Shares of ₹ 10 each	7,50,00,000	7,50,00,000
Issued:		
7,470,012 (Previous Year 7,470,012) Equity Shares of ₹ 10 each	7,47,00,120	7,47,00,120
Subscribed and paid-up:		
7,367,818 (Previous Year 7,367,818) Equity Shares of ₹ 10 each, fully paid up	7,36,78,180	7,36,78,180
Total	7,36,78,180	7,36,78,180

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	No. of Shares	% held	No. of Shares	% held
a) Details of shareholding more than 5%:				
1 Sudarshan Shriram Chokhani	15,23,087	20.67	15,23,087	20.67
2 Shyantanu Sudarshan Chokhani	12,18,200	16.53	12,18,200	16.53
3 Renu Sudarshan Chokhani	11,00,725	14.94	11,00,725	14.94
4 Sudal Enterprises Private Limited	7,90,488	10.73	7,90,488	10.73

b) Terms/rights attached to equity shares:

- i) The Company has only one class of equity shares having a par value of Rs.10 each. Each holder of equity shares is entitled to one vote per share.
- ii) The Company has not issued any aggregate number and class of shares as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date.
- iii) In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to the shareholding. However, no such preferential amount exist currently.

c) The reconciliation of the number of shares outstanding at beginning of the year and at the end for the period of five years immediately preceding the Balance Sheet date :

Particulars	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
	No. of Shares	No. of Shares	No. of Shares	No. of Shares	No. of Shares
Balance as at the beginning of the year	73,67,818	73,67,818	65,07,818	65,07,818	58,17,818
i) Shares issued pursuant to a contract without payment being received in cash	-	-	-	-	-
ii) Shares issued as fully paid up bonus shares	-	-	-	-	-
iii) Allotment on conversion of Optionally Fully Convertible Warrants	-	-	8,60,000	-	6,90,000
(iv) Shares bought back	-	-	-	-	-
Balance as at the end of the year	73,67,818	73,67,818	73,67,818	65,07,818	65,07,818

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
NOTE: 2		
Revaluation Reserve:		
Balance as at the beginning and end of the year	2,74,77,106	2,74,77,106
Capital Reserve:		
Balance as at the beginning of the year	4,54,85,143	5,07,93,458
Add: State government subsidy for expansion of capacity - Octroi Duty refunded/ refundable	-	63,18,685
Less: State government subsidy for expansion of capacity - Octroi Duty no longer refundable - reversed (Refer: Significant Accounting Policies No.14)	-	(1,16,27,000)
	4,54,85,143	4,54,85,143
Securities Premium Account:		
Balance as at the beginning and end of the year	3,25,00,000	3,25,00,000
Surplus/(Deficit) in Statement of Profit and Loss		
Balance as at the beginning of the year	(6,55,72,135)	(24,53,339)
Add:(Loss) during the year	(6,92,49,077)	(6,31,18,796)
Balance as at the end of the year	(13,48,21,212)	(6,55,72,135)
Total	(2,93,58,963)	3,98,90,114
NOTE: 3		
LONG-TERM BORROWINGS		
Term Loans:		
Secured:		
From Bank		
Working Capital Term Loan	3,12,50,000	7,29,16,667
From Financial Institution:		
Working Capital Term Loan	5,99,36,636	7,83,78,613
From Others:		
Vehicle Loans	3,89,537	8,93,479
Total	9,15,76,173	15,21,88,759
(For terms and conditions - Refer Note No.27)		



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
NOTE: 4		
OTHER LONG-TERM LIABILITIES		
Suppliers credit from Associates	5,69,48,291	5,52,78,285
Total	5,69,48,291	5,52,78,285
NOTE: 5		
LONG-TERM PROVISIONS		
Gratuity Payable	1,02,62,308	95,87,316
Leave Entitlement	30,66,702	27,76,234
Total	1,33,29,010	1,23,63,550
NOTE: 6		
SHORT-TERM BORROWINGS		
Unsecured:		
Inter Corporate Deposits	10,39,51,545	8,81,00,400
Total	10,39,51,545	8,81,00,400
(For terms and conditions - Refer Note No.27)		
NOTE: 7		
TRADE PAYABLES		
Micro, Small and Medium Enterprises (Refer note no.35)	-	-
Acceptances	6,56,16,741	5,03,54,835
Others	1,33,20,730	44,61,935
Total	7,89,37,471	5,48,16,770

