



**TWENTY FIFTH  
ANNUAL REPORT  
2014-2015**

**HISAR METAL INDUSTRIES LTD.**  
**CIN: L74899HR1990PLC030937**

**BOARD OF DIRECTORS**

Mr. M.P. Jindal (Chairman)  
Mr. Abhiram Tayal (Managing Director)  
Mrs. Anubha Tayal  
Mr. Shital Parshad Jain  
Mr. Sajjan Singh  
Mr. Karan Dev Tayal  
Mr. Sharat Jain  
Mr. Anuj Kumar

**COMPANY SECRETARY**

Mr. Pardeep Nandal

**CHIEF FINANCIAL OFFICER**

Mr. R.S. Bansal

**STATUTORY AUDITORS**

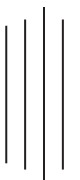
Ram Sanjay & Co.  
Chartered Accountants  
95-97, Green Square Market,  
Hisar-125 001 (Haryana)

**BANKERS**

Punjab National Bank

**REGISTERED & CORPORATE OFFICE**

Near I.D.C., Delhi Road  
Hisar-125 005  
Haryana



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**NOTICE**

**Notice** is hereby given that the twenty fifth **Annual General Meeting (AGM)** of **Hisar Metal Industries Limited** will be held on Monday, **September 28, 2015, at 11:00 A.M.** at its Registered Office at **Near Industrial Development Colony, Delhi Road, Hisar-125 005, (Haryana)**, to transact the following businesses:

**Ordinary Business:**

1. To consider and adopt the audited financial statement of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Re. 1/- per share as recommended by the Board of Directors.
3. To appoint a Director in place of Mrs. Anubha Tayal (DIN-00081391), who retires by rotation and being eligible, offers herself for re-appointment.
4. To ratify the appointment of auditors of the Company, and to fix their remuneration and to pass with or without modification(s) the following resolution as an **ordinary resolution**:

**“RESOLVED that** pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013, and the Rules made thereunder, pursuant to the recommendations of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on September 24, 2014, the appointment of M/s. Ram Sanjay & Co., Chartered Accountants (Firm Registration No. 021670N), as the Statutory Auditors of the Company to hold office till the conclusion of the twenty seventh AGM to be held in the financial year 2017-18 be and is hereby ratified and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them for the financial year ending March 31, 2016 as may be determined by the Audit Committee in consultation with the auditors.”

**Special Business:**

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

**“RESOLVED that** pursuant to the provisions of Sections 148 and in accordance with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, and other applicable provisions of the Companies Act, 2013, if any, a remuneration of Rs. 50,000 be and is hereby determined to be paid to M/s. Naveen Gupta & Co., Cost Accountants having Firm Registration no. 100920 with the Institute of Cost Accountants of India, as approved by the Board of Directors of the Company (“Board”) on recommendation of the Audit Committee of the Board to audit the cost records of the Company for the year 2015-16.”

**By the order of Board of Directors  
For Hisar Metal Industries Limited**

Sd/-

(Pardeep Nandal)

**Company Secretary**

**Date:** August 12, 2015

**Place:** Hisar

**NOTES:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy so appointed need not be a member of the Company.**
2. The instrument appointing a proxy, duly completed, shall be received not less than 48 hours before the commencement of the meeting at the registered office of the Company in order to make the proxies effective. A person appointed as proxy shall act on behalf of not more than fifty members and holding in the aggregate not more than ten percent of total share capital of the Company carrying voting rights. A member holding more than ten percent 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.

3. Corporate members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.
4. Members can inspect proxies lodged with the Company during the period from 24 hours before the meeting to the conclusion of the meeting by giving notice, in writing, at-least three days in advance.
5. Members/proxies/authorised representatives should bring the duly filled attendance slip enclosed herewith to attend the meeting.
6. The register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. Members are advised to nominate a person in respect of all the shares held by them.
9. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA/Company, for consolidation into a single folio.
10. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The statement as per Section 102(1) of the Companies Act, 2013, with respect to the special businesses in this Notice and details of Directors to be appointed/re-appointed in this meeting as required under listing agreements with Stock Exchanges are annexed herein-below.
12. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 22. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
13. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2015, to September 28, 2015, (both days inclusive) for the purpose of payment of the dividend for the financial year ended March 31, 2015, and the AGM.
14. Subject to the provisions of the Companies Act, 2013, dividend of 10% (Rs. 1/- per share) for the financial year ended on March 31, 2015, as recommended by the Board, if declared at the meeting, will be paid within 30 days from the date of declaration, to those members whose names appear on the Company's Register of Members and List of Beneficiaries as at the close of business hours on September 21, 2015.
15. All documents referred to in the Notice will be available for inspection at the Registered Office of the Company during business hours on working days up to the date of the AGM.
16. Pursuant to Section 124 of the Companies Act, 2013, any amount of dividend that remains unpaid / unclaimed for a period of seven years from the date of transfer to the Company's Unpaid Dividend Account, is required to be transferred to the Investor Education and Protection Fund of the Central Government (IEPF). The Company has transferred the amount of dividends declared up to financial years 2006-07 from time to time, to the IEPF. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 24, 2014, (date of last Annual General Meeting) on the website of the Company ([www.hisarmetal.com](http://www.hisarmetal.com)), as also on the website of the Ministry of Corporate Affairs. Members are requested to write to the Company Secretary to claim unpaid dividend.
17. Members holding shares in dematerialized form are requested to update the details pertaining to their shareholding such as change of address/name, bank details, ECS mandate, nominations, power of attorney etc. with their Depository Participants. However the members who hold shares in physical form may write to

the Company Secretary or RTA at M/s. Skyline Financial Services Pvt. Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020, Tel.: +91 (11) 64732681 to 88, Fax: +91 (11) 26812682, Email: admin@skylinerta.com

18. Members holding shares in physical form are requested to dematerialize their shares for their own convenience.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Registrar and Share Transfer Agent or the Company.
20. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.
21. The Notice of the AGM alongwith the Annual Report 2014-15 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
22. Instructions and other information relating to remote e-voting are as under:
  - I. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Management and Administration) Rules, 2014, as amended and Clause 35B of the listing agreement, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
  - II. The facility for voting through ballot paper system shall also be made available at the venue of the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through above voting system.
  - III. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
  - IV. The Company has engaged the services of National Securities Depository Limited ("NSDL") as the Agency to provide e-voting facility.
  - V. The Board of Directors has appointed Mr. Yashlok Dubey, Company Secretary (ACS-39066), as Scrutinizer to scrutinise the remote e-voting and voting through ballot paper at the meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
  - VI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. September 22, 2015, only shall be entitled to avail the facility of remote e-voting or voting by ballot paper at the meeting.
  - VII. You can also update your mobile number and e-mail addresses in the user profile details of the folio which may be used for sending future communication(s).
  - VIII. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 22, 2015.
  - IX. Any person, who become a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. September 22, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA.

- X. The remote e-voting period commences on September 24, 2015, (9:00 am) and ends on September 27, 2015, (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 22, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.
- XI. The Scrutinizer, after scrutinising the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.hisarmetal.com](http://www.hisarmetal.com) and on the website of NSDL <https://evoting.nsdl.com>. The results shall simultaneously be communicated to the Stock Exchanges.
- XII. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, i.e. September 28, 2015.
- XIII. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and remote e-voting user manual for shareholders available at the download section of <https://www.evoting.nsdl.com> or call on toll free No. : 1800-222-990.
- XIV. The process and manner for remote e-voting are as under:
- A. In case a member receives an email from NSDL [for members whose email addresses are registered with the Company/Depository Participants(s)] :
- (i) Open PDF file attached with the e-mail. The said PDF file contains your user ID and password for remote e-voting. Please note that the password is an initial password.
  - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
  - (iii) Click on Shareholder – Login
  - (iv) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990
  - (v) If you are logging in for the first time, please enter the user ID and password provided through e-mail (as per Sr. No. (i) as mentioned in A above) or in physical form (as per Sr. No. (i) as mentioned in B below), as the case may be. Click Login.
  - (vi) The password change menu appears on your screen. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vii) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (viii) Select "EVEN" (E-Voting Event Number) of "Hisar Metal Industries Limited". Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained. The members can login any number of times during the voting period, till they have voted on all the resolutions.
  - (xii) Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.



(xiii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the relevant Board Resolution/ Power of Attorney/ Authority letter etc. together with attested specimen signature(s) of the duly authorized representative(s), who are authorized to vote, to the Scrutinizer through e-mail at yashastilo@gmail.com with a copy marked to evoting@nsdl.co.in

B. In case a member receives physical copy of the Notice by Post [for members whose email addresses are not registered with the Company/Depository Participants(s) or requesting physical copy] :

(i) User ID and initial password – These will be sent separately.

(ii) Please follow all steps from Sr. No. (ii) to Sl. No. (xiii) as mentioned in (A) above, to cast your vote.

**Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 and information under Clause 49 of the listing agreements with the Stock Exchanges about Directors seeking appointment / re-appointment**

**Item: 3**

Mrs. Anubha Tayal, aged about 58 years is a Graduate. She has more than 25 years experience as Industrialist and was inducted into the Board of Directors of the Company on June 24, 1992.

Although she is a Non-Executive Director of the Company but leveraging her vast experience and interest in cold rolling mills, provides her guidance on various matters of the Company from time to time.

Mrs. Anubha Tayal does not hold Directorship and/or membership of committees in any other Company. She is member of two committees namely Audit Committee and Stakeholders Relationship Committee but does not chair any committees of the Company. Further she is a shareholder of the Company and holds 476100 shares of the Company.

Nature of expertise in specific functional area: Operational Management and Finance

Except the following Directors none of the Directors/Key Managerial Personal of the Company/their relatives are, in any way, concerned or interested in this resolution:

Sr. No.	Name	Description	Relation
1.	Mr. Abhiram Tayal	Managing Director	Husband
2.	Mr. Karan Dev Tayal	Non-Executive Director	Son

The Board of Directors considers that in view of the background, experience and contribution to the Company of Mrs. Anubha Tayal, it would be in the interest of the Company to re-appoint her as a Director of the Company and recommends to the shareholders this resolution.

**Item: 5**

The Board of Directors (Board) in its meeting held on May 30, 2015, has appointed M/s. Naveen Gupta & Co., Cost Accountants, having Firm Registration no. 100920 with the Institute of Cost Accountants of India, as the Cost Auditors of the Company to audit the cost records of the Company for the financial year 2015-16, at a remuneration of Rs. 50,000. The appointment and remuneration was made on the recommendation of Audit Committee of the Board. As per the provisions of the Companies Act, 2013, the remuneration of Cost Auditor shall be ratified by the shareholders of the Company.

Accordingly, consent of the shareholders is being sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2015-16.

The Board recommends this resolution for approval of the Shareholders.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested in the proposed resolution.

**By the order of Board of Directors  
For Hisar Metal Industries Limited**

**Date:** August 12, 2015

**Place:** Hisar

Sd/-  
(Pardeep Nandal)  
**Company Secretary**



**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present 25<sup>th</sup> Annual Report and the Company's audited financial statement for the financial year ended March 31, 2015.

**FINANCIAL RESULTS**

The Company's financial performance for the year ended March 31, 2015 is summarized below:

	<b>2014-15</b>	<b>2013-14</b>
Sales/Others receipts	<b>22395.42</b>	<b>21166.55</b>
Profit before depreciation and Taxation	<b>356.06</b>	<b>434.12</b>
Less: depreciation	<b>150.69</b>	<b>264.45</b>
Profit after depreciation	<b>205.37</b>	<b>169.67</b>
Less: Provision for Taxation		
Current Year	<b>73.09</b>	<b>89.71</b>
Deferred Tax	<b>(5.73)</b>	<b>(34.70)</b>
Previous Year Tax	<b>5.15</b>	<b>(8.71)</b>
Profit after Taxation	<b>132.86</b>	<b>123.37</b>
Add: Profit brought forward	<b>378.54</b>	<b>297.29</b>
Profit available for appropriation	<b>511.40</b>	<b>420.66</b>
Dividend & Tax on dividend	<b>43.53</b>	<b>42.12</b>
Surplus carried to Balance Sheet	<b>467.87</b>	<b>378.54</b>

\*Amounts are in lacs.

**COMPANY'S BUSINESS GROWTH AND PROSPECTS**

The total income from operations (net of excise) for the current year has been increased to 22395.42 lacs from 21166.55 lacs in the previous year. Moreover the Profits after tax have shown a growth from 123.36 lacs to 132.86 lacs this year.

**DIVIDEND**

Your Directors have recommended a dividend of 10% on share of face value of Rs. 10 each i.e. Re. 1/- per share for the financial year ended on March 31, 2015.

**TRANSFER TO RESERVES**

Your Directors have not recommended any amount to transfer to general reserve.

**FIXED DEPOSITS**

Your Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rule, 2014. Company has repaid all deposit accepted as per the Companies Act, 1956, and rule prescribed thereunder with compliance of the Companies Act, 2013, and the rule prescribed thereunder with interest thereof by March, 31, 2015.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013.

The details of the investments made by the Company are given in the notes to the financial statements.

**CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [http://www.hisarmetal.com/index.php?option=com\\_content&view=article&id=1&Itemid=102](http://www.hisarmetal.com/index.php?option=com_content&view=article&id=1&Itemid=102)

Your Directors draw attention of the members to Note 27 to the financial statement which sets out related party disclosures.

**INTERNAL FINANCIAL CONTROL**

Your Company has adequate internal control systems commensurate with its size and operations, although not documented. The Company regularly gets its accounts audited from internal auditor.

**VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing agreement, includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower to the Manager/Supervisor or to the Chairman of the Audit Committee. The Policy on vigil mechanism/whistle blower policy may be accessed on the Company's website at the link: [http://www.hisarmetal.com/index.php?option=com\\_content&view=article&id=12&Itemid=115](http://www.hisarmetal.com/index.php?option=com_content&view=article&id=12&Itemid=115)

**RISK MANAGEMENT POLICY**

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in:

- a) Oversee and implementing the Company's risk management and internal control systems; and
- b) Overseeing that all the risks that the organization faces such as strategic, financial, operational, regulatory and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks. A Risk Management Policy was reviewed and approved by the Board on recommendation of the Committee.

**TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, are provided in **Annexure A** to this Report.

**ADD NEW PRODUCT RANGE AND START NEW PLANT**

The Board of Directors of the Company in its meeting held on May 30, 2015, have decided to add new product range to manufacture and sell stainless steel circle, tube & pipes at the existing plant and also decided to start new business of stainless steel tubes & pipes at its new plant in Hisar.

**DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with Section 134 (5) of Companies Act, 2013, the Board of Directors confirms that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors have taken proper and sufficient care 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;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Act and the Articles of Association of the Company, Mrs. Anubha Tayal, Director of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

During the year under review, the members approved the appointments of Mr. Karan Dev Tayal as a Non-Executive Non-Independent Director who is liable to retire by rotation and of Mr. Shital Parshad Jain, Mr. Shart Jain, Mr. Sajjan Singh, Mr. Anuj Kumar and Mr. Krishan Kumar Jain as Independent Directors who are not liable to retire by rotation. The members have also re-appointed Mr. Abhiram Tayal as the Managing Director.

Mr. Radhey Shyam Bansal, G.M. Finance was re-designated as Chief Financial Officer of the Company, by the Board of Directors in its meeting held on August 12, 2014, with effect from August 12, 2014.

