

Report on Corporate Governance

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

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

BOARD OF DIRECTORS

- i. The Company has six Directors. Out of the six Directors, four are Non-Executive Directors out of which three are Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- ii. None of the Directors on the Board hold directorships in more than ten public companies. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a Director. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2018 have been made by the Directors. None of the Directors are related to each other except Shri Lalit Kumar Daga and Shri Shailesh Daga.
- iii. Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.
- iv. Four Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the said meetings were held: May 30, 2017, September 14, 2017, December 14, 2017 and February 14, 2018. The necessary quorum was present for all the meetings.
- v. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting (AGM) and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2018 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Director	Category	No. of Board Meetings attended during the years	Whether attended last AGM held on 31.08.2017	No. of Directorship in other Public Companies	No. of Committee position held in other Public Companies
Shri Lalit Kumar Daga (Chairman)	Non-Executive	4	Yes	1	1
Shri Shailesh Daga (Managing Director)	Executive	4	Yes	1	-
CA. Sudhir Goel (Whole-Time Director)	Executive	4	Yes	1	3
Shri Navinchandra Shah	Independent Non-Executive	2	Yes	2	2
Shri Sundeep Mohta	Independent Non-Executive	3	No	-	-
Mrs Renu Somani	Independent Non-Executive	4	No	1	1

- vi. During the year 2017-18, information as mentioned in Schedule II Part A of the SEBI Listing Regulations, has been placed before the Board for its consideration.
- vii. During the year Meeting of the independent directors was held on 14th February, 2018. The Independent Directors inter-alia, reviewed the performance of non-independent directors, chairman of the company and the Board as a whole. The necessary quorum was present for all the meetings.

viii. Details of equity shares of the Company held by the Directors as on March 31, 2018 are given below:

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

AUDIT COMMITTEE

Audit Committee is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Act.

The Extract of Terms of Reference of the Committee is as under;

- Oversight of financial reporting process.
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the board for approval.
- Evaluation of internal financial controls and risk management systems.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.

The Composition of Members of Audit Committee and the details of meetings attended are given below:

Name of Member	Category	No. of Meetings Held	Attended
Shri Navinchandra Shah (Chairman)	Independent Non-Executive	4	4
Shri Sundeep Mohta	Independent Non-Executive	4	4
CA. Sudhir Goel	Whole-Time Director	4	4

NOMINATION & REMUNERATION COMMITTEE

Committee is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Act.

The Extract of Terms of Reference of the Committee is as under;

- Recommend to the Board the setup and composition of the Board and its committees.
- Recommend to the Board the Appointment/Re-appointment of Directors and Key Managerial Personnel. Carry out evaluation of every director's performance and support the Board and Independent Directors in evaluation of the performance of the Board, its committees and individual directors.
- Recommend to the Board the Remuneration Policy for directors, executive team or Key Managerial Personnel as well as the rest of employees
- Oversee the Human Resource philosophy, Human Resource and People strategy and Human Resource practices including those for leadership development, rewards and recognition, talent management and succession planning.
- Oversee familiarisation programmes for directors.
- Recommend to the Board on voting pattern for appointment and remuneration of directors on the Boards of its material subsidiary companies

Composition of Members of Nomination & Remuneration Committee the details of meetings attended are given below;

Name of Member	Category	No. of Meetings Held	Attended
Shri Navinchandra Shah (Chairman)	Independent Non-Executive	2	2
Shri Lalit Kumar Daga	Non-Executive	2	2
Shri Sundeep Mohta	Independent Non-Executive	2	-

Board Membership:

The Nomination and Remuneration Committee is responsible to formulate the criteria for appointment of a Director and review the said criteria for determining the qualifications, skills, positive attributes necessary for inducting members on the Board. The Committee is also responsible for screening the candidates who meet the criteria, reviewing their appointment/re-appointment and making recommendations to the Board in this regard.