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
NOTE: 8		
OTHER CURRENT LIABILITIES		
Current maturities of Long-Term debts		
a) Working capital term loan from bank	4,16,66,667	4,16,66,667
b) Working capital term loan from financial institution	1,84,42,027	1,38,31,520
c) Vehicle Loans	5,02,216	5,98,548
d) Inter corporate Deposits	-	66,058
	6,06,10,910	5,61,62,793
Overdue borrowings from Bank	22,91,11,593	21,13,41,258
Interest accrued but not due on borrowings	13,25,609	7,57,744
Interest accrued and due on borrowings	13,50,90,769	6,08,40,951
Unpaid Dividends#	10,32,933	10,38,534
Statutory dues	36,65,885	28,22,583
Employee Benefits Expenses	46,88,360	36,51,327
Others	32,99,581	26,00,044
Total	43,88,25,640	33,92,15,234
# No amount is due to be credited to investor education & protection fund.		
NOTE: 9		
SHORT TERM PROVISIONS		
Gratuity Payable	38,62,384	39,96,114
Leave Entitlement	21,41,799	9,95,334
Total	60,04,183	49,91,448



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE : 10 - FIXED ASSETS

(Amount in ₹)

Description	Gross Block			Depreciation / Amortisation				Net Block	
	Balance As at 1st April, 2016	Additions	Deductions/ Adjustments	Balance As at 31st March, 2017	Balance As at 1st April, 2016	For the year	Deductions/ Adjustments	Balance As at 31st March, 2017	Balance As at 31st March, 2017
(a) Tangible Assets									
Leasehold Land	3,65,38,822	-	-	3,65,38,822	38,62,498	4,44,204	-	43,06,702	3,22,32,120
Freehold land	38,70,565	-	-	38,70,565	-	-	-	-	38,70,565
Buildings	10,76,47,669	-	-	10,76,47,669	2,76,15,356	32,14,042	-	3,08,29,398	7,68,18,271
Plant and equipment	51,25,09,347	-	-	51,25,09,347	36,89,96,975	67,86,296	-	37,57,83,271	13,67,26,076
Furniture and Fixtures	31,22,376	-	-	31,22,376	27,50,402	89,081	-	28,39,483	2,82,893
Vehicles*	1,07,92,282	-	10,52,158	97,40,124	76,93,612	9,32,663	9,99,550	76,26,725	21,13,399
Office Equipment	1,30,64,218	-	-	1,30,64,218	1,25,81,302	73,993	-	1,26,55,295	4,08,923
Total (a)	68,75,45,279	-	10,52,158	68,64,93,121	42,35,00,145	1,15,40,279	9,99,550	43,40,40,874	25,24,52,247
(b) Intangible Assets									
Software	34,78,343	-	-	34,78,343	34,78,343	-	-	34,78,343	-
Total (b)	34,78,343	-	-	34,78,343	34,78,343	-	-	34,78,343	-
Total (a+b)	69,10,23,622	-	10,52,158	68,99,71,464	42,69,78,488	1,15,40,279	9,99,550	43,75,19,217	26,40,45,134

Description	Gross Block			Depreciation / Amortisation				Net Block	
	Balance As at 1st April, 2015	Additions	Deductions/ Adjustments	Balance As at 31st March, 2016	Balance As at 1st April, 2015	For the year	Deductions/ Adjustments	Balance As at 31st March, 2016	Balance As at 31st March, 2015
(a) Tangible Assets									
Leasehold Land	3,65,38,822	-	-	3,65,38,822	34,18,294	4,44,204	-	38,62,498	3,31,20,528
Freehold land	38,70,565	-	-	38,70,565	-	-	-	-	38,70,565
Buildings	10,76,47,669	-	-	10,76,47,669	2,44,01,314	32,14,042	-	2,76,15,356	8,00,32,313
Plant and equipment	51,25,09,347	-	-	51,25,09,347	36,22,10,679	67,86,296	-	36,89,96,975	14,35,12,372
Furniture and Fixtures	31,22,376	-	-	31,22,376	26,24,841	1,25,561	-	27,50,402	3,71,974
Vehicles	1,07,24,435	9,97,694	9,29,847	1,07,92,282	75,38,671	10,22,915	8,67,974	76,93,612	30,98,670
Office Equipment	1,30,64,218	-	-	1,30,64,218	1,22,93,571	2,87,731	-	1,25,81,302	4,82,916
Total (a)	68,74,77,432	9,97,694	9,29,847	68,75,45,279	41,24,87,370	1,18,80,749	8,67,974	42,35,00,145	26,40,45,134
(b) Intangible Assets									
Software	34,78,343	-	-	34,78,343	31,64,040	3,14,303	-	34,78,343	-
Total (b)	34,78,343	-	-	34,78,343	31,64,040	3,14,303	-	34,78,343	-
Total (a+b)	69,09,55,775	9,97,694	9,29,847	69,10,23,622	41,56,51,410	1,21,95,052	8,67,974	42,69,78,488	26,40,45,134

* Note : Gross Block of Vehicles include, Gross Block Rs. 1,05,56,282 [previous year Rs.1,05,56,282]; Accumulated depreciation Rs.74,67,573 [Previous year Rs.74,67,573]; Net Block Rs.30,88,709 [Previous year Rs.30,88,709] purchased on hire purchase basis. These vehicles are held in the name of the directors/ employees on behalf of the Company.