Mr. Abhishek Kapoor, the Company Secretary of the Company was resigned with effect from November 19, 2014, and Mr. Pardeep Nandal was appointed as the Company Secretary of the Company, by the Board of Directors with effect from January 02, 2015, in its meeting held on January 2, 2015.

During the year under review, due to personal reasons Mr. Ganesh Dutt and Mr. Krishan Kumar Jain, Independent Directors of the Company, have resigned from the Company. The Board placed on record its appreciation for the valuable services rendered by Mr. Ganesh Dutt and Mr. Krishan Kumar Jain during their tenure with the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Clause 49 of the listing agreement with the Stock Exchanges. None of the Independent Directors are due for re-appointment.

The Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the Non-Executive Directors and Executive Directors. The evaluation of all the Directors and the Board as whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the Corporate Governance Report section in this Annual Report.

The policy of the Company on Directors' appointment and remuneration, adopted by the Board, is appended as **Annexure-B** to the Boards' report.

## AUDIT COMMITTEE

The Audit Committee consists of three Directors, out of which two are the Independent Directors, namely Mr. Shital Parshad Jain (Chairman), Mr. Sajjan Singh and Mrs. Anubha Tayal as other members. All the recommendations made by the Audit Committee were accepted by the Board.

## MEETINGS OF THE BOARD

Five meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance in this Annual Report.

## STATUTORY AUDITORS

At the AGM held on September 24, 2014, M/s. Ram Sanjay & Company, Chartered Accountants, were appointed as Statutory Auditor of the Company to hold office till the conclusion of the twenty seventh AGM to be held in the financial year 2017-18. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every AGM. Accordingly, the appointment of M/s. Ram Sanjay & Company, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regards, the Company has received a certificate from the Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors' Report does not contain any qualification, reservation or adverse remark.

## SECRETARIAL AUDITORS

M/s. Rajesh Garg & Company, Practicing Company Secretary, was appointed by the Board as Secretarial Auditor, to conduct the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report for financial year 2014-15 forms part of the Annual Report as **Annexure-C** to the Board's report. The Secretarial Audit Report contains a observation with regards to appointment of one more Independent Director on its Board, to comply with the provisions of Clause 49 (II)(A)(2) of the listing agreement. However, after resignation of Mr. Rahul Dev Tayal, the Non-Executive Non Independent Director, w.e.f. April 27, 2015, the Company has duly complied with the provisions of Clause 49 (II)(A)(2) of the listing agreement, so there is no need to further appoint one more Independent Director on its Board.

The Board has appointed M/s. Rajesh Garg & Company, Practicing Company Secretary, as Secretarial Auditor of the Company for the financial year 2015-16.

## COST AUDITORS

The Board has appointed M/s. Naveen Gupta & Company, Cost Accountants having Firm Registration no. 100920 with the Institute of Cost Accountants of India, as Cost Auditor of the Company for conducting Cost Audit of the Company for the financial year 2015-16.

## EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure D** to this Report.

## PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There was no such employee of the Company who is covered under provisions of Section 197(12) of the Companies Act, 2013, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure E** to this Report.

**CORPORATE GOVERNANCE**

Your Company has complied with all the provisions of Clause 49 of the listing agreements with the Stock Exchanges. A separate report on Corporate Governance along-with Auditors' certificate in this regard forms part of the Annual Report as **Annexure F** to the Board's report.

**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the listing agreement with the Stock Exchanges in India, is presented in a separate section forms part of the Annual Report as **Annexure G** to the Board's report.

**COMPLIANCE OF GUIDELINES OF SEBI/STOCK EXCHANGE**

We have duly complied with all the guidelines issued by SEBI/Stock Exchange.

**MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT**

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

**INDUSTRIAL RELATIONS**

Industrial relations continued to be cordial during the year under review.

**GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. The Company has not constituted Employees' Stock Option Scheme (ESOS) and not issue any share to its employees under the said Scheme or any other scheme (including sweat equity shares) during the financial year.
3. Company has not any subsidiary Company. Neither the Managing Director nor the Whole-time Director of the Company receive any remuneration or commission from any of its subsidiaries.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. The Company does not require to constitute Corporate Social Responsibility and Governance Committee, hence no CSR Committee was constituted during the financial year.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT**

The Board of Directors thank and deeply acknowledge the co-operation, assistance and support provided by all the stakeholders viz., workers, shareholders, bankers, customers, dealers, vendors, Government and Regulatory agencies.

**Date:** August 12, 2015

**Place:** Hisar

**For and on behalf of the Board of Directors**

Sd/-  
(M.P.Jindal)  
**Chairman**

**ANNEXURE A****Pursuant to Companies (Accounts) Rules, 2014****A). CONSERVATION OF ENERGY**

The following measures are employed by the Company for conservation of energy:-

a) The steps taken on conservation of energy:

1. Installation of LED lights to reduce power consumptions.
2. To optimise the combustion of annealing furnaces, the atmospheric air is pre-heated by flue gases at 220°C to reduce fuel consumption.
3. Using the Operating pumps near the best efficiency point for saving energy.
4. By maintaining power factor near to 1.00 to save energy.
5. Installation of variable frequency drive at bright annealing lines and slitting machines resulted energy cost saving and significant reduction in DC motor maintenance cost.
6. Timer provided for auto controlling of area and plant lighting.
7. Installed 2x25KW frequency drive in place of DOL starters at rolling mills screw down for proper utilisation of screw speed, resulting saving of energy consumption.
8. Power purchases through IEX.
9. At plant area used roof extractors instead of exhaust fans for air circulation saving electrical energy.

b) The steps taken by the Company for utilising alternate sources of energy:

1. Asbester sheets replaced with the polycarbonate transparent sheets at different intervals in order to achieve better illumination during day time and hence significant reduction in power consumption by switching off shed lights during day time at the plant.
2. Carbon Black Feed Stock (CBFS) used in furnace as fuel against Light Diesel Oil (LDO) to reduce the cost of fuel.

c) The capital investment on energy conservation equipments:

1. Day light linked control system to be installed on the street lights to shut off the streetlights automatically.
2. Installing localised capacitor can increase the Power Factor of the motors & improve the voltage profile of the LT distribution & decrease the distribution losses in the cable networks.
3. More LED lights will be installed in different areas of plant to reduce power consumption.

**B). TECHNOLOGY ABSORPTION**

The Company has made the below mentioned efforts for the technology absorption in an effective manner:

1. Efforts in brief, made towards technology absorption and innovation : NIL
2. Benefits derived as a result of the above efforts e.g. product improvement, cost reduction, product development, import substitution etc. : NIL
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year) following information may be furnished

a) Technology imported : Not Applicable

b) Year of import : Not Applicable



- c) Has technology fully absorbed : NIL
- d) If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action : Not Applicable
4. Expenditure on Research and development : NIL

### C). FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	For the year ended on March 31, 2015	For the year ended on March 31, 2014
Earnings	3,00,89,762	2,73,04,865
Outgo	4,80,25,852	92,01,720

## ANNEXURE B

### Nomination and Remuneration Policy

#### Introduction:

The Company considers human resources as its invaluable assets. This policy on nomination and remuneration of Directors, Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provision of the Companies Act, 2013, and the Listing agreement to pay equitable remuneration to the Directors, KMPs and other employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

#### Constitution of the Nomination and Remuneration Committee:

The Board has constituted the Nomination and Remuneration Committee of the Board as per the requirements under the Companies Act, 2013, ('the Act'). The Board has authority to reconstitute this Committee from time to time.

#### Meaning of the terms used in this Policy:

- "Board"** means the Board of Directors of the Company.
- "Directors"** means the Directors of the Company.
- "The Committee"** means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the Act and applicable listing agreements and/or regulations.
- "The Company"** means Hisar Metal Industries Limited.
- "Independent Director"** means a Director referred to in Section 149(6) of the Companies Act, 2013, and rules.
- "Key Managerial Personnel" (KMP)** means key managerial personnel as defined under Section 2(51) of the Companies Act, 2013, and rules.
- "Senior Management"** means the personnel of the Company who are members of its core management team excluding Board comprising all members of management one level below the Executive Directors, including the functional heads.

Terms that have not been defined in this policy shall have the same meaning assigned to them in the Companies Act, 2013, listing agreement and/or any other SEBI regulation(s) as amended from time to time.



**Objectives and purpose of the policy:**

The objectives and purpose of this policy are:

- a) To formulate the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a Director (Executive/Non-Executive), senior management personnel and recommend to the Board policies relating to the remuneration of the Directors, KMPs and other employees.
- b) To formulate the criteria for evaluation of performance of all the Directors, as well as KMPs and senior management.
- c) To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- d) To retain, motivate and promote talent and to ensure long term sustainability of talented persons and create competitive advantage.

**Policy:**

This policy is divided into three parts:

Part-A covers the matters to be dealt with and recommended by the Committee to the Board;

Part-B covers the appointment and nomination; and

Part-C covers remuneration and perquisites etc.

This policy shall be included in the Report of the Board of Directors.

**Part –A****Matters to be dealt with, perused and recommended to the Board by the Committee:**

The following matters shall be dealt with by the Committee:

**Size and composition of the Board:**

The Committee periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a verity of perspectives and skill, in the best interests of the Company as a whole.

**Directors:**

Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regards to the range of skills, experience and expertise, on the Board.

**Succession plans:**

Establishing and reviewing Board and senior executive succession plans to ensure and maintain an appropriate balance of skill, experience and expertise on the Board and senior management.

**Evaluation of performance:**

Make recommendations to the Board on appropriate performance criteria for the Directors.

Formulate the criteria and framework for evaluation of performance of every Director on the Board of the Company.

Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.

**Remuneration framework and policies:**

The Committee is responsible for reviewing and making recommendations to the Board on:

- a) the remuneration of the Managing Director, Whole-Time Directors and KMPs;
- b) the total level of remuneration of Non-Executive Directors and for individual remuneration for Non-Executive Directors and the Chairman, including any additional fees payable for membership of Board Committees;
- c) the remuneration policies for all employees including KMPs, senior management and other employees including basic pay, incentive payments, equity awards, retirement rights and service contracts, having regards to the need to:
  - (i) attract and motivate talent to pursue the Company's long-term growth;
  - (ii) demonstrate a clear relationship between executive compensation and performance; and
  - (iii) be reasonable and fair, having regards to the best governance practices and legal requirements.
- d) the Company's superannuation arrangements and compliance with relevant laws and regulations in relation to superannuation arrangements; and
- e) the Company's equity-based incentive schemes, including a consideration of performance thresholds and regulatory and market requirements.

**Part –B****Policy for appointment and removal of Directors, KMPs and senior management:****Appointment criteria and qualifications:**

The criteria for the appointment of Directors, KMPs and senior management are as follow:

- ◆ The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his/her appointment.
- ◆ A person to be appointed as Director, KMP or in senior management should possess adequate qualification, expertise and experience for the position he/she is considered for appointment to. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the concerned position.
- ◆ A whole time KMP of the Company shall not hold office in more than one Company except in its subsidiary Company at the same. However, a whole-time KMP can be appointed as a Director in any Company, with the permission of the Board of the Company.

**Term/Tenure:****Managing Director/ Whole-Time Director:**

The Company shall appoint or re-appoint any person as its Managing Director or Whole-Time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of the term.

**Independent Director:**

An Independent Director shall hold office for a term of up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of three years of ceasing to become an Independent Director provided that he/she shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of an Independent Director, it should be ensured that the number of Boards on which such Independent Director serves is restricted to seven listed Companies as an Independent Director and three listed Companies as an Independent Director in case such person is serving as a Whole-Time (Executive) Director of a listed Company.

**Removal:**

Due to any of the reasons for disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend to the Board with reasons recorded in writing the removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement:**

The Whole-Time Director, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013, and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-Time Director, KMP and senior management personnel in the same position/ remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

**PART-C****Policy relating to the remuneration of Director, KMPs and other employees:****General:**

- a) The remuneration/compensation/commission to Directors will be determined by the Committee and recommended to the Board for approval.
- b) The remuneration and commission to be paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- c) Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the shareholders in the case of Managing Director.
- d) Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration of KMPs and other employees:**

KMPs and other employees receive basic salary and other perquisites. The perquisites include other allowances. The total salary includes fixed and variable components.

The Company's policy is that the total fixed salary should be fair and reasonable after taking into account the following factors:

- ◆ The scope of duties, the role and nature of responsibilities;
- ◆ The level of skill, knowledge and experience of individual;
- ◆ Core performance requirements and expectations of individuals;

- ◆ The Company's performance and strategy;
- ◆ Legal and industrial obligations.

The table below depicts the standard components of remuneration package:

Fixed Component		
Basic Salary	Allowances	Superannuation

#### Remuneration to Non-Executive / Independent Directors:

##### 1. Remuneration:

The remuneration payable to each Non-Executive Director is based on the remuneration structure as determined by the Board, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013, and the rules made thereunder.

##### 2. Stock option:

Independent Directors shall not be entitled to any stock option of the Company.

#### Policy review:

This policy is framed based on the provisions of the Companies Act, 2013, and rules thereunder and requirements of Clause 49 of the listing agreement with the Stock Exchanges.

In case of any subsequent changes in the provisions of the Companies Act, 2013, or any other regulation which makes any of the provisions in the policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the policy.

## ANNEXURE C

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
The Members  
Hisar Metal Industries limited  
Near I. D. C., Delhi Road,  
Hisar-125005 (Haryana)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hisar Metal Industries limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31 March 2015, ('Audit Period') 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2015, according to the provisions of:

- (i) The Companies Act, 2013, (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996, and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992, ('SEBI Act'):
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, notified on 28 October 2014; **(Not applicable to the Company during the Audit Period)**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit Period)**;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.
- (vi) **OTHER APPLICABLE ACTS;**
  - a. Factories Act, 1948;
  - b. Industrial Disputes Act, 1947;
  - c. Payment Of Wages Act, 1936;
  - d. The Minimum Wages Act, 1948;
  - e. Employees' State Insurance Act, 1948;
  - f. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952;
  - g. The Payment of Bonus Act, 1965;
  - h. The Industrial Employment (Standing Orders) Act, 1946;
  - i. Payment of Gratuity Act, 1972;
  - j. The Workmen's Compensation Act, 1923;
  - k. Air (Prevention & Control of Pollution) Act, 1981;
  - l. Water (Prevention & Control of Pollution) Act, 1974;
  - m. Hazardous Waste (Management & Handling) Rules, 1989;

- n. Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- o. Environment (Protection) Act, 1986;

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not applicable to the Company during the Audit Period)**.
- (ii) The listing agreements entered into by the Company with Stock Exchanges. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

1. As per proviso of Clause 49 (II)(A)(2) of the listing agreement, at least one-half of the Board of the Company shall consist Independent Directors. After resignation of Mr. Krishan Kumar Jain, an Independent Director, w.e.f. March 02, 2015, Company has to appoint one more Independent Director on its Board.

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I 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.

**I further report that** during the audit period, the Company has complied with the provisions of the section 180 of the Companies Act, 2013, and rules prescribed thereunder.