Some of the parameters considered by the Nomination and Remuneration Committee while recommending the appointment of a Director to the Board, include:

- Composition of the Board
- Desired diversity on the Board
- Appropriate balance of skills, experience and knowledge
- Professional qualification, expertise and experience in specific area of business;
- Any present or potential conflict of interest;
- Ability to devote sufficient time and attention to his professional obligation for informed and balanced decision; and
- Ability to uphold ethical standards of integrity and probity in accordance with the Company's values.

Performance Evaluation Criteria for Independent Directors:

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

Remuneration Policy:

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its managing director and the executive directors. Annual increments are decided by the nomination and remuneration committee (NRC) within the salary scale approved by the members of the Company and are effective April 1 each year. NRC decides on the commission payable to the managing director and the executive director out of the profits for the financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as managing director and executive director of the Company.

Except for sitting fees for attending board as well as committee meetings the company does not pay any remuneration to its non-executive directors.

Details of the remuneration & sitting fee paid to the Directors of the Company for the financial year 2017-18 are as follows:

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Name of Directors	Relationship with other Directors	Sitting Fees for Board meetings as well as various committees meetings	Remuneration
Shri Lalit Kumar Daga	Father of Shri Shailesh Daga	19,500/-	NIL
Shri Shailesh Daga	Son of Shri Lalit Kumar Daga	6,000/-	21,00,000/-
CA. Sudhir Goel	-	22,500/-	33,60,000/-
Shri Navinchandra Shah	-	16,500/-	NIL
Shri Sundeep Mohta	-	15,000/-	NIL
Mrs Renu Somani	-	7,500/-	NIL

STAKEHOLDERS RELATIONSHIP COMMITTEE

Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with section 178 of the Act.

The Extract of Terms of Reference of the Committee is as under;

- Consider and resolve the grievances of security holders
- Consider and approve issue of share certificates, transfer and transmission of securities, etc

The constitution of the stakeholders Relationship Committee of the Board of Directors of the Company along with details of the meeting held and attended by the members of the Committee during the financial year 2017-18 is detailed below:

Name of Member	Category	No. of Meetings Held	Attended
Shri Lalit Kumar Daga (Chairman)	Non-Executive /Chairman	6	6
Shri Sudhir Goel	Whole-Time Director	6	6

Details pertaining to the number of complaints received and responded and the status thereof during the financial year 2017-18 are given below as on 31st March, 2018:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
0	1	1	0

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Committee is constituted in line with the provisions of Section 135 of the Act.

The Extract of Terms of Reference of the Committee is as under;

- Formulate and recommend to the board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act.
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy.
- Monitor the CSR Policy.

Composition of the Committee are given below:

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

GENERAL BODY MEETINGS

Location and time, where last 3 Annual General Meetings held

Financial Year	Date	Time	Venue
2014-2015	27th August, 2015	11.00 a.m	Maheshwari Pragati Mandal, Mumbai – 400 002
2015-2016	22nd August, 2016	11.00 a.m	
2016-2017	31st August, 2017	11.00 a.m	

Whether special resolutions passed in the previous 3 AGMs. – No

OTHER DISCLOSURES

- There is no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- Details of non-compliance by the Company, penalties, structures imposed on the Company by the stock exchanges or the SEBI or any statutory authority, on any matter related to capital markets, during the last three years 2015-16, 2016-17 and 2017-18 respectively: Nil.
- The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as define under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee.
- The Company has duly fulfilled the following discretionary requirements as prescribed in Schedule II Part E of the SEBI Listing Regulations:
 - The auditors' report on statutory financial statements of the Company are unqualified.

- b. Shri Lalit Kumar Daga is the Chairman of the Company and Shri Shailesh Daga is the Managing Director of the Company. The Company has complied with the requirement of having separate persons to the post of Chairman and Managing Director
- c. Internal auditors of the Company, make presentations to the audit committee on their reports.
- v. Reconciliation of share capital audit: A qualified practicing Company Secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (“NSDL”) and the Central Depository Services (India) Limited (“CDSL”) and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.
- vi. Code of Conduct

The member of the board and senior management personnel have affirmed the compliance with Code of conduct for the financial year 2017-18. The annual report of the Company contains a certificate by the Managing Director and CFO in terms of SEBI Listing Regulations on the compliance declarations received from Board of Directors and Senior Management.

