



# Boards' Report

**To  
The Members,  
Sudal Industries Limited**

Your Directors have pleasure in presenting the Fortieth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2019

## FINANCIAL RESULTS

The Company's performance during the year ended 31<sup>st</sup> March, 2018 as compared to the previous financial year, is summarized below:

Particulars	(Rs. in Lakhs)	
	For the financial year ended 31st March, 2019	For the financial year ended 31st March, 2018
<b>Total Revenue</b>	<b>12654.92</b>	10839.68
<b>Earnings before interest, depreciation and tax</b>	<b>758.03</b>	573.09
Less: Interest and Finance Charges	<b>1495.58</b>	1352.30
Less: Depreciation	<b>306.32</b>	307.08
<b>Profit/(Loss) Before Taxation</b>	<b>(1043.87)</b>	(1086.29)
Less: Provisions for Current Tax	<b>0</b>	0
Less: Provision for Deferred Tax	<b>0</b>	0
Less :Provision for tax for earlier year	<b>(71.51)</b>	(10.90)
<b>Profit/(Loss) after Tax</b>	<b>(1115.38)</b>	(1097.19)
<b>Other comprehensive income</b>	<b>4.87</b>	(5.95)
<b>Total comprehensive income for the year</b>	<b>(1110.51)</b>	(1103.14)

## OPERATIONS AND RESULTS:

During the year under review price trend was upward due to increase in price at London Metal Exchange, decrease in share of Conversion along with improved demand for Aluminium products which enabled the Company to achieve increased performance both in respect of quantity and the value. However, the margin were constrained due to differential price module being followed by primary producers. Other factor being increase in other input cost and finance cost .

## DIVIDEND:

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

## TRANSFER TO RESERVES:

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

## NOTICE FROM SYNDICATE BANK

Syndicate bank have issued notice on 21/02/19 issued notice under section 13(2) of SARFAESI for recovery of dues. Within the stipulated time, Company has submitted its reply cum objection.

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

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

**DEPOSITS:**

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

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

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

**INTERNAL FINANCIAL CONTROLS:**

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

**SIGNIFICANT OR MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL:**

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

**RELATED PARTY TRANSACTIONS:**

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

**PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:**

Full particulars of loans, guarantees, investments and securities provided during the financial year under review along with the purposes for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof, has been furnished in Note No. 3 and 11 which are forming part of the Financial Statements for the year ended at 31 March, 2019.

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

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

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

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

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

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

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

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



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT & CORPORATE GOVERNANCE REPORT:**

Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is attached and marked as Annexure VIII, forms part of this Report.

### **MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL: BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:**

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

In accordance with second proviso to section 149(1) of Companies Act, 2013, the Company has appointed Ms. Neha Dhuru, a woman and independent director w.e.f 26/10/18 in place of Ms. Chaitali Salgaokar who resigned from the post of directorship.

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation. As per the provisions of Section 152 of the Companies Act, 2013, Mr. Shyantanu S Chokhani, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Necessary proposal for her appointment has been included in the Notice of the ensuing Annual General Meeting of the Company.

Shri Jal Thanawala whose terms expires on 26th September, 2019 and he has offered himself for reappointment for further period of five years.

Shri Lalit Maheshi has been appointed as additional and independent director to hold office with effect from 25th July, 2019 till the conclusion of ensuing Annual General Meeting. The Company has received application from a member for appointment as independent director for a period of five years ending 29th September, 2024

Mr Manoj O Shah Independent director due to his pre occupation, has resigned from directorship

### **DECLARATIONS BY INDEPENDENT DIRECTORS**

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

### **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

#### **a. BOARD MEETINGS:**

The Board of Directors met 5 times during the financial year ended 31st March 2018 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

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

- 28<sup>th</sup> May, 2018
- 3<sup>rd</sup> July, 2018
- 13<sup>th</sup> August, 2018
- 26<sup>th</sup> October, 2018
- 14<sup>th</sup> February, 2019

#### **b. DIRECTOR'S RESPONSIBILITY STATEMENT:**

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended 31 March, 2019 the Board of Directors hereby confirms that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- such accounting policies have been selected and applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31 March, 2019 and of the loss of the Company for the year;

- proper and sufficient care was taken for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts of the Company have been prepared on a going concern basis also refer to Note 30 ;
- internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**c. NOMINATION AND REMUNERATION COMMITTEE:**

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

The composition of the said Committee is as under:

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

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

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

- **Minimum Qualification**
- **Positive Attributes**
- **Independence**
- **Experience**

**d. AUDIT COMMITTEE:**

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

The Audit Committee comprises of:

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

\* N.E.D : Non - Executive Director

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



**e. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

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

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

\* N.E.D : Non - Executive Director

**VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:**

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

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

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

**BUSINESS RISK MANAGEMENT:**

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

**ANNUAL EVALUATION OF DIRECTORS, COMMITTEE AND BOARD:**

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

**INTERNAL CONTROL SYSTEMS:**

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

During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

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

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

**AUDITORS AND REPORTS**

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

**a. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019:**

The observations made by the Statutory Auditors in their report for the financial year ended 31st March, 2019 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**b. APPOINTMENT OF STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. Bagaria & Co. LLP, Chartered Accountants (Firm Registration No. 113447W/W-100019), the Statutory Auditors of the Company, hold office upto the conclusion of the Forty Third Annual General Meeting.