**Place:** Hisar  
**Date:** August 12, 2015

For Rajesh Garg and Co.  
Company Secretaries  
Sd/-  
**(Rajesh Garg)**  
**C.P.No.4093**

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on March 31, 2015**

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

**I. REGISTRATION AND OTHER DETAILS:**

i)	CIN	L74899HR1990PLC030937
ii)	Registration Date	14-05-1990
ii)	Name of the Company	HISAR METAL INDUSTRIES LIMITED
iv)	Category / Sub-Category of the Company	Company limited by shares/Indian Non-Government Company
v)	Address of the Registered office and contact details	Hisar Metal Industries Limited Near I.D.C., Delhi Road, Hisar – 125 005 Tel.: +91 (1662) 220067/ 220367/220738 Fax: +91 (11) 43851119 E-mail: investor@hisarmetal.com Website: www.hisarmetal.com
vi)	Whether listed Company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Pvt. Ltd. D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110 020 Tel.:+91 (11) 26812682, 83, 64732681 to 88 Fax: +91 (11) 26812682 Email:admin@skylinerta.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1	Cold Rolled Stainless Steel Strips	241- Manufacture of basic iron and steel	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
	Not Applicable*				

\* Company does not have any Holding/Subsidiary/Associate Company as on 31-03-2015.



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category-wise Share Holding

[illegible]

<b>2.Non-institutions</b>									
a) Bodies Corp.									
i) Indian	107201	-	107201	2.98	212866	-	212866	5.91	2.93
ii) overseas									
b) Individuals									
i).Individual shareholders holding nominal share capital up to Rs. 1 lakh.	450896	220515	671411	18.65	471638	204115	675753	18.77	0.12
ii).Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	597915	194300	792215	22.01	479525	206400	685925	19.05	-2.96
C)Other (specify)									
(C-i) NRIs	3648	-	3648	0.10	3628	-	3628	0.10	-0.00
(C-ii) HUF	103455	1700	105155	2.92	99758	1700	101458	2.82	-0.10
<b>Sub-Total(B)(2)</b>	1263115	416515	1679630	46.66	1267415	412215	1679630	46.66	NIL
Total Public Shareholding (B)=(B)(1)+(B)(2)	1263115	416515	1679630	46.66	1267415	412215	1679630	46.66	NIL
C. Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
<b>GRAND TOTAL (A)+(B)+(C)</b>	3183485	416515	3600000	100.00	3187785	412215	3600000	100.00	NIL

**(ii) Shareholding of Promoters**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01-04-2014)			Share holding at the end of the year (As on 31-03-2015)			% change in share holding during the year
		No. of Shares	% of total Shares of the Comp any	% of Shares Pledged /encum bered to total shares	No. of Shares	% of total Shares of the Comp any	% of Shares Pledged /encum bered to total shares	
1	Gayatri Devi Kokra	1700	0.05	0.00	1700	0.05	0.00	NIL
2	Ravinder Kumar Jindal & Sons HUF	18000	0.50	0.00	18000	0.50	0.00	NIL
3	Rahul Dev Tayal	78150	2.17	0.00	78150	2.17	0.00	NIL
4	Narender Kumar Jindal & Sons HUF	42000	1.17	0.00	42000	1.17	0.00	NIL
5	Pushpa Jindal	66100	1.83	0.00	66100	1.83	0.00	NIL

6	Narender Kumar Jindal	68000	1.89	0.00	68000	1.89	0.00	NIL
7	Mahabir Prasad Jindal	107000	2.97	0.00	107000	2.97	0.00	NIL
8	Ravinder Kumar Jindal	106200	2.95	0.00	106200	2.95	0.00	NIL
9	Pankaj Jindal	174500	4.85	0.00	174500	4.85	0.00	NIL
10	Kanika Tayal	75600	2.10	0.00	75600	2.10	0.00	NIL
11	Mahabir Prasad Jindal & Sons HUF	77800	2.16	0.00	77800	2.16	0.00	NIL
12	Abhiram Tayal	235420	6.54	0.00	235420	6.54	0.00	NIL
13	Anubha Tayal	476100	13.22	0.00	476100	13.22	0.00	NIL
14	Ravindra Tubes Limited	9400	0.26	0.00	9400	0.26	0.00	NIL
15	Jindal Metal Limited	40000	1.11	0.00	40000	1.11	0.00	NIL
16	Neeraj Jindal Ispat Udyog Limited	166000	4.61	0.00	166000	4.61	0.00	NIL
17	Amtrex Trading Company Private Limited	178400	4.96	0.00	178400	4.96	0.00	NIL
<b>Total</b>		<b>1920370</b>	<b>53.34</b>	<b>0.00</b>	<b>1920370</b>	<b>53.34</b>	<b>0.00</b>	<b>NIL</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.	Name	Shareholding		Date	Increase / decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning/ end of the year	% of total shares of the Company				No. of shares	% of total shares of the company
	Nil movement during the year							

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name	Shareholding		Date	Increase/decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning/end of the year	% of total shares of the Company				No. of shares	% of total shares of the company
1.	Shri Parasram Holding Pvt. Ltd.	26586	0.74	01/04/2014				
				23/05/2014	-1000	Transfer	25586	0.71
				30/05/2014	8123	Transfer	33709	0.94
				06/06/2014	10000	Transfer	43709	1.21

				13/06/2014	3526	Transfer	47235	1.31
				30/06/2014	-200	Transfer	47035	1.31
				11/07/2014	2176	Transfer	49211	1.37
				18/07/2014	942	Transfer	50153	1.39
				08/08/2014	17901	Transfer	68054	1.89
				15/08/2014	1000	Transfer	69054	1.92
				22/08/2014	2050	Transfer	71104	1.98
				29/08/2014	6899	Transfer	78003	2.17
				05/09/2014	12182	Transfer	90185	2.51
				12/09/2014	-86298	Transfer	3887	0.11
				30/09/2014	2400	Transfer	6287	0.17
				03/10/2014	37276	Transfer	43563	1.21
				10/10/2014	-2587	Transfer	40976	1.14
				14/11/2014	-875	Transfer	40101	1.11
				21/11/2014	-34014	Transfer	6087	0.17
				28/11/2014	29682	Transfer	35769	0.99
				05/12/2014	-100	Transfer	35669	0.99
				12/12/2014	-200	Transfer	35469	0.99
				31/12/2014	610	Transfer	36079	1.00
				02/01/2015	4950	Transfer	41029	1.14
				23/01/2015	-1	Transfer	41028	1.14
				06/02/2015	59860	Transfer	100888	2.80
				06/03/2015	-26	Transfer	100862	2.80
		100847	2.80	31/03/2015	-15	Transfer	100847	2.80
2.	Keshav Jindal	91300	2.54	01/04/2014	0	Nil movement during the year		
		91300	2.54	31/03/2015			91300	2.54
3.	Yashasvi Jindal	71800	1.99	01/04/2014	0	Nil movement during the year		
		71800	1.99	31/03/2015			71800	1.99
4.	Aditya Jain	35000	0.97	01/04/2014	0	Nil movement during the year		
		35000	0.97	31/03/2015			35000	0.97
5.	Vivek Lamba	31794	0.88	01/04/2014				
				23/05/2014	2050	Transfer	33844	0.94
				30/05/2014	3990	Transfer	37834	1.05
				06/06/2014	4024	Transfer	41858	1.16
				13/06/2014	-2473	Transfer	39385	1.09
				20/06/2014	6760	Transfer	46145	1.28
				30/06/2014	549	Transfer	46694	1.30
				04/07/2014	525	Transfer	47219	1.31
				11/07/2014	2445	Transfer	49664	1.38
				18/07/2014	-8402	Transfer	41262	1.15
				25/07/2014	283	Transfer	41545	1.15
				01/08/2014	6152	Transfer	47697	1.32
				08/08/2014	5398	Transfer	53095	1.47

				15/08/2014	3089	Transfer	56184	1.56
				22/08/2014	-747	Transfer	55437	1.54
				29/08/2014	1495	Transfer	56932	1.58
				05/09/2014	-300	Transfer	56632	1.57
				12/09/2014	1235	Transfer	57867	1.61
				19/09/2014	-30389	Transfer	27478	0.76
				30/09/2014	-26039	Transfer	1439	0.04
				03/10/2014	-275	Transfer	1164	0.03
				10/10/2014	-1061	Transfer	103	0.00
				17/10/2014	6790	Transfer	6893	0.19
				24/10/2014	-773	Transfer	6120	0.17
				31/10/2014	-215	Transfer	5905	0.16
				07/11/2014	-1530	Transfer	4375	0.12
				14/11/2014	-3085	Transfer	1290	0.04
				21/11/2014	-1290	Transfer	0	0.00
				28/11/2014	5	Transfer	5	0.00
				05/12/2014	1162	Transfer	1167	0.03
				12/12/2014	1601	Transfer	2768	0.08
				19/12/2014	8320	Transfer	11088	0.31
				31/12/2014	2027	Transfer	13115	0.36
				02/01/2015	1550	Transfer	14665	0.41
				09/01/2015	-4641	Transfer	10024	0.28
				16/01/2015	-1111	Transfer	8913	0.25
				23/01/2015	2278	Transfer	11191	0.31
				30/01/2015	5614	Transfer	16805	0.47
				06/02/2015	9116	Transfer	25921	0.72
				13/02/2015	4414	Transfer	30335	0.84
				20/02/2015	370	Transfer	30705	0.85
				27/02/2015	2037	Transfer	32742	0.91
				06/03/2015	99	Transfer	32841	0.91
				13/03/2015	1446	Transfer	34287	0.95
				20/03/2015	397	Transfer	34684	0.96
				27/03/2015	-123	Transfer	34561	0.96
		34686	0.96	31/03/2015	125	Transfer	34686	0.96
6.	Amit Jain	0	0.00	01/04/2014				
				29/08/2014	57437	Transfer	57437	1.60
				21/11/2014	-1500	Transfer	55937	1.55
				06/02/2015	-21954	Transfer	33983	0.94
		33983	0.94	31/03/2015			33983	0.94
7.	Deepa Bansal	33782	0.94	01/04/2014	0	Nil movement during the year		
		33782	0.94	31/03/2015			33782	0.94
8.	Shree Harivansh Sec. Pvt. Ltd.	10279	0.29	01/04/2014				
				09/05/2014	250	Transfer	10529	0.29
				16/05/2014	250	Transfer	10779	0.30
				06/06/2014	-450	Transfer	10329	0.29

				13/06/2014	-225	Transfer	10104	0.28
				08/08/2014	-225	Transfer	9879	0.27
				15/08/2014	-50	Transfer	9829	0.27
				29/08/2014	-425	Transfer	9404	0.26
				10/10/2014	1247	Transfer	10651	0.30
				17/10/2014	1350	Transfer	12001	0.33
				24/10/2014	15	Transfer	12016	0.33
				31/10/2014	570	Transfer	12586	0.35
				07/11/2014	1266	Transfer	13852	0.38
				14/11/2014	18000	Transfer	31852	0.88
		31852	0.88	31/03/2015			31852	0.88
9.	Krishan Kumar Jain	30800	0.86	01/04/2014	0	Nil movement during the year		
		30800	0.86	31/03/2015			30800	0.86
10.	Mahender Kumar Goyal	24300	0.68	01/04/2014	0	Nil movement during the year		
		24300	0.68	31/03/2015			24300	0.68

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Name	Shareholding		Date	Increase / decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-2014 to 31-03-2015)	
		No. of shares at the beginning/end of the year	% of total shares of the Company				No. of shares	% of total shares of the company
<b>A</b>	<b>Directors:</b>							
1	M. P. Jindal Non-Executive Chairman #	107000	2.97	01-04-2014	0	Nil movement during the year		
		107000	2.97	31-03-2015			107000	2.97
2	Abhiram Tayal Managing Director	235420	6.54	01-04-2014	0	Nil movement during the year		
		235420	6.54	31-03-2015			235420	6.54
3	Anubha Tayal Non-Executive Director	476100	13.22	01-04-2014	0	Nil movement during the year		
		476100	13.22	31-03-2015			476100	13.22
4	Rahul Dev Tayal Non-Executive Director	78150	2.17	01-04-2014	0	Nil movement during the year		
		78150	2.17	31-03-2015			78150	2.17
5	Karan Dev Tayal Non-Executive Director	0	0.00	01-04-2014	0	Nil Holding/ movement during the year		
		0	0.00	31-03-2015			0	0.00

6	Shital Parshad Jain Non-Executive Director	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
7	Sajjan Singh Non-Executive Director	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
8	Sharat Jain Non-Executive Director	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
9	Anuj Kumar Non-Executive Director	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
10	Ganesh Dutt Non-Executive Director(Ceased to be a Director on 29-05-2014)	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
11	Krishan Kumar Jain Non-Executive Director (Appointed as a Director on 12-08-2014) & (Ceased to be a Director on 02-03-2015)	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
B	Key Managerial Personnel (KMP's)							
1	Chief Financial Officer R.S.Bansal #	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
2	Company Secretary Pardeep Nandal (Appointed w.e.f. 02-01-2015)	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00
3	Company Secretary Abhishek Kapoor (Resigned w.e.f. 19-11-2014)	0	0.00	01-04-2014	0	Nil Holding/ move- ment during the year		
		0	0.00	31-03-2015			0	0.00

# Mr. M.P. Jindal, also holds 77,800 shares in the Company through Mahabir Prasad Jindal & Sons HUF.

# Mr. R.S. Bansal, holds 2,500 shares in the Company through Radhey Shyam & Sons HUF.



**V. INDEBTEDNESS**

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

(Rs. in lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4339.11	824.67	174.95	5338.73
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>4339.11</b>	<b>824.67</b>	<b>174.95</b>	<b>5338.73</b>
<b>Change in Indebtedness during the financial year</b>				
● Addition	1900.86			1900.86
● Reduction		17.92	174.95	192.87
<b>Net Change</b>	<b>1900.86</b>	<b>17.92</b>	<b>174.95</b>	<b>1707.99</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	6239.97	806.75		7046.72
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	<b>6239.97</b>	<b>806.75</b>	<b>0.00</b>	<b>7046.72</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:** (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Abhiram Tayal	
1.	Gross salary	6,16,500	6,16,500
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
5.	Others	-	-
<b>Total (A)</b>		<b>6,16,500</b>	<b>6,16,500</b>
Ceiling as per the Act		Rs.10.31 Lac (being 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)	

**B. Remuneration to other Directors:**

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors										Total Amount
		Mahabir Prasad Jindal	Anubha Tayal	Karan Dev Tayal	Rahul Dev Tayal	Ganesh Dutt (Ceased to be Director on 29-05-2014)	Krishan Kumar Jain (Ceased to be Director on 02-03-2015)	Shital Parshad Jain	Sharat Jain	Anuj Kumar	Sajjan Singh	
1.	Independent Directors											
	Fee for attending Board/ Committee meetings	-	-	-	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	-	-	-	-	-	-	-	-	-	-
2.	Other Non-Executive Directors											
	Fee for attending Board/ Committee meetings	-	-	-	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (2)</b>	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Total Managerial Remuneration*</b>		-	-	-	-	-	-	-	-	-	-	<b>6,16,500</b>
<b>Overall Ceiling as per the Act</b>		Rs.22.68 Lac (being 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)										

\* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

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

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel				Total Amount
		CEO	Company Secretary Abhishek Kapoor (Resigned w.e.f. 19 - 11-2014)	Company Secretary Pardeep Nandal (Appointed w.e.f. 02 - 01-2015)	CFO (R.S. Bansal)	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Not Applicable	4,77,119	1,26,420	6,74,638	12,78,177
2.	Stock Option					
3.	Sweat Equity					
4.	Commission					
5.	Others					
	<b>Total</b>		<b>4,77,119</b>	<b>1,26,420</b>	<b>6,74,638</b>	<b>12,78,177</b>

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

There were no Penalties / Punishment/ Compounding of Offences during the year ended 31st March 2015.