The Corporate Governance Report forms part of the Annual Report. Your Company has complied with all the mandatory requirements of regulation 17 to 27 read with Schedule V and clause (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations.

FAMILIARISATION PROGRAMMES FOR BOARD MEMBERS

Policy on familiarisation programmes for Independent Directors are put up on the Company’s website and can be accessed at www.associatedgroup.com/hail/investors.htm

MEANS OF COMMUNICATION

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

EQUITY SUSPENSE ACCOUNT

In accordance with the requirement of Regulation 34 (3) and Schedule V Part F of SEBI Listing Regulations, no share of the company is in suspense account.

AUDITORS’ CERTIFICATE ON CORPORATE GOVERNANCE

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

GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting for the FY 2017-2018
 - Date : 27th September, 2018, Thursday
 - Time : 11.00 a.m.
 - Venue : Maheshwari Pragati Mandal-Mumbai’
1st Floor, Maheshwari Bhavan,
603, Jagannath Shankar Sheth Marg,
Cheera Bazar, Marine Lines (E),
Mumbai – 400 002.
2. Financial Calendar
 - Year ending : March 31
 - AGM in : September
 - Dividend Payment : The final dividend, if declared, shall be paid /
Credited on or after 01.10.2018
3. Dates of Book Closure /Record Date : 26th September, 2018 to 27th September, 2018(both days inclusive)
4. Corporate Identification Number (CIN) : L28920MH1987PLC043472

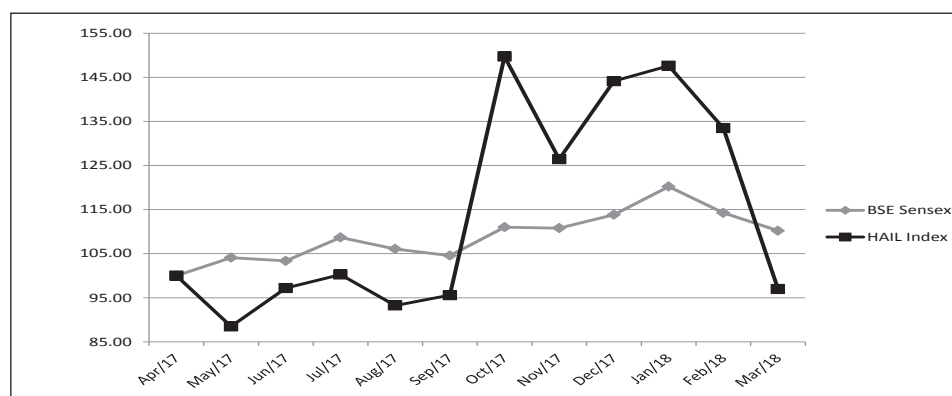
HIND ALUMINIUM INDUSTRIES LTD.

5. Registered Office : Hind Aluminium Industries Ltd.
CIN: L28920MH1987PLC043472
B-1, Tulsi Vihar, Dr.A.B. Road,
Worli Naka, Mumbai – 400 018.
Tel.: (022) 40457100
Fax: (022) 24936888
Email: hind@associatedgroup.com
6. Listing Details : BSE Ltd.(“BSE”)
P. J. Towers, Dalal Street,
Mumbai – 400 001.
7. Stock Code : 531979
Listing fees as applicable has been paid.
8. ISIN allotted to Equity Shares : INE227B01019

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

Month	Open Price	High Price	Low Price	Close Price	No.of Shares
Apr-17	91.35	104.00	90.75	96.05	57232
May-17	99.90	104.95	84.00	85.00	97035
Jun-17	87.70	94.50	83.05	93.35	39888
Jul-17	93.00	104.40	90.35	96.30	81914
Aug-17	96.30	98.15	83.50	89.55	61881
Sep-17	89.55	105.50	88.00	91.80	107662
Oct-17	94.75	146.00	90.10	143.80	314669
Nov-17	148.00	158.40	117.00	121.45	188329
Dec-17	128.00	144.75	117.75	138.45	163735
Jan-18	140.50	174.90	134.00	141.80	453102
Feb-18	142.00	154.95	120.00	128.20	136377
Mar-18	125.45	129.30	87.00	93.15	314895