The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

**c. FRAUD REPORTING :**

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

**d. SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31 MARCH 2019:**

In terms of the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, and the rules made thereunder (including any statutory enactments thereof ), the Board had appointed M/s. Rathi and Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2018-19. Secretarial Audit Report issued by M/s Rathi and Associates in Form MR-3 for the Financial Year 2018-19 is appended as Annexure IV to this Report.

The said report does not contain any observation or qualification or adverse remark requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

**e. COST AUDITORS:**

**Pursuant to the provision of** Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014, Company is required to appointment a Cost Auditor for auditing the cost and other relevant records of the Company.

**In accordance with the said provisions and** as per the recommendation of the Audit Committee, the Board of Directors at their meeting dated 5rd July,2019 appointed M/s Hemant Shah & Associates, Cost Accountants (Firm Reg. No. 000394), as the Cost Auditors of the Company for the Financial Year 2019-20 on a remuneration of Rs 70,000 (Rupees Seventy Thousand Only) for the applicable Product Groups. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members ratification for remuneration payable to M/s Hemant Shah & Associates, Cost Auditors is included the Notice convening the Annual General Meeting.

**OTHER DISCLOSURES:**

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

**a. EXTRACT OF ANNUAL RETURN:**

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March 2019 made under the provisions of Section 92(3) of the Act is attached as Annexure V which forms part of this Report.

**b. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

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

**c. DISCLOSURE RELATED TO PREVENTION OF SEXUAL HARASSMENT OF WOMEN A WORK PLACE:**

The Directors further state that pursuant to the provisions of sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013, no case pertaining to sexual harassment at work place has been reported to Company during the F.Y. 2018-19.

**d. CORPORATE SOCIAL RESPONSIBILITY POLICY:**

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social responsibility policy) Rules, 2014 were not applicable to your Company during the Financial Year 2018-19 and accordingly compliances with respect to the same were not applicable to the Company during the year under review.

**e. DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder. no case pertaining to sexual harassment at work place has been reported to Company during the F.Y. 2018-19.

**DISCLOSURE UNDER SCHEDULE V OF COMPANIES ACT, 2013 : CORPORATE GOVERNANCE**

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

(Rs in lacs)

Particulars	Me Sudarshan S Chokhani (Managing Director)	Mr Mukesh V Ashar (Whole Time Director)
A) Element of Remuneration Package		
Salary	42.00	6.88
Benefits	-	0.64
Bonus	-	-
Stock Option	-	-
Pension	-	-
Total	42.00	7.52
B) Fixed and variable Components		
Fixed Components	42.00	7.52
Performance Linked Incentives	0	0
C) Terms Appointment		
Service Contract	Appointed for 3 years w.e.f 01/09/2018 to 31/08/2023	Appointed for 3 years w.e.f 08/12/2017 to 07/12/2022
Notice Period	3 Months in Writing	3 Month in writing
Severance Fees	Monthly salary calculated for such number of years or pay for such number of months by which the notice falls short of the required number of months	Monthly salary calculated for such number of years or pay for such number of months by which the notice falls short of the required number of months

**ACKNOWLEDGMENTS AND APPRECIATION :**

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

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

**Sd/-  
Sudarshan S Chokhani  
Managing Director  
DIN: 00243355**

**Sd/-  
Mukesh V Ashar  
CFO & Director  
DIN: 06929024**

**Date: 30th May, 2019**

**Place: Mumbai**

Sr. No.	Annexure
I	AOC- 2
II	Statement on manner of Evaluation of Board Of Directors, Committee and Individual Directors
III	Disclosure for ratio of remuneration of each Director to the Median Employee's Remuneration and other details as per Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014
IV	Form No. MR-3
V	Extract Of Annual Return
VI	Disclosure pursuant to Section 134(3)(M) of the Companies Act 2013 read with Rule 8 of the Companies (Accounts), Rules 2014
VII	Technology Absorption, Foreign Income Expenditure