**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013, READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i). The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15, and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

(Amount in Rs.)

Sr. No.	Name of Director/KMP and Designation	Remuneration of Director /KMP for Financial Year 2014-15	% increase in Remuneration in the Financial Year	Ratio of remuneration /to median remuneration of employees (Excl.MD)	Ratio of remuneration /to median remuneration of employees (Incl.MD)	Comparison of the Remuneration of the KMP against the performance of the Company
1	Abhiram Tayal Managing Director	6,16,500	0	5.18	5.17	Profit before Tax increased by 21.04% and Profit after Tax increased by 7.70% in financial year 2014-15
2	Radhey Shyam Bansal (Chief Financial Officer)	6,74,638	0	5.67	5.66	Profit before Tax increased by 21.04% and Profit after Tax increased by 7.70% in financial year 2014-15
3	Pardeep Nandal (Company Secretary and Compliance Officer, appointed w.e.f. 02-01-2015)	1,26,420	#	Not Applicable	Not Applicable	Profit before Tax increased by 21.04% and Profit after Tax increased by 7.70% in financial year 2014-15
4	Abhishek Kapoor (Company Secretary and Compliance Officer, resigned w.e.f. 19-11-2014)	4,77,119	#	Not Applicable	Not Applicable	Profit before Tax increased by 21.04% and Profit after Tax increased by 7.70% in financial year 2014-15

- # Details not given as Mr. Pardeep Nandal was the Company Secretary and Compliance Officer only for part of the financial year 2014-15 i.e. w.e.f. January 02, 2015.
- # Details not given as Mr. Abhishek Kapoor was the Company Secretary and Compliance Officer only for part of the financial year 2014-15 i.e. upto November 19, 2014.
- (ii). The median remuneration of employees of the Company excluding Managing Director (MD) was Rs. 1,19,016/- and Rs. 1,00,740/- in the financial year 2014-15 and 2013-14 respectively. The increase in median remuneration of employees excluding MD in the financial year 2014-15 as compared to financial year 2013-14 is 18.14%.
- (iii). The median remuneration of employees of the Company including Managing Director (MD) was Rs. 1,19,148/- and Rs. 1,00,932/- in the financial year 2014-15 and 2013-14 respectively. The increase in median remuneration of employees including MD in the financial year 2014-15 as compared to financial year 2013-14 is 18.05%.
- (iv). There were 176 permanent employees on the rolls of the Company as on March 31, 2015;
- (v). Relationship between average increase in remuneration and Company performance: -

The Profit before Tax for the financial year ended March 31, 2015, increased by 21.04% whereas the increase in median remuneration of employees excluding MD was 18.14%. The average increase in median remuneration was in line with the performance of the Company.
- (vi). Comparison of remuneration of the Key Managerial Personnel(s) against the performance of the Company:-

The total remuneration of Key Managerial Personnel increased by 0% whereas the Profit before Tax increased by 21.04%.
- (vii).
  - a. Variations in the market capitalisation of the Company: The market capitalisation as on March 31, 2015, was Rs.860 lakh (Rs 756 lakh as on March 31, 2014)
  - b. Price Earnings ratio of the Company was 6.48 as at March 31, 2015, and was 6.12 as at March 31, 2014.
  - c. Percent increase over/decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer: -

The Company had come out with initial public offer (IPO) in 1996. An amount of Rs.1,000/- invested in the said IPO would be worth Rs. 1673/- as on March 31, 2015, indicating a Compounded Annual Growth Rate of 2.48%. This is excluding the dividend accrued thereon and benefit on account of shares received at the time of demerger.
- (viii). Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 18.14% whereas the increase in the managerial remuneration for the same financial year was 0%.
- (ix). The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (x). The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year – Not Applicable; and
- (xi). It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

## CORPORATE GOVERNANCE REPORT

Corporate Governance Report for the year 2014-15 following the guidelines given as per clause 49 of the listing agreement with the Stock Exchanges is being published as under:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes not only in maximizing the wealth and earnings for the stakeholders but also in operating business in an environment conducive to transparency, integrity and trusteeship by incorporating an effective disclosure policy and sense of accountability. The Company is committed to adopt the best corporate governance practices and continuously strives to adhere to them and is in compliance with the requirements of the guidelines on corporate governance stipulated in Clause 49 of the listing agreements with the Stock Exchanges.

### 2. BOARD OF DIRECTORS:

a) **Composition:** The Company's Board consisted of 9 members as on March 31, 2015, out of which 8 are the Non-Executive Directors. The particulars of said Directors are provided herein below. The Chairman of the Board is the Non-Executive. After the resignation of Mr. Rahul Dev Tayal, the Non-Executive Non-Independent Director w.e.f. April 27, 2015, the Company has duly complied with the provisions of Clause 49 (II)(A)(2) of the listing agreement, so there is no need to further appoint one more Independent Director on its Board.

Sr. no.	Name	Category	No. of Directorships in other Companies		No. of membership of Committees in other Companies <sup>\$</sup>	
			Public	Private	Member	Chairman
1.	Mr. M. P. Jindal Chairman	Promoter being Non Executive	2	-	-	-
2.	Mr. Shital Parshad Jain	Non-Executive Independent	-	-	-	-
3.	Mr. Sajjan Singh	Non-Executive Independent	-	-	-	-
4.	Mr. Sharat Jain	Non-Executive Independent	-	-	-	-
5.	Mr. Anuj Kumar	Non-Executive Independent	-	1	-	-
6.	Mrs. Anubha Tayal	Promoter being Non - Executive	-	-	-	-
7.	Mr. Karan Dev Tayal	Non-Executive Non- Independent	-	1	-	-
8.	Mr. Rahul Dev Tayal <sup>#</sup>	Non-Executive Non- Independent	-	-	-	-
9.	Mr. Abhiram Tayal Managing Director	Promoter being Executive	-	-	-	-

*\$ Includes only the membership of Audit and Shareholders/Investors' Grievance and Share Transfer Committees of Indian public limited companies.*

**# Mr. Rahul Dev Tayal, resigned from the Directorship of the Company with effect from April 27, 2015.**

**Inter-se relationship between Directors:**

Name of Director	Abhiram Tayal	Anubha Tayal	Karan Dev Tayal	Rahul Dev Tayal
Abhiram Tayal	Self	Wife	Son	Brother
Anubha Tayal	Husband	Self	Son	Husband's Brother
Karan Dev Tayal	Father	Mother	Self	Uncle
Rahul Dev Tayal	Brother	Brother's Wife	Nephew	Self

**Other than above, there is no inter-se relationship amongst Directors.**

- b) Board Meetings:** The dates of meetings are fixed in advance and detailed agendas are circulated to all the Directors and the members of the respective committees sufficiently in advance of respective meetings. During the financial year 2014-15, five Board Meetings were held on May 29, August 12, November 12, January 02 and February 12, 2015. One separate meeting of Independent Directors was also held on February 12, 2015, which was attended by all the Independent Directors.
- c) Attendance of Directors:** The attendance of the each Director at the Board meeting held during the year 2014-15 and the last AGM held on September 24, 2014 is shown as under :

Name of Director	No. of meetings attended	Attendance at the last AGM
Mr. M.P. Jindal	2	Absent
Mr. Abhiram Tayal	4	Present
Mrs. Anubha Tayal	5	Present
Mr. Shital Parshad Jain	5	Present
Mr. Sajjan Singh	5	Present
Mr. Karan Dev Taya l	5	Present
Mr. Rahul Dev Tayal	5	Present
Mr. Sharat Jain	5	Present
Mr. Anuj Kumar	5	Present

- d) Mechanism for Evaluating Board Members:** One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of Executive / Non Executive / Independent Directors through a peer-evaluation excluding the Director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision making of the Directors, relationship to stakeholders, Company performance, Company strategy, and the effectiveness of the whole Board and its various Committees on a scale of one to five. Feedback on each Director is encouraged to be provided as part of the survey.



Independent Directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the Independent Directors are evaluated include:

- ◆ Ability to contribute to and monitor our corporate governance practices;
- ◆ Active participation in long-term strategic planning;
- ◆ Commitment to the fulfilment of a Director's obligations and fiduciary responsibilities; these include participation in Board and Committee Meetings.

**e) Familiarization programmes for Board Members:** The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors. Site visits to plant location are organized for the Directors to enable them to understand the operations of the Company. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at the link: [http://www.hisarmetal.com/index.php?option=com\\_content&view=article&id=19&Itemid=132](http://www.hisarmetal.com/index.php?option=com_content&view=article&id=19&Itemid=132)

**f) Code of Conduct:** The Company has adopted the code of conduct for all its Directors and employees. The code of conduct is posted on the Company's website. All Board members and senior management personnel have affirmed compliance with their respective Codes of Conduct. The Managing Director has also confirmed and certified the same. The certification is enclosed at the end of this Report.

### 3. AUDIT COMMITTEE:

- a) Terms of Reference:** The Committee deals with accounting, financial matters and internal control. The powers, role, delegation, responsibilities and terms of reference of the Audit Committee are as provided in the Companies Act, 2013 and Clause 49 of the listing agreement.
- b) Composition and attendance of meetings:** The Audit Committee consists of three Directors, out of which two are the Independent Directors. The Company Secretary acts as the Secretary to the Committee. All the members of the Audit Committee have sound knowledge of finance and accounts. The head of Finance and Statutory Auditors attended the meeting of the Committee on the invitation of the Chairman.

During the financial year 2014-15, four meetings of the Committee were held on May 29, August 12, November 12 and February 12, 2015. The composition of the Audit Committee and attendance of members of the Committee are as under:

Name of Member	No. of Meetings Attended
Mr. Shital Parshad Jain, Chairman	4
Mr. Sajjan Singh	4
Mrs. Anubha Tayal	4

Mr. Abhiram Tayal, Managing Director of the Company has attended two meetings held on May 29 and February 12, 2015.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

- a) **Terms of Reference:** The Committee reviews and approves the salaries, perquisites, service agreements and other employment conditions of the Directors, Key Managerial Personnel (KMPs) and other employees. The Committee is also responsible for recommending to the Board a policy relating to the remuneration of the Directors, KMPs and other employees. In line with this requirement, the Board has adopted the Nomination and Remuneration Policy for Directors, KMPs and other employees of the Company. These policies are attached as **Annexure-B** to the Board's Report.
- b) **Composition and attendance:** All the members of the Committee are Non-Executive Directors. During the financial year 2014-15, two meeting of the Committee was held August 12 and January 02, 2015. The Composition of the committee is as under:

Names of Members	No. of Meetings Attended
Mr. Shital Parshad Jain, Chairman	2
Mr. Sajjan Singh	2
Mr. M. P. Jindal	-

- c) **Remuneration to Directors:** The Managing Director is paid remuneration approved by the Board of Directors on the recommendation of Nomination and Remuneration Committee. The remuneration so approved is subject to the approval by the shareholders at the Annual General Meeting and such other authorities as the case may be. The Non-Executive Directors do not draw any remuneration from the Company and not had any pecuniary transactions with the Company.
- d) **Details of Managing Director's Remuneration:** The details of the remuneration paid to Mr. Abhiram Tayal, Managing Director of the Company during the financial year 2014-15 is as under :

(Amount in Rs.)

Salary & Allowances	Perquisites	Contribution to P.F.	Total
6,00,000.00	NIL	16,500.00	6,16,500.00

1. Service contract is for 5 years
2. Notice period is 3 calendar months.
3. The Directors of the Company are not eligible for any severance.
4. Managing Director's remuneration does not include contribution to gratuity fund since the same is paid for the Company as a whole.

The Company has not paid any fixed component and performance linked incentives to the Directors during the year.

The Company does not have any stock option scheme.

**e) Shareholding of the Non-Executive Directors :**

The shareholding of the Non-Executive Directors of the Company as on March 31, 2015 is as under:

S. No.	Name	No. of shares
1.	Mr. M. P. Jindal	1,07,000
2.	Mrs. Anubha Tayal	4,76,100
3.	Mr. Shital Parshad Jain	NIL
4.	Mr. Sajjan Singh	NIL
5.	Mr. Karan Dev Tayal	NIL
6.	Mr. Rahul Dev Tayal	78,150
7.	Mr. Sharat Jain	NIL
8.	Mr. Anuj Kumar	NIL

**Note:** Mr. M. P. Jindal also holds 77,800 shares in the Company through Mahabir Prasad Jindal & Sons HUF.

**5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE:**

- a) **Terms of Reference:** The Board of Directors had formed a Committee to redress the grievances of shareholders and investor complaints on September 28, 2002. The role of this Committee is to consider pending investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of dividend etc.
- b) **Composition and Attendance:** The members of the Committee are Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. During the financial year 2014-15, four meetings of the Committee were held on May 29, August 12, November 12 and February 12, 2015. The composition of the Committee and attendance of its members are as under:

Name of Member	No. of Meetings Attended
Mr. Sajjan Singh, Chairman	4
Mrs. Anubha Tayal	4

The Minutes of the meeting of the Committee were placed before the Board Meeting held after the Committee Meetings.

During the financial year 2014-15, the Company has received five shareholders complains which were duly resolved to the satisfaction of the respective shareholders. Further, there was no complaint pending at the end of the said year.

The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned Companies and online viewing by investor of actions taken on the complaint and its current status.

Separate email id for lodging investors' complaint/Correspondence is: investor@hisarmetal.com

Mr. Pardeep Nandal, Company Secretary of the Company is the Compliance Officer.

The Board of Directors has delegated the power of share transfer to the Compliance Officer of the Company and all the requests for transfer of shares are processed within 15 days of the receipt except those that are disputed or sub-judice or other legal constraints.

**6. RISK MANAGEMENT COMMITTEE:**

- a) **Terms of Reference:** The Board of Directors had formed a Committee to identify, mitigate and monitor risks, faced by the Company from time to time.
- b) **Composition and Attendance:** The members of the Committee are Non-Executive Directors. The Company Secretary acts as the Secretary to the Committee. During the financial year 2014-15, one meeting of the Committee was held on February 12, 2015. The composition of the Committee and attendance of its members are as under:

Name of Member	No. of Meetings Attended
Mr. Shital Parshad Jain, Chairman	1
Mr. Karan Dev Tayal	1
Mr. Sajjan Singh	1

**7. GENERAL BODY MEETINGS:**

The last three Annual General Meetings of the Company were held at the registered office of the Company at Near I.D.C., Delhi Road, Hisar - 125 005 (Haryana) detailed as under:

Financial Year	Location	Date	Time	Special Resolutions
2011-12	Registered Office	29.09.12	11.00 A.M	No Special Resolution was passed
2012-13	- do -	30.09.13	- do -	No Special Resolution was passed
2013-14	- do -	24.09.14	- do -	One Special Resolution was passed

There was no resolution passed through postal ballot at any of the above meetings. Further there is no item in the Notice for the forthcoming Annual General Meeting that is proposed to be passed through a Postal ballot.