Capital Work in Progress :	As at 31st March, 2017 (Amount in ₹)	As at 31st March, 2016 (Amount in ₹)
Assets under installation/ construction		
(a) Building Under Construction	-	-
(b) Mega Project- Land development and other expenses:		
- Legal & Professional Charges	61,38,236	61,38,236
- Salaries & Remuneration	99,84,306	99,84,306
- Travelling Expenses	38,52,875	38,52,875
- Others	33,60,714	33,60,714
Total	2,33,36,131	2,33,36,131

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
NOTE: 11		
NON CURRENT INVESTMENTS		
Equity Instruments (Long term Unquoted and valued at cost)		
100 Shares of The Jankalyan Sahakari Bank Limited @ Rs.10 each	1,000	1,000
400 Shares of Nashik Merchants Co.op.Bank Limited @ Rs.10 each	4,000	4,000
250 Shares of The Kalyan Janata Sahakari Bank Limited @ Rs.10 each	2,500	2,500
Aggregate cost of Unquoted Investments Total	7,500	7,500
NOTE: 12		
DEFERRED TAX ASSET (Net)		
Deferred Tax Assets:		
Unabsorbed losses/depreciation	8,34,38,422	6,90,85,659
Expenses allowable on payment and others	40,51,170	57,88,276
	8,74,89,592	7,48,73,935
Fixed assets (Depreciation/amortisation)	6,19,25,856	5,80,87,460
	2,55,63,736	1,67,86,475
Less: Deferred tax assets	87,77,260	-
Net deferred tax asset Total	1,67,86,476	1,67,86,475
NOTE: 13		
LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Advances income tax (net of provision for income tax of Rs. 1,07,60,737, Previous Year Rs. 1,07,60,737)	21,38,194	4,31,504
MAT credit entitlement	1,16,41,383	1,16,41,383
Deposit with Government/ Semi-Government Authorities	2,17,409	2,18,910
Advances to staff	4,38,883	9,33,987
Other deposits	86,567	3,58,067
Total	1,45,22,436	1,35,83,851
NOTE: 14		
INVENTORIES		
(As taken, valued and certified by the Management)		
Raw Materials	63,11,521	43,46,855
Work-in-process	5,64,82,075	4,44,99,775
Finished goods	81,84,475	61,13,955
Stores and spares	29,71,44,272	29,49,21,614
Total	36,81,22,343	34,98,82,199



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
NOTE: 15		
TRADE RECEIVABLES		
Unsecured, considered good		
Outstanding for a period exceeding six months from the due date	20,01,010	23,25,921
Others	11,41,89,315	8,87,99,054
Total	11,61,90,325	9,11,24,975
NOTE: 16		
CASH AND BANK BALANCES		
Cash and Bank Balances:		
Balances with Banks:		
In Current Accounts	6,94,332	1,71,49,731
Cash on hand	10,316	12,664
	7,04,648	1,71,62,395
Others:		
Unpaid Dividend Accounts	10,32,933	10,38,534
Fixed Deposits(Lodged with Central Excise Dept., Nashik)	1,000	1,000
	10,33,933	10,39,534
Total	17,38,581	1,82,01,929
NOTE: 17		
SHORT-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Deposits for premises to associates	1,78,02,100	1,78,02,100
Others	11,52,797	8,08,252
Total	1,89,54,897	1,86,10,352
NOTE: 18		
OTHER CURRENT ASSETS		
VAT Receivable	1,54,90,377	1,21,95,179
Octroi Duty Receivable	58,16,869	1,21,34,869
Prepaid expenses	4,73,348	6,14,146
Total	2,17,80,594	2,49,44,194