## ANNEXURE I

## Form No. AOC-2

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

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

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

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

<b>Name(s) of the related party and nature of relationship</b>	M/s Sudarshan S Chokhani & Co. (Partnership Firm)	M/s Shriram Chokhani & Co. (Partnership Firm)	M/s Sudarshan Chokhani & Co. (Partnership Firm)	M/s Shriram Chokhani & Co. (Partnership Firm)	Mr. Shyantanu S Chokhani (Non- Executive Director )
<b>Nature of contracts/ arrangements/ transactions</b>	Contract to purchase raw materials (i.e., billets, ingots and Scrap) under section 188 (1)(a)	Contract to purchase raw materials (i.e., billets, ingots and Scrap) under section 188(1)(a)	Contract to lease Commercial Premises Being Office Space under Section 188(1)(c)	Contract to lease Commercial Premises Being Office Space under Section 188(1)(c)	Appointment of Related Party to office or Place of Profit under Section 188(1)(f)
<b>Duration of the contracts / arrangements/ transactions</b>	Five years w.e.f. 1 <sup>st</sup> April, 2014	Five years w.e.f. 1 <sup>st</sup> April, 2014	Five year w.e.f 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2020 and which shall be subject to renewal on fresh terms and conditions on year to year basis	Five year w.e.f 1 <sup>st</sup> April, 2015 to 31 <sup>st</sup> March, 2020 and which shall be subject to renewal on fresh terms and conditions on year to year basis	Three Years w.e.f 1 <sup>st</sup> January, 2019
<b>Salient terms of the contracts or arrangements or transactions including the value, if any</b>	For each financial year Transaction value shall not be more than 10% of the gross turnover as on the last date of the previous financial year	For each financial year transaction value shall not be more than 10% of the gross turnover as on the last date of the previous financial year.	The Company shall pay a Lease Deposit in Lieu of Rent, at the commencement date of the lease i.e. 1 <sup>st</sup> April, 2015, which shall be receivable at the time of expiry/ termination of the lease period.	The Company shall pay a Lease Deposit in Lieu of Rent, at the commencement date of the lease i.e. 1 <sup>st</sup> April, 2015, which shall be receivable at the time of expiry / termination of the lease period.	Appointment of Mr. Shyantanu Chokhani - Non Executive Director (Son of Mr. Sudarshan S Chokhani - Managing Director of the Company) as Advisor Marketing and Business Development.
<b>Date(s) of approval by the Board, if Any</b>	At the meeting of the Board, held on 26 <sup>th</sup> May, 2015	At the meeting of the Board, held on 26 <sup>th</sup> May, 2015	At the meeting of the Board held on 26 <sup>th</sup> May, 2015	At the meeting of the Board held on 26 <sup>th</sup> May, 2015	At the meeting of the Board, held on 14 <sup>th</sup> February, 2019
<b>Amount paid as advances, if any</b>	-	-	-	-	-

**Registered Office**

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

**By the Order of Board of Directors  
For Sudal Industries Limited**

Sd/-

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

Sd/-

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

Place: Mumbai

Date: 30<sup>th</sup> May, 2019





## ANNEXURE II

### STATEMENT ON MANNER OF EVALUATION OF BOARD OF DIRECTORS, COMMITTEE AND INDIVIDUAL DIRECTORS:

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

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

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

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

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

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

**By the Order of Board of Directors  
For Sudal Industries Limited**

Sd/-

Sd/-

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2019**

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

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

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

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

- I. Median Remuneration: Rs. 216944/- Per Annum
- II. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the Financial Year 2018-19, the percentage increase in remuneration of Chief Financial Officer and other Executive Director and Company Secretary during the Financial Year 2018-19.

Sr. No.	Name of Director /KMP	Designation	Ratio of Remuneration of each Director to median remuneration of Employees	Percentage Increase in Remuneration
1.	Mr. Sudarshan S Chokhani	Managing Director	19.44:1	NIL
2.	Mr. Mukesh V Ashar	Whole-time Director and CFO	3.00:1	NIL

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

## Note:

- Employee for the above purpose includes all employees excluding employees covered under collective bargaining.
- III. The percentage increase in the median remuneration of employees in the financial year:  
During the F.Y. 2018-19 there was no increase in the median remuneration of employees.
- IV. The Company has 110 permanent Employees on the rolls of Company as on 31st March, 2018.
- V. Increase in remuneration depends upon factors like Company performance, benchmarking, talent availability and turnover apart from the individual performance of employees
- VI. The increase in remuneration of the Key Managerial Personnel is decided on the parameters set out in the Nomination, Remuneration and Performance Evaluation Policy of the Company, which is directly linked to individual performances as well as the performance of the Business.
- VII. The market capitalization of the Company as on 31st March, 2019 was Rs 806.77 lakhs as compared to Rs 648.00 Lacs as on 31st March, 2019. The price-earning ratio of the Company was (-1.00) as at 31st March, 2019 and was (-1.36) at 31st March, 2018. The closing share price of the Company at BSE limited as on 31st March, 2019 being Rs 8.00 per equity share of face value of 10/- each.
- VIII. There is no increase in the salaries of employees/directors' in the financial year .
- IX. The key parameters for variable component of remuneration availed by the directors: Nil
- X. None of the employee received remuneration in excess of the highest paid Director.