**8. DISCLOSURES:****a) Related Party Transactions:**

The details of the unsecured loan accepted by the Company from the related parties are as under:

S. No.	Name	Relation	Amount of loan as on 31.03.2015 (In Rs.)	Rate of Interest	Period
1	Mr. Abhiram Tayal	Promoter Director	2425000 2200000	11% 12%	3yrs -
2	Mrs. Anubha Tayal	Promoter Director	3025000	11%	3yrs
3	Mr. Karan Dev Tayal	Director	5000000	12%	-
4	Amtrax Trading Co. Pvt. Ltd.	Directors Shareholding	6095191	11%	-

During the Financial year ended 31<sup>st</sup> March, 2015, the Company has done the following transactions with associated concerns of the Company:

Nature of Transaction	Details of Transaction
Rent	Rs. 288000/- paid to Jindal Metal Ltd.
Interest	Rs. 660129/- paid to M/s. Amtrax Trading Co. Pvt. Ltd. Rs. 371220/- paid to Mr. Abhiram Tayal Rs. 377790/- paid to Mrs. Anubha Tayal Rs. 526644/- paid to Mr. Karan Dev Tayal Rs. 769322/- paid to Mr. Vikram Kumar Jain Rs. 508562/- paid to Mrs. Kashni Tayal Rs. 96514/- paid to Abhiram Tayal HUF
Job Work	Rs. 9789/- received from M/s. Jindal Polybutton Ltd.

**b) Disclosure of Subsidiary:** The Company does not have any subsidiary.

**c) Disclosure of Accounting Treatment:** The Financial Statements have been prepared in accordance with applicable Accounting Standards and relevant presentational requirements of the Companies Act, 2013, and are based on the historical cost convention.

**d) Disclosure of non-compliance:** There is no incidence of non compliance by the Company for which any penalty, stricture imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

- e) **Risk Management:** The Company has laid down Risk Management Policy to inform assessment and minimization procedures.
- f) **Whistle Blower Policy:** Under the whistle blower policy, the employees of the Company are free to communicate any matter of concern in any area including accounts, finance, management, operations, employment and other affairs of the Company. Further no employee has been denied access to the Audit Committee.
- g) **Details of compliance of clause 49:** The Company has complied with all the mandatory requirements. Further the Company has complied with the following non-mandatory requirements:
  - i) The Company has a Non-Executive Chairman which maintains office at the Company's expenses.
  - ii) The Company's financial statements are un-qualified.
  - iii) The Company has appointed separate persons to the post of Chairman and Managing Director.
  - iv) The Internal auditor report directly to the Audit Committee.

## 9. MEANS OF COMMUNICATION:

The financial results and any other notice are published in the newspapers Business Standard / The Pioneer and Business Standard / Veer Arjun for English and Hindi languages, respectively, and available on the website of the Company [www.hisarmetal.com](http://www.hisarmetal.com). The Company regularly intimates the quarterly and yearly results to the stock exchanges immediately after taken on records by the Board of Directors. During the year under review, no presentations were made to any institutional investors or analysts.

## 10. GENERAL SHAREHOLDERS INFORMATION:

- i. **Detail of AGM:** As indicated in the Notice to our shareholders, the 25<sup>th</sup> Annual General Meeting of the Company will be held on Monday, September 28, 2015, at 11.00 A.M. at the Registered office of the Company at Near I.D.C., Delhi Road, Hisar - 125 005.
- ii. **Financial Year:** The Financial Year of the Company is from April 1 to March 31.
- iii. **Date of Book Closure:** The books will be remain closed from September 22, 2015, to September 28, 2015, (both days inclusive) for the purpose of the Annual General Meeting and payment of final dividend, if approved by members.
- iv. **Dividend Payment Date:** The Dividend if approved by the shareholders in the ensuing Annual General Meeting on September 28, 2015, will be paid within 30 days from the date of declaration.
- v. **Listing on Stock Exchanges:** The shares of the Company are listed on:
  - i) The Delhi Stock Exchange (Regional Stock Exchange)  
DSE House, 3/1, Asaf Ali Road, New Delhi – 110 002
  - ii) The Jaipur Stock Exchange.  
Stock Exchange Building, J.L.N. Marg, Malviya Nagar, Jaipur – 302 017
  - iii) The Stock Exchange of Ahmedabad.  
Kamdhenu Complex, Opp. Sahajanand College, Panjarapole, Ahmedabad – 280 015

The shares of the Company are permitted to be traded at the Bombay Stock Exchange under the Indo next segment.

The Company has paid listing fee to the Stock exchanges and annual custodial fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) before due date.

vi. <b>Stock Code:</b> Delhi Stock Exchange	8279
Jaipur Stock Exchange	732
Ahmedabad Stock Exchange	24843

The details of Stock on BSE are:

<b>Scrip Code</b>	<b>590018</b>
<b>Scrip ID on the BOLT System</b>	<b>HISARMET</b>
<b>Abbreviated Name on the BOLT system</b>	<b>HISAR METAL</b>

- vii. **Market Price Data:** During the year under review, no trading took place either in the Delhi Stock Exchange, the Ahmedabad Stock Exchange or the Jaipur Stock Exchange. This is certainly due to no operations at these Stock Exchanges even SEBI has de-recognised the Delhi Stock Exchange and the Jaipur Stock Exchange. The trading done at the Bombay Stock Exchange (BSE) from 1st day of April, 2014 to 31st day of March, 2015 are as under : -

Month (2014-15)	High (Rupees)	Low (Rupees)
April, 2014	22.05	22.05
May, 2014	27.30	19.25
June, 2014	34.65	25.30
July, 2014	34.60	27.45
August, 2014	40.50	28.30
September, 2014	37.80	21.40
October, 2014	26.00	17.20
November, 2014	33.60	22.00
December, 2014	31.00	20.55
January, 2015	32.30	20.40
February, 2015	31.65	20.60
March, 2015	31.30	22.35

- viii. **Stock performance:** The shares of the Company are not listed on Bombay Stock Exchange (BSE) or any other stock exchange having nationwide terminal on which trading takes place. Therefore the performance of shares in comparison to broad-based indices is not available.

- ix. **Registrar and Transfer Agent:** The Company has appointed M/s. Skyline Financial Services Pvt. Ltd. (RTA) as Registrar and Transfer Agent for processing of requests relating to the shares of the Company. Further RTA is also the interface of the Company for all the correspondence to be made with both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The details for correspondence with RTA is as under:

**Skyline Financial Services Pvt. Ltd.**

D-153 A, 1st Floor, Okhla Industrial Area, Phase - I,  
New Delhi-110 020

**Tel.:** +91 (11) 26812682, 83, 64732681 to 88

**Fax:** +91 (11) 26812682

**Email :** admin@skylinerta.com

- x. **Share Transfer System:** Shares received for transfer in the physical form are processed and the share certificates returned within a period of 15 days from the date of the receipt subject to the documents being complete and valid in all respects.

**xi. Distribution of Shareholding as on March 31, 2015:**

Number of shares		Number of Shareholders		Percentage of shares	
From	To	No.	% total	No.	% total
Up to	500	944	77.19	141299	3.92
501	1000	76	6.21	64378	1.79
1001	2000	51	4.17	82273	2.29
2001	3000	20	1.64	51005	1.42
3001	4000	19	1.55	67261	1.87
4001	5000	19	1.55	90813	2.52
5001	10000	38	3.11	263626	7.32
10001	& above	56	4.58	2839345	78.87
<b>Total</b>		<b>1223</b>	<b>100</b>	<b>36,00,000</b>	<b>100</b>

S. No.	Particulars	No. of shares	
		No.	% total
<b>1</b>	<b>Promoter &amp; Promoter Group</b>	19,20,370	53.34
<b>2</b>	<b>Bodies Corporate</b>	2,12,866	5.91
<b>3</b>	<b>Individuals</b>	13,61,678	37.83
<b>4</b>	<b>HUFs</b>	1,01,458	2.82
<b>5</b>	<b>Non-residents</b>	3,628	0.10
<b>Total</b>		<b>36,00,000</b>	<b>100</b>

**xii. Dematerialization of Shares and liquidity:** The shares of the Company are available to trade on the Bombay Stock Exchange (BSE) under the Indo next segment. As on March 31, 2015, the number of equity shares held in dematerialized form was 3187785 (88.55%) and in physical form were 412215 (11.45%).

The International Securities Identification Number (ISIN) of shares of the Company is INE598C01011.

**xiii. E-voting:** E-voting is a common internet infrastructure that enables investors to vote electronically on resolutions of Companies. The Company will also have the E-voting facility for the items to be transacted at this AGM. The Ministry of Corporate Affairs has authorised NSDL and CDSL for setting up electronic platform to facilitate casting of votes in electronic form. The Company has entered into agreements with NSDL for availing E-voting facilities.

**xiv. Plant Location :**

Hisar Metal Industries Limited  
Near I.D.C., Delhi Road, Hisar - 125 005

**xv. Address for correspondence :**

Company Secretary  
Hisar Metal Industries Limited  
Near I.D.C., Delhi Road, Hisar – 125 005  
**Tel.:** +91 (1662) 220067/ 220367/220738  
**Fax:** +91 (11) 43851119  
**Email:** pnandal@hisarmetal.com

**xvi. CIN : L74899HR1990PLC030937**

**DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT**

I, Abhiram Tayal, Managing Director, hereby declare that as provided under Clause 49 of the listing agreement with the Stock Exchanges, the Board Members and the senior management personnel associated with the Company as on March 31, 2015, have confirmed compliance with the Code of Conduct for the year ended on March 31, 2015.

For **Hisar Metal Industries Limited**

Date: August 12, 2015

Place: Hisar

Sd/-  
(Abhiram Tayal)  
**Managing Director**

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**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of Hisar Metal Industries Limited

We have examined the compliance of condition of Corporate Governance by Hisar Metal Industries Limited, Hisar-125005 for the year ended 31<sup>st</sup> March 2015, as stipulated in clause 49 of the listing agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders' Relationship Committee.

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

For Ram Sanjay & Co.  
Chartered Accountants  
Firm Regn. No. 021670N  
Sd/-

CA Sanjay Verma  
(Partner)

Membership Number: - 089499

**Date :** August 12, 2015

**Place :** Hisar



**CEO & CFO Certificate**

We, Abhiram Tayal, Managing Director and R. S. Bansal, Chief Financial Officer, of the Company, hereby certify to the Board of Directors of Hisar Metal Industries Limited that:

- a) We have reviewed financial statements and the cash flow statement for the year ended on March 31, 2015, and that to the best of our knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit committee:
  - i. there were no significant changes in internal control over financial reporting during the year;
  - ii. there were no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. there were no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Hisar Metal Industries Limited**

**Date:** May 30, 2015

**Place:** Hisar

Sd/-  
(Abhiram Tayal)  
**Managing Director**

Sd/-  
(R. S. Bansal)  
**Chief Financial Officer**

**ANNEXURE G****MANAGEMENT DISCUSSION AND ANALYSIS****Overview:**

The financial year 2014-15 was a challenging year. The global economy continues to face significant uncertainties. Anaemic rates of economic growth in the developed world, coupled with slowdown in developing countries, pose challenges to both policymaker and companies. The developed economies gathered momentum even as consumer demand recovered modestly in the US and Japan. However, emerging economies experienced external and localised vulnerabilities and market turmoil. It is likely that structural policies across emerging nations like China and India will bolster the investment climate. Owing to these developments, globally economies are estimated to grow at an average rate of 3.5% and 3.8% in 2015 and 2016 respectively as compared to 3.4% in 2014 [Source: IMF April 2015].

**Industry Structure and Developments:**

Your Company is engaged in the manufacture of Cold Rolled Stainless Steel. From manufacturing process involved it may be classified as a stainless steel strips manufacturer. The Indian steel industry has made a rapid progress on strong fundamentals over the recent few years. The industry is getting all essential ingredients required for dynamic growth. The government is backing the industry through favorable industrial reforms. Indian steel demand is expected to boost by Infrastructure & Construction development sustained by industrial, manufacturing and capital goods and be stimulated by the automotive and consumer durable sectors. Steel contributes to nearly two per cent of the gross domestic product (GDP) and employs over 600,000 people. Direct demand for infrastructure and construction is pegged at approximately 40 MnT with per capita steel demand projected to increase from 60 kg in FY 2013-14 to 88 kg by FY 2016-17. The Indian Steel Industry grows by 7.9% during FY 2014-15. The total market value of the Indian steel sector stood at US\$ 57.8 billion in 2011 and is expected to touch US\$ 95.3 billion by 2016.

**Opportunities:**

India has emerged as the third largest producer of steel about 88.12 MnT, in FY 2014-15 after China and Japan. With its strong forward and backward linkages, the steel sector contributes significantly in India's economic growth. The steel sector is an important participant to the country's growth story and consumption of Steel is taken to be an indicator of economic development. Demand of Steel is rapidly growing due to increasing construction projects and automobile industry.

There are many more opportunities that will be helping grow the Indian steel market. These opportunities include:

- Rural demand picking up
- Investment planned in road sector
- Indian railway expansion
- Automobile and power sectors offer opportunity for specialized steel
- Refocus on manufacturing

Your Company has 3 Nos. of 4 Hi-Cold Rolling Mills and 2 Nos. of 6 Hi-Cold Rolling Mills. Thus, your Company has immense capability to keep pace with the growing requirement of the industry. Further, a Bright Annealing Furnace has also been installed recently in order to reduce the hardness of steel strips for smooth subsequent processing. Besides, we always look forward to cope with any technology advancement to grasp the all available opportunities.

**Threats:**

There are yet some challenges that this industry has faced during the previous year. These challenges include:

- Land acquisition and environment regulations
- Shortage of coking coal
- Availability and pricing of domestic iron ore
- Downstream value addition

- Insufficient infrastructure and logistics
- Adoption of modern technology

**Segment-wise or Product wise Performance:**

Currently your Company is engaged only in one type of product and involves one type of process and it is called Engineering Product, so there is no segment wise or product wise performance available.

**Outlook:**

The Indian economy is expected the domestic steel demand to improve in financial year 2015-16 on the back of a modest recovery in economic growth and an infrastructure push by the government of India. Further it is expected to record better GDP growth of 7.9% in the said financial year over 7.3% in previous financial year. The reason behind this moderate uptick in steel demand is the high positive correlation of steel demand with GDP growth.

The steel prices are not expected a major hike in financial year 2015-16 due to prevailing overcapacity in the domestic steel industry which would continue to limit the prices despite a modest improvement in steel demand. However, any contraction in steel demand could pressure steel prices further.

Indian steel demand is primarily driven by construction and infrastructure sectors which together account for 63 % of total steel demand in the country. It is estimated that government spending of USD 1 trillion in infrastructure and construction will enhance the demand for steel in this sector. The automotive industry which has under performed in the current financial year is likely to recover with rising demand from semi urban and rural regions as rising disposable income would act an enabler. Engineering and capital goods which are under the threat of imports will get a new lease of life as government encourages the domestic industry to procure engineering goods rather to import, by giving various incentives to this industry. The appliances sector will also get a boost as the government increases its thrust on power for all and electrifying the rural areas. As per the report of the Working Group on Steel of Ministry of Steel for the 12th Five Year Plan has projected that domestic crude steel capacity in the country is likely to be 140 MnT by 2016-17 and has the potential to reach 149 MnT if all requirements are adequately met, against the 101 MnT in 2013-14.