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 Amount in ₹	For the Year Ended 31st March, 2016 Amount in ₹
NOTE: 19		
REVENUE FROM OPERATIONS		
Sale of Products		
Aluminium Extrusion	89,16,32,576	74,32,37,030
Aluminium Alloys	2,03,96,853	1,22,28,232
Less: Excise Duty	9,78,57,075	8,33,61,452
	81,41,72,354	67,21,03,810
Sale of Services		
Job Work Charges	2,43,04,919	1,85,87,651
	2,43,04,919	1,85,87,651
Other Operating Income		
Sale of Scrap	33,23,892	71,44,613
Less: Excise Duty	3,30,581	7,82,393
	29,93,311	63,62,220
Total	84,14,70,584	69,70,53,681
NOTE: 20		
OTHER INCOME		
Profit on disposal of fixed assets	44,308	498
Others	150	1,56,873
Total	44,458	1,57,371
NOTE: 21		
COST OF MATERIALS CONSUMED		
Consumption of raw materials and components	63,99,68,732	54,70,15,887
Stores and spare parts consumed	1,43,39,321	96,15,314
Total	65,43,08,053	55,66,31,201



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 Amount in ₹	For the Year Ended 31st March, 2016 Amount in ₹
NOTE: 22		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
Finished goods	61,13,955	32,00,798
Work-in-process	4,44,99,775	6,08,57,787
	5,06,13,730	6,40,58,585
Closing Stock		
Finished goods	81,84,475	61,13,955
Work-in-process	5,64,82,075	4,44,99,775
	6,46,66,550	5,06,13,730
Adjustment for Provision for Excise duty on closing stock	(2,16,413)	3,21,599
Total	(1,38,36,407)	1,37,66,454
NOTE: 23		
EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages and Bonus	3,26,81,999	2,91,55,885
Contribution to Provident fund and other funds	29,18,927	27,05,856
Gratuity	26,23,408	12,13,755
Staff Welfare expenses	18,65,734	17,58,009
Total	4,00,90,068	3,48,33,505
NOTE: 24		
FINANCE COSTS		
Interest expense	11,99,31,545	11,41,63,678
Other borrowing costs	33,47,017	35,40,054
Total	12,32,78,562	11,77,03,732

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	For the Year Ended 31st March, 2017 Amount in ₹	For the Year Ended 31st March, 2016 Amount in ₹
NOTE: 25		
OTHER EXPENSES		
Power and Fuel	5,48,73,964	4,92,79,588
Labour Charges	97,48,119	86,84,473
Repairs and Maintenance Expenses:		
Repairs to building	2,38,090	1,00,585
Repairs to machinery	-	50,180
Repairs - Others	23,67,020	15,19,183
Packing Charges	55,17,993	53,80,015
Insurance	5,79,093	6,18,306
Telephone and Postage	15,57,902	16,53,466
Travelling and Conveyance	21,51,400	19,16,020
Rebate and Discount	1,73,864	9,36,866
Commission and Brokerage	23,32,779	37,14,389
Directors' Sitting Fees	90,000	94,500
Legal and Professional Charges	21,92,323	33,80,852
Auditors' Remuneration	11,01,490	11,70,549
Rates and Taxes	6,54,255	11,16,229
Transportation	5,28,260	5,91,596
Retainership Charges	32,77,322	22,29,234
Sundry Balance Written off	9,27,187	3,50,854
Loss on Sale/Discard of Assets	-	39,260
Miscellaneous Expenses	70,72,503	61,44,890
Total	9,53,83,564	8,89,71,035

26. Contingent liabilities not provided in respect of:

Particulars	As at 31st March, 2017 Amount in ₹	As at 31st March, 2016 Amount in ₹
Disputed income tax matters	2,69,60,240	2,47,28,640
The management is reasonably confident that no liability will be devolve on the Company.		

Note :

The Company has reviewed its pending litigations and reasonably expects that the outcome of proceedings shall not have a material impact on its financial statements.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