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

**Registered Office**

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

Place: Mumbai

Date: 30<sup>th</sup> May, 2019

**By the Order of Board of Directors  
For Sudal Industries Limited**

Sd/-

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

Sd/-

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

**ANNEXURE IV****Form No. MR-3****SECRETARIAL AUDIT REPORT**

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

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019**

To

The Members,

**Sudal Industries Limited**

A-5, M.I.D.C. Ambad Industrial Area,  
Mumbai-Nashik Highway,  
Nashik - 422010

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

Based on our verification of the Company's books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 as given in the Annexure I, according to the provisions of:
  - (i) The Companies Act, 2013 ('the Act') and the rules made there under to the extent applicable;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - (iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
2. Provisions of Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, except to the extent of reporting with respect to Foreign Direct Investment, were not applicable to the Company under the Financial Year under report.

3. Provisions of Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:
- (i) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (ii) SEBI (Share Based Employee Benefits) Regulations, 2014;
  - (iii) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (iv) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (v) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
  - (vi) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with other Acts, Laws and Regulations applicable specifically to the Company viz.
- Industries (Development and Regulation) Act, 1951;
  - Factories Act, 1948;
  - Industrial Disputes Act, 1947;
  - Minimum Wages Act, 1948;
  - Payment of Wages Act, 1936;
  - Sale of Goods Act, 1930.

We have also examined compliance with the applicable clauses of the Secretarial Standards including the amended Secretarial Standards applicable with effect from 1st October, 2017 issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013;

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

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors for the financial year under report. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act, except:

- *Ms. Pooja Bangera (PAN: ANDPB2942G) resigned as the Company Secretary and Compliance officer of the Company with effect from 31st March, 2018. The Company did not appoint a Company Secretary as required under the provisions of Section 203 of the Companies Act, 2013 read with Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 6 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under report.*
- *Ms. Chaitali V. Salgaokar (DIN: 07762927), Independent Director resigned from the Directorship of the Company with effect from 23rd April, 2018. Ms. Neha Dhuru (DIN: 08206406), was appointed as an Independent Director with effect from 15th October, 2018 on the Board of the Company. Hence, the Company did not have proper composition with respect to having a woman director during the period from 24th April, 2018 to 14th October 2018 as required under Section 149 of the Act read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014.*



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

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

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

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

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

Sd/-

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

**Place: Mumbai  
Date: 30th May, 2019**

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

1. Memorandum & Articles of Association of the Company.
2. Annual Report for the financial year ended 31st March 2018.
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee held during the financial year under report along with respective Attendance Registers.
4. Minutes of General Body Meetings held during the financial year under report.
5. Policies framed by the Company viz.
  - Policy on Related Party Transactions;
  - Risk Management Policy;
  - Whistle Blower Policy;
  - Nomination and Remuneration Policy;
  - Archival Policy; and
  - Policy for Determination of Material Events.
6. Statutory Registers viz.
  - Register of Directors & Key Managerial Personnel and their Shareholding
  - Register of Charge (Form No. CHG-7)
  - Register of Contracts with related party and contracts and Bodies etc. in which directors are interested (Form No. MBP-4)
  - Register of Investments (Form No. MBP-3)
7. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation, if any.
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013.
9. Intimations received from directors under the prohibition of Insider Trading Code.
10. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
11. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 during the financial year under report.
12. Compliance Certificate placed before the Board of Directors from time to time.
13. Details of Related Party Transactions entered into by the Company during the financial year under report.
14. Intimation given to employees of the Company for closure of trading window from time to time.
15. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.

**ANNEXURE - II**

To

The Members

**Sudal Industries Limited**

A-5, M.I.D.C. Ambad Industrial Area,  
Mumbai-Nashik Highway,  
Nashik - 422010

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices that we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For RATHI & ASSOCIATES  
COMPANY SECRETARIES**

**Sd/-**

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

**Place: Mumbai**

**Date: 30th May, 2019**



## ANNEXURE V

## MGT 9

## EXTRACT OF ANNUAL RETURN

As on financial year ended on 31<sup>st</sup> March 2019

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

## I. REGISTRATION AND OTHER DETAILS:

CIN	:	L21541MH1979PLC021541
Registration Date	:	08/08/1979
Name of the Company	:	SUDAL INDUSTRIES LIMITED
Category / Sub-Category of the Company	:	Public Limited Company
Address of the Registered office and contact details	:	A-5, MIDC, Ambad Industrial Area, Mumbai – Nashik Highway, Nashik – 422 010, Maharashtra
Contact No.	:	0253-2382396
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078. Tel No. -02225946970 Fax No: 02225946969 Email- <a href="mailto:dematremat@linkintime.co.in">dematremat@linkintime.co.in</a>