**Risk and Concerns:**

The Companies engaged in production of stainless steel had faced major challenges due to slowdown in the growth of steel industry. The falling demand, low prices, cost escalation in inputs, reduction in import duty are some of the major threats to the sustainability of the Indian Steel Industry. Further reduction in import duty stimulated the import of steel from China and other countries manufacturers at low prices leading to decrease in demand of domestic goods. As per the report of the Joint Plant Committee (JPC), a unit of the Steel Ministry, despite increase in steel output, imports have surged by 71 per cent to record 9.32 MnT in 2014-15 fiscal. However, exports of the commodity dipped by 8.1 per cent to 5.5 MnT during the period under review. The government is considering to raise import duty to combat cheap steel imports from countries like China.

**Internal Control System and their Adequacy:**

Your Company has adequate internal control systems commensurate with its size and operations, although not documented. The Company regularly gets its accounts audited from internal auditor.

**Financial Performance with respect to Operational Performance:**

The company has produced 16348 MT of prime CRSS Strips as compared to 15662 MT in the previous financial year while the company has sold 16265 MT of prime CRSS Strips as compared to 15322 MT in the previous financial year. The turnover in terms of value is up by 5.96% to Rs. 25065 Lac. The PBT and PAT have increased to Rs.205 Lac and Rs. 133 Lac respectively. Capital Expenditure incurred during the year was Rs. 433.65 Lac. The reserve and surplus stood to Rs.955 Lac. The earnings per share is Rs. 3.69 and book value of the share is Rs. 36.54. The Board of Directors have proposed a dividend of Rs. 1/- (10%) for the financial year 2014-15.

**Industrial Relations and Resource Management:**

The Company during the previous year continued its record of good industrial relations with its 176 employees. During the year various initiatives had been taken to improve the performance and productivity levels in various departments of the Company. The Company conducts training sessions on various topics ranging from safety, productivity, handling of hazardous products etc. that help to train employees to overcome operational constraints. The Company has its in house technical centre in the plant to train the new recruits before their placement that helps in optimum utilisation of resources as well as maintaining quality standards. It also indulges into and implements various HR initiatives and activities including employee welfare, special rewards, performance review system and various employee motivation activities

**Cautionary Statement:**

Management Discussion and Analysis Report may be “forward looking statement” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon global and Indian demand-supply conditions, changes in government regulations, tax regimes, and economic developments within India and overseas.

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Hisar Metal Industries Limited

**Report on Financial Statements**

We have audited the accompanying financial statements of Hisar Metal Industries Limited which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year 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 with respect to the preparation of these financial Statements that give a true and fair view of the financial position, financial performance and cash flow 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 ; judgments and estimate that are reasonable and prudent: and design implementation of adequate 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 view and free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain 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 statement, 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 to 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 31st March, 2015, and its profit/loss and its cash flow for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2015, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**Further to our comments in the aforesaid annexure, as required by section 143(3) of the Act, we report that:**

1. 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.
2. 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.
3. The Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
4. In our opinion, the aforesaid standalone financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
5. On the basis of the written representations received from the directors none is disqualified as on 31st March, 2015 from being appointed as directors in terms of section 164(2) of the Act.
6. With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations on its financial position in its financial statements –the Company does not have any pending litigations which would impact its financial position.
  - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts for including derivative contracts –the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c) There were no amounts which were required to be transferred to the investor education and Protection Fund by the Company.

**For Ram Sanjay & Co.**  
Chartered Accountants  
Firm Reg. No. 021670N  
Sd/-  
(Sanjay Verma)  
Partner  
M. No. 089499

Place: Hisar  
Dated: 30.05.2015

**Annexure to the Independent Auditors' Report**

The Annexure referred to in our report to the members of Hisar Metal Industries Limited for the year ended on 31<sup>st</sup> March, 2015. We report that:

1. In respect of its fixed assets:
  - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - b) All these fixed assets have been physically verified during the year by the management at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
2. In respect of its inventories:
  - a) As explained to us, the inventory has been physically verified by the management. In our opinion the frequency of verification is reasonable.
  - b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - c) The company is maintaining proper records of inventory and no material discrepancies were noticed on verification of physical stock with the books of account.
3. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit we haven't observed any continuing failure to correct major weaknesses in internal control system.
5. The company has not accepted any deposits from the public.
6. We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the central government under sub-section (1) of section 148 of the Companies Act, 2013, and are of the opinion that, prime facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. According to the information and explanations given to us in respect of statutory dues:
  - a) The company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.
  - b) There were no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess as at 31<sup>st</sup> March, 2015, for a period of more than 6 months from the date they became payable.
  - c) There were no disputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess as at 31<sup>st</sup> March, 2015.
  - d) There are no amounts that are due to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
8. The company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding year.

9. According to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or bank or debenture holders. The company has not issued any debentures.

10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.

11. In our opinion term loans have been applied for the purpose for which the loans were obtained.

12. To the best of our knowledge and according to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit.

**For Ram Sanjay & Co.**

Chartered Accountants

Firm Reg. No. 021670N

Sd/-

(Sanjay Verma)

Partner

M. No. 089499

Place: Hisar

Dated: 30.05.2015



**HISAR METAL INDUSTRIES LIMITED****BALANCE SHEET AS AT 31ST MARCH, 2015**

<b>Particulars</b>	<b>Note</b>	<b>As at 31st March 2015</b>	<b>As at 31st March 2014</b>
<b>EQUITY AND LIABILITIES</b>			
<b><u>Shareholder's Funds</u></b>			
Share Capital	2	36,000,000	36,000,000
Reserves and Surplus	3	95,533,474	86,600,725
<b><u>Non-Current Liabilities</u></b>			
Long-Term Borrowings	4	79,925,191	82,776,843
Deferred Tax Liabilities (Net)	5	12,224,212	12,797,469
Long Term Provisions	6	7,720,409	7,444,285
<b><u>Current Liabilities</u></b>			
Short-Term Borrowings	7	623,996,876	433,910,851
Trade Payables	8	48,807,523	169,622,855
Other Current Liabilities	9	29,349,147	40,358,679
Short-Term Provisions	10	4,377,873	4,366,398
<b>Total Equity &amp; Liabilities</b>		<b>937,934,705</b>	<b>873,878,105</b>
<b>ASSETS</b>			
<b><u>Non-Current Assets</u></b>			
Fixed Assets	11		
Tangible Assets		146,999,937	159,851,620
Intangible Assets		257,667	1,494,516
Capital Work in Progress		61,783,855	20,948,967
Non-current investments	12	84,000	84,000
Long term loans and advances	13	7,635,795	14,748,997
<b><u>Current Assets</u></b>			
Inventories	14	215,663,124	253,736,163
Trade receivables	15	416,798,521	349,332,940
Cash and cash equivalents	16	39,943,375	38,287,934
Short-term loans and advances	17	48,768,431	35,392,968
<b>Total Assets</b>		<b>937,934,705</b>	<b>873,878,105</b>
<i>Notes referred to above and notes attached thereto form an integral part of Financial Statements</i>			
<i>This is the Balance Sheet referred to in our Report of even date.</i>			
For Ram Sanjay & Co.	For and on behalf of the Board of Directors		
Chartered Accountants			
Firm Reg. No.: 021670N			
(M.P. Jindal)	(Abhiram Tayal)	(Karan Dev Tayal)	
Chairman	Managing Director	Director	
(CA. SANJAY VERMA)			
PARTNER			
Membership No. : 089499			
	(R.S. Bansal)	(Pardeep Nandal)	
Place : Hisar	C.F.O.	Company Secretary	
Date : 30 May 2015			

# HISAR METAL INDUSTRIES LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note	As at 31st March 2015	As at 31st March 2014
<b>Revenue:</b>			
Revenue from operations	18	2,237,030,046	2,112,810,654
Other Income	19	2,511,575	3,844,602
<b>Total Revenue</b>		<b>2,239,541,621</b>	<b>2,116,655,256</b>
<b>Expenses:</b>			
Cost of materials consumed	20	1,917,276,119	1,773,284,712
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	21	(12,305,697)	(5,511,062)
Employee Benefit Expense	22	26,422,216	25,479,874
Finance Costs	23	77,045,662	63,901,820
Depreciation and Amortization Expense	24	15,069,009	26,444,848
Other Administrative Expenses	25	195,497,407	216,088,475
<b>Total Expenses</b>		<b>2,219,004,716</b>	<b>2,099,688,667</b>
<b>Profit before exceptional and extraordinary items and tax</b>		<b>20,536,905</b>	<b>16,966,589</b>
Exceptional Items		-	-
<b>Profit before extraordinary items and tax</b>		<b>20,536,905</b>	<b>16,966,589</b>
Extraordinary Items		-	-
<b>Profit before tax</b>		<b>20,536,905</b>	<b>16,966,589</b>
<b>Tax expense:</b>			
Current tax		7,309,463	8,970,902
Previous Year Tax		514,657	(870,891)
Deferred tax		(573,258)	(3,469,825)
<b>Profit(Loss) for the period from continuing operations</b>		<b>13,286,043</b>	<b>12,336,403</b>
Profit/(Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit/(Loss) from Discontinuing operations</b>		<b>-</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>13,286,043</b>	<b>12,336,403</b>
<b>Earning per equity share:</b>			
Basic		3.69	3.43
Diluted		3.69	3.43
<b>Notes referred to above and notes attached thereto form an integral part of Financial Statements</b>			
<b>This is the statement of Profit &amp; Loss referred to in our Report of even date.</b>			
For Ram Sanjay & Co.		For and on behalf of the Board of Directors	
Chartered Accountants			
Firm Reg. No.: 021670N			
(M.P. Jindal)	(Abhiram Tayal)	(Karan Dev Tayal)	
Chairman	Managing Director	Director	
(CA. SANJAY VERMA)			
PARTNER			
Membership No. : 089499	(R.S. Bansal)	(Pardeep Nandal)	
	C.F.O.	Company Secretary	
Place : Hisar			
Date : 30 May 2015			

# HISAR METAL INDUSTRIES LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2015

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Cash flow from operating activities</b>		
<b>Profit before taxation</b>	20536905	16966589
Adjusted for :		
Depreciation	<b>15069010</b>	<b>26444848</b>
Profit/Loss on sale/disposal of fixed assets	(75000)	(21999)
Interest income		
Interest expense	<b>77045662</b>	<b>63901820</b>
Non cash Purchase	-	177359
Operating profit before working capital changes	112576576	107468617
<b>Operating profit before following adjustments :</b>		
(Increase)/Decrease in inventories	<b>38073039</b>	<b>(31822976)</b>
(Increase)/Decrease in trade receivables	<b>(67465581)</b>	<b>(39162527)</b>
Increase/(Decrease) in trade payables	<b>(120815332)</b>	<b>89883986</b>
Increase/(Decrease) in other current liabilities	<b>(11009532)</b>	<b>784375</b>
Increase/(Decrease) in long term provisions	<b>276124</b>	<b>177148</b>
<b>Cash used in operations</b>		
Income tax paid	<b>(7954119)</b>	<b>(8996610)</b>
<b>Net cash flow from/(used in) operating activities (A)</b>	<b>(56318825)</b>	<b>118332012</b>
<b>Cash flow from investing activities</b>		
Purchase of fixed assets including intangible assets, capital work in progress and capital advances	<b>(43365365)</b>	<b>(21686841)</b>
Proceeds from sale of fixed assets	<b>1625000</b>	<b>22000</b>
Movement in short term loans and advances	(13375462)	(8271288)
Movement in long term loans and advances	7113202	(4559574)
<b>Net cash from/(used in) investing activities (B)</b>	<b>(48002625)</b>	<b>(34495703)</b>
<b>Cash flow from financing activities</b>		
Short term borrowing received from others	190086025	(6499803)
Long term borrowing taken (including current maturities)	(2851652)	(4757536)
Payment of dividend	(3600000)	(3600000)
Tax on dividend	(611820)	(584010)
Interest paid	(77045662)	(63901820)
<b>Net cash from/(used in) financing activities (C)</b>	<b>105976891</b>	<b>(79343169)</b>
<b>Net changes in cash and cash equivalents (A+B+C)</b>	<b>1655441</b>	<b>4493140</b>
<b>Cash and cash equivalents - opening balance</b>	<b>38287934</b>	<b>33794794</b>
<b>Cash and cash equivalents - closing balance</b>	<b>39943375</b>	<b>38287934</b>
<b>Components of cash and cash equivalents (refer to note 23)</b>		
Cash in hand	449052	275188
Gold & Silver Coins	39899	104795
with bank:		
In current accounts	1464598	1447359
In fixed deposit accounts	37989826	36460592
Notes referred to above and notes attached thereto form an integral part of financial statements.		
This is the Cash Flow Statement referred to in our Report of even date.		
For Ram Sanjay & Co.	For and on behalf of the Board of Directors	
Chartered Accountants		
Firm Reg. No.: 021670N		
(M.P. Jindal)	(Abhiram Tayal)	(Karan Dev Tayal)
Chairman	Managing Director	Director
(CA. SANJAY VERMA)		
PARTNER		
Membership No. : 089499		
	(R.S. Bansal)	(Pardeep Nandal)
Place : Hisar	C.F.O.	Company Secretary
Date : 30 May 2015		

# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

Note: 1 Accounting Policies

## 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- i) The financial statements have been prepared to comply with the Generally Accepted Accounting Principle in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
- ii) The Financial Statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts.

## 1.2 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Principles requires judgement, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known/materialised.

## 1.3 REVENUE RECOGNITION

Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation includes sale of goods, services, service tax, excise duty and sales during trial run period, adjusted for discounts (net), and gain/loss on corresponding hedge contracts.

Dividend Income is recognised when the right to receive payment is established.

Interest Income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

## 1.4 TAXATION

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient further income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient further taxable income will be available to realise the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

## 1.5 FIXED ASSETS

- i) Tangible assets

Tangible assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Assets are added to its book value only if they increase the future benefits from the existing assets beyond its previously assessed standard of performance.

Projects under which assets are not ready for their intended use are disclosed under Capital Work-in-Progress.

ii) Intangible assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

## 1.6 ACCOUNTING FOR DERIVATIVE INSTRUMENT

In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognised in the Profit and Loss Statement except in case where they relate to the acquisition or construction of Fixed Assets, in which case, adjusted to the carrying cost of such assets.

## 1.7 DEPRECIATION

Depreciation on Fixed Assets is provided on Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the following assets, where useful life is different than those prescribed in Schedule II are used.

In respect of addition or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

## 1.8 VALUATION OF INVENTORIES

Items of Inventories are measured at lower of cost or net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at the net releasable value. Cost of inventories comprises of all costs of purchase, cost of conversion and other costs including manufacturing overhead incurred in bringing them to their respective present location and condition. Cost of raw materials, process chemicals, store and spares, packing materials, trading and other products are determined on weighted average basis.

## 1.9 EMPLOYEE BENEFITS

### POST EMPLOYMENT BENEFITS

i) Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

ii) Defined benefit and other Long term Benefit plan:

The liability in respect of defined benefit plan and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefits is expected to be derived from employees' services.