27. Secured Loans:

- (a) Term Loan from Bank of Rs.3,74,54,428 (including interest of Rs. 1,13,54,428) (Previous year Rs.3,25,44,943 including interest of Rs. 64,19,943) carrying Interest of base rate plus 3.50 percent (previous year base rate plus 3.50 percent) are secured by way of hypothecation of two press which is equally repayable in 48 monthly installments from 1st April, 2012 and is also personally guaranteed by two directors of the Company.
- (b) Non fund based limit utilised 7,82,11,846 (Previous year Rs.6,40,29,174) and Cash Credit Rs.21,43,06,698 (including interest of Rs.6,34,03,438) (Previous year Rs.19,52,73,347 including interest of Rs. 2,04,73,755) carrying Interest of base rate plus 4.75 percent (previous year base rate plus 4.75 percent) are secured by hypothecation of stocks and book debts and is also personally guaranteed by two directors of the Company.
- (c) Vehicle Loan of Rs.8,91,743 (Previous year Rs.14,92,027) (Interest @ 8.75%/10.25% ; previous year @ 8.75%/10.25%) are repayable over a period of 3 years and secured by hypothecation of Vehicle purchased their against.
- (d) Working Capital Term Loan (WCTL) from Bank of Rs.18,53,84,561 (including interest of Rs. 6,03,84,561) (Previous year Rs.15,89,47,253 including interest of Rs. 3,39,47,253) carrying Interest of base rate plus 5 percent (previous year base rate plus 5 percent) is secured by way of hypothecation of all stocks at factory/consignment agents and book debts (residual value after meeting the DP for ODBD limits) and secured by 1st charge of mortgage of factory land and building and hypothecation of other fixed assets of the company unit at MIDC, Ambad, Nashik and is also personally guaranteed by the two directors of the company. Loan repayable in 36 equal monthly installment from January, 2016. Interest to be paid on monthly basis from the day one.
- (e) Working Capital Term Loan from Financial Institution of Rs. 7,83,78,663 (Previous year Rs.9,22,10,133), Interest @ 13.50%, secured by 2nd Charge of Mortgage of immoveable properties and 2nd Charge on hypothecation of all Moveable Fixed Assets, and all other Current Assets of the Company. The same is Personally Guaranteed by the Managing Director of the Company. The loan is repayable in 60 monthly installments from 1st July, 2016. Interest is payable on monthly basis.
- (f) Loan amount of Rs.22,91,11,593 and Interest amount of Rs.13,50,90,769 are overdue since September 2014 to March 2017.

The Company has requested the Bank for the Restructuring of the same.

Unsecured Loans:

Interest rate range between 15% to 21% (Previous year 15% to 21%) and are repayable within 1 year (Previous year repayable within 1 year).

28. (a) In the opinion of the Board, assets other than fixed assets and non current investment have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- (b) The accounts of trade receivable and payable and Loans and Advances are subject to formal confirmations/reconciliation and adjustments, if any. The management does not expect any material difference affecting the current year's financial.
29. Dies (included in stores and spares inventories) of Rs. 28,59,78,900 (Previous year Rs.28,57,99,500) have been valued by a government approved valuer considering their residual useful life and replacement value and relied upon by the Auditors being a technical matter.
30. Land, Building, Plant & Machinery and Electrical Installations were revalued in the accounts on April 1,1994. The same have again been revalued on March 31,2004 on the basis of reports of approved valuer/ replacement cost basis using standards indices. The following revalued amount (net of withdrawals) remain substituted for the historical cost in the gross block of fixed assets.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	As at March 31,2017 (Amount in ₹)	As at March 31,2016 (Amount in ₹)
Land	2,11,20,000	2,11,20,000
Building	2,74,53,375	2,74,53,375
Plant & Machinery	29,55,23,547	29,55,23,547
Electrical Installation	76,35,020	76,35,020

31. Auditors' Remuneration include:

Particulars	2016-2017 (Amount in ₹)	2015-2016 (Amount in ₹)
Audit Fees	2,50,000	2,50,000
Tax Audit	1,25,000	1,25,000
Certification	5,75,000	5,75,000
Others	80,000	1,63,090
Out of Pocket Expenses (excluding service tax)	71,490	57,459
	11,01,490	11,70,549

32. Earning Per Share:

Particulars	2016-2017 (Amount in ₹)	2015-2016 (Amount in ₹)
Profit as per Profit and Loss Account	(6,92,49,077)	(6,31,18,796)
Basic and Diluted weighted average number of Equity Shares outstanding during the year (Nos.);	73,67,818	73,67,818
Nominal value per Equity Shares	10	10
Basic earnings per share (Rs.)	(9.40)	(8.57)
Diluted earning per share (Rs.)	(9.40)	(8.57)

33. Value of Imports on CIF basis

Particulars	2016-2017 (Amount in ₹)	2015-2016 (Amount in ₹)
Components and Spare Parts	-	-



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

34. Cost of Materials Consumed:

Particulars	2016-2017		2015-2016	
	%	(Amount in ₹)	%	(Amount in ₹)
(a) Raw Material:				
Imported Material	-	-	-	-
Indigenous Material	100.00	63,99,68,732	100.00	54,70,15,887
Total	100.00	63,99,68,732	100.00	54,70,15,887
(b) Spare parts and Components:				
Imported Material	0.32	45,922	0.66	63,739
Indigenous Material	99.68	1,42,93,399	99.34	95,51,575
Total	100.00	1,43,39,321	100.00	96,15,314