## II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

SR. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	ALUMINUM EXTRUSIONS & ALLOYS	24202	100.00

## III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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



#### IV SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

##### (A) CATEGORY-WISE SHARE HOLDING

Sr No	Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(A)</b>	<b>Promotoers</b>									
<b>[1]</b>	<b>Indian</b>									
	a) Individual/HUF	3852512	0	3852512	52.29	3852512	0	3852512	52.29	Nil
	b) Central Govt									
	c) State Govt(s)									
	d) Bodies Corp.	790488	0	790488	10.73	790488	0	790488	10.73	Nil
	e) Banks / FI									
	f) Any other									
	<b>Sub-total(A)(1):</b>	<b>4643000</b>	<b>0</b>	<b>4643000</b>	<b>63.02</b>	<b>4643000</b>	<b>0</b>	<b>4643000</b>	<b>63.02</b>	<b>Nil</b>
<b>[2]</b>	<b>Foreign</b>									
	a) NRIs - Individuals	0	0	0	0	0	0	0	0	0.00
	b) Other - Individuals	0	0	0	0	0	0	0	0	0.00
	c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
	d) Banks / FI	0	0	0	0	0	0	0	0	0.00
	e) Any other	0	0	0	0	0	0	0	0	0.00
	Sub-total (A)(2):	0	0	0	0	0	0	0	0	0.00
	<b>Total Shareholding of Promoter (A) = (1)+(A)(2)</b>	<b>4643000</b>	<b>0</b>	<b>4643000</b>	<b>63.02</b>	<b>4643000</b>	<b>0</b>	<b>4643000</b>	<b>63.02</b>	<b>0.00</b>
<b>(B)</b>	<b>Public Shareholding</b>									
<b>[1]</b>	<b>Institutions</b>									
	a) Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
	b) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
	c) Alternate investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
	d) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
	e) Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
	f) Financial Institutions/Bank	0	50	50	0.00	0	50	50	0.00	0.00
	g) Insurance Company	0	0	0	0.00	0	0	0	0.00	0.00
	h) Provident Funds/ Pension fund	0	0	0	0.00	0	0	0	0.00	0.00
	i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (B)(1):</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>0.00</b>	<b>0</b>	<b>50</b>	<b>50</b>	<b>0.00</b>	<b>0.00</b>
(2)	Central Government/ State Government/ President of India									
	Central Government/ State Government	1391	0	1391	0.02	0	0	0	0	-0.02
	<b>Sub Total (B)(2)</b>	<b>1391</b>	<b>0</b>	<b>1391</b>	<b>0.02</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-0.02</b>

<b>(3) Non-Institutions</b>									
a) Individuals.									
i) Individual Share holders holding nominal share capital up to Rs.1Lakh	839601	581553	1421154	19.29	895285	564573	1459858	19.81	0.52.
ii) Individual share holders holding nominal share capital in excess of Rs 1 Lakhs	548723	11200	559923	7.60	547975	0	547975	7.44	0.16
b) NBFC registered with	0	0	0	0	0	0	0	0	0
d)Overseas Depositories (holding DRs)Balancing figure)	0	0	0	0.00	0	0	0	0.00	0.00
e)Any Others(Specify)									
IEPF	0	0	0	0.00	1391	0	1391	0.02	0.02
Hindu Undivided Family	100071	0	100071	1.35	90602	0	90602	1.13	-0.12
Foreign Company	325300	0	32300	4.41	325300	0	325300	4.41	0.00
Non Resident Indian (Non Repat)	8543	475	9018	0.12	8643	475	9118	0.12	0.00
Non Resident Indian ( Repat)	14872	100	14972	0.20	14793	100	14893	0.20	0.00
Clearing Member	67268	0	67268	0.91	62473	0	62473	0.90	-0.01
Bodies Corporate	225671	0	225671	3.06	213158	0	213158	2.89	-0.17
Sub Total (B) (3)	2130049	593328	2723377	36.96	2159620	565148	2724768	36.98	0.02
Total Public Shareholding									
<b>(B)=(B)(1)+(B)(2)+(B)(3)</b>	<b>2131440</b>	<b>593328</b>	<b>2724818</b>	<b>36.98</b>	<b>2159620</b>	<b>565198</b>	<b>2724818</b>	<b>36.98</b>	<b>0.00</b>
<b>Total (A)+(B)</b>	<b>6774440</b>	<b>593378</b>	<b>7367818</b>	<b>100.00</b>	<b>6802620</b>	<b>565198</b>	<b>7367818</b>	<b>100.00</b>	<b>0.00</b>
(C) Non - Promoter-Non Public									
(1)Custodian/DR Holder	0	0	0	0.00	0.00	0	0	0.00	0.00
(2) Employee									
Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations 2014)	0	0	0	0.00	0.00	0	0	0.00	0.00
<b>Total (A)+ (B)+ (C)</b>	<b>6774440</b>	<b>533728</b>	<b>7367818</b>	<b>100</b>	<b>6802620</b>	<b>565198</b>	<b>7367818</b>	<b>100.00</b>	<b>0.00</b>