Actuarial gains and losses in respect of post-employment and other long term benefits are charged to the Profit and Loss Statement.

### SHORT TERM EMPLOYEE BENEFITS

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

**1.10 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provision is recognised in the accounts, when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discontinued to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent Assets are neither recognised nor disclosed in the financial statements.

**1.11 INVESTMENTS**

Current investments are carried at lower of cost or quoted/fair value. Long term investments are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**1.12 BORROWING COSTS**

Borrowing cost attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of such asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

**1.13 IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**1.14 EARNING/ (LOSS) PER SHARE**

Basic earnings/(Loss) per share are calculated by dividing the net profit/ (Loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for events of bonus issue to existing shareholders; share split; and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings/(Loss) per share, the net profit/(Loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**1.15 FOREIGN EXCHANGE TRANSACTION**

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- b. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In the case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognised as exchange difference and the premium paid on forward contracts is recognised over the life of the contract .
- c. Non -monetary foreign currency items are carried at cost.
- d. In respect of integral foreign operations, all transactions are translated at rates prevailing on the date of transaction or that approximates the actual rate at the date of transaction . Monetary assets and liabilities are restated at the year end rates.
- e. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the Profit and Loss Statement , except in case of long term liabilities , where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note : 2 Share Capital

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount
<b>AUTHORIZED CAPITAL</b>				
Equity Shares of Rs. 10/- each.	5,000,000	50,000,000	5,000,000	50,000,000
	5,000,000	50,000,000	5,000,000	50,000,000
<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>				
Equity Shares of Rs. 10/- each Fully Paid up	3,600,000	36,000,000	3,600,000	36,000,000
<b>Total</b>	<b>3,600,000</b>	<b>36,000,000</b>	<b>3,600,000</b>	<b>36,000,000</b>

## (a) Reconciliation of Equity shares and amounts outstanding

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	Amount	No. of Shares	Amount
At the Beginning of the year	3,600,000	36,000,000	3,600,000	36,000,000
Fresh issue of shares	-	-	-	-
<b>At the end of the Year</b>	<b>3,600,000</b>	<b>36,000,000</b>	<b>3,600,000</b>	<b>36,000,000</b>

## (b) Terms/Rights attached to Equity Shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10. The equity shares have rights, preferences and restrictions which are in accordance with the provisions of law, in particular the Companies Act, 2013.

## (c) Details of shareholders holding more than 5% shares in the company.

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares	%	No. of Shares	%
Sh Abhiram Tayal	235,420	6.54	235,420	6.54
Smt. Anubha Tayal	476,100	13.23	476,100	13.23

## Note : 3 Reserves & Surplus

Particulars	As at 31st March 2015		As at 31st March 2014	
<b>Securities Premium Reserve</b>				
As per last Balance Sheet		11,546,700		11,546,700
<b>General Reserve</b>				
As per last Balance Sheet		37,200,000		37,200,000
<b>Profit &amp; Loss Account</b>				
As per Last Balance Sheet	37,854,025		29,729,442	
Add: Profit for the year	13,286,043		12,336,403	
Less: Appropriations				
Proposed Dividend on Equity Shares	3,600,000		3,600,000	
(Dividend per Share Re.1/- (Previous Year Re.1/-))				
Tax on Dividend	753,294		611,820	
		46,786,774		37,854,025
<b>Total</b>		<b>95,533,474</b>		<b>86,600,725</b>

## Note : 4 Long Term Borrowings

Particulars	As at 31st March 2015		As at 31st March 2014	
	Non Current	Current	Non Current	Current
<b>Unsecured</b>				
-Fixed Deposits	-	-	7,510,000	9,985,000
-Corporate Loan	68,025,191		69,816,843	-
-Loans From Directors	11,900,000	750,000	5,450,000	7,200,000
<b>Total</b>	<b>79,925,191</b>	<b>750,000</b>	<b>82,776,843</b>	<b>17,185,000</b>



# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note : 5 Deferred Tax Liability (Net)

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Deferred Tax Liability</b>		
Related to Fixed Assets	15,071,298	15,591,046
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	2,847,086	2,793,577
<b>Total</b>	<b>12,224,212</b>	<b>12,797,469</b>

## Note : 6 Long term Provisions

Particulars	As at 31st March 2015	As at 31st March 2014
Gratuity	6,930,812	6,036,369
Leave Encashment	789,597	1,407,916
<b>Total</b>	<b>7,720,409</b>	<b>7,444,285</b>

## Note : 7 Short Term Borrowings

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Secured</b>		
<b>Working Capital Loans From Banks</b>		
-Rupee Loans	329,048,764	344,050,786
-Pnb Bills Payble	294,948,112	89,860,065
<b>Total</b>	<b>623,996,876</b>	<b>433,910,851</b>

### Working Capital Loans from Banks (Current and Non Current)

#### Security

a. Cash Credit of Rs.329048764 from Punjab National Bank is secured against hypothecation of stock of finished goods, raw materials, work in progress, book debts, stores and spares and guaranteed by the directors.

## Note : 8 Trades Payable

Particulars	As at 31st March 2015	As at 31st March 2014
Micro, Small and Medium Enterprises		-
Others	48,807,523	169,622,855
<b>TOTAL</b>	<b>48,807,523</b>	<b>169,622,855</b>

## Note : 9 Other Current Liabilities

Particulars	As at 31st March 2015	As at 31st March 2014
Current maturities of long term debt ( Refer Note No. 4)	750,000	17,185,000
Unclaimed Dividends	392,670	397,895
Creditors for Capital Expenditure	453,000	400,000
Excise Duty Payble	14,109,273	4,188,695
Advance from Customers	3,276,340	1,238,676
Other Payables	10,367,864	16,948,413
<b>Total</b>	<b>29,349,147</b>	<b>40,358,679</b>

## Note : 10 Short Term Provisions

Particulars	As at 31st March 2015	As at 31st March 2014
Proposed Dividend	3,600,000	3,600,000
Tax on Dividend	753,294	611,820
Provision for Wealth Tax	24,579	34,840
Provision for Income Tax	-	119,738
<b>Total</b>	<b>4,377,873</b>	<b>4,366,398</b>



## HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note :11 Fixed Asset

Particulars	Gross Block			Depreciaton				Net Block			
	Value at the beginning	Addition during the year	Deduction during the year	Value as at 31st March 2015	Value at the beginning	Addition during the year	Amount to deducted from opening retained earning	Deduction during the year	Value as at 31st March 2015	WDV as on 31.03.2015	WDV as on 31.03.2014
<b><u>Tangible Assets</u></b>											
Land	9,806,840	-	-	9,806,840	-	-	-	-	-	9,806,840	9,806,840
Industrial Plot	11,353,387	791,020	-	12,144,407	-	-	-	-	-	12,144,407	11,353,387
Shed and Building	22,444,646	-	-	22,444,646	7,713,867	682,901	16,914	-	8,413,681	14,030,966	14,730,780
Delhi office	3,710,000	-	-	3,710,000	414,605	55,909	-	-	470,514	3,239,486	3,295,395
Plant and Machinery	307,504,274	-	-	307,504,274	196,708,907	10,355,023	-	-	207,063,930	100,440,344	110,795,367
Generator	11,412,867	-	-	11,412,867	11,205,975	9,261	-	-	11,215,236	197,631	206,892
<b><u>Vehicles</u></b>											7,822,066
-Car	13,354,864	-	-	13,354,864	5,691,355	1,921,329	-	-	7,612,684	5,742,180	
-Motor Vehicle	236,584	52,769	-	289,353	78,027	26,610	-	-	104,637	184,716	
Furniture and Fixture	1,194,698	-	-	1,194,698	528,337	95,194	-	-	623,531	571,167	666,361
Office Equipments	1,681,234	136,688	-	1,817,922	632,191	499,597	118,218	-	1,250,006	567,916	1,049,043
Computer	1,877,375	-	-	1,877,375	1,751,886	51,206	-	-	1,803,092	74,283	125,489
<b>SUB TOTAL A</b>	384,576,770	980,477	-	385,557,247	224,725,150	13,697,028	135,132	-	238,557,310	146,999,937	159,851,620
<b><u>Intangible Assets</u></b>											
Computer Software	2,349,447	-	-	2,349,447	854,931	1,106,595	130,255	-	2,091,780	257,667	1,494,516
<b>SUB TOTAL B</b>	2,349,447	-	-	2,349,447	854,931	1,106,595	130,255	-	2,091,780	257,667	1,494,516
<b><u>Capital Work-in-progress</u></b>											
Plant and Machinery	20,948,967	42,384,888	1,550,000	61,783,855	-	-		-	-	61,783,855	20,948,967
<b>SUB TOTAL C</b>	20,948,967	42,384,888	1,550,000	61,783,855	-	-	-	-	-	61,783,855	20,948,967
<b>Total [A + B + C] (Current Year)</b>	407,875,184	43,365,365	1,550,000	449,690,549	225,580,081	14,803,623	265,387	-	240,649,090	209,041,458	182,295,103
<b>(Previous Year)</b>	386,676,043	21,686,841	487,701	407,875,183	199,445,574	26,444,848	-	310,341	225,580,081	182,295,103	187,230,469

# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note : 12 Non Current Investment

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Investment in Equity Instrument</b>	84,000	84,000
Quoted Non Trade at Cost		
2400 Equity Shares of Haryana Financial Corporation of Rs.10/- each fully paid up (Market value not Available)		
<b>Total</b>	<b>84,000</b>	<b>84,000</b>

## Note : 13 Long Term Loans and Advances

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Unsecured, Considered Good :</b>		
Security Deposit	6,248,048	4,247,939
MAT Credit Entitlement	-	823,518
Sales Tax Refundable	1,387,747	9,677,540
<b>Total</b>	<b>7,635,795</b>	<b>14,748,997</b>

## Note : 14 Inventories

Particulars	As at 31st March 2015	As at 31st March 2014
Raw Material	130,131,485	196,085,884
Finished Goods	30,082,197	17,776,500
Stores & Spares	55,449,442	39,873,779
<b>Total</b>	<b>215,663,124</b>	<b>253,736,163</b>

## Note : 15 Trade Recievables

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Unsecured, Considered Good :</b>		
Outstanding for more than six months	13,102,280	12,621,138
Others	403,696,241	336,711,802
<b>Total</b>	<b>416,798,521</b>	<b>349,332,940</b>

## Note : 16 Cash & Bank Balances

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Cash &amp; Cash Equivalent</b>		
Cash Balance	449,052	275,188
Bank Balances in Current accounts	1,071,928	1,049,464
Silver Coins	6,551	21,007
Gold Coins	33,348	83,788
<b>Bank balances</b>		
Bank Balance Representing Unclaimed Dividend	392,670	397,895
Balance with Banks in Fixed Deposit Account (Maturity more than three months but upto twelve months Rs. 36105235 and less than three months 1884591)*	37,989,826	36,460,592
<b>Total</b>	<b>39,943,375</b>	<b>38,287,934</b>

\* Fixed deposit held as margin by the bank for and are not available for use by the company.

# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note :17 Short Terms Loans and Advances

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Others</b>		
(Unsecured considered good)		
Balance With Revenue Authorities (Indirect Taxes)	15,524,723	15,359,532
Advance against machinery	1,229,785	6,319,925
Prepaid Expenses	687,297	5,509,320
Others	31,326,626	8,204,191
<b>Total</b>	<b>48,768,431</b>	<b>35,392,968</b>

## Note : 18 Revenue from Operations

Particulars	As at 31st March 2015	As at 31st March 2014
Sale of Products		
Cold Rolled Stainless Steel strips	2,502,922,714	2,363,353,440
Sale of Services		
Job Work Income	3,161,620	1,498,320
Other Operating Revenue		
Export Sale Income	451,700	729,125
<b>Less:</b>		
Excise Duty	269,505,988	252,770,231
<b>Total</b>	<b>2,237,030,046</b>	<b>2,112,810,654</b>

## Note : 19 Other Income

Particulars	As at 31st March 2015	As at 31st March 2014
Profits on sale of Fixed Assets	75,000	21,999
Miscellaneous Income		
-Exchange fluctuation	422,501	1,074,393
-Store sale	1,486,533	2,748,210
-Provision for Leave Encashment	362,961	-
-Others	164,580	-
<b>Total</b>	<b>2,511,575</b>	<b>3,844,602</b>

## Note : 20 Cost of Material Consumed

Particulars	As at 31st March 2015		As at 31st March 2014	
	%	Amount	%	Amount
<b>Hot Rolled SS strips</b>				
Indigenous	97.92	1,877,463,088	100	1,773,284,712
Import	2.08	39,813,031	-	-
<b>Total</b>	<b>100</b>	<b>1,917,276,119</b>	<b>100</b>	<b>1,773,284,712</b>

## Note : 21 Change in Inventories

Particulars	As at 31st March 2015	As at 31st March 2014
<b>Inventories (at close)</b>		
Finished Goods	30,082,197	17,776,500
<b>Inventories (at commencement)</b>		
Finished Goods	17,776,500	12,265,438
<b>Total</b>	<b>(12,305,697)</b>	<b>(5,511,062)</b>

**HISAR METAL INDUSTRIES LIMITED***Notes Forming Integral Part of the Financial Statements as at 31st March 2015***Note : 22 Employee Benefit Expenses**

Particulars	As at 31st March 2015	As at 31st March 2014
Salaries Wages and Bonus	21,052,938	19,573,799
Staff & Labour Welfare	1,201,874	1,182,926
Contribution to Provident & Other funds	2,946,716	2,405,356
Gratuity	1,220,688	1,536,300
Leave Encashment	-	781,493
<b>Total</b>	<b>26,422,216</b>	<b>25,479,874</b>

**Note :23 Finance Cost**

Particulars	As at 31st March 2015	As at 31st March 2014
Interest on :		
Long Term Loan	11,241,665	12,808,060
Short Term	11,641,558	11,501,596
Others	48,094,055	33,422,272
Bank Charges	6,068,384	6,169,892
<b>Total</b>	<b>77,045,662</b>	<b>63,901,820</b>

**Note : 24 Depreciation & Amortised Cost**

Particulars	As at 31st March 2015	As at 31st March 2014
Depreciation	15,069,009	26,444,848
<b>Total</b>	<b>15,069,009</b>	<b>26,444,848</b>

**Note : 25 Other Expenses**

Particulars	As at 31st March 2015	As at 31st March 2014
Manufacturing Expenses :		
Stores and Spares	47,091,032	60,933,630
Power and Fuel	113,342,982	116,939,547
Chemical	18,390,438	21,665,459
Repair and Maintenance( Plant and Machinery)	4,013,322	4,290,600
Other Manufacturing Expenses	872,992	1,360,789
Rent	288,000	288,000
Filing Fees	16,200	10,500
Legal & Professional	623,464	822,498
Vehicle Upkeep & Maintenance	1,317,649	1,227,743
Insurance	1,810,728	1,764,292
Postage, Telegram & Telephone	617,488	556,418
Travelling & Conveyance	805,337	714,372
Printing & Stationery	574,778	560,489
Auditor's Remuneration as:		
Statutory Audit Fees	78,000	72,000
Tax Audit Fees	28,000	24,000
Consultancy	24,000	22,000
Advertisement	667,629	280,941
Fees & Subscription	826,883	802,578
Commission & Discount	522,635	390,817
Donation	49,900	51,400
Freight & Octroi	1,586,764	1,285,122
Miscellaneous Expenses	591,201	789,034
Export Sale Exp	584,750	835,533
Sale Tax Expenses	-	279,857
Sale Promotion Expenses	399,235	120,856
Exhibition Rental Charges	374,000	-
<b>Total</b>	<b>195,497,407</b>	<b>216,088,475</b>