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

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

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

The following table sets out the status of gratuity payable as required under AS -15 :

Description	2016-17	2015-16
A. Expense recognised in the statement of Profit and Loss		
- Current Service Cost	6,95,632	6,43,525
- Interest Cost	8,97,866	9,67,735
- Past Service Cost	-	-
- Net actuarial (gain)/ loss recognised during the year	10,29,910	(3,97,505)
- Net expenses charged to Statement of Profit & Loss	26,23,408	12,13,755
B. Change in present value of obligation		
- Present value of obligation at the beginning of the year	1,35,83,430	1,36,89,978
- Current Service Cost	6,95,632	6,43,525
- Interest Cost	8,97,866	9,67,735
- Benefits paid/ Payable	(20,82,146)	(13,20,303)
- Actuarial (gain)/ loss on obligation	10,29,910	(3,97,505)
- Present value of obligation at the end of the year	1,41,24,692	1,35,83,430
C. Actuarial Assumptions		
- Discount rate	6.90 %	7.75 %
- Expected rate of return on assets		
- Mortality Rate	Indian Assured Lives mortality (2006-08)	Indian Assured Lives mortality (2006-08)
- Future salary increases considering inflation, seniority, promotion and other relevant factors	6.00 %	6.00 %

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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

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

Sudarshan Chokhani and Company

Shriram Chokhani and Company

(ii) **Key Management Personnel:**

Shri Sudarshan S Chokhani - Managing Director

Shri Shyantanu S. Chokhani

Shri Mukesh V. Ashar - CFO & Whole time director

Shri Ketan Shirwadkar upto 10.10.2015

Shri Saurabh Patkar upto 19.03.2016

Ms. Pooja R. Bangera - Company Secretary (w.e.f.14.05.2016)

(a) **Transactions during the year:**

Particulars	Associates/ Group Companies/ Firms (Amount in ₹)	Key Managerial Personnel (Amount in ₹)	Total (Amount in ₹)
Purchase of goods			
Sudarshan Chokhani and Company	34,68,819 (1,64,82,889)	- -	34,68,819 (1,64,82,889)
Shriram Chokhani and Company	7,34,101 (3,41,47,328)	- -	7,34,101 (3,41,47,328)
Finance Charges			
Sudarshan Chokhani and Company	83,17,806 (83,30,244)	- -	83,17,806 (83,30,244)
Shriram Chokhani and Company	44,60,855 (44,81,710)	- -	44,60,855 (44,81,710)
Advisory Fees			
Shri Shyantanu S. Chokhani	- -	13,50,000 (9,00,000)	13,50,000 (9,00,000)
Managerial Remuneration			
Shri Sudarshan S Chokhani	- -	42,00,000 (37,00,000)	42,00,000 (37,00,000)
Ms.Pooja R. Bangera (w.e.f.14.05.2016)	- -	4,30,728 (-)	4,30,728 (-)
Shri Mukesh V.Ashar	- -	6,83,524 (6,61,857)	6,83,524 (6,61,857)
Shri Ketan Shirwadkar (Resigned w.e.f.10.10.2015)	- -	- (2,15,650)	- (2,15,650)
Shri Saurabh Patkar (Resigned w.e.f.19.03.2016)	- -	- (2,02,501)	- (2,02,501)
Counter Guarantee given to Bank by the two directors, being jointly and severally liable	- -	50,82,10,133 (50,82,10,133)	50,82,10,133 (50,82,10,133)



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(b) Balances with Related Parties as on 31.03.2017

Particulars	Associates/ Group Companies/ Firms (Amount in ₹)	Key Managerial Personnel (Amount in ₹)	Total (Amount in ₹)
Payables (net of Inter-Company/third party adjustments, if any)			
Sudarshan Chokhani and Company	1,97,14,407 (2,21,42,160)	- -	1,97,14,407 (2,21,42,160)
Shriram Chokhani and Company	3,72,33,884 (3,31,36,125)	- -	3,72,33,884 (3,31,36,125)
Deposits against lease premises			
Sudarshan Chokhani and Company	1,77,62,500 (1,77,62,500)	- -	1,77,62,500 (1,77,62,500)
Shriram Chokhani and Company	39,600 (39,600)	- -	39,600 (39,600)
Counter Guarantee given to Bank by the two directors, being jointly and severally liable	- -	50,82,10,133 (50,82,10,133)	50,82,10,133 (50,82,10,133)

Note:

- No amount pertaining to related parties has been provided for as doubtful. Also no amount has been written off/ back.
 - The related parties are as identified by the Company and relied upon by the Auditors.
39. Disclosure of Specified Bank Notes (SBN) held and transacted during the period from 8th November 2016 to 30th December 2016 :

Particulars	SBNs (Amount in ₹)	Other Denomination notes (Amount in ₹)	Total (Amount in ₹)
Closing cash in hand as on 8.11.2016	14,500	N.A.	14,500
Permitted receipts	N.A.	N.A.	N.A.
Permitted payments	N.A.	N.A.	N.A.
Amount deposited in Banks	14,500	N.A.	14,500
Closing cash in hand as on 30.12.2016	NIL	N.A.	NIL

40. The previous year figures have been regrouped/ rearranged/ reclassified, wherever necessary to conform to the current year presentation. Figures in brackets pertain to previous year.

Signatures to Notes 1 to 40 which form an integral part of the financial statements.

For and on behalf of the Board of Directors

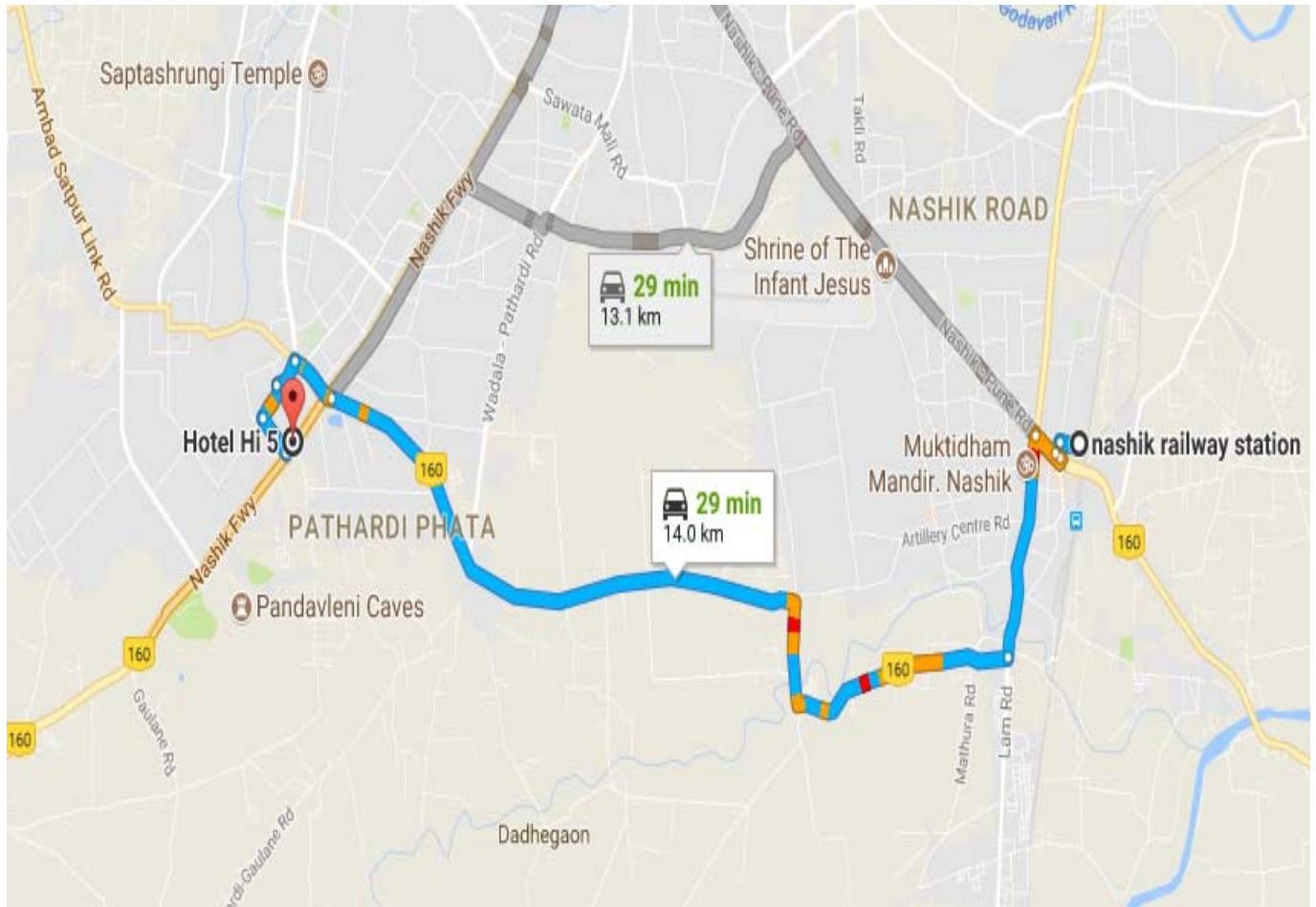
Sudarshan S Chokhani
Managing Director
DIN:00243355