**(B) SHAREHOLDING OF PROMOTER**

Sr No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		NO.OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	NO.OF SHARES HELD	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	
1	Sudarshan S Chokhani	1523087	20.67	0.00	1523087	20.67	1.35	0.00
2	Shyantanu S Chokhani	1218200	16.53	0.00	1218200	16.53	0.00	0.00
3	Renu S Chokhani	1100725	14.94	0.00	1100725	14.94	0.00	0.00
4	Sudal Enterprises Pvt. Ltd	790488	10.73	0.00	790488	10.73	0.00	0.00
5	SudarshanShriramChokhani HUF	10500	0.14	0.00	10500	0.14	0.00	0.00
	<b>Total</b>	<b>4643000</b>	<b>63.02</b>	<b>0.00</b>	<b>4643000</b>	<b>63.02</b>	<b>1.35</b>	<b>-</b>



## V CHANGE IN PROMOTERS SHARE HOLDING

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

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

SI No.	Particulars	Shareholding at the beginning of the year - 2018		Transactions during the year		Cumulative Shareholding at the end of the year - 2019	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	REYNLDINTERNATIONAL	325300	4.41			325300	4.41
	AT THE END OF YEAR					325300	4.41
2	MADHUMILAN CREDIT CAPITAL PVT LTD	135100	1.83			135100	1.83
	AT THE END OF YEAR					135100	1.83
3	MAHENDRA GIRDHARILAL	89030	1.21			89030	1.21
	AT THE END OF YEAR					89030	1.21
4	SUMAN VINOD GOYANKA	65080	0.88			65080	0.88
	AT THE END OF YEAR					65080	0.88
5	SWASTIKA INVESTMENTLTD	41600	0.56			41600	0.56
	MARKET BUY			24/08/18	600	42200	0.57
				22.03/1	500	42700	0.58
	AT THE END OF YEAR					42700	0.58
6	KANTA KOTHARI	41000	0.56			41000	0.56
	AT THE END OF YEAR					41000	0.56
7	MANISHKUMAR SUMATILAL MEHTA	38829	0.53			38829	0.53
	AT THE END OF YEAR					38829	0.53
8	HARSHNAASHO SHAH	34902	0.47			34902	0.47
	MARKET BUY			27/04/18	231	35133	0.48
	MARKET BUY			04/05/18	50	35183	0.48
	AT THE END OF YEAR					35183	0.48
9	TAAN MAHARISHI	32900	0.45			32900	0.45
	AT THE END OF YEAR					32900	0.45
10	ASHOK MAGANLA SHAH	19450	0.26				
	MARKET BUY			02/11/18	3875	23325	0.32
	MARKET BUY			09/11/18	50	23375	0.32
	MARKET BUY			28/12/18	1400	24775	0.34
	MARKET BUY			08/02/19	1000	25775	0.35
	MARKET BUY			15/02/19	500	26275	0.36
	AT THE END OF YEAR					26275	0.6



## VII SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

## VIII INDEBTEDNESS

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	3417.52	803.24	0	4220.76
ii) Interest due but not paid	2102.68	427.22	0	2529.90
iii) Interest accrued but not due	4.94	0	0	4.94
<b>Total (i+ii+iii)</b>	<b>5525.14</b>	<b>1230.46</b>	<b>0</b>	<b>6755.60</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	1421.45	256.02	0	0
• Reduction	190.95	0	0	4.86
Net Change	1230.50	256.02	0	547.26
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3721.70	803.24	0	0
ii) Interest due but not paid	3030.53	683.24	0	2530.15
iii) Interest accrued but not due	3.41	0	0	0
<b>Total (i+ii+iii)</b>	<b>6755.64</b>	<b>1486.48</b>	<b>1486.48</b>	<b>6750.66</b>

**IX REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER**

Rs. in Lakhs

SI.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total
		SUDARSHAN S. CHOKHANI (MANAGING DIRECTOR)	MUKESH V ASHAR (WHOLE TIME DIRECTOR & CFO)	
1	Gross salary	42.00	7.52	49.52
(a)	Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	42.00	7.52	49.52
(b)	Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
(c)	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
-	as % of profit	0.00	0.00	0.00
-	others, specify	0.00	0.00	0.00
5	Others, please specify	0.00	0.00	0.00
	<b>Total (A)</b>	42.00	7.52	49.52
	<b>Ceiling as per the Act</b>	<b>42.00</b>	<b>42.00</b>	