10. Stock Performance



11. Registrar and Transfer Agents (RTA) : Bigshares Services Pvt. Ltd.
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis Apartments,
Marol Maroshi Road, Andheri (East)
Mumbai-400 059
Tel.022-62638200/204
Fax No.022-62638299
Email: investor@bigshareonline.com

12. Share Transfer System : Share transfer in physical form are dispatched Within the prescribed time limit, if documents are clear in all respect.
The trading in the Company's share are permitted Only in the dematerialized segment.
13. Investors Service : Complaints received during the year is mentioned in Corporate Governance report.

14. Distribution of Shareholding as on 31st March, 2018

No. of Shares		Shareholders		Shareholding	
		No.	% of total no. of shareholders	No. of share	% of total Capital
1	500	3424	86.79	511523	8.12
501	1000	256	6.49	200813	3.19
1001	2000	123	3.12	188795	2.99
2001	3000	54	1.37	137410	2.18
3001	4000	19	0.48	67457	1.07
4001	5000	13	0.33	60166	0.96
5001	10000	23	0.58	166016	2.63
10001	and above	33	0.84	4968020	78.86
TOTAL		3945	100.00	63,00,200	100.00

15. Categories of equity shareholders as on 31st March, 2018

Category	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
Indian Promoters	14	0.35	39,13,952	62.12
Corporate Bodies	70	1.77	5,84,972	9.29
NRIs/OCBs	57	1.45	39,508	0.63
Indian Public	3804	96.43	17,61,768	27.96
Total	3945	100.00	63,00,200	100.00

16. Dematerialisation of Shares and Liquidity : 96.99 % Equity shares of your company have been Dematerialized upto 31st March, 2018
17. Plant Location
Aluminium Wire Rod & Conductors : Survey No.1/1 & 1/2, Village Khutali, Khanvel-Doodhani Road, Silvassa – 396230 (UT of DNH)
18. Investor correspondence : For shares held in physical form
Bigshares Services Pvt Ltd.
CIN: U99999MH1994PTC076534
1st Floor, Bharat Tin Works Building,
Opp.Vasant Oasis Apartments,
Marol Maroshi Road, Andheri (East), Mumbai-400 059
Tel.022-62638200
Fax No.022-62638299
Email: investor@bigshareonline.com
- For shares held in demat form
Your Depository Participant (DP)
- Any other queries
Ms. Sakshi Sharma
Compliance Officer / Company Secretary
Hind Aluminium Industries Ltd.
B-1, Tulsi Vihar, Dr.A.B.Road, Worli Naka,
Mumbai – 400 018
Tel.: (022)-40457100
Email: deepak@associatedgroup.com/sakshi@associatedgroup.com

MD/ CFO Certificate

To,
The Board of Directors
Hind Aluminium Industries Limited

1. We have reviewed financial statements and the cash flow statement of Hind Aluminium Industries Limited for the year ended 31st March, 2018 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - (i) that there are no significant changes in internal control over financial reporting during the year;
 - (ii) that there are no significant changes in accounting policies during the year; and
 - (iii) that there are no instances of significant fraud of which we have become aware

Shailesh Daga
Managing Director

Mahendra Kumar Jain
Chief Financial Officer

Date: - June 15, 2018
Place:-Mumbai

Auditor's Certificate on Corporate Governance

(In terms of Regulation 34(3) and Schedule V (E) of SEBI (Listing Obligation and Disclosure requirement) Regulations, 2015

To the Members of
Hind Aluminium Industries Ltd.

We have examined the compliance of the conditions of corporate governance by Hind Aluminium Industries Limited (the "Company") for the year ended 31st March, 2018 as stipulated in Regulations 17 to 27 and Clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure requirement) Regulations, 2015.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance to the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to explanations given to us, and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations.

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

For MOTILAL & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106584W)

CA. MUKESH P. MODY
Partner
M.No.FCA 042975

Mumbai, 15th June, 2018