Place: Mumbai
Date: 14th June, 2017

Pooja Bangera
Company Secretary
Mem. No.: A38636

Mukesh V. Ashar
CFO and Director
DIN:06929024

AGM, Route Map, Hotel Hi 5, Nashik



NOTES



Sudal Industries Limited

CIN: L21541MH1979PLC021541

Registered Office: A – 5, MIDC, Ambad Industrial Area, Mumbai Nashik Highway, Nashik – 422010,
Maharashtra Phone: Tel: 91-22-61577100/177, Fax: 91-22-22022893

Email: cs@sudal.co.in Website: www.sudal.co.in

PROXY FORM No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L21541MH1979PLC021541
Name of the company	Sudal Industries Limited
Registered office	A – 5, MIDC, Ambad Industrial Area, Mumbai Nashik Highway, Nashik – 422010, Maharashtra

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

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

- 1. Name** : _____

Address : _____

E-mail Id : _____

Signature : _____ or failing him
- 2. Name** : _____

Address : _____

E-mail Id : _____

Signature : _____ or failing him
- 3. Name** : _____

Address : _____

E-mail Id : _____

Signature : _____ or failing him

as my/our proxy to attend and vote (on a poll) for me / us and on my/our behalf at the Thirty Eighth Annual General Meeting of the Company, to be held on Sunday, 24th September, 2017, at 3.00 P.M. at Hotel Hi 5 Plot No P-5 Ambad, MIDC Mumbai Nashik Highway, Nashik-422010 and at any adjournment thereof in respect of such resolutions as are indicated below:

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



Sr. No.	Resolutions	For	Against	Abstain
1.	Adoption of Audited Balance Sheet as at 31 st March, 2017, the Statement of Profit and Loss and Cash Flow for the year ended on that date and the Report of the Board of Directors and the Auditors thereon.			
2.	Re-appointment of Mr. Mukesh Ashar (DIN 06929024), as a Director of the Company			
3.	Appointment of Statutory Auditors			
4.	Appointment of Ms. Chaitali Salgaonkar (DIN 07762927) as an Independent Director of the Company			
5.	Re-Appointment of Mr. Mukesh V Ashar (DIN 06929024) as Whole-Time Director			
6.	Re- Appointment of Mr.Sudarshan S Chokhani (DIN 00243355) as Managing Director of the Company			

Signed this _____ day of _____ 2017

AFFIX Re. 1
REVENUE STAMP
AND SIGN
ACROSS
THE STAMP

Signature of Shareholder

Signature of Proxy Holder(s)

Notes:

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

**Sudal Industries Limited****CIN: L21541MH1979PLC021541**

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Email: cs@sudal.co.in Website: www.sudal.co.in

ATTENDANCE SLIP**38th Annual General Meeting on Sunday, 24th September, 2017 at 3:00 P.M****Serial No. _____**

Registered Folio No./DP ID/Client ID	
No. of Shares	
Name and address of the Member(s)	
Joint Holder 1	
Joint Holder 2	

I/We hereby record my/our presence at the **Thirty Eighth Annual General Meeting** of the Company to be held on Sunday, **24th September, 2017** at 3.00 P.M. at Hotel Hi 5 Plot No P-5, MIDC Mumbai Nashik Highway, Nashik-422010

Member's/Proxy's name in Block Letters_____
Member's/Proxy's Signature

Please hand it over at the Attendance Verification Counter at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM

_____ cut here _____

Note: Please read carefully the instructions given in the Notice for voting through the e-voting platform. The voting period begins on Thursday, 21st September, 2017 at 09.00 A.M. (IST) and ends on Saturday 23rd September, 2017 at 5.00 P.M. (IST). The voting module shall be disabled by CDSL for voting thereafter.

EVSN (Electronic Voting Sequence Number)	*Default PAN
170826008	

*Only Member who have not updated their PAN with Company / Depository Participant shall use default PAN in the Pan Field.





MISSION

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

VISION

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

Quality

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

SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541



SUDAL INDUSTRIES LIMITED

CIN : L21541MH1979PLC021541

Corporate Office :

26A, Nariman Bhavan, 227 Nariman Point, Mumbai – 400 021.

Phone: +91-22-61577100/ 177/ 114 • Email: mumbai@sudal.co.in / mvashar@sudal.co.in