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



**REMUNERATION TO OTHER DIRECTORS**

SI. No.	Particulars of Remuneration	Name of Directors				Total Amount in Rs.
		Mr. Manoj Shah (Independent Director)	Mr. Jal Thanawala (Independent Director)	Mr. Shyantanu Chokhani (Non Executive Director )	Ms. Neha Dhuru (Independent Director)	
1.	Independent Directors					
	• Fee for attending board / committee meetings	24000	28500	12000	10500	75000
	• Commission	0	0	0	0	0
		0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	<b>Total (1)</b>	<b>24000</b>	<b>28500</b>	<b>12000</b>	<b>10500</b>	<b>75000</b>
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	0	0	0	0	0
	• Others, please specify	0	0	0	0	0
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>24000</b>	<b>28500</b>	<b>12000</b>	<b>10500</b>	<b>75000</b>
	<b>Total Managerial Remuneration</b>					
	<b>Overall Ceiling as per the Act</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>	<b>N.A.</b>

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

(₹ In Lakhs)

SI. No.	Particulars of Remuneration	Key Managerial Personnel NIL	Total Amount
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 7(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		
	- as % of profit		
	- others, specify		
5	Others, please specify		
	<b>Total</b>		

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

• **PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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

**Registered Office**

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

**For and on behalf of the Board of Directors  
For Sudal Industries Limited**

Sd/-

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

Sd/-

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

**Place: Mumbai  
Date: 30th May, 2019**



## ANNEXURE VI

### EXTRACT OF ANNUAL RETURN

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

#### (A) CONSERVATION OF ENERGY

##### (1) Measures taken to Conserve Energy

##### Measures taken to Conserve Energy

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

##### (2) Additional Investment Proposed

a)	Install Automatic Operated air Control Valve for homo furnace	To Reduce LPG Consumption
b)	Replace Blower motor From 7.5 HP to 5.0 Hp.	To Reduce Electricity Consumption
c)	Replace Billet Heater Conventional Burner With Ratio control Valve PID operated burner system.	To Reduce LPG Consumption

##### 3) Impact of (I) and (II) Above:

We reduce the power consumption, Maximum Demand & improve efficiency.

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

## FORM A

## Disclosure of particulars with respect to conservation of energy

Sr No.	Particulars		Current Year 2018-19	Previous Year 2017-18
<b>A</b>	<b>Power and Fuel Consumption</b>			
1.	Electricity			
A)	Purchased	(Units)	4219200	3208850
		(Total Amount `)	35577867	26007540
		(Average rate/Unit-`)	8.43	8.10
B)	Own Generation			
(i)	Through Diesel Generator	(Units)	—	—
		Units/litres of Diesel Oil	—	—
		(cost/Unit-`)	—	—
(ii)	Through Gas	(Units- Kgs)		
	(Total Amount ₹)	Cost per Kg	—	—
2.	Gas	Purchased units	443670	406950
		(Total Amount ₹)	20666482	14498058
		Cost per Kg	46.58	35.63
3.	Coal (Specify Quantity & where used)	Qty (Tons)	—	—
		(Total cost ₹)	—	—
		(Average Rate/Ton- ₹)	—	—
4.	Furnace Oil	(Quantity-Kg)	902898	599113
		Total Amount-₹)	33827951	14311979
		(Average rate/Kg-₹)	37.47	23.89
5.	Other (Internal Generation)	(Quantity)	—	—
		(Total Cost)	—	—
		(Average cost/Unit-₹)	—	—
<b>B</b>	<b>Consumption per ton of production</b>			
-	Electricity			
-	Furnace Oil	(Units)	629.06	671.60
	Aluminium Billets (For casting)	(Kgs)	95.02	98.29
	Alloy			
	Coal			
	Others (Specify)			

**(B) TECHNOLOGY ABSORPTION**

Efforts made towards technology absorption	For the year under review no new efforts were made
Benefits derived like product improvement, cost reduction, product development or import substitution	No benefits derived
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	No technology imported
Year of import	-
Whether the technology has been fully absorbed	Technical assistance for extrusion die.
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Design, manufacturing and correction. Extrusion ageing homogenizing etc., maintenance practices recommended by Reynolds, Germany have been put to practices as per the training to engineer of the Company.
Expenditure incurred on Research and Development	(₹ in Lakhs)
	Capital -
	Recurring <u>0</u>
	Total <u>0</u>
	Total R & D expenditure as a Percentage of Turnover _____ (Approx.)