# HISAR METAL INDUSTRIES LIMITED

## Notes Forming Integral Part of the Financial Statements as at 31st March 2015

### Note : 26 Disclosure as per AS15-Retirement Benefits:

#### Post Retirement Employee Benefit:

##### Description of Plan

##### Gratuity

##### Leave Encashment

#### Principal actuarial assumptions:

<b>i) Economic Assumptions</b>					
	Particulars	Gratuity		Leave Encashment	
		31/03/2015	31/03/2014	31/03/2015	31/03/2014
a)	Discounting Rate	8.00%	8.50%	8.00%	8.50%
b)	Future Salary Increase	5.50%	6.00%	5.50%	6.00%
c)	Expected Rate of return on plan assets	0.00	0.00	0.00	0.00
<b>ii) The amounts to be recognized in balance sheet and related analysis</b>					
	Particulars	Gratuity		Leave Encashment	
		31/03/2015	31/03/2014	31/03/2015	31/03/2014
a)	Present Value of obligations at end of the period	6930812	6036369	789597	1407916
b)	Fair Value of plan assets as at the end of the period	-	-	-	-
c)	Funded status / difference	(6,930,812)	(6,036,369)	(789,597)	(1,407,916)
d)	Excess of actual over estimated	--	--	--	--
e)	Unrecognized actuarial (gains)/ losses	--	--	--	--
f)	Net asset/(liability) recognized in balance sheet	(6,930,812)	(6,036,369)	(789,597)	(1,407,916)
<b>iii) Expense recognized in the statement of Profit and Loss</b>					
	Particulars	Gratuity		Leave Encashment	
		31/03/2015	31/03/2014	31/03/2015	31/03/2014
a)	Current service cost	721364	668892	103775	366070
b)	Past service cost	--	--	--	--
c)	Interest cost	513091	422703	119673	158668
d)	Expected return on plan assets	--	--	--	--
e)	Curtailement cost/(Credit)	--	--	--	--
f)	Settlement cost/(Credit)	--	--	--	--
g)	Net actuarial (gain)/ loss recognized in the period	(13,767)	444705	(586,409)	256,755
h)	Expense recognized in the statement of profit & losses	1220688	1536300	(362,961)	781493

# HISAR METAL INDUSTRIES LIMITED

## Notes Forming Integral Part of the Financial Statements as at 31st March 2015

<b>iv)</b>	<b>Reconciliation statement of expense in the statement of profit and loss</b>				
	<b>Particulars</b>	<b>Gratuity</b>		<b>Leave Encashment</b>	
		<b>31/03/2015</b>	<b>31/03/2014</b>	<b>31/03/2015</b>	<b>31/03/2014</b>
a)	Present value of obligations at the end of period	6930812	6036369	789597	1407916
b)	Present value of obligations at the beginning of the period	6036369	5283792	1407916	1983345
c)	Benefits paid	(326245)	(783723)	(255,358)	(1,356,922)
d)	Actual return on plan assets	--	--	--	--
e)	Expenses recognized in the statement of profit & losses	1220688	1536300	(362961)	781493
<b>v)</b>	<b>Movement in the liability recognized in the balance sheet</b>				
	<b>Particulars</b>	<b>Gratuity</b>		<b>Leave Encashment</b>	
		<b>31/03/2015</b>	<b>31/03/2014</b>	<b>31/03/2015</b>	<b>31/03/2014</b>
a)	Opening net liability	6036369	5283792	1407916	1983345
b)	Expenses as above	1220688	1536300	(362,961)	781493
c)	Benefits paid	(326,245)	(783,723)	(255,358)	(1,356,922)
d)	Closing net Liability	6930812	6036369	789597	1407916

# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note : 27 Disclosure as per Accounting Standard -18 on Related Party Disclosures

(i) Name of the associates with whom transactions were carried out during the year.

### Associate Concerns

- 1 Jindal Polybutton Limited
- 2 Jindal Metal Limited
- 3 Amtrex Trading Co. Pvt. Ltd

Name of the key management personnel and their relatives with whom transactions were carried out during the year

### (ii) Key management personnel & their relatives:

- |   |                       |                   |
|---|-----------------------|-------------------|
| 1 | Sh. Abhiram Tayal     | Managing Director |
|   | Abhiram Tayal HUF     | HUF               |
| 2 | Smt. Anubha Tayal     | Director          |
|   | Sh. Vikram Kumar Jain | Brother           |
| 3 | Sh. Karan Dev Tayal   | Director          |
|   | Smt. Kashni Tayal     | Wife              |

### (iii) Transactions with the related parties

Particulars	Nature of relationship	Name of the relative party	31st March 2015	31st March 2014
Managerial Remuneration	KMP	Sh. Abhiram Tayal	616,500	609,360
Interest Paid	Associate Concern	Amtrex Trading Co. Pvt. Ltd	660,129	595,784
	KMP	Sh. Abhiram Tayal	371,220	431,750
		Smt. Anubha Tayal	377,790	409,750
		Sh. Karan Dev Tayal	526,644	550,000
	Relative of KMP	Sh. Vikram Kumar Jain	769,322	1,076,350
		Smt. Kashni Tayal	508,562	550,000
		Abhiram Tayal HUF	96,514	165,000
Rent Paid	Associate Concern	Jindal Metal Limited	288,000	288,000
Job Work		Jindal Polybutton Limited	9,789	12,310
Payable to:	Associate Concern	Amtrex Trading Co. Pvt. Ltd.	6,095,191	5,501,075
	KMP	Sh. Abhiram Tayal	4,625,000	3,925,000
		Smt. Anubha Tayal	3,025,000	3,725,000
		Sh. Karan Dev Tayal	5,000,000	5,000,000
	Relative of KMP	Smt. Kashni Tayal	-	5,000,000
		Abhiram Tayal HUF	-	1,500,000
		Sh. Vikram Kumar Jain	-	9,785,000

### Note : 28 CIF Value of Imports

Particulars	31st March 2015	31st March 2014
Raw materials	31,207,238	-
Machinery	16,107,836	9,201,720
Stores & Spares	556,350	-

# HISAR METAL INDUSTRIES LIMITED

Notes Forming Integral Part of the Financial Statements as at 31st March 2015

## Note : 29 Earnings in foreign exchange

Particulars	31st March 2015	31st March 2014
FOB value of exports	30,089,762	27,304,865

## Note: 30 Expenditure in foreign currency

Particulars	31st March 2015	31st March 2014
Travel Expenses	154,428	-

## Note : 31 Earnings per share

The following represents profit and share data used in the basic and diluted EPS computations

Particulars	31st March 2015	31st March 2014
Profit for computation of Basic EPS	13,286,043	12,336,403
Add:/(Less) adjustment	-	-
Profit for computation of Diluted EPS	13,286,043	12,336,403
Weighted average number of equity shares in calculating Basic EPS	3,600,000	3,600,000
Add:/(Less) adjustment	-	-
Weighted average number of equity shares in calculating Diluted EPS	3,600,000	3,600,000

## Note: 32 Commitments and Contingencies

Particulars	31st March 2015	31st March 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)	2,615,215	11,858,389
Counter guarantees issued to the bank for the bank guarantee obtained	727,000	1,312,377
Cheques/Bills/LCs/FLCs discounted with Company's Banker	24,114,399	35,662,193
Excise duty related matter	-	385,377
Sales tax related matter	36,404,084	31,838,619

Haryana Government had imposed a levy namely Local Area Development Tax in the year 2007. However, the matter is pending in the Supreme Court.

## Note : 33 Previous Year Figures

Previous year figure are regrouped, wherever necessary.

<i>Notes referred to above and notes attached thereto form an integral part of financial statements</i>			
For Ram Sanjay & Co.	For and on behalf of the Board of Directors		
Chartered Accountants			
Firm Reg. No.: 021670N			
	(M.P. Jindal)	(Abhiram Tayal)	(Karan Dev Tayal)
	Chairman	Managing Director	Director
(CA. SANJAY VERMA)			
PARTNER			
Membership No. : 089499			
	(R.S. Bansal)		(Pardeep Nandal)
Place : Hisar	C.F.O.		Company Secretary
Date : 30 May 2015			



## **HISAR METAL INDUSTRIES LIMITED**

REGISTERD OFFICE: NEAR INDUSTRIAL DEVELOPMENT COLONY

DELHI ROAD, HISAR – 125005, HARYANA, INDIA

Ph: 01662-220067, 220367, 220738 Fax: 011- 43851119

E-mail: [info@hisarmetal.com](mailto:info@hisarmetal.com) Website: [www.hisarmetal.com](http://www.hisarmetal.com)

**CIN: L74899HR1990PLC030937**

### **PROXY FORM**

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

Name of the Member(s): \_\_\_\_\_  
Registered Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_  
Folio No. / Client ID: \_\_\_\_\_  
DP ID: \_\_\_\_\_

I/ We, being the member(s) of ..... shares of the Hisar Metal Industries Limited, hereby appoint:

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_  
Or failing him/her

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_  
Or failing him/her

Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me /us and my/our behalf at the twenty fifth Annual General Meeting of the Company, to be held on Monday, September 28, 2015, at 11:00 A.M. at its registered office at near IDC, Delhi Road, Hisar-125005, (Haryana) and at any adjournment thereof in respect of such resolutions as indicated below:

<i>Sr. no.</i>	<i>Resolutions to be passed in the meeting</i>	<i>For</i>	<i>Against</i>
1.	Adoption of Audited Financial Statements for the year ended 31st March 2015 together with the Reports of the Board of Directors and the Auditors thereon		
2.	Declaration of dividend for the financial year 2014-15		
3.	Appointment of Director in place of Mrs. Anubha Tayal, who retires by rotation and is eligible for re-appointment		
4.	Ratification of appointment of Statutory Auditors and fixing their remuneration		
5.	Ratification of Cost Auditors' remuneration		

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

Signature

.....  
(Proxy holder)

Signature.....  
(Shareholder)

Affix  
Revenue  
Stamp  
Rs. 1/-

*Note: 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 .*

## ***HISAR METAL INDUSTRIES LIMITED***

***REGISTERD OFFICE: NEAR INDUSTRIAL DEVELOPMENT COLONY***

***DELHI ROAD, HISAR – 125005, HARYANA, INDIA***

***Ph: 01662-220067, 220367, 220738 Fax: 011- 43851119***

***E-mail: info@hisarmetal.com Website: www.hisarmetal.com***

***CIN: L74899HR1990PLC030937***

### ***ATTENDANCE SLIP***

(Please complete this slip and hand it over at the entrance of the Meeting Hall)

I/We, hereby record my/our presence at the twenty fifth Annual General Meeting to be held on Monday, September 28, 2015, at 11:00 A.M. at its registered office at near IDC, Delhi Road, Hisar-125 005, (Haryana).

Name of the share holder/proxy\*.....

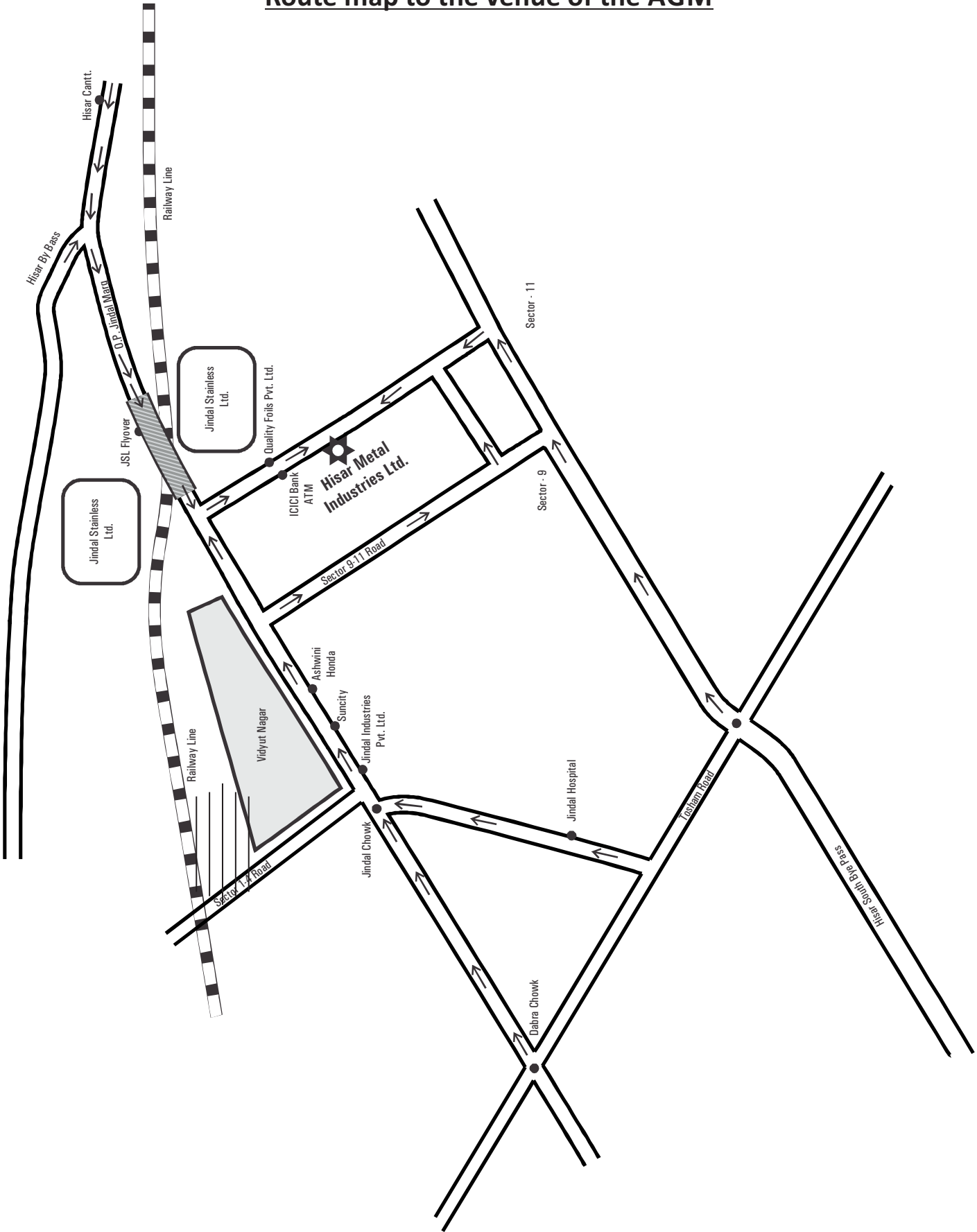
Address .....

No. of shares held .....Folio No. ....

\*(Strike out whichever is Not Applicable)

(Signature of the Shareholder/Proxy)

Route map to the venue of the AGM



## **BOOK POST**

*If undelivered please return to :*  
**HISAR METAL INDUSTRIES LIMITED**  
Near Industrial Development Colony  
Delhi Road, Hisar – 125 005  
(Haryana), INDIA