**(C) Foreign exchange earnings and Outgo:**

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

**Registered Office**

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

**For and on behalf of the Board of Directors  
For Sudal Industries Limited**

Sd/-

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

Sd/-

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

**Place: Mumbai**

**Date: 30th May, 2019**

## Company : SUDAL INDUSTRIES LTD. 506003

Period: Year 2018 to Year 2019

All Prices in ₹

Year	Open	High	Low	Close	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* @ Spread	
										H-L	C-O
2018	11.99	17.35	9.06	10.95	82,470	262	11,80,671	80,620	97.76	8.29	-1.04
2019	4.35	8.80	4.35	8.80	72,566	120	4,77,557	72,566	100.00	4.45	4.45

\* Spread

H-L : High-Low

C-O : Close-Open

Note: Kindly download the csv file to view all records



## MANAGEMENT AND DISCUSSION ANALYSIS

Aluminium - the third most abundant element in the earth's crust finds its implementation in many sectors due to its environment and user -friendly nature - in Building and Construction (B&C), power sector, automotive, packaging, household appliances etc. The surge in the demand of this youngest metal of the non-ferrous metal industry is indicated to the escalating infrastructural development of the country. According to a recent issue of the European Journal of Business and Management, published by International Institute for Science, Technology and Education, the overall consumption of aluminium in India is projected to be about 5 million tonnes by 2015, and 10 million tonnes by 2020.

India is considered to be the fifth largest producer of aluminium in the world with a tremendous bauxite reserve of about 3 billion tonnes. While the major consumption of aluminium in India is done by the electrical (31%) and B&C sectors (13%), the future growth is envisaged to happen in the solar power and industrial sector. One is witnessing the rapid development of this industry with a phenomenal growth noticed since 2002 and the industry is posed to play a significant role in the future growth of the Indian economy.

### **Aluminium Extrusions - The Pros And Cons**

India's per capital consumption of aluminium extrusion is amongst the lowest in the world. The B&C industry which is the major consumer of aluminium extrusions in India (followed by the industrial and the transport segment) uses aluminium extrusions in prefabricated structures, windows and door frames systems, curtain walling, roofing and exterior cladding, space frame systems, geodesic domes, canopies, bridge decks, atriums, arches, etc. The popularity of aluminium formwork and shutters is also on the mount as it augments construction speed. There exists today an assortment of aluminium extrusion profiles in the market which are fabricated and are customised according to the specific requirements.

In an environment where green buildings are talk of the day, aluminium extrusions are present for a number of green solutions in buildings. This include those for Double skin curtain walling, Photo Voltaic integrated systems, thermal breaks, sun light louvers and unitized solutions.

However, there are also a number of disadvantages of the Indian aluminium extrusion industry amongst which cost remains a major issue. High operational costs (rendering the profits on the lower side), higher administrative expenses per unit of manufacturing and sale of finished products (due to the sufficient staff that needs to be employed) are a hindrance. Many agree that though quality extrusions might cost more, but they come to an advantage in the longer run since the life costs become reasonable.

One of the major uses of secondary aluminium (recycled aluminium) happens in extrusion in which case the primary metal is either imported (and processed by the secondary extruders at their own fabrication plants) or acquired through domestic producers. Since most of the domestic production is exported or is for captive consumption, the secondary players depend heavily on imported aluminium which again due to high import duties is expensive.

Technically too, the industry is witnessing some drawbacks. The smaller size of extrusion that can be manufactured technically (weight per meter and length) is an impediment where heavy, longer and big sized extrusions are required. In this regard, Hindalco will be adding a 5000 tons pressure extrusions press with 13.5 inches container size, thereby enabling bigger width & complex profiles in the country.

Also though the total capacity for aluminium extrusions in India is about 4,00,000 tonnes the industry of aluminium extrusion is highly fragmented with over 60 manufacturers of aluminium extrusions.



**THE COMPANY'S PRODUCT MIX**

During the year ,Engineering and electricals have contributed about 40%- 50% of revenue. In Coming year Company expects increase in shares from Power, Building & Construction and Auto with the initiative of Government

**HUMAN RESOURCES AND INDUSTRIAL RELATIONS:**

Workers management relation during the year was generally cordial.

**CAUTIONERY STATEMENT**

Statement in this Management Discussion analysis Company's estimates and expectations may be based on current policies and laws prevailing. However ,the actual performance may differ from those estimated and expected.

**BY ORDER OF BOARD OF DIRECTORS  
FOR SUDAL INDUSTRIES LIITED**

**SUDARSHAN S CHOKHANI  
MANAGING DIRECTOR  
DIN NO 00243355**

**MUKESH V ASHAR  
CFO & DIRECTOR  
DIN NO 06929024**

**Place : Mumbai**

**Date : 30th May,